

## E-Prescribing: Earning a Bonus and Avoiding the Payment Adjustment

The 2011 Electronic Prescribing (eRx) Incentive Program provides incentive payments to eligible professionals (EPs) who successfully e-prescribe in 2011 equal to 1% of their total Medicare Part B Physician Fee Schedule (PFS) covered professional services. **While the incentive payments extend through the end of 2011, starting in 2012, the program will change from an incentive based program to a penalty based program.** This means that beginning in 2012, an EP who fails to meet the e-prescribing minimum will face financial penalties. To be a successful electronic prescriber and be eligible to receive an eRx incentive payment in 2011 and to avoid the eRx penalty starting in 2012, a physician must generate and report one or more electronic prescriptions associated with a patient visit using a qualified electronic prescribing system a minimum of 25 office visits per year. There is no sign up or registration; physicians can begin by reporting electronic prescribing data for January 1-December 31, 2011 using any of the following three reporting options:

1. Claims-based reporting of the electronic prescribing measure. Report only one G-code (G8553) for 2011.
2. Registry-based reporting using a CMS-selected registry to submit 2011 data to CMS during the first quarter of 2012.
3. EHR-based reporting using a CMS-selected electronic health record product, submitting 2011 data to CMS during the first quarter of 2012.

Incentive payments are issued separately as a single consolidated incentive payment in the following year to the first valid group location listed under the Taxpayer Identification Number (TIN); or, for solo practitioners, to the first valid practice location listed under the TIN.

### Coding requirements

At least 10 percent of eligible professionals' Medicare Part B PFS charges covered services must be comprised of office visit codes that appear in the denominator of the e-Prescribing measure for an incentive or payment adjustment (Table 1.)

**Table 1. Eligible Patient Visits for E-Prescribing Measure**

Service/Procedure	CPT/HCPCS Codes
New Patient	99201, 99202, 99203, 99204, 99205
Established Patient	99211, 99212, 99213, 99214, 99215
Screening and Diabetic Training	G0101, G0108, G0109

### 2012 eRx Payment Adjustment

Beginning in 2012, physicians who do not demonstrate that they are successful electronic prescribers within the first 6 months of 2011 will be subject to a 1.0% payment adjustment on their Medicare Part B PFS covered professional services. The Centers for Medicare and Medicaid Services (CMS) will analyze claims data from January

1, 2011- June 30, 2011 to determine if the eligible professional has submitted at least 10 electronic prescriptions during the first six months. To avoid the 1.0% penalty in 2012 for not eRx, EPs must submit at least 10 electronic prescriptions via claims during the first 6 months of calendar year 2011. CMS states that eligible professionals could potentially avoid the 2012 e-prescribing payment adjustment if:

1. The eligible professional 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).
2. Do 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.
3. The eligible professional does not have at least 100 cases containing an encounter code in the measure denominator and therefore does not meet the 10% denominator threshold. (*If you bill one of the office visit codes listed in the denominator less than 100 times before June 30<sup>th</sup>, then you will not be subject to the payment adjustment. If you do bill those codes more than 100 times, then you need to report the e-Prescribing measure 10 times on the claim before June 30<sup>th</sup>.*)
4. **The eligible professional becomes a successful electronic prescriber (*reporting the eRx measure for at least 10 e-prescribing events for patients in the denominator of the measure between January 1, 2011- June 30, 2011*).**
5. Meets and reports a significant hardship exemption using the appropriate G-code on at least one claim by June 30<sup>th</sup>:
  - a. G8642: The eligible professional practices in a rural area with limited high-speed Internet access.
  - b. G8643: The eligible professional practices in an area with limited available pharmacies for electronic prescribing.

#### **CMS proposes new exemption categories**

The AAOS along with other specialty societies have encouraged CMS to implement an exemption that shows a provider has a qualified e-prescribing system in place, but is unable to prescribe because of the prescription is defined as a controlled substance. With these comments, CMS proposed that beginning October 1, 2011, eligible professionals and group practices will have an opportunity to attest through an online portal that they are eligible for one of the following exemptions:

1. Physician's practice is located in a rural area without high speed internet access
2. Physician's practice is located in an area without sufficient available pharmacies for electronic prescribing.

