Updates to the Medicare E-Prescribing Program

It’s Already July! Now What?

July 18, 2011
Agenda

• Describe guidelines for eRx
  – 2011 incentive/2012 penalty
  – 2012 incentive/2013 penalty
  – 2013 incentive/2014 penalty

• Review current and proposed significant hardship exceptions

• Sharing FPSC members’ experiences with eRx reporting

• Recap proposed regulations for group reporting

• Questions/Discussion
## Current Guidelines for Individual E-Prescribing

<table>
<thead>
<tr>
<th>Receive 1.0% Incentive Payment in 2011</th>
<th>AVOID 1.0% Payment Reduction in 2012</th>
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<td><strong>Must meet all of the following:</strong></td>
<td><strong>All EPs are subject to the penalty unless one of the following apply:</strong></td>
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<td>1. Meet EP definition</td>
<td>1. Not a physician, NP, or PA on 6/30/11</td>
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<td>2. Use a qualified system</td>
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<td>3. Be “successful e-prescriber”</td>
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<td>- 25 reporting events</td>
<td>4. Encounters listed in denominator &lt;10% of allowed charges</td>
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<tr>
<td>4. Encounters listed in denominator</td>
<td>5. Significant hardship*</td>
</tr>
<tr>
<td>&gt;10% of Medicare Part B allowed charges</td>
<td>6. Be “successful e-prescriber”</td>
</tr>
<tr>
<td>5. No Medicare EHR Incentives in 2011</td>
<td>- 10 reporting events in Q1 &amp; Q2 2011</td>
</tr>
</tbody>
</table>

*Must report G-code to indicate exception applies 5/26/2011 – CMS released a proposed rule adding four more exceptions*
Latest Data Shows Variability in eRx Reporting Among FPSC Members

![Graph showing variability in eRx reporting among FPSC members from January to June 2011. The graph depicts the number of providers reporting different levels of eRx activity.](image-url)
The 2012 eRx Penalty Checklist

Did eligible professional (EP) report at least 10 eRx events to Medicare via claims January – June 2012?

YES

WHEW!

Not subject to 1% penalty in 2012

NO

1. Is EP subject to the penalty?
2. Can EP qualify for a significant hardship exception?
Not Subject to the Penalty If…

- Not a physician, NP, or PA on 6/30/11
- Did not have prescribing privileges*
- Fewer than 100 Medicare Part B encounters** from Jan-Jun 2011
- Encounters** are less than 10% of EP’s total Medicare Part B allowed charges from Jan-Jun 2011
- “Significant hardship” – 4 new categories proposed 5/26/11

* Had to report G8644 to indicate EP did not have prescribing privileges
** As listed in the denominator
NEW!! Additional Proposed Significant Hardship Exceptions*

1. EPs who register in the EHR incentive programs and have adopted a certified EHR
   • Register to participate in the Medicare/Medicaid EHR incentive program
   • Adopt Certified EHR Technology (supply certification number of system)
   • Attest that EP intends to qualify for a EHR incentive in 2011

*These exceptions are in addition to the previous exceptions for rural areas with limited high-speed internet access and for areas where limited number of pharmacies can accept e-prescriptions
Proposed Hardship Exceptions Cont.

2. Inability to e-prescribe due to laws & regulations
   - EPs who prescribe a large amount of narcotics
   - EPs who practice in a state that prohibits/limits transmission of eRx via a 3rd party network

3. Limited prescribing activity*
   - NP who may not write prescriptions under his/her own NPI
   - MD who lets his/her DEA registration expire
   - EP who prescribed fewer than 10 times from Jan-Jun 2011

*Proposed exceptions for 2013/2014 describes this as EP prescribing fewer than 100 prescriptions during the 6-month payment adjustment reporting period
Proposed Hardship Exceptions Cont.

4. Insufficient opportunities to report eRx due to the limitation of the measure denominator
   • EPs who e-prescribe, but does not normally write prescriptions associated with visits.
Requesting an Exception

• Data needed
  • TIN, NPI, name, mailing address and e-mail address of all affected EPs
  • Significant hardship categories with justification statement describing how compliance with the requirement would result in significant hardship
  • Attestation of the accuracy of the information provided
Submission & Timeline

• Submit by Web tool (if available) or mail (if Web tool not available)

• Exceptions need to be requested by Oct 1, or within 5 days of rule being finalized (if rule is finalized after October 1)
Other tidbits

• Also includes a provision allowing certified EHRs to be “qualified” e-prescribing systems (after rule is finalized)

• Proposed rule:

