

## **Electronic Prescribing (eRx) Incentive Program 2011 Updates**

**MLN Matters Number: SE1120**

**Related Change Request (CR) #: N/A**

**Related CR Release Date: N/A**

**Effective Date: N/A**

**Related CR Transmittal #: N/A**

**Implementation Date: N/A**

### **Provider Types Affected**

Physicians and other practitioners who qualify as eligible professionals to participate in the Centers for Medicare & Medicaid Services (CMS) Electronic Prescribing (eRx) Incentive Program are affected.

### **Provider Action Needed**

CMS is issuing this Special Edition article to alert providers that it is not too late to start participating in the eRx Incentive Program to potentially qualify to receive a full-year incentive payment. Eligible professionals may begin reporting the electronic prescribing measure at any time throughout the 2011 program year of January 1, 2011, through December 31, 2011, to be incentive eligible.

This article also provides updated information about changes to the eRx Incentive Program for 2011 as authorized by the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA). The eRx Incentive Program is a separate incentive program from the Physician Quality Reporting System (Physician Quality Reporting, formerly called Physician Quality Reporting Initiative or PQRI), which has different reporting requirements.

For 2011, eligible professionals who successfully report the electronic prescribing measure will become eligible to receive an eRx incentive equal to 1.0 percent of their total Medicare Part B Physician Fee Schedule (PFS) allowed charges for services performed during the reporting period.

Be aware that beginning in 2012, eligible professionals may be subject to a 1.0 percent PFS payment adjustment if they do not meet the reporting requirements for the 2012 eRx Payment Adjustment by June 30, 2011.

### **Background**

The Medicare eRx Incentive Program began January 1, 2009, and is authorized under MIPPA. The program provides a combination of incentives and payment adjustments for eligible professionals who are successful electronic prescribers. A Web page dedicated to providing all the latest news on the eRx Incentive Program is available at [www.cms.gov/ERXIncentive](http://www.cms.gov/ERXIncentive) on the CMS Web site.

### **eRx Incentive Program Eligibility Criteria for 2011: Reporting Requirements**

- To be considered a successful electronic prescriber and be eligible to receive an incentive payment, eligible professionals must generate and report one or more electronic prescriptions associated with an eligible patient visit – a minimum of 25 unique visits per year (see denominator codes below) for an individual eligible professional or 75 to 2,500 (varies) for the Group Practice Reporting Option (GPRO) I and II. Each visit must be accompanied by the eRx ‘G’ Code (numerator code) attesting that during the patient visit at least one prescription was electronically prescribed (see Reporting Mechanisms section below).
- Electronically generated refills without an associated face-to-face visit do not count and faxes originating at the eligible professional’s office do not qualify as eRx. New prescriptions not associated with the denominator codes in the measure specification are not accepted as an eligible patient visit and do not count toward the minimum 25 unique eRx events.
- The eligible professional’s Medicare Part B PFS allowed charges for services in the eRx measure’s denominator should be comprised of 10 percent or more of the eligible professional’s total 2011 estimated allowed charges (see denominator codes below).

### **Qualified Reporting System Requirements**

- Eligible professionals must have adopted a ‘qualified’ eRx system
- There are two types of systems: A system for eRx only (stand-alone) or an Electronic Health Record (EHR) system with eRx functionality
- Regardless of the type of system used, to be considered ‘qualified’ it must have all of the following capabilities:
  - Generates a complete active medication list incorporating electronic data received from applicable pharmacies and pharmacy benefit managers if available
  - Selects medications, prints prescriptions, electronically transmits prescriptions and conducts all alerts
  - Provides information related to lower cost and therapeutically appropriate alternatives (if any). The availability of an eRx system to receive tiered formulary information, if available, would meet this requirement for 2011.
  - Provides information on formulary or tiered formulary medications, patient eligibility and authorization requirements received electronically from the patient’s drug plan, if available

Note: For the capabilities listed above, the system must employ the eRx standards adopted by the Secretary of the Department of Health and Human Services (the Secretary) for Medicare Part D by virtue of the 2003 Medicare Modernization Act (MMA).

