

Medicare e-prescribing: A VMS Guide on how Vermont physicians can receive their 2% bonus in 2009

On July 15th, 2008, the U.S. Congress passed into law, HR 6331, the Medicare Improvements for Patients and Providers Act of 2008.

The measure prevented physician's proposed 10.6 percent cut in their reimbursement rates when treating Medicare patients. As a result of the new law, the mid-year 2008 Medicare Physician Fee Schedule (MPFS) rate reduction of -10.6 percent was retroactively replaced with fee schedule rates in effect from January – June, 2008, which reflected a 0.5 percent update from 2007 rates.

Additionally, Section 132 of the law provides financial incentives for physicians to use electronic prescribing as early as January 1, 2009 and requires adoption or imposes a penalty by 2012. Physicians who do not use e-prescribing technology will see their payments cut by 1 percent in 2012, up to a maximum of up to 2 percent for 2013 and beyond. The bill allows for some exceptions to the rule for physician hardship.

Percent of annual Medicare pay adjustment for use of e-prescribing:

Incentive	Penalty	
2009	2%	None
2010	2%	None
2011	1%	None
2012	1%	1%
2013	0.5%	1.5%
Beyond	None	2%

Source: The Medicare Improvements for Patients and Providers Act of 2008

The Centers for Medicare & Medicaid Services in November released a guide for physicians who plan to pursue Medicare e-prescribing incentives that start in 2009. Here's what CMS says doctors should do.

1. Obtain an eligible system

To participate in the E-prescribing Incentive Program, you must use a "qualified" e-prescribing system. There are two types of systems: a system for e-prescribing only (a "stand-alone" system), or an electronic health record (EHR) system with e-prescribing functionality. Either of these systems may be used for the incentive program, as long as they are "qualified."

A qualified system must be able to do the following:

Generate a complete medication list that incorporates data from pharmacies and benefit managers (if available)

Select medications, transmit prescriptions electronically* using the applicable standards, and warn the prescriber of possible undesirable or unsafe situations

Provide information on lower-cost, therapeutically-appropriate alternatives (for 2009, tiered formulary information, if available, meets this requirement)

Provide information on formulary or tiered formulary medications, patient eligibility, and authorization requirements received electronically from the patient's drug plan

**The e prescription must be sent electronically. If the network converts the electronic prescription into a fax because the pharmacy can't get electronic faxes, this counts as e-prescribing. If the e-prescribing system is only capable of sending a fax directly from the e-prescribing system to the pharmacy, the system isn't a qualified e-prescribing system.*

2. How to Report the E-prescribing Incentive Program Measure

Starting with applicable services rendered on or after Jan. 1, 2009, physicians must report the appropriate combination of CPT codes and special G-codes on Medicare claims. For example, a doctor might bill code 99213 for a mid-level patient checkup and also report code G8443 if the visit resulted in an electronic drug order

To get the incentive in 2009, you have to **report** on the e-prescribing quality measure. When you have an applicable case, you can report on the e-prescribing measure with **two steps**:

STEP 1. Bill on one of the following denominator codes:

90801	90808	96150	99204	99215	G0101
90802	90809	96151	99205	99241	G0108
90804	92002	96152	99211	99242	G0109
90805	92004	99201	99212	99243	
90806	92012	99202	99213	99244	
90807	92014	99203	99214	99245	

STEP 2. Report one of the following G-Codes:

E-prescribing Incentive Program Quick Reference: G-Codes	
If You....	Report
Used a qualified e-prescribing system for all of the prescriptions	G8443
Had a qualified e-prescribing system, but didn't generate any prescriptions during this encounter	G8445
Had a qualified e-prescribing system, but prescribed narcotics or other controlled substances*	G8446
Had a qualified e-prescribing system, and state or Federal law you to phone in or print the prescriptions	G8446
Had a qualified e-prescribing system, and the patient asked that you to phone in or print the prescriptions	G8446
Had a qualified e-prescribing system, and the pharmacy system can't receive electronic transmissions	G8446

** The Drug Enforcement Agency (DEA) currently prohibits e-prescribing for controlled substances. The DEA has issued a proposed rule to allow e-prescribing for controlled substances under certain conditions. Even if the DEA allows e-prescribing for controlled substances, G-code G8446 allows you to report on the e-prescribing measure for controlled substances **without** using an e-prescribing system to do so.*

3. Qualify for a bonus

To be eligible for the incentive in 2009, you must be an eligible health care professional whose estimated allowed Medicare Part B charges for the e-prescribing measure codes are at least 10% of their total Medicare Part B allowed charges. These Healthcare Common Procedure Coding System (HCPCS) codes are in the denominator of the E-prescribing Incentive Program measure during the reporting period. For example, in 2009 if an eligible professional has \$100,000 in estimated allowed Medicare Part B charges, at least \$10,000 of these charges must be based on the HCPCS codes that are in the denominator of the E-prescribing Incentive Program measure.

In addition, the physician must report the appropriate G-codes for at least 50% of the cases in which they apply.

Physicians must submit all claims including e-prescribing codes no later than two months after the end of 2009. If CMS determines a physician qualified, he or she will receive a 2% bonus on all 2009 Medicare pay. Bonuses will be paid in 2010.

According to Tony Williams, M.D., an internist from Central Vermont, e-prescribing is easy to learn and you don't need an EMR. He's been using the free Allscripts e-prescribing service obtained through the National ePrescribing Patient Safety Initiative (NEPSI) for the last 2 months.

"It works great, is free, it's very easy to enter patient demographics into and it took me about 30 minutes to enroll and learn. It took me about 20 minutes max to teach my medical office secretary how to use, and the e-prescribing service addresses all the CMS requirements needed to qualify for the e-prescribing benefit. Patients benefit by having prescriptions sent directly to the pharmacy (decreased waiting time at the pharmacy). In addition, medications are checked for drug-drug interactions and against the patient's allergies," Williams said.

Dr. Williams also indicated the clock for the CMS benefit starts ticking 1/1/09 and that 50% of all Medicare visits need to address e-prescribing in order to receive the benefit.

This service is accessed by going to www.allscripts.com and following the link to 'Allscripts ePrescribe', and then to the NEPSI website in order to sign up.

4. For more information

"Medicare's Practical Guide to the E-prescribing Incentive Program" is available online in pdf (www.cms.hhs.gov/partnerships/downloads/11399.pdf).

A separate "Clinician's Guide to Electronic Prescribing," produced in collaboration between CMS, the American Medical Association and other organizations, also is available online (www.ehealthinitiative.org/erx/clinicians.msp).

Both documents are located on the VMS's homepage at: (www.vtmd.org/Education/PQRI/PQRIndex.html)

For information on the National ePrescribing Patient Safety Initiative (NEPSI) please go to: (www.nationalerx.com/)