

E-PRESCRIBING INCENTIVE

CMS 2009 Fee Schedule Review (CMS -1403-FC)

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Introduction

On October 30, 2008 CMS released the new CMS 2009 physician Fee Schedule and other revisions to Part B for CY 2009. There are 2 key components that are important to e-prescribing initiatives:

- Delays the elimination of e-prescribing to a pharmacies fax machine until 1-1-2012.
- E-prescribing incentives for physicians will start on 1-1-09.

This summary document defines key information that needs to be understood in order to obtain e-prescribing financial incentives. Of particular importance is that e-prescribing standards that were developed under PQRI program will be used in 2009, however CMS is finalizing the 2009 incentive program in this final rule to be published in the federal register. Therefore, we will need to watch for any changes to ensure we obtain this incentive.

In addition I have included some comments for questions that I asked for clarification at a CMS conference call on e-prescribing incentive piece on November 19, 2008.

Contact me if you have any questions about the contents of this summary. Jamie Statz-Paynter, Dean Pharmacy Supervisor, 608-250-1415.

Definition of e-prescribing

E-prescribing is the transmission, using electronic media, of prescription or prescription-related information, between a prescriber, dispenser, PBM, or health plan in either direction or through an intermediary, including an e-prescribing network. It includes, but is not limited to, two-way transmission between the point of care and the dispenser.

E-prescribing Cost offset

This rule allows third parties to offset the implementation costs of e-prescribing by authorizing creation of an exception to the physician self-referral ("Stark) prohibition for certain donations of e-prescribing technology. It also authorized the creation of "safe harbor: to protect these entities from prosecution under the anti-kickback statute.

Eligibility Criteria

- Eligible Professional (pp.677-678): Professionals who have **prescribing authority**
 - Definition of an "eligible" professional for this incentive program is identical to definition listed in 2009 PQRI under section 1848 (k) (3) (B) of the act. They include physicians, other practitioners as described in 1842 (b) (18) (C) of the act, PT, OT, qualified speech-language pathologists and beginning in 2009 - qualified audiologists. However eligibility is further restricted by scope of practice to those professionals who have "prescribing" authority.
- Incentive Limitation (pp. 697): **Total estimated allowed charges** for covered Medicare Part B services furnished for the codes **in the denominator** of the 2009 E Prescribing Measure make up at

least 10% of the eligible professional's total allowed charges for all covered Medicare Part B professional services furnished during the reporting period.

- **Allowed Part B Clinic Visits Charges/Total Allowed Part B Charges >= 10%**
- Determined by CMS in the first quarter of the following year
- **Qualified System (pp.688-689):** As currently specified in Measure # 125, a “qualified” electronic prescribing system is one that **can**:
 - **Generate a complete active medication list** incorporating electronic data received from applicable pharmacies and PBM's, if available.
 - 4-1-09 standard - use prescriber/pharmacist interface script standard (NCPDP Script 8.1).
 - Allow eligible professionals to **select medications, print prescriptions, electronically transmit prescriptions, and conduct alerts** (written or acoustic signals to warn the prescriber of possible undesirable or **unsafe situations** including potentially inappropriate dose or route of administration of a **drug, drug-drug interactions, allergy concerns, or warnings and cautions**).
 - 4-1-09 standard - transmit script electronically NCPDP Script 8.1 for transactions listed at 42CFR 423.160 (b) (2).
 - **Provide information related to lower cost, therapeutically appropriate alternatives** (if any). The ability of an electronic prescribing system to receive tiered formulary information, if available, would suffice for this requirement for 2009 and until this function is more widely available in the marketplace.
 - 4-1-09 standard - provide lower cost alternatives using NCPDP Formulary and Benefits 1.0
 - Provide **information on formulary or tiered formulary medications, patient eligibility, and authorization requirements** received electronically from the patient's drug plan (if available). Provide info on formulary or tiered formulary meds, pt eligibility, and authorization requirements received electronically from pts drug plan.
 - 4-1-09 standard - NCPDP Formulary and Benefits 1.0
 - 4-1-09 standard - (ASC) X12N 270-271- Health Care Eligibility Benefit Inquiry and Response, Version 4010, May 2000
 - 4-1-09 standard - NDPDP 5.1 for Medicare Part D sponsors and dispensers (pharmacies, mail order companies, etc)
- Additionally, to receive this incentive you don't have to use any particular system or transmission network, but only that the system is a “qualified: system having the functionalities defined above.

Measure Requirements:

Measure requirements may change in the final rule that is published prior to 12-31-08 and may change year to year.

- **Reportable Service (pp.683):** The measure becomes applicable to a particular patient and reportable when, in billing for Part B services, the professional includes **at least one of the procedure codes making up the denominator on the claim for payment** (for example, a medical visit for CPT code 99213). **If one of the denominator codes is included on a claim for Part B services, then the physician or other eligible professional must report one of the numerator reporting codes on the same claim to meet the reporting requirement.** Where the eligible professional **fails to report a numerator reporting code specified for the measure on such a claim, then the case would be included in the denominator count, but not in the numerator count for satisfactory reporting.**
- **Denominator (pp.683-684):** CMS has limited the denominator codes to physician and other eligible professional office and out patient settings because they felt physicians in other practice

settings would not be able to influence the adoption and availability of e-prescribing systems. Also adding other codes could negatively impact those providers who do practice office and facility settings to hit 50% reporting.

