

# Medicare Shared Savings Program Interaction with the Physician Quality Reporting System (PQRS)

## Introduction:

Medicare enrolled providers and suppliers are subject to a number of CMS quality reporting requirements and initiatives. The Shared Savings Program regulations address alignment with certain quality initiatives, including the Physician Quality Reporting System (PQRS), in an effort to reduce provider quality reporting burden. Specifically, the Shared Savings Program regulations state that eligible professionals billing through ACO participant TINs will be treated as participating in a PQRS group practice and will qualify for the PQRS incentive payment (and also avoid the PQRS downward payment adjustment) if their ACO satisfactorily reports on behalf of its eligible professionals the GPRO quality measures under the Shared Savings Program. Generally, ACO participant TINs and eligible professionals billing under those TINs are not eligible to earn a PQRS incentive outside of the Shared Savings Program. That is, they may not independently report under the traditional PQRS and qualify for a PQRS incentive apart from the ACO.

## What is the traditional PQRS?

- The PQRS is a reporting program that uses a combination of incentive payments and payment adjustments to promote quality data reporting by eligible professionals.
- To receive a 2013 PQRS incentive, eligible professionals must satisfactorily report data on quality measures during the applicable reporting period in 2013.
- To avoid the PQRS payment adjustment, which will be applied to claims in 2015 and subsequent years, eligible professionals must satisfactorily report data on quality measures during the applicable reporting period. (Note that 2015 is the first year of the payment adjustment, and the criteria for avoiding the payment adjustment for this year may differ from the criteria for earning an incentive payment.)
- For more specific information about the PQRS, please visit:  
<http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/index.html?redirect=/pqri>

## How do changes in Medicare Shared Savings Program ACO participants affect which eligible professionals may qualify for the PQRS incentive and avoid the PQRS payment adjustment through the Medicare Shared Savings Program?

Rules for ACO participants: Upon approval to participate in the Shared Savings Program, ACOs must certify a list of ACO participant TINs that have signed ACO participant agreements with the ACO and that have agreed to participate in the Shared Savings Program. ACOs must certify this list at the beginning of each performance year (which starting 1/1/2013 corresponds to the beginning of each reporting year for all ACOs) to account for changes in ACO participants during the course of the previous performance year. This list determines the ACO participant TINs that will qualify for a PQRS incentive (or avoid the PQRS payment adjustment) when the ACO satisfactorily reports the GPRO quality measures. The ACO participants included on the certified list may not independently report and qualify for a PQRS incentive apart from the ACO for the performance year and reporting period for which the certified list applies.

To be included on the next performance year's certified list, ACO participant TINs that are added must first have their program integrity histories screened, be checked for overlapping TINs that are already participating in another ACO or Medicare initiative involving shared savings, and be approved as described in our guidance found [HERE](#).

There is one exception for ACOs with start dates of 2012. Specifically, ACO participant TINs that were added during 2012 to an ACO with a start date of 2012 may attempt to qualify for a PQRS incentive through ACO reporting for the 2013 reporting period (and avoid the 2015 payment adjustment) without being included on the certified list of ACO participants. We created this exception for ACOs with start dates in 2012, because these ACOs have an extended first performance year that spans two reporting periods and, therefore, a certified list of ACO participants that also spans two PQRS reporting periods.

Rules for ACO providers/suppliers: There are 3 scenarios under which an ACO provider/supplier that is an eligible professional may interact with an ACO participant TIN:

