



**Action to Take for Groups with 10 or More Eligible Professionals In Order To Avoid the Automatic CY 2016 Value-Based Payment Modifier Downward Payment Adjustment**

In calendar year (CY) 2016, Medicare will apply the Value-Based Payment Modifier (Value Modifier) under section 1848(p) of the Social Security Act (the Act) to physician payments under the Medicare Physician Fee Schedule for physicians in groups with 10 or more eligible professionals (EPs). EPs consist of physicians, practitioners, physical or occupational therapists, qualified speech-language pathologists, and qualified audiologists. A group of physicians is defined by its Medicare-enrolled Taxpayer Identification Number (TIN).

CY 2014 is the performance period for the Value Modifier that will be applied in CY 2016. In order to avoid an automatic negative two percent (“-2.0%”) Value Modifier payment adjustment in CY 2016, EPs in groups of 10 or more **MUST** participate in and satisfy the Physician Quality Reporting System (PQRS) requirements as a group or as individuals in CY 2014, as described below. We note that quality-tiering is mandatory for groups subject to the Value Modifier in CY 2016. Additional information about quality-tiering is provided below.

Medicare will NOT apply the CY 2016 Value Modifier to a group of physicians if one or more physicians in the group participates in the Medicare Shared Savings Program, the Pioneer ACO Model, or the Comprehensive Primary Care Initiative in CY 2014.

For purposes of the Value Modifier, a group with 10 or more EPs can participate in the PQRS in CY 2014 by choosing one of the two following options:

**OPTION 1: Participate in the PQRS as a Group Practice**

Groups of 10 or more EPs can avoid the automatic “-2.0%” Value Modifier payment adjustment in CY 2016 by participating in the PQRS Group Practice Reporting Option (GPRO) in CY 2014 and meets the satisfactory reporting criteria to avoid the “-2.0%” CY 2016 PQRS payment adjustment. Groups can participate in the 2014 PQRS GPRO by selecting one of the GPRO reporting mechanisms:

- Qualified PQRS Registry
- Electronic Health Record (EHR)
- Web Interface (for groups with 25 or more EPs only)
- Consumer Assessment of Health Providers and Systems (CAHPS) Survey via a CMS-certified Survey Vendor (as a supplement to another GPRO reporting mechanism; groups can elect whether to include the results of the CAHPS survey in the calculation of their CY 2016 Value Modifier; the survey is available for groups with 25 or more EPs only and the cost of administration is covered by CMS for 2014)

Groups can register to participate in the 2014 PQRS GPRO via the Physician Value-Physician Quality Reporting System (PV-PQRS) Registration System. The Registration System allows authorized representatives of a group to register to participate in the 2014 PQRS GPRO until **September 30, 2014 11:59 pm EDT**. Please access the Registration System at <https://portal.cms.gov> using an Individuals Authorized Access to the CMS Computer Services (IACS) account. Please see the instructions provided below on how to obtain an IACS account.

If groups choose Option 1, then an authorized representative from each group **must** get an IACS account and register each group to participate in the 2014 PQRS GPRO in the Registration System as soon as possible and prior to the **September 30, 2014** registration deadline.

A quick reference guide for registering for the 2014 PQRS GPRO is available in the “Downloads” section of CMS’ Registration website located at:

<http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Self-Nomination-Registration.html>.

As noted above, groups with 10 or more EPs must meet the satisfactory reporting criteria through the PQRS GPRO to avoid the “-2.0%” CY 2016 PQRS payment adjustment in order to also avoid the automatic “-2.0%” Value Modifier payment adjustment in CY 2016. More information about the CY 2016 PQRS payment adjustment is located at:

<http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/Payment-Adjustment-Information.html>.

