

Dermatology Coding Alert

Weed Through the PQRI Confusion With These Expert Tips

Key: Educate your staff and perform a test run soon

Your time to prepare for the Physician Quality Reporting Initiative (PQRI) is quickly running out. Now is the time to figure out how to bill enough category II quality codes to receive the 1.5 percent bonus from Medicare--and recoup the bonus money your practice deserves.

Bad news: If you start too long after the July 1 launch date, you probably won't report enough quality codes to make the 1.5 percent bonus, CMS officials have warned, and you will be limited to a payment cap determined by the number of quality measures you do report.

How it works: Every physician who reports on quality measures at least 80 percent of the time that they apply to his or her eligible patients will receive a bonus next year. The bonus will consist of up to 1.5 percent of the total allowable amount each doctor billed Medicare from July 1 to Dec. 31, 2007.

The bonus applies to all allowable charges, including deductibles and copayments. Bonus calculations will not include physician laboratory or physician-administered drug charges, and there will be no beneficiary co-insurance requirement for quality measures you report.

On the other hand, CMS will apply a "cap" to the bonus for doctors who do not report a sufficient number of quality measures, and there will be no appeal process for physicians to question their bonus payments.

Focus on Specific Quality Measures

Your first step with PQRI is to decide which quality measures to use. CMS has posted a list of the 74 quality measures, along with detailed specifications, at www.cms.hhs.gov/pqri. You should consider which conditions your practice treats, and the type of care your practice provides: preventive, chronic or acute.

Key: Choose measures that have a large impact on your practice's quality improvement.

Hidden snag: If you pick three quality measures that you only report on infrequently, you risk coming under the "cap" on bonus payments, and you won't receive the full 1.5 percent bonus payment.

Example: For urology, you'll likely want to focus on the following three measures, says **Morgan Hause, CCS, CCS-P**, privacy and compliance officer for Urology of Indiana LLC, a 31-urologist, two-urogynecologist practice in Indianapolis:

- #48--Assessment of Presence or Absence of Urinary Incontinence in Women Aged 65 Years and Older
- #49--Characterization of Urinary Incontinence in Women Aged 65 Years and Older
- #50--Plan of Care for Urinary Incontinence in Women Aged 65 Years and Older.

Associate Measures With Correct CPT Codes

To help you prepare, CMS released specifications, available online at www.cms.hhs.gov/PQRI/Downloads/Specifications_2007-02-04.pdf. For each quality measure, the document lists the CPT codes and diagnosis codes that go with it.

[If you report a particular CPT and ICD-9 code together, you can see if the quality measure applies. Then you report on](#)

[test results or other measures using Category II or G codes.](#)

[If the measure doesn't apply, you can use modifiers 1P \(Medical reasons\), 2P \(Patient reasons\) and 3P \(System reasons\) to explain why you didn't apply it. Alternatively, you can apply modifier 8P \(Unspecified reasons\). Each measure specifies which of these modifiers you can use with that specific measure.](#)

Pointer: [If more than one physician treats the same patient, each doctor can report on the same quality measure for that patient, according to CMS. You should only report on quality measures that fit with your physician's specialty and with particular eligible patients. But if your doctors provide care outside of their specialty, such as managing a patient's other problems, then you can report other quality measures.](#)

[You need to report some measures only once a year, so you don't have to keep including them on each code after you report them the first time. But for measures that you're supposed to report once per year, you won't suffer any penalty for reporting them more than once by mistake.](#)

Tip: [When you're figuring out which claims to match up with the quality reporting codes, you should look at both primary and secondary ICD-9 diagnosis codes, experts say.](#)

Bonus: [Watch for a sample PQRI claim in a future issue of Medical Office Billing & Collections Alert.](#)