

How to Avoid the 2016 Physician Quality Reporting System (PQRS) Payment Adjustment

The Medicare Physician Quality Reporting System (PQRS) uses a combination of incentive payments and payment adjustments to promote reporting of quality information by both individual eligible professionals and group practices to the Centers for Medicare & Medicaid Services (CMS).

Eligible professionals and group practices that fail to satisfactorily report data on quality measures during 2014 will be subject to a 2 percent reduction to the Medicare PFS amounts for services furnished by the eligible professional or group practice during 2016.

This means eligible professionals and group practices who fail to satisfactorily report quality data during 2014 would receive 98 percent of the allowed Medicare Part B PFS amount for covered professional services provided to Medicare beneficiaries between January 1, 2016 and December 31, 2016.

Steps to Avoid the 2016 Payment Adjustment

Eligible professionals and group practices can avoid the 2016 payment adjustment by meeting **one** of the following criteria (“satisfactory reporting”) during the one-year 2014 reporting period (January 1–December 31):

For an Individual Eligible Professional

The eligible professional can avoid the 2016 PQRS payment adjustment if the eligible professional:

1. Meets the criteria for satisfactory reporting adopted for the 2014 PQRS incentive, which are identified in the 2014 Medicare PFS Final Rule and in PQRS educational materials available on the PQRS website. Meeting the criteria will also ensure a PQRS incentive payment equal to 0.5 percent of estimated Medicare Part B allowed charges for covered professional services in 2014.
OR
2. Participates in PQRS via qualified clinical data registry, qualified registry, or claims reporting **and** reports at least three measures covering one National Quality Strategy domain for at least 50 percent of the eligible professional’s Medicare Part B FFS patients.

For a Group Practice

The group practice can avoid the 2016 PQRS payment adjustment if it:

1. Meets the Group Practice Reporting Option (GPRO) requirements for satisfactory reporting (which are similar to the criteria for satisfactory reporting for the 2014 PQRS incentive), as identified in the 2014 Medicare PFS Final Rule and in PQRS educational materials available on the PQRS website.
OR
2. Participates in PQRS via qualified registry reporting **and** reports at least three measures covering one NQS domain for at least 50 percent of the group practice’s Medicare Part B FFS patients.

For more information about PQRS, including how to avoid payment adjustments, please visit the CMS PQRS website: <http://www.cms.gov/PQRS>.

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