3. Physician is registered to participate in the Medicare or Medicaid EHR Incentive Program and has adopted certified EHR technology.
4. Physician is unable to electronically prescribe due to local, State, or Federal law or Regulation (*i.e. prescribes controlled substances*).
5. Physician infrequently prescribes (*i.e. prescribe fewer than 10 prescriptions between January 1 – June 30, 2011*).
6. There are insufficient opportunities to report the e-prescribing measure due to program limitations.

CMS has asked for further comment on the proposed rule, and the AAOS will be submitting comments on behalf of the membership. The link to the rule is up on the Statute Regulation section page of the E-Prescribing Incentive Program website. See the link below to view the proposed rule under "Related Links Outside of CMS". Comments to the proposed rule can be made until July 25, 2011.

[http://www.cms.gov/ERxIncentive/04\\_Statute\\_Regulations.asp#TopOfPage](http://www.cms.gov/ERxIncentive/04_Statute_Regulations.asp#TopOfPage)

### **What does this mean for you?**

AAOS members will have to try and report the eRx measure for at least 10 e-prescribing events for patients by June 30<sup>th</sup>. Members who plan to participate, but are not sure where to start can visit the AAOS website at [www.aaos.org/quality](http://www.aaos.org/quality) or CMS' website at <http://www.cms.gov/erx incentive/> for more information on E-Prescribing.

### **Frequently Asked Questions:**

- 1. Can Durable Medical Equipment supplies that are electronically prescribed be counted toward the e-prescribing program using the G8553 submission code, in order to earn the incentive or to avoid the payment adjustment?**

Yes, any and all Durable Medical Equipment, Prosthetic and Orthotic Supplies (DMEPOS) that can be transmitted electronically can also be counted as a "valid e-prescribing event" using the G8553 submission code in order to earn the incentive or to avoid the payment adjustment. This would include, for example, DME-prescribed walkers, wheelchairs, shoes/socks for diabetic patients, diabetic testing supplies, insulin pumps, leg braces, prosthetics, CPAP machines, etc. However, the DMEPOS charges may not be included in your Total Allowed Charges calculation for the eRx Incentive Program, as most DMEPOS supplies would normally be paid under the DME Fee Schedule. Only those Medicare Part B allowed charges paid based on the Physician Fee Schedule (PFS) are included in the incentive payment calculation. Additionally, in order to count DMEPOS electronic prescriptions towards the eRx Incentive Program, providers would need to meet the normal eRx requirements, such as using a qualified eRx system

and electronically prescribing during an eligible visit as defined in the denominator of the e-prescribing measure.

**2. If an eligible professional electronically prescribes over-the-counter (OTC) medicine, will this be counted towards an e-prescribing encounter?**

If an eligible professional sends an eRx (via a qualified eRx system) to the pharmacy electronically (for a denominator-eligible visit) then the eRx event would count—even for an OTC medicine. The key is the prescription needs to be sent electronically to a receiving entity and the system needs to be able to check for the dose, and drug-drug interactions, etc., if they are available, just like for a regular eRx.

**3. Does prescribing narcotics or controlled substances count toward an e-prescribing encounter?**

Prescriptions for controlled substances/narcotics do not count. A prescription must be generated and submitted to a pharmacy electronically. To date, controlled substances/narcotics cannot be electronically prescribed. The AAOS has asked that some sort of exemption be created or reinstate the G-code that was used in 2009 E-Prescribing Incentive Program that states that the provider has an e-prescribing system but unable to prescribe because of a controlled substance.

**4. Does a prescription written during the post-op global service period count towards an e-prescribing encounter.**

Prescriptions written during post-op global service period does not count. At least 10% of eligible professionals' Medicare Part B PFS charges covered services must be comprised of the office visit codes that appear in the denominator of the e-prescribing measure for an incentive or payment adjustment.