The denominator codes for the electronic prescribing measure are CPT Codes:

- (Psych Services) 90801, 90802, 90804, 90805, 90806, 90807, 90808, 90809,
- (Eye Codes) 92002, 92004, 92012, 92014,
- (Behavioral Assessment) 96150, 96151, 96152,
- (New Patient) 99201, 99202, 99203, 99204, 99205,
- (Established Patient) 99211, 99212, 99213, 99214, 99215,
- (Consultations) 99241, 99242, 99243, 99244, 99245, and
- G Codes: (Screening & Diabetic Training) G0101, G0108, G0109.

On Wed Nov 19 CMS conference call it was asked about other providers who see patients and don't use these codes. (e.g. Home visits) CMS confirmed it does not include home based visit, hospital visits, hospital ER visits, or post op visits (since a bundled service).

- Numerator (pp.693-694): To report for an applicable case where one of the denominator codes is billed on a claim for Part B services, an eligible professional must submit one of three G codes specified in Measure #125 on the same Medicare Part B claim.
 - One G code is used to report that all prescriptions in connection with the visit billed were electronically prescribed;
 - Another G code indicates that no prescriptions were generated during the visit; and
 - A third G code is used when:
 - Some or all prescriptions were written or phoned in due to patient request,
 - State or Federal law, the pharmacy's system being unable to receive the data electronically, or
 - For 2009 this G code will continue to be reportable without regard to DEA changes with e-prescribing rules that may be adopted during 2009.
 - Because the prescription was for a narcotic or other controlled substance.
 - I asked on Wed Nov 19 CMS conference call to clarify if a provider sent in good faith the appropriate G Code (e.g. All billed electronically) and then the transmission failed due to network problems would the provider have to go back and adjust the G Code.
 - The answer was no that if you sent a G code in good faith and something happened after the fact they would not expect the prescriber to go back and change the G Code.
- Successful Reporting (pp. 694-695): Although only one of the three reportable G codes indicates that the physician or eligible professional used electronic prescribing for all of the prescriptions provided during the encounter, the **reporting of any one of the G codes counts as successful reporting and toward the required 50 percent reporting requirement**. However, as previously discussed by reporting any one of the G codes, the physician or eligible professional is indicating that an electronic prescribing system has been adopted for use.
 - I asked on Wed Nov 19 CMS conference call about this 50% piece. The answer was as follows:
 - If we start e-prescribing on a qualified system on 1-1-09 we must submit 50% of the time the G code in the denominator to receive the provider incentive.
 - If we start e-prescribing on a qualified system on 4-1-09 we must submit 75% of the time a G-code in the denominator to receive the provider incentive
 - If we start e-prescribing on a qualified system on 7-1-09 we must submit 100%% of the time a G-code in the denominator to receive the provider incentive

Payment:

- Successful Electronic Prescriber (pp. 678): Under section 1848(m)(3)(B) of the Act, as redesignated and added by the MIPPA, in order **to qualify for the incentive payment, an eligible professional must be a “successful electronic prescriber,”** which the Secretary is authorized to identify using one of two possible standards. For 2009, to be a successful electronic prescriber, the standard under section 1848(m)(3)(B)(ii) of the Act will apply, in which an **eligible professional must report on at least 50 percent of applicable cases, on such electronic prescribing quality measure(s)** established by the Secretary under the PQRI, for use in the Electronic Prescribing Incentive Program. For 2009, as will be further discussed, there is established one electronic prescribing measure, with the applicable cases being those where particular services are furnished to Medicare beneficiaries and billed under Part B.
- Incentive Payment for 2009 (pp. 680): Successful electronic prescribers are eligible to receive an incentive payment equal to **2.0 percent of the total estimated allowed charges submitted by no later than February 28, 2010 for all covered professional services furnished January 1, 2009 through December 31, 2009.**
 - I asked on Wed Nov 19 CMS conference call to clarify what they meant by the word “estimated”. This was used because a provider has up to 1 year to submit reimbursement for their claim. So the estimate is based upon what charges they have received as of that point. Additionally they confirmed payment won’t be received until summer 2010 for this first year’s incentive.
- NPI versus TIN (pp. 696): Determination of professionals who are Successful Electronic Prescribers for 2009 is at the individual professional level, **based on the National Provider Identifier (NPI)** as it is under PQRI. However, **payment is made to the practice represented by the Tax Identification Number (TIN) to which payments are made for the individual professional’s services.** Inasmuch as some individuals (NPIs) may be associated with more than one practice or TIN, determination of Successful Electronic Prescriber for 2009, as it is for PQRI, will be made for each unique NPI/TIN combination. Payment will be made to the applicable TIN.
- Payment Amounts (pp.676-677)
 - This incentive program is separate from and in addition to any incentive payment that eligible professionals may earn through PQRI program.
 - Incentive amounts for CY 2009 & CY 2010 - 2.0 percent; CY 2011 and CY 2012 - 1.0 percent; and CY 2013 - 0.5 percent.
 - A PFS payment differential applies starting in 2012 to those who are not "successful prescribers" for that reporting period for the year: 1.0 percent reduction for CY 2012; 1.5% reduction for CY 2013; and 2.0 reductions for CY 2014 and each subsequent year. The application of the payment differential will be subject to future notices and comment rulemaking.
- Notices of successful data submission (pp 700)
 - The Secretary will post on the CMS website a list of names of prescribers (or group practices) who satisfactorily submitted data on quality measure for PQRI and those who are successful e-prescribers for 2009 in 2010. In addition they will post
 - Prescribers whose denominators make up 10% of Medicare Part B charges.
 - Prescribers who met 50% for Measure 125.
 - Prescribers who receive e-prescribing incentive payment CY2009.