- 1) Eligible professionals in ACO participant TINs that have been added to the ACO but are not yet on the certified list of ACO participants.** Eligible professionals that bill through an ACO participant TIN that joins an ACO after a performance year has started won't be eligible to qualify for a PQRS incentive through the Shared Savings Program in that year, because the ACO participant TIN will not be part of that year's certified list of ACO participants. Instead, these eligible professionals may attempt to participate in one of the PQRS individual or group reporting options apart from the ACO, and if program requirements are met, qualify for a PQRS incentive for that year and/or avoid the PQRS payment adjustment in a future year. Once the ACO participant TIN is added to the certified list of ACO participants, eligible professionals that bill through the newly added ACO participant TIN will be eligible to qualify for a PQRS incentive under the Shared Savings Program based on ACO reporting for the performance year for which the certified list of ACO participants applies.
- 2) Eligible professionals who are joining an ACO participant TIN that is already on the ACO's certified list of ACO participants.** Eligible professionals who join an ACO participant TIN that is already a part of the ACO's certified list of ACO participants for a performance year will be eligible to qualify for a PQRS incentive through the Shared Savings Program in that year or avoid the PQRS payment adjustment in a future year, but only for the claims that are billed through the ACO participant TIN.
- 3) Eligible professionals in ACO participant TINs who terminate from an ACO during a performance year in which the TIN appears on the certified list of ACO participants.** Eligible professionals who bill through an ACO participant TIN that leaves an ACO before the end of a performance year will be eligible to qualify for the PQRS incentive under the Shared Savings Program for that year or avoid the PQRS payment adjustment in a future year if the ACO satisfactorily reports the GPRO measures under the Shared Savings Program. These eligible professionals will not be eligible to earn a PQRS incentive in that year for services billed through the ACO Participant TIN except through reporting by the ACO under the Shared Savings Program.

These FAQs attempt to address some commonly asked questions about the interaction and timing between the Shared Savings Program and the traditional PQRS.

## FAQs

***Q1: Are eligible professionals who bill through ACO participant TINs eligible to participate in the PQRS under the Shared Savings Program through an ACO when the ACO reports GPRO quality measures?***

A1: Yes, but only if their ACO participant TIN appears on the certified list of ACO participants submitted by the ACO to CMS at the beginning of the performance year. The eligible professionals that bill through each of the ACO participant TINs will:

- Be treated as a group practice for purposes of PQRS under the Shared Savings Program.
- Be eligible for the 2013 PQRS incentive payment when the ACO satisfactorily reports ACO GPRO measures during the applicable 2013 reporting period.
- Avoid the 2015 PQRS payment adjustment when the ACO satisfactorily reports at least one ACO GPRO measure during the 2013 reporting period.
- Avoid the PQRS payment adjustment for 2016 and subsequent years when the ACO satisfactorily reports all ACO GPRO measures during the applicable reporting period.

***Q2: My TIN joined an ACO as an ACO participant in the middle of a reporting period. Will the eligible professionals that bill through this TIN qualify for a PQRS incentive payment and/or avoid the PQRS payment adjustment through ACO reporting under the Shared Savings Program for this reporting period?***

A2: No. In order for eligible professionals to qualify for a PQRS incentive payment and/or avoid the PQRS payment adjustment through ACO reporting under the Shared Savings Program, their ACO participant TIN must appear on the certified list of ACO participants that the ACO submits to CMS at the beginning of each performance year which, beginning on January 1, 2013, corresponds to the PQRS reporting period under the Shared Savings Program.

***Q3: If my TIN joined an ACO as an ACO participant in the middle of a reporting period, how can I get a PQRS incentive payment or avoid the PQRS payment adjustment?***

A3: You must participate under the traditional PQRS (e.g., as an individual or as part of a group practice with the other eligible professionals that bill through your TIN) until your ACO participant TIN is added to the ACO's certified list of ACO participants. For example, if your TIN joined an ACO in the middle of 2013, you must participate under the traditional PQRS for the 2013 reporting period. Your TIN would be added to the ACO's certified list of ACO participants for the 2014 reporting period. Please refer to the PQRS website for information on your participation options under the traditional PQRS.

***Q4: What ACO provider/suppliers are eligible to participate in the PQRS under the Shared Savings Program through their ACO?***

A4: Each practitioner that bills through the TIN of an ACO participant (that is, each ACO provider/supplier) is eligible to participate in the PQRS under the Shared Savings Program as long as these 2 criteria are met:

- The ACO provider/supplier is a [PQRS eligible professional \(EP\)](#).
- The ACO provider/supplier is billing under an ACO participant TIN that appears on the certified list of ACO participant TINs the ACO submitted before the beginning of the reporting period.

