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CMS Plans to Revise the Reporting Requirements for the 2016 Physician Quality Reporting System (PQRS) Performance Year

Providers frustrated with what they felt were unreasonable administrative requirements posed by the PQRS program in the past two years are learning of some welcome news from CMS, who has indicated it intends to modify the reporting requirements on the quality data already submitted for 2016.

According to Decision Health's "Part B News" Volume 31, Issue 29 (July 24, 2017), CMS plans to make the modifications as a way to ease providers in the transition from the discontinued PQRS and the Value Based Modifier (VBM) Programs to the Merit-Based Incentive Payment System (MIPS) that went into effect January 1st of this year. Essentially, the plan will lower the reporting requirements and thresholds for avoiding penalties in the 2018 payment year.

Until now, under PQRS, providers were expected to report nine measures across three domains with one of the reported measures designated a Cross-Cutting measure if the clinician provides patient-facing services (i.e., surgical procedures, evaluation & management services). With this change, CMS proposes to require just six (6) quality measures to avoid the 2018 payment adjustment and discontinues the requirements for the cross-cutting measure and reporting across domains.

The proposed changes apply to all clinicians who reported PQRS via claims, qualified registry, electronic health record (EHR) and qualified clinical data registry (QCDR) and will be applied to the quality data already submitted for the 2016 performance year. No additional action is needed from the provider community with regard to these planned CMS changes.

Through its plan to assist providers in the transition to MIPS, CMS also lightens the load of the VBM structure and proposes that the following practices will not be subject to the VBM payment penalty if they successfully participated in the 2016 PQRS program:

- Groups (as identified by the tax identification number) where at least 50% of its eligible providers meet the PQRS requirement
- Solo practitioners
- Groups that successfully participate in the Group Reporting Option (GPRO)
- Groups and solo practitioners who participate in a Shared Savings Program (SSP) accountable care organization (ACO) and the ACO has successfully reported quality data as required by the SSP

For those providers not meeting PQRS requirements for 2016, the restructured VBM penalty would be cut in half:

- Solo practices and groups of two to nine physicians would receive a 1% pay cut in 2018, instead of 2%
- Groups of 10 or more clinicians would receive a 2% pay cut instead of the current 4%

On the flip side of the coin, with this relaxing of the requirements, CMS also intends to cut by half potential bonuses resulting from the 2016 performance year for physician groups of 10 or more whose data scored high in quality (PQRS) and low in cost (VBM). The bonus rate for solo practices and groups of 2-9 clinicians remains unchanged.

APS Medical Billing will continue to follow this issue and will relay any updates and changes as they occur.