

Incentives, Adjustments, and Measurement: A Primer on PQRS for 2014.

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The 2014 Physician Fee Schedule Rule published by CMS on November 27, 2013, is bringing some big changes to how anesthesiologists and pain medicine physicians are paid through the Physician Quality Reporting System (PQRS) and the Value Based Payment Modifier (VBM). This article explains the basics of the PQRS reporting and how participation in the PQRS may affect your practice in the future.

What is PQRS?

The Physician Quality Reporting System (PQRS) is a program that uses a combination of incentive payments and payment adjustments to promote reporting of quality information by eligible professionals (EPs). The program was designed to improve quality of care for Medicare beneficiaries by gathering data on physician practices and providing feedback to participating physicians. Many options are available for participating in the PQRS; an EP may report as an individual, or as a group practice. Any EP practicing with at least one additional EP and billing under a single Tax Identification Number (TIN) is eligible to report as a group.

Who Must Report under PQRS?

An eligible professional (EP) is a health care provider who provides services that are paid under the Medicare Physician Fee Schedule. Under PQRS, EPs report data on quality measures for covered Physician Fee Schedule services furnished to Medicare Part B fee-for-Service patients. Anesthesiologists are eligible professionals and thus are subject to the PQRS.

Currently, anesthesiologists rank second among physician specialties for participation in PQRS by percentage of EPs.

Why is Participation in PQRS Important?

If an EP does not participate in PQRS during the 2014 reporting period, s/he may lose 2% on all Medicare Part B FFS payments in 2016. Additionally, if an EP is part of a group of 10 or more EPs, s/he may lose an additional 2% in Medicare Part B FFS payments. Conversely, an EP could earn a +0.5% incentive for satisfactory reporting under PQRS. For the 2014 reporting period, PQRS offers incentive payments for satisfactory reporting and payment adjustments for unsatisfactory reporting. The value-based payment modifier (VBM) also offers the potential for incentive payments and payment adjustments, and is based on the data reported under PQRS.

There is an interval between the end of the PQRS reporting period and the monetary consequences to EPs. Incentive payments are paid in the Fall of the year following the end of the reporting period. For example, the 2014 reporting period incentives are paid in the fall of 2015. Payment adjustments and the VBM take effect one year after the close of the PQRS reporting period, so 2014 PQRS reporting affects payments in 2016.

What is used for reporting?

Currently, there are three anesthesia care measures: Measure #30: Timely Administration of Prophylactic Parenteral Antibiotics; Measure #76: Prevention of Catheter-related Bloodstream Infections Central Venous Catheter Insertion; and Measure #193: Perioperative Temperature Management. Quality measures are assigned to National Quality Strategy (NQS) domains, which address various aspects of care, such as prevention, chronic- and acute-care management, procedure-related care, resource utilization, and care coordination. Eligible professionals (EPs) or groups must report at least nine measures covering at least three NQS domains.

How can I get started reporting in 2014?

If reporting as an individual, an EP may report via claims, registry, electronic health record (EHR), or, new in 2014, Qualified Clinical Data Registry (QCDR). The reporting period for each option begins January 1.

The claims-based reporting option is the most frequently used by anesthesiologists. If reporting via claims, the EP will report measures through his or her Medicare Part B claims forms. Registry-based reporting is also a good option for anesthesiologists. The Anesthesia Quality Institute (AQI) is a CMS-certified registry that can transmit anesthesia measures to CMS on behalf of eligible professionals.

Twenty fourteen brings some changes to PQRS reporting requirements. EPs must report data on nine PQRS measures covering 3 NQS domains. If fewer than nine PQRS measures covering three NQS domains apply to an eligible professional, the EP must report on as many individual measures, crossing as many NQS domains, as are applicable for 50% of eligible Medicare Part B fee-for-service patients seen during the reporting period. If CMS determines, through the Measure Applicability Validation (MAV) process, that the EP could not have reported additional measures s/he will be considered a satisfactory reporter, avoiding the payment adjustment and eligible for the incentive payment.

What is new in 2014 PQRS?

The most notable change in PQRS for 2014 is a new method of individual reporting—the QCDR. A QCDR is a CMS-approved entity, such as a registry, certification board or collaborative that collects medical and/or clinical data for the purpose of patient and disease tracking to foster improvement in the quality of care furnished to patients. This option is distinct from existing PQRS reporting options in that each QCDR has the flexibility to develop its own measures that are applicable to EPs utilizing the QCDR. This is particularly exciting for anesthesiologists because The AQI an established anesthesia registry, will now have flexibility to develop measures that will best achieve the goal of improving the quality of care furnished by anesthesiologists.

To meet the criteria for 2014 satisfactory participation in a QCDR, an EP must report on at least nine QCDR measures, which may include existing PQRS measures, covering at least three of the National Quality Strategy domains or at least 50% of the EP's applicable patients seen during the reporting period. To be eligible for an incentive payment the EP must report at least one Outcome Measure, which assesses the results of health care that are experienced by patients. However, reporting on process measures only will allow the EP to avoid the payment adjustment. At this time EPs reporting via QCDR are not eligible for the MAV process and thus, must report at least nine QCDR measures.

How Can I Get More Information on PQRS Reporting?

For more information on PQRS reporting please contact Maureen Amos, Director of Quality and Regulatory Affairs at m.amos@asahq.org or (202) 289-2222; or Amanda Ledford, Regulatory Affairs Specialist at a.ledford@asahq.org or (202) 289-2222.

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