***Q5: I am an eligible professional submitting claims to CMS through multiple Medicare enrolled TINs, one of which is participating in an ACO under the Medicare Shared Savings Program. Are claims submitted under all of these TINs used to calculate my PQRS incentive payment or avoid the payment adjustment?***

A5: No. Only the claims you bill through the TIN of an ACO participant that is included on the ACO's certified list of ACO participants are used to calculate the PQRS incentive payment or avoid the payment

adjustment. You must independently report under the traditional PQRS under the non-ACO participant TIN to qualify for the PQRS incentive and/or avoid the payment adjustment with respect to the claims billed through the TIN of a non-ACO participant.

***Q6: I bill through the TIN of an ACO participant. May I participate in the traditional PQRS under that TIN to earn a PQRS incentive or avoid the PQRS payment adjustment?***

A6: No. ACO providers/suppliers who are PQRS eligible professionals are only able to do PQRS reporting under the Medicare Shared Savings Program. You may not report for purposes of PQRS, under the ACO participant TIN, outside of the Medicare Shared Savings Program under one of the traditional PQRS individual or group reporting options. However, to the extent that an eligible professional also bills under the TIN of a non-ACO participant, the eligible professional is not precluded from reporting under the traditional PQRS under the non-ACO participant TIN to earn an incentive payment and/or avoid the payment adjustment with respect to those claims.

***Q7: I'm a PQRS eligible professional and I joined an ACO participant TIN in the middle of the year. The ACO participant TIN was on the certified list of ACO participants at the beginning of the year. Am I eligible for a PQRS incentive under the Shared Savings Program if the ACO satisfactorily reports quality data during the reporting period?***

A7: Yes. However, the PQRS incentive payment will be calculated based only on the claims that are billed under the ACO participant TIN. To the extent that some of your claims were billed through the TIN of a non-ACO participant, you are not precluded from reporting under the traditional PQRS under the non-ACO participant TIN to earn an incentive and/or avoid the payment adjustment with respect to those claims.

***Q8: How are PQRS incentive payments and payment adjustments calculated?***

A8: For the 2013 and 2014 PQRS incentives, eligible professionals who satisfactorily report quality-measures data for services furnished during a PQRS reporting period are eligible to earn an incentive payment equal to a 0.5 percent of the estimated total allowed charges for Medicare Part B covered professional (Physician Fee Schedule) services furnished by the eligible professional during the reporting period. 2013 and 2014 are the last two years for which PQRS incentive payments are authorized. In addition, reporting under PQRS during 2013 will determine if the payment adjustment of 1.5% will apply to physician fee schedule amounts for services furnished in 2015.

***Q9: Will PQRS incentive payments be made to the ACO?***

A9: No. PQRS incentive payments are made directly to the TIN of the ACO participant that has eligible professionals.

***Q10: How will PQRS incentive payments be paid to the ACO Participant TIN?***

A10: PQRS incentive payments for each reporting period are issued as a single incentive payment to each ACO participant TIN with PQRS eligible professionals, typically in the following calendar year. For example, the 2013 PQRS incentive payments will normally be issued in 2014. Incentive payments are issued to the first valid group location listed under the TIN; or, for solo practitioners, to the first valid practice location listed under the TIN. The Medicare claims-processing contractors (Carrier or A/B MAC) will make the payment electronically or via check, based on how the TIN normally receives payment for Medicare Part B Physician Fee Schedule covered professional services furnished to Medicare beneficiaries. More information on payments can be found on the PQRS webpage

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

***Q11: Where can I find additional resources?***

A11: Additional resources are listed below:

Links: Changes to ACO Participants and ACO Providers/Suppliers during the Agreement Period

<http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/sharedsavingsprogram/Updating-ACO-Participant-List.html>

Physician Quality Reporting System (PQRS) List of Eligible Professionals

[http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/Downloads/PQRS\\_List-of-EligibleProfessionals\\_022813.pdf](http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/Downloads/PQRS_List-of-EligibleProfessionals_022813.pdf)