

2013 Medicare Physician Fee Schedule Final Rule Physician Quality Reporting System Program FAQs

PQRS Changes

1. What PQRS changes were made for 2013?

A: CMS also finalized the expansion details in next year's Physician Quality Reporting System (PQRS) program. Providers—including pathologists—who participate successfully in 2013 will receive a 0.5% bonus of total 2013 Part B allowed charges in 2014 and avoid a 1.5% deduction in overall Part B Medicare payments in 2015. Pathologists who do not participate in 2013 will face a 1.5% penalty in 2015 based on overall Part B Medicare payments.

Pathologists will continue to qualify for incentives for reporting on three quality measures. There are [five CAP-developed quality measures](#) that pathologists may choose to report.

There are also new group reporting options. Physician groups with two or more members can participate and report—as a group—on three measures through a registry. By participating through the registries option, all group members will get PQRS credit in 2013 to avoid the penalty in 2015. Practices must notify CMS by October 15, 2013, if they plan to choose the group reporting option. Note that the group must report on three measures to use the registry reporting option.

And finally, providers in group practices of 100 or more will be subject to a value-based payment modifier adjustment in 2015 determined by their 2013 PQRS participation.

2. Did CAP support these changes?

A: The CAP has taken the lead role in developing quality measures for pathology, and makes a significant investment in the resource- and time-intensive process

of verifying and attaining endorsement for the measures from bodies such as the PCPI and the NQF. CAP measure development efforts have allowed pathologists to have one of the highest participation rates among medical specialties. In 2010, 61.5% of eligible pathologists participated in the program. This figure compares favorably to the total eligible physician participation rate of 26%. Still, there are pathologists who cannot participate in 2013, and CAP advocates waiving penalties for pathologists who cannot participate due to lack of applicable measures.

3. What resources are available from CAP to help me understand how the PQRS changes will impact me?

A: The CAP online [2013 Medicare PQRS Resource Center](#) is a clearinghouse for information on the program that is relevant to pathologists. Content includes an overview of the program; in-depth analysis from *Statline* and *CAP Today*; links to the final and proposed Rules; descriptions of the current pathology measures, and links to CAP webinars on the program. In addition, CAP is hosting a webinar on November 15, titled [Confronting New Medicare Payment Realities Part 2: What CAP Members Need to Know about 2013 PQRS Changes](#), that focuses solely on expansion of the PQRS program. Click on the highlighted text to register for each webinar. (A recording of the webinar will be available in the PQRS Resource Center after November 15).

4. I have not reported on any measures for 2012 yet. How can I do so?

A: Yes. Effective now until February 28, 2013, physicians who have not done any claims reporting in 2012 (or are concerned their reporting was unsuccessful) and want to participate in PQRS this year, can report retrospectively on three measures through a CMS-approved registry. The registries set a higher bar for performance, requiring an 80% success rate vs the 50% success rate required for claims-based reporting, but they also offer a higher probability of successful reporting. There are 21 CMS-approved registries that have at least four of the five pathology measures available.

5. Where can I find a listing of the registries that contain pathology measures?

A: A list of registries that allow reporting on the pathology measures is available on the [CAP PQRS Resource Center](#).

6. How much can I expect to receive in terms of incentives and bonuses for reporting?

A: Physicians who participate successfully on three measures in 2013 will receive a 0.5% bonus of total Part B allowed charges in October 2014. If providers only report on one measure, they will avoid the 2015 penalty; however will not receive the bonus for 2013 unless only one measure applies to them. In this situation, the provider is eligible for the bonus.

7. How much will the penalty for not participating be in 2013?

A: Pathologists who do not participate in 2013, or do so unsuccessfully, will face a 1.5% penalty in 2015 based on overall Part B Medicare payments.

Group Reporting for the Value Based Modifier (VBPM)

8. How will the Value Based Payment Modifier program work and when will it begin?

A: Groups of 100 or more will be subject to the value-based payment modifier (VBPM) beginning in 2013. Members in a group practice of 100 or more, must choose the PQRS Group Practice Reporting Option by October 15, 2013, and then report measures via the Group Reporting Option chosen in order to avoid an additional 1% deduction in 2015 Part B Medicare payments.

The member and their group must then decide whether to elect to report using the Quality Tiering Calculation or to have No Election in December 2013:

- The Quality Tiering Calculation option would offer the possibility of a higher upside or a downside (the bottom would be a 1% deduction of 2015 Medicare Part B payments as if no PQRS were attempted).

- The No Election option would result in no upside but also no further downside with a 0% adjustment of 2015 Medicare Part B payments.
- Groups submitting no PQRS data would have a 1% downward adjustment of 2015 Medicare Part B payments in addition to the penalty from failing to participate in PQRS.