## **Reporting Mechanisms for 2011**

If you have not yet participated in the eRx program, you can begin by reporting eRx data for January 1, 2011, through December 31, 2011, using any of the following three options:

- Claims-based reporting involves the addition of a Quality-Data Code (QDC) to claims submitted for services (occurring during the reporting period) when billing Medicare Part B. For 2011, report 'G' Code G8553 (at least one prescription created during the encounter was generated and transmitted electronically using a qualified eRx system)
- Registry-based reporting using a CMS Physician Quality Reporting System qualified registry. Eligible professionals have the option of using a qualified registry to assist in collecting eRx measure data and submitting 2011 data to CMS during the first quarter of 2012. The registry will submit quality data directly to Medicare, eliminating the need for adding the QDC to the Medicare Part B claim.
- EHR-based reporting using a CMS Physician Quality Reporting System qualified EHR product submitting 2011 data to CMS during the first quarter of 2012

Eligible professionals do not need to sign up or pre-register to participate in the 2011 eRx Incentive Program. Reporting one QDC (G8553) for the eRx measure to CMS through claims-based reporting or submission via a qualified registry or a qualified EHR will indicate intent to participate.

## **Avoiding the 2012 eRx Payment Adjustment**

An eligible professional can avoid the 2012 eRx Payment Adjustment if he or she:

- Is a successful electronic prescriber (submit required number of electronic prescriptions via claims before June 30, 2011)
- Is not a physician (MD, DO or podiatrist), Nurse Practitioner or Physician Assistant as of June 30, 2011, based on primary taxonomy code in the National Plan and Provider Enumeration System (NPPES)
- Does not have prescribing privileges and reports 'G' Code G8644 (defined as not having prescribing privileges) at least one time on an eligible claim prior to June 30, 2011
- Does not have at least 100 cases containing an encounter code in the measure's denominator
- Becomes a successful electronic prescriber (submits required number of electronic prescriptions (10 for individual) via claims and reports this to CMS before June 30, 2011)
- Claims a hardship as described below

A group practice that is participating in eRx GPRO I or GPRO II during 2011:

- Must become a successful electronic prescriber (submit required number of electronic prescriptions via claims before June 30, 2011)

- Depending on the group's size, the group practice must report the eRx measure for 75 to 2,500 unique visits via claims for patients in the denominator of the measure

CMS created two hardship 'G' Codes for the 2011 program, including:

- G8642: The eligible professional practices in a rural area without sufficient high-speed internet access and requests a hardship exemption from the application of the payment adjustment under section 1848(a)(5)(A) of the Social Security Act (The Act)
- G8643: The eligible professional practices in an area without sufficient available pharmacies for electronic prescribing and requests a hardship exemption from the application of the payment adjustment under section 1848(a)(5)(A) of The Act

The option of reporting via the Group Practice Reporting Option (GPRO) I or II is no longer available for the 2011 program year. The group practices have already been selected for 2011.

Note: Only registries and EHR vendors selected by CMS for the 2011 Physician Quality Reporting System/eRx and posted on the list of registries/EHR vendors are eligible to be considered 'qualified' for purposes of the 2011 eRx Incentive Program. Reporting via a qualified registry or EHR system is only applicable for the eRx Incentive Program, not to avoid the 2012 eRx Payment Adjustment. Please see

[www.cms.gov/ERxIncentive/08\\_Alternative%20Reporting%20Mechanism.asp](http://www.cms.gov/ERxIncentive/08_Alternative%20Reporting%20Mechanism.asp)  
(Downloads) on the CMS Web site.

