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## **Medicare Physician Quality Reporting Initiative (PQRI) Begins July 1, 2007**

On December 20, 2006, President Bush signed the Tax Relief and Health Care Act of 2006. Section 101 under Title I authorizes establishment of a physician quality reporting system by the Centers for Medicare and Medicaid Services (CMS), titled the Physician Quality Reporting Initiative (PQRI). PQRI establishes a financial incentive for eligible professionals who participate in the voluntary reporting program. Eligible professionals who successfully report on a designated set of quality measures on claims for dates of service from July 1 to December 31, 2007, may earn a bonus payment, subject to cap, of 1.5% of total allowed charges for covered Medicare physician fee schedule services.

PQRI participation is voluntary, not limited to physicians (see eligibility requirements), and participants need not register. Currently there are 74 measures available for reporting beginning July 1, 2007. Measures and measure specifications are available on the CMS website (<http://www.cms.hhs.gov/PQRI/>). CPT II tracking codes will drive reporting; in the absence of CPT II codes, temporary G-codes will be used. Reporting can take place using either paper-based or electronic claims, but the quality-data codes must be a line item within the same claim as the patient diagnosis and service or procedure to which the quality-data code applies.

In exchange for meeting reporting thresholds, participants may earn a bonus. The bonus payment, subject to a cap, is the equivalent of 1.5% of total allowed charges for covered physician fee schedule services provided from July 1 through December 31, 2007. The reporting thresholds include:

- If no more than three measures apply, each relevant measure must be reported for at least 80% of cases in which the measure(s) is reported.
- If four or more measures apply, at least three measures must be reported for at least 80% of cases in which measures are reportable.

Bonuses will be issued as one lump sum payment in mid-2008 to the holder of the tax ID number (TIN) on file, which may not necessarily be the individual reporting provider.

Because analysis will take place at an individual level, all participants must have an national provider identifier (NPI). Participants will receive confidential feedback in mid-2008. There is currently no plan to publicly report information on individual providers, groups or TINs; however, information may be aggregated at the state, regional and national level. Reports will be available at or near the time of bonus payments in 2008, with no interim reports in 2007.

To participate, physicians and other eligible professionals, should begin by reviewing the the detailed 2007 PQRI Quality Measure Specifications and related information available on the CMS PQRI website ([www.cms.hhs.gov/PQRI/](http://www.cms.hhs.gov/PQRI/)) and selecting measures applicable to their patient panels. The eligible professionals should then report the

selected measures by submitting the specified quality-data codes on claims for services paid under the Medicare Physician Fee Schedule and provided between July 1 and December 31, 2007.

If there are questions about the CMS PQRI, they can be addressed through the following venues:

- Review the information on the CMS PQRI website. This information will be continually updated;
- As information, tools and materials become available, they will be broadly announced and disseminated via familiar mechanisms, including the CMS PQRI website;
- Call your carrier;
- The Provider Call Center Toll-Free Numbers Directory offers information on how to contact the appropriate provider call center and is available for download: [www.cms.hhs.gov/MLNGenInfo/01\\_Overview.asp](http://www.cms.hhs.gov/MLNGenInfo/01_Overview.asp).

It is strongly recommended that anyone interested in participating thoroughly read all of the CMS PQRI website materials and FAQs. Below are some FAQs recommended for review from the CMS site (reading the entire PQRI FAQ section is strongly encouraged) and those measures that may be of special interest to spine care providers.