• Comments due July 25
Other Options for 2011

• Try to earn the incentive!!!
  – 1% incentive on 2011 Medicare Part B allowed charges
  – Can submit data through claims, registry, or EHR
  – Report at least 25 eRx events
    • Automatically avoids the 1.5% penalty in 2013
Poll - Question # 1

• How many significant hardship exceptions do you expect your practice will request?
  – None
  – Fewer than 25
  – 25-100
  – 101-200
  – Over 200
  – Unsure
Poll - Question #2

• Which exceptions do you expect to use?
  – Adopting EHR for Meaningful Use
  – Not able to prescribe due to federal/local regulations
  – Does not prescribe
  – Cannot report due to limitations in the denominator
  – None of the above
### Looking Forward

<table>
<thead>
<tr>
<th>Year</th>
<th>Possible Incentive</th>
<th>Potential Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>1.0%</td>
<td>1.0%</td>
</tr>
<tr>
<td>2013</td>
<td>0.5%</td>
<td>1.5%</td>
</tr>
<tr>
<td>2014</td>
<td>N/A</td>
<td>2.0%</td>
</tr>
<tr>
<td>2015</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

The Medicare Physician Fee Schedule Proposed rule, released July 1, 2011, proposes criteria for earning the 2012 and 2013 incentives as well as avoiding the 2013 and 2014 penalties.
Proposed Changes

• 2 reporting periods to avoid penalty
• Registry, EHR or claims submission for 6-month reporting period
• Removing requirement to associate e-prescribing with an encounter for 6-month reporting period
• Changes to the hardship exceptions
Reporting Time Periods

**CY 2011**
- January – December 2011: report 25 times
- 2011 Incentive (+1.0%)

**CY 2012**
- Jan – Jun 2012: report 10 times
- Avoid 2013 Penalty (-1.5%)
- January – December 2012: report 25 times
- 2012 Incentive (+1.0%)

**CY 2013**
- Jan – Jun 2013: report 10 times
- Avoid 2014 Penalty (-2.0%)
- January – December 2013: report 25 times
- 2013 Incentive (+0.5%)
# 2012 Incentives/2013 Penalties

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<tr>
<td></td>
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</tr>
</tbody>
</table>

*Certified EHR included in the definition of “qualified EHR”

** Must report G-code G8644 to indicate exception applies
## 2013 Incentives/2014 Penalties

<table>
<thead>
<tr>
<th>Receive 0.5% Incentive Payment in 2013</th>
<th>AVOID 2.0% Payment Reduction in 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Must meet all of the following:</strong></td>
<td><strong>All EPs are subject to the penalty unless one of the following apply:</strong></td>
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<tr>
<td>1. Meet EP definition</td>
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*Certified EHR included in the definition of “qualified EHR”

** Must report G-code G8644 to indicate exception applies
No Denominator Requirement for Reporting in 6-Month Period

“Unlike the reporting criteria for the incentive payments …for purposes of the 2013 and 2014 payment adjustments, … an eligible professional would be able to report the measure's numerator for any Medicare Part B PFS service provided during the reporting period, regardless of whether the code for such service appears in the denominator.…”

(Medicare Physician Fee Schedule Proposed Rule, “Proposed Requirements for the 2013 and 2014 eRx Payment Adjustments – Individual Eligible Professionals”)
## Example of No Denominator Requirement

<table>
<thead>
<tr>
<th>eRx Date</th>
<th>Associated Service</th>
<th>Credit for 2012 Incentive</th>
<th>Credit for avoiding 2013 Penalty</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/1/12</td>
<td>99213 – Office Visit</td>
<td>Yes</td>
<td>Yes</td>
<td>Counts for both because 99213 is in the eRx denominator</td>
</tr>
<tr>
<td>3/1/12</td>
<td>93000 – ECG</td>
<td>No</td>
<td>Yes</td>
<td>Code is not in the eRx denominator, but can count towards avoiding the eRx penalty</td>
</tr>
<tr>
<td>7/1/12</td>
<td>93000 – ECG</td>
<td>No</td>
<td>No</td>
<td>Cannot get credit for eRx- after the 6-month reporting period for the penalty</td>
</tr>
</tbody>
</table>
Significant Hardship Exceptions

Proposed Exceptions for 2013/2014

<table>
<thead>
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<th>Exception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural areas with limited high speed internet access</td>
</tr>
<tr>
<td>Areas with limited available pharmacies for e-prescribing</td>
</tr>
<tr>
<td>Inability to e-prescribe due to laws &amp; regulations</td>
</tr>
<tr>
<td>Prescribe fewer than 100 prescriptions during the 6-month payment window</td>
</tr>
</tbody>
</table>

Did not include two hardship exceptions proposed for 2012

1) Hardship due to the EHR incentive program….
   “certified EHRs” will be now be qualified e-prescribing system for eRx Incentive program

2) Hardship due to the measure denominator….
   proposed changes for reporting measure in 6-mo period
Questions & Discussion on Information Shared So Far?
How Have FPSC Members Implemented eRx?