### **eRx Measure Denominator Codes (Eligible Cases) for 2011**

Patient visit during the reporting period (Current Procedural Terminology (CPT) or Healthcare Common Procedure Coding System (HCPCS) 'G' 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, 99326, 99327, 99328, 99334, 99335, 99336, 99337, 99341, 99342, 99343, 99345, 99347, 99348, 99349, 99350, G0101, G0108 and G0109

### **Summary**

If you are routinely using a qualified system (as described above) and expect your Medicare Part B PFS charges for the codes in the denominator of the measure (as noted eRx Measure Denominator Codes above) to make up at least 10 percent of your total Medicare Part B PFS allowed charges for 2011, you may be eligible for an incentive payment equal to one percent of your Medicare Part B PFS allowed charges for services furnished during the reporting period and you should report the eRx measure.

If you are routinely using a qualified system (as described above) but do not expect your Medicare Part B PFS charges for the codes in the denominator of the measure (as noted eRx Measure Denominator Codes above) to make up at least 10 percent of your total Medicare Part B PFS allowed charges for 2011, you may not be eligible for the incentive payment. However, CMS encourages you to report the measure. In the event that your Medicare Part B PFS charges for the codes in the denominator of the measure do make up at least 10 percent of your total Medicare Part B PFS allowed charges for 2011, you may be eligible for the incentive payment.

Note: For the years 2012, 2013 and 2014, if an eligible professional is not a successful electronic prescriber for the reporting period for the year, the PFS amount for covered professional services furnished by such professionals during the year will be less than the PFS amount that would otherwise apply over the next several years by:

1. percent for 2012
2. 1.5 percent for 2013
3. percent for 2014

The reporting period and criteria CMS will use in 2012 to determine whether an eligible professional (or group practice) is subject to this payment adjustment (including the circumstances under which an eligible professional or group practice could seek a hardship exemption) are addressed in the Medicare PFS proposed rule for 2011.

### **Additional Information**

If you have questions about how to get started with eRx, contact the QualityNet Help Desk at (866) 288-8912 (TTY: (877) 715-6222) from 7 a.m. to 7 p.m. CST or via e-mail at [gnetsupport@sdps.org](mailto:gnetsupport@sdps.org) on the Internet.

There are two fact sheets that detail the eRx Program for 2011. The 2011 eRx Incentive Program Made Simple Fact Sheet and the 2011 eRx Incentive Program Fact Sheet: What's New for 2011 eRx Incentive Program Fact Sheet may be found by visiting [www.cms.gov/ERxIncentive/09\\_Educational\\_Resources.asp](http://www.cms.gov/ERxIncentive/09_Educational_Resources.asp) and then selecting 'Downloads' on the CMS Web site.

Previously issued MLN Matters Articles that outline the specifics of the program are:

- SE0922 – 'Alternative Process for Individual Eligible Professionals to Access Physician Quality Reporting Initiative (PQRI) and Electronic Prescribing (eRx) Feedback Reports' found at [www.cms.gov/MLNMattersArticles/downloads/SE0922.pdf](http://www.cms.gov/MLNMattersArticles/downloads/SE0922.pdf) on the CMS Web site
- SE1107 – '2011 Electronic Prescribing (eRx) Incentive Program Update – Future Payment Adjustments' at [cms.gov/MLNMattersArticles/downloads/SE1107.pdf](http://cms.gov/MLNMattersArticles/downloads/SE1107.pdf) on the CMS site.

Eligible professionals may refer to the specification for the reporting method applicable to their practice at:

- Claims- and registry-based at [www.cms.gov/ERxIncentive/06\\_E-Prescribing\\_measure.asp](http://www.cms.gov/ERxIncentive/06_E-Prescribing_measure.asp) on the CMS Web site
- EHR-based at [www.cms.gov/ERxIncentive/08\\_Alternative Reporting Mechanism.asp](http://www.cms.gov/ERxIncentive/08_Alternative_Reporting_Mechanism.asp) on the same site

If you have any questions, please contact our toll-free J1 Provider Contact Center. For Part A call (866) 931-3906 or for Part B call (866) 931-3901.