

Guide to Participation of CMS Accountable Care Organizations in the 2012 Physician Quality Reporting System and 2012 Electronic Prescribing Incentive Program Group Practice Reporting Option

Introduction

On October 20, 2011, the Centers for Medicare & Medicaid Services (CMS) finalized new rules under the Patient Protection and Affordable Care Act (Affordable Care Act) to help doctors, hospitals, and other health care providers better coordinate care for Medicare patients through Accountable Care Organizations (ACOs). Coordinated care helps to ensure that patients, especially the chronically ill, get the right care at the right time, with the goal of avoiding unnecessary duplication of services and preventing medical errors. When an ACO succeeds in both delivering high-quality care and spending health care dollars more wisely, the Medicare Shared Savings Program (Shared Savings Program) will reward ACOs that lower their growth in health care costs while meeting performance standards on quality of care and putting patients first.

The Affordable Care Act allows CMS to incorporate Physician Quality Reporting System (Physician Quality Reporting) reporting requirements and incentive payments into the Shared Savings Program. ACO participants that include providers/suppliers who are also eligible professionals for purposes of the Physician Quality Reporting will earn the Physician Quality Reporting System incentive as a group practice under the Shared Savings Program, by reporting required clinical quality measures through the ACO Group Practice Reporting Option (GPRO) web interface. For 2012, the ACO GPRO measures will be used for Physician Quality Reporting incentive purposes and eligible professionals in ACOs must participate in the Physician Quality Reporting through the Shared Savings Program if they wish to earn a Physician Quality Reporting incentive payment.

The Pioneer ACO Model adopted the same quality measures reporting criteria and Physician Quality Reporting incentive eligibility criteria as the Shared Savings Program.

2012 Physician Quality Reporting System

Background

The 2006 Tax Relief and Health Care Act (TRHCA) required the establishment of a physician quality reporting system, including an incentive payment for eligible professionals who satisfactorily report data on quality measures for covered professional services furnished to Medicare beneficiaries during the second half of 2007 (the 2007 reporting period). CMS named this program the Physician Quality Reporting Initiative (PQRI). The PQRI was further modified as a result of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (MMSEA) and the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA). In 2011, the program name was changed to Physician Quality Reporting System (Physician Quality Reporting).

For each program year, CMS implements Physician Quality Reporting through an annual rulemaking process published in the Federal Register (Statute Regulations Program Instructions: http://www.cms.gov/PQRS/05_StatuteRegulationsProgramInstructions.asp).

Accountable Care Organization Participation in the 2012 Physician Quality Reporting System

Physician Quality Reporting eligible taxpayer identification numbers (TINs) within ACOs will be eligible to receive the Physician Quality Reporting incentive payments for each calendar year in which they fully and completely report the ACO GPRO measures, regardless of the ACO's start date or generation of

shared savings, allowing ACOs joining the Pioneer ACO Model in January of 2012 or the Shared Savings Program in April or July of 2012 the opportunity to participate. ACO providers/suppliers who are eligible professionals within an ACO may only participate under their ACO participant taxpayer TIN as a group practice under the Shared Savings Program or Pioneer ACO Model for purposes of receiving an incentive payment under the Physician Quality Reporting. No separate self-nomination for GPRO participation is required by an ACO or individual TIN. To ensure no duplication in Physician Quality Reporting incentive payments, CMS will notify the Physician Quality Reporting of TINs that become part of an ACO.

An ACO, on behalf of its providers/suppliers who are eligible professionals, must satisfactorily report the ACO GPRO quality measures during the reporting period in order to receive a Physician Quality Reporting incentive payment under the Shared Savings Program. Eligible professionals within an ACO who qualify for a Physician Quality Reporting incentive payment in each ACO participant TIN will receive an incentive, for those years an incentive is available, based on the allowed Medicare Part B charges under the physician fee schedule (PFS) for that TIN.

Each Physician Quality Reporting eligible TIN will receive its own payment. The payment will be based on all eligible professional allowed Medicare Part B charges under the TIN, regardless of whether the eligible professional is participating as an ACO provider/supplier. That is, an individual healthcare professional who is eligible to participate in Physician Quality Reporting, has re-assigned billing rights to a TIN that is a Pioneer ACO, but as an individual provider has decided not to be affiliated with the Pioneer ACO, is not eligible to earn a separate Physician Quality Reporting System incentive under the same TIN.

For both Pioneer ACOs and MSSP ACOs, the first year of quality reporting (2012) through the ACO GPRO web interface for Physician Quality Reporting incentive payments purpose will be in 2013.

2012 Electronic Prescribing Incentive Program Group Practice Reporting Option

Background

Section 132 of the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) authorizes a new and separate incentive program for eligible professionals who are successful electronic prescribers as defined by MIPPA. This new incentive program, which began on January 1, 2009, is separate from and is in addition to the Physician Quality Reporting program. Beginning with calendar year 2012, CMS will apply payment adjustments for eligible professionals who are not successful eRx providers.

Accountable Care Organization Participation in the 2012 Electronic Prescribing Incentive Program Group Practice Reporting Option

While the Medicare Shared Savings Programs final rule does not incorporate payments for the Electronic Prescribing (eRx) Incentive Program under the Shared Savings Program, eligible professionals in ACOs may still participate in the eRx Incentive Program. Eligible professionals do not need to participate in Physician Quality Reporting to participate in the eRx Incentive Program via individual reporting.

Unlike Physician Quality Reporting, the eRx Incentive Program participation via group reporting is not automatic. An ACO participant TIN can self-nominate to the eRx Incentive Program Group Practice Reporting Option (GPRO) via the standard eRx Incentive Program GPRO self-nomination period. Because the self-nomination period for group practices runs from January 1 through January 31, 2012, only certain ACOs are eligible to participate in the eRx GPRO during 2012. These include Pioneer ACOs, and ACOs that transfer from the 2012 Physician Quality Reporting GPRO program or Physician Group Practice Transition Demonstration to the Medicare Shared Savings Program for an April or July 2012

start date. This limitation is put in place so that no ACOs are adversely impacted due to the eRx payment adjustments assessed given the timing of their participation.

Pioneer ACOs interested in self-nominating to the eRx Incentive Program GPRO should review the guidance posted at: http://www.cms.gov/PQRS/Downloads/2012_GPRO_Requirements_01032012.pdf or by going to <http://cms.hhs.gov/pqrs>, clicking the “Group Practice Reporting Option” link on the left, scrolling down the page to “Downloads,” and selecting the document titled “2012 Group Practice Reporting Option (GPRO) Requirements.”

Additional information on the Physician Quality Reporting System is available at:
<http://www.cms.gov/pqrs>

Additional information on the eRx Incentive Program is available at: <http://www.cms.gov/ERxIncentive>