- Financial impact for incentives and penalties
- Feedback reports
- Changes to clinical and technical workflows and processes
- Physician education
# Sample Report to Measure eRx Eligibility, Incentives and Penalty Deferral

Posting Period: Jan – Jun 2010

<table>
<thead>
<tr>
<th>Division</th>
<th>Rendering Provider</th>
<th>Approved Amount</th>
<th>Total approved for Eligible Visits</th>
<th>% of Total Eligible Visits</th>
<th>Eligible for ERX</th>
<th># of Eligible Visits</th>
<th>Visits &gt;=100</th>
<th>Qualify for Penalty based on # of Cases and eligibility for eRX</th>
<th>Potential Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>NEUROLOGY</td>
<td>Provider A</td>
<td>$5,915.57</td>
<td>$1,418.21</td>
<td>24%</td>
<td>Yes</td>
<td>20</td>
<td>No</td>
<td>No</td>
<td>$118.31</td>
</tr>
<tr>
<td>NEUROLOGY</td>
<td>Provider B</td>
<td>$8,047.34</td>
<td>$2,133.41</td>
<td>27%</td>
<td>Yes</td>
<td>26</td>
<td>No</td>
<td>No</td>
<td>$160.95</td>
</tr>
<tr>
<td>NEUROLOGY</td>
<td>Provider C</td>
<td>$23,465.60</td>
<td>$347.29</td>
<td>1%</td>
<td>No</td>
<td>2</td>
<td>No</td>
<td>No</td>
<td>$469.31</td>
</tr>
<tr>
<td>NEUROLOGY</td>
<td>Provider D</td>
<td>$24,347.47</td>
<td>$2,172.99</td>
<td>9%</td>
<td>No</td>
<td>40</td>
<td>No</td>
<td>No</td>
<td>$486.95</td>
</tr>
<tr>
<td>NEUROLOGY</td>
<td>Provider E</td>
<td>$12,719.52</td>
<td>$2,726.06</td>
<td>21%</td>
<td>Yes</td>
<td>26</td>
<td>No</td>
<td>No</td>
<td>$254.39</td>
</tr>
<tr>
<td>NEUROLOGY</td>
<td>Provider F</td>
<td>$10,320.55</td>
<td>$1,780.50</td>
<td>17%</td>
<td>Yes</td>
<td>23</td>
<td>No</td>
<td>No</td>
<td>$206.41</td>
</tr>
<tr>
<td>NEUROLOGY</td>
<td>Provider G</td>
<td>$12,320.55</td>
<td>$2,245.24</td>
<td>18%</td>
<td>Yes</td>
<td>45</td>
<td>No</td>
<td>No</td>
<td>$246.41</td>
</tr>
<tr>
<td>NEUROLOGY</td>
<td>Provider H</td>
<td>$4,059.50</td>
<td>$316.37</td>
<td>8%</td>
<td>No</td>
<td>3</td>
<td>No</td>
<td>No</td>
<td>$81.19</td>
</tr>
<tr>
<td>NEUROLOGY</td>
<td>Provider I</td>
<td>$24,203.43</td>
<td>$4,915.87</td>
<td>20%</td>
<td>Yes</td>
<td>60</td>
<td>No</td>
<td>No</td>
<td>$306.07</td>
</tr>
<tr>
<td>NEUROLOGY</td>
<td>Provider J</td>
<td>$15,347.66</td>
<td>$4,803.60</td>
<td>31%</td>
<td>Yes</td>
<td>48</td>
<td>No</td>
<td>No</td>
<td>$306.95</td>
</tr>
</tbody>
</table>

Source: University of Rochester Medical Faculty Group
Using the Procedure Summary Report to DetermineProjected eRx Incentive…

Report is based on 2011 criteria for Eligible Visits
And Track eRx Volume

Note: Data in FPSC Procedure Summary report based on charge entry day (post date), not date of service.

If your organization is submitting eRx data via claims, validate that it is also sending this data to the FPSC.

