

Part B Insider (Multispecialty) Coding Alert

PQRI: Want to Show Your Exemption From the E-Prescribing Penalty? Use New G Codes, CMS Says

Three new codes show your MAC why you collect your full pay next year.

Never fear -- if you don't have prescribing privileges, CMS will not cut your pay as a penalty for failing to comply with the new e-prescribing incentive program.

As you are probably aware, starting in 2012, you may be subject to a one percent payment adjustment on your Part B pay if you don't successfully participate in e-prescribing this year. In 2013, that payment adjustment will go up to 1.5 percent, and in 2014 it will rise to two percent, CMS's **Daniel Green, MD** noted on a Feb. 15 CMS-sponsored call.

"To earn an incentive in 2011, an eligible professional must e-prescribe 25 times during the year, ten of which must be in the first six months," Green said. "If they are a successful e-prescriber during the calendar year, they not only would avoid the 2012 payment adjustment, they would get a one percent 2011 payment incentive, and they would be exempt from the 2013 payment adjustment," he explained.

Keep in mind: "Earning an incentive in 2011 does not necessarily exempt the eligible professional or group practice from a payment adjustment in 2012," Green explained.

How to Avoid the Adjustment

CMS reps said that they've been flooded with calls about the 2012 payment adjustment, and described ways that you can avoid the adjustment if you qualify.

Not eligible to prescribe: If you are not a physician, nurse practitioner, or physician assistant between Jan. 1 and June 30, 2011, you can avoid the e-prescribing penalty. In addition, if you don't have prescribing privileges at least once on a claim between Jan. 1 and June 30, 2011, you should append G8644 (Eligible professional does not have prescribing privileges) at least once before June 30 to ensure that your MAC knows you are not subject to the penalty, said CMS's **Michelle Anderson** during the call.

Plus, if you don't have at least 100 cases containing an encounter code in the measure denominator before June 30 or you don't meet the 10 percent denominator threshold, you could be exempt from the penalty.

Hardship exemption: On a case-by-case basis, CMS may exempt an eligible professional (EP) from the payment adjustment "if compliance with the requirement for being a successful electronic prescriber would result in a significant hardship," Anderson said. For the 2012 eRx payment adjustment, if the EP practices in a rural area with limited high-speed internet access or in an area with limited available pharmacies that can receive electronic prescriptions, they could qualify for the hardship exemption. You would need to report one of the following G codes to tell your MAC that you meet one of these exemptions:

- G8642 -- The eligible professional practices in a rural area without sufficient high speed internet access and requests a hardship exemption from the application of the payment adjustment under section 1848(a)(5)(a) of the Social Security Act
- G8643 -- The eligible professional practices in an area without sufficient available pharmacies for electronic prescribing and requests a hardship exemption for the application of the payment adjustment under section 1848(a)(5)(a) of the Social Security Act

How to Proceed When You're Awaiting 'Meaningful Use'

One caller to the forum asked whether her practice should move forward with e-prescribing to avoid the 2012 adjustment, even though her practice most likely won't demonstrate "meaningful use" of an e-prescribing system until after the June 30 deadline has passed.

"Regardless of your intent to participate in the meaningful use program, if you don't do at least ten e-prescriptions in the first six months of this year, your doctor will receive a payment adjustment starting in 2012," Green said. Therefore, you should ensure that you meet the e-prescribing criteria now, even if you won't demonstrate meaningful use until July, he said.

For more on the e-prescribing program, visit www.cms.gov/erxincentive.