## **OPTION 2: Participate in the PQRS as Individuals**

Groups with 10 or more EPs can avoid the automatic “-2.0%” Value Modifier payment adjustment in CY 2016, if the EPs in each group participate in the PQRS as individuals in CY 2014 and at least 50% of the EPs in each group meet the satisfactory reporting criteria as individuals (or in lieu of satisfactory reporting, satisfactorily participate in a Qualified Clinical Data Registry) to avoid the “-2.0%” CY 2016 PQRS payment adjustment. EPs can participate in the PQRS as individuals in CY 2014 via one of the following four reporting mechanisms:

- Medicare Part B Claims
- Qualified PQRS Registry
- Electronic Health Record (EHR)
- Qualified Clinical Data Registry

No registration is necessary for a group if the EPs in the group participate in the PQRS as individuals. However, each group must ensure that at least 50% of the EPs in the group meet the criteria to avoid the “-2.0%” CY 2016 PQRS payment adjustment in order for the group to avoid the automatic “-2.0%” Value Modifier payment adjustment in CY 2016. Please note that under this option, only the EPs in the group that satisfactorily report (or satisfactorily participate) under the PQRS as individuals in CY 2014 will avoid the CY 2016 PQRS payment adjustment, while the remaining EPs will be subject to the PQRS payment adjustment. For more information about the CY 2016 PQRS payment adjustment, please see the website listed above.

Please note that group practices and EPs participating in the PQRS through another CMS program (such as the Medicare Shared Savings Program, the Pioneer ACO Model, or the

Comprehensive Primary Care Initiative) should check the program's requirements for information on how to take part in the PQRS.

### **A Group's Performance on Quality and Cost Measures in CY 2014 Can Make A Difference In Its CY 2016 Payments**

Quality-tiering is the methodology that is used to evaluate a group's performance on cost and quality measures for the Value Modifier. For the CY 2016 Value Modifier, quality-tiering is mandatory for groups with 10 or more EPs based on group size in CY 2014.

Groups with 10 or more EPs that avoid the automatic “-2.0%” Value Modifier payment adjustment in CY 2016 by meeting the criteria to avoid the CY 2016 PQRS payment adjustment as a group or as individuals in CY 2014, as described under Options 1 and 2 above, will be subject to quality-tiering. This means that: (1) groups of 100 or more EPs could receive an upward, neutral (meaning no adjustment), or downward Value Modifier adjustment to Medicare PFS physician payments for CY 2016 based on their performance on quality and cost measures in CY 2014; and (2) groups with between 10 and 99 EPs could receive an upward or neutral adjustment for CY 2016 and are held harmless from any downward adjustment derived under the quality-tiering methodology. The maximum downward adjustment for groups of 100 or more EPs is “-2.0%” (if classified as low quality/high cost). Groups with 10 or more EPs may qualify for an upward adjustment of up to +2.0 times a specified adjustment factor that will be determined after the end of CY 2014.

### **Obtaining An IACS Account is Required (if Choosing Option 1)**

To access the Registration System in order to register for a 2014 PQRS GPRO, an authorized representative of the group must have an IACS account with a “PV-PQRS Group Security Official” role. If the group does not yet have an authorized representative with an IACS account, then one person representing the group must sign up for an IACS account with the primary “PV-PQRS Group Security Official” role. If the group has a representative with an existing IACS account, but not one with the primary “PV-PQRS Group Security Official” role, then please check with the QualityNet Help Desk that the account is still active and add this role to that person's existing IACS account.

Group representatives can sign up for a new IACS account or modify an existing account at <https://applications.cms.hhs.gov>. Please complete this step NOW to avoid any last minute delays in obtaining an IACS account. Also, please note that it takes approximately 24 hours for CMS to process an IACS account request; therefore, an IACS account must be obtained in advance so that the group's registration can be submitted by **September 30, 2014**. A guide with step-by-step instructions for obtaining an appropriate IACS account is available in the “Downloads” section of CMS' Registration website listed above.

### **Additional Resources**

More information about the Value Modifier program is available at:  
<http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/index.html>

More information about the PQRS program is available at:

<http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/index.html>

For questions about the Value Modifier, the IACS sign up process, or participating in the 2014 PQRS as a group or individual, please contact the QualityNet Help Desk at 1-866-288-8912 or via email at [qnetsupport@hcqis.org](mailto:qnetsupport@hcqis.org).