<table>
<thead>
<tr>
<th>Provider ID</th>
<th>Units of CPT Code G8553</th>
</tr>
</thead>
<tbody>
<tr>
<td>3264</td>
<td>8</td>
</tr>
<tr>
<td>3089</td>
<td>0</td>
</tr>
<tr>
<td>3202</td>
<td>64</td>
</tr>
<tr>
<td>95268</td>
<td>14</td>
</tr>
<tr>
<td>3211</td>
<td>12</td>
</tr>
<tr>
<td>3175</td>
<td>6</td>
</tr>
<tr>
<td>3258</td>
<td>15</td>
</tr>
<tr>
<td>3074</td>
<td>9</td>
</tr>
<tr>
<td>3068</td>
<td>0</td>
</tr>
<tr>
<td>3179</td>
<td>1</td>
</tr>
<tr>
<td>3344</td>
<td>0</td>
</tr>
</tbody>
</table>
Examples of Implementing Workflow and Process Changes

University of Rochester
• In 2011, URMC implemented dual processes for eRx reporting
  – Data reporting registry continued to report on the behalf of EPs to obtain the eRx incentive
  – Departments were asked to create workflows to avoid the eRx penalty

University of Pennsylvania
• Adapted EMR system to connect with eRx vendor
• EMR vendor provided physician education and helped implement clinical workflows
  – Information services team developed 3 online tutorials and delivered training 4 times day/4 days per week on workflow and navigation/use of the screens in EMR
Sample of U of R’s Faculty Education on Exceptions to eRx Penalties

University of Rochester Medical Faculty Group  
Medicare E-Prescribe 2011 - Exceptions  
January 25, 2011

If the G-code (G8553) does not appear on at least 10% office based claims during the reporting period (Jan-June 2011) your 2012 Medicare Part B Fee Schedule will be reduced by 1% unless one of the following conditions apply.

Exceptions to Penalty:

1. You do not clear the 10% threshold. This means less than 10 percent of your Medicare Part B allowable charges during the first six months of 2011 originate from the codes listed in the denominator.

E-RX Denominator: CPT/HCPCS codes - 90801, 90802, 90804, 90805, 90806, 90807, 90808, 90809, 90862, 92002, 92004, 92012, 92014, 96150, 96151, 96152, 99201, 99202, 99203, 99204, 99205, 99211, 99212, 99213, 99214, 99215, 99304, 99305, 99306, 99307, 99308, 99309, 99310, 99315, 99316, 99324, 99325, 99365.

To access the full document, visit: https://www.facultypractice.org/docs/48010496_Sample_eRx_Provider_Education_University_of_Rochester.pdf
Sample of U of R’s Faculty Education on eRx Reporting

University of Rochester Medical Faculty Group
Medicare E-Prescribe 2011
January 25, 2011

Summary of Issue:
In order for a provider to avoid a 1% eRX penalty in 2012, the provider must submit (via claims) 10 occurrences of E-prescribing between January and June 2011 using G code G8553 (Prescription transmitted electronically using qualified eRX system).

To avoid the 2013 eRX penalty of 1.5%, the provider must be a successful e-prescriber in 2011 (submit 25 occurrences). Therefore, we are asking that providers submit occurrences throughout calendar year 2011.

Process:
If G8553 is on already present on the departmental Encounter Form, the provider will check the appropriate box along with the other appropriate CPT codes.

To access the full document, visit:
https://wwwfacultypractice.org/docs/48010496_Sample_eRx_Provider_Education_University_of_Rochester.pdf
eRx Incentive Program - Groups

• Group reporting available to PQRS group practices
  – Groups determine if they want to report as individuals or as a group practice
  – TIN must have at least 10 percent of Medicare Part B charges come from encounters listed in measure denominator
  – For incentive payment, filter out charges for EPs who have received EHR incentive
eRx Incentive Program - Groups

• Reporting criteria:
  – Groups with 25-99 NPI per TIN
    • Report 625 times
  – Groups with 100 or more NPI per TIN
    • Report 2500 times

• Reporting period:
  – 2012 Incentive: Jan-Dec 2012
  – 2013 Penalty: Jan-Jun 2012
  – 2013 Incentive: Jan-Dec 2013
  – 2014 Penalty: Jan-Jun 2013
Resources

• FPSC eRx Webpage - https://www.facultypractice.org/135.htm

• Proposed Regulations
  
  *eRx Incentive Program Proposed Changes (5/26)*

  **2012 Medicare Physician Fee Schedule Proposed Regulation**
  (published in Fed Reg on 7/19 – link will be posted afterward)
Questions and Discussion

Mary Patton Wheatley, Senior Specialist, AAMC
mwheatley@aamc.org
(202) 862-6297

Shaifali Ray, Senior Manager, UHC
ray@uhc.edu
(312) 775-4305