#### **CMS Physician Quality Reporting Initiative FAQs-Recommended Reading** ([www.cms.hhs.gov/PQRI](http://www.cms.hhs.gov/PQRI))

- Is registration required for participation in the Physician Quality Reporting Initiative (PQRI)?
- What is considered successful reporting under the Physician Quality Reporting Initiative (PQRI)?
- Will Physician Quality Reporting Initiative (PQRI) clinical performance measure results be publicly reported?
- When will 2007 Physician Quality Reporting Initiative (PQRI) provider feedback reports be made available to participating providers and what information will they contain?
- What are the financial benefits of participation in the Physician Quality Reporting Initiative (PQRI)?
- If there are no appropriate measures for a physician or other eligible professional, can the professional report Physician Quality Reporting Initiative (PQRI) measures anyway, but with an exclusion modifier that indicates that it was inappropriate to perform the measure?
- We have multiple providers within our practice. Will we get a report for each of the providers who participate in the Physician Quality Reporting Initiative (PQRI)?
- Will CMS permit more than one physician or other eligible professional to submit quality data for the same Physician Quality Reporting Initiative (PQRI) measures on the same patient(s)?
- How will the Physician Quality Reporting Initiative (PQRI) 1.5% bonus be calculated, and when will it be paid?
- For the Physician Quality Reporting Initiative (PQRI), will the cap on bonus amount be a single national value or calculated specifically for each practice or professional?

- Do I need to change my practice management system to participate in the Physician Quality Reporting Initiative (PQRI)?
- What happens if only one eligible professional in a group practice submits data for the Physician Quality Reporting Initiative (PQRI)?
- If physicians and other eligible professionals begin testing their systems by submitting CPT Category II or G-codes before July 1, 2007, will their Medicare claims be denied under Physician Quality Reporting Initiative (PQRI)?
- When does “participation” in the 2007 Physician Quality Reporting Initiative (PQRI) actually start—when I begin including CPT Category II or G-codes with my Medicare claims or on July 1, 2007?
- If an eligible professional provides care and submits claims under multiple Taxpayer Identification Numbers (TINs), how will CMS divide that individual professional’s payment between TINs for the Physician Quality Reporting Initiative (PQRI)?
- We only report the national provider identifier (NPI) on the claim form, not the tax identification number (TIN). How will you be able to make Physician Quality Reporting Initiative (PQRI) payments at the TIN level when this information is not reported on the claim?
- Do practices need to have and use an electronic health record (EHR) in order to participate in the 2007 Physician Quality Reporting Initiative (PQRI)?
- How and where should I place the Healthcare Common Procedure Coding System (HCPCS) CPT Category II codes or G-codes on the claim for the Physician Quality Reporting Initiative (PQRI)?
- How can I submit the no-charge Physician Quality Reporting Initiative (PQRI) Healthcare Common Procedure Coding System (HCPCS) codes when my carrier says that CMS does not allow them to accept claims with a total charge of \$0?
- Will denied claims and denied line items be excluded from Physician Quality Reporting Initiative (PQRI)?
- I have assigned my Medicare Part B Physician billing to another entity. Can I report and be eligible for the bonus under the Physician Quality Reporting Initiative (PQRI)?
- Other industry sources are positioning themselves as the “experts” who are working with or advising CMS on how the Physician Quality Reporting Initiative (PQRI) will be implemented. How can providers verify the accuracy of such claims made?
- How would an eligible professional appeal the CMS determination of whether a practice has successfully submitted quality measures on a sufficient number of measures for the Physician Quality Reporting Initiative (PQRI)?

## 2007 CMS PQRI Measures of Special Interest to Spine Care Providers\*

Screening for Future Fall Risk
Perioperative Care: Timing of Antibiotic Prophylaxis-Ordering Physician
Perioperative Care: Selection of Prophylactic Antibiotic-First OR Second Generation Cephalosporin
Perioperative Care: Discontinuation of Prophylactic Antibiotics (Non-Cardiac Procedures)
Perioperative Care: Timing of Prophylactic Antibiotic-Administering Physician
Perioperative Care: Venous Thromboembolism (VTE) Prophylaxis (When Indicated in ALL Patients)
Osteoporosis: Communication With the Physician Managing Ongoing Care Post Fracture

*\*Measures listed are not exclusive nor all-inclusive and are provided for information only. Providers are advised to review the measure list and specifications for those most relevant to their patient panels.*