The Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) created an e-prescribing reporting incentive that pays successful electronic prescribers a percent of Medicare billing. For 2009 and 2010, that was 2 percent; for 2011, it was 1 percent; a penalty has started in 2012 for physicians not utilizing electronic prescribing. It is important to note that physicians must report in 2012 to avoid the 2013 penalty!

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>Beyond</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incentive</td>
<td>1%</td>
<td>.5%</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Penalty</td>
<td>-1%</td>
<td>-1.5%</td>
<td>-2%</td>
<td>-2%</td>
</tr>
</tbody>
</table>

Potential E-Prescribing Benefits
- Increased patient safety resulting from harmful-interaction checks and alerts,
- Fewer medication errors through computerized transmission of legible prescriptions directly to the pharmacy,
- Fewer phone calls between physician and pharmacy for clarification, and
- Improved formulary compliance, which may result in higher patient compliance.

E-Prescribing Defined
E-prescribing is the electronic transmission of prescription or prescription-related information among a prescriber, dispenser, pharmacy benefit manager, or health plan either directly or through an intermediary, including an e-prescribing network. It includes, but is not limited to, two-way transmissions between the point of care and the dispenser. It is important to note that computer generated faxing does not qualify as e-prescribing.

Qualified E-Prescribing System
To qualify for the incentive, a physician must use a qualified e-prescribing system. This can be a stand-alone system, or one integrated with an electronic medical record system or through a qualified registry. A qualified e-prescribing system must be able to:
- Generate a complete active medication list incorporating electronic data from applicable pharmacies and benefit managers;
- Select medications;
- Print prescriptions;
- Electronically transmit prescriptions;
- Conduct safety alerts (written or audible signals that warn prescribers of possible undesirable or unsafe situations, including potentially inappropriate doses or routes of administration of a drug, drug-drug interactions, allergies, or warnings and cautions);
- Provide information on lower-cost, therapeutically appropriate alternatives;
- Provide information on formulary medications; and
- Electronically receive authorization requirements from the patient’s drug plan.

Resources
SureScripts provides the network that connects physician to pharmacy and also certifies e-prescribing solutions. SureScripts’ website (www.surescripts.com) provides a list of e-prescribing systems and a matrix of each system’s functionalities.

2012 Incentive
To be eligible for the 1-percent incentive in 2012, physicians’ estimated allowed Medicare Part B charges for the e-prescribing measure codes (listed below in Step 1) must be at least 10 percent of their total Medicare Part B allowed charges. The physician reporting period is for the entire calendar year. Physicians do not need to sign up to participate; submission of the e-prescribing G-code, G8553 indicates participation. To receive the incentive, physicians must report that an e-prescription was generated for a minimum of 25 unique Medicare patient visits. Physicians working under multiple Taxpayer Identification Numbers (TINs) will need to meet the reporting criteria for each TIN.

Step 1
Bill under one of the following denominator codes (CPT or HCPCS): 90801, 90802, 90804, 90805, 90806, 90807, 90808, 90809, 90862, 92002, 92004, 92012, 92014, 96150, 96151, 96152, 99201, 99202, 99203, 99204, 99205, 99211, 99212, 99213, 99214, 99215, 99304, 99305, 99306, 99307, 99308, 99309, 99310, 99315, 99319, 99324, 99325, 99326, 99327, 99328, 99334, 99335, 99336, 99337, 99341, 99342, 99343, 99344, 99345, 99347, 99348, 99349, 99350, G0101, G0108, G0109. Electronically generated prescriptions not associated with one of these denominator codes will not count toward the minimum 25 e-prescriptions needed for eligibility.

Step 2
Use claims-based reporting to indicate participation to CMS. If an electronic prescription is generated with a pa-
tient visit, report G-code G8553 on the claim form for the numerator for at least 25 unique visits for Medicare Part B patients during the reporting period. G8553 indicates that at least one prescription created during the encounter was generated and transmitted electronically using a qualified e-prescribing system.

What type of encounter will count as an event?
A physician must generate at least one electronic prescription using a qualified system during a patient visit from a set of defined services. Multiple prescriptions to the same patient will only constitute one event.

Avoiding Penalties
To avoid a 1.5-percent penalty applied to the physician fee schedule (PFS) in 2013, physicians must 10 e-prescribing claims by June 30, 2012 (does not have to be with a visit tied to one of the denominator codes listed above). To avoid 2014 penalties, physicians can submit 25 e-prescriptions by December 31, 2012. You have until June 30, 2012 to apply for an exemption for the 2013 e-prescribing penalty.

You are automatically exempt from the 2013 e-prescribing penalty if:
1) You submitted at least 25 e-prescriptions from Jan 1, 2011-Dec 31, 2011;
2) You submitted fewer than 100 denominator eligible claims to Medicare between Jan 1, 2012 – Jun 30, 2012; or
3) Less than 10% of your allowed charges from Jan 1, 2012 – Jun 30, 2012, are comprised of denominator eligible codes.

Requesting an E-Prescribing Exemption
Physicians have the opportunity to attest to one or more of the following exemptions (*Physicians with more than one exemption should include this in the text of the request):
- Physician is unable to electronically prescribe due to local, state, or federal law or regulation (e.g., he or she prescribes controlled substances).
- Physician infrequently prescribes (e.g., he or she prescribes fewer than 100 prescriptions between Jan. 1, 2012, and June 30, 2012).
- Physician’s practice is in a rural area without high-speed internet access (can also report G9642 on a claim form one time); and
- Physician’s practice is in an area without sufficient available pharmacies for electronic prescribing (can also report G8643 one time).

To access the exemption request form, visit CMS’ “Communication Support Page” at: https://www.qualitynet.org/portal/server.pt/community/communications_support_system/234

*See Appendix B for more information on exemption requests.

Continued on page 20
The patient was seen for an office visit (99202). The physician is reporting an instance of successful e-Prescribing:

- G-Code G8553 – indicates a prescription generated via qualified e-prescribing system.
- Note: E-prescribing includes encounter (CPT Category I) codes only. All diagnoses listed in Item 21 from the encounter will be used for PQRI analysis.
- NPI placement: Item 24J must contain the NPI of the individual physician who rendered the service when a group is billing.

For more information on the CMS 1500 claim form, see http://cms.gov/manuals/downloads/clm104c26.pdf

If you believe CMS has made a mistake in calculating e-prescribing penalties or incentives in 2011 or 2012, you can request an informal appeal via the QualityNet Help Desk. CMS representatives will review applicable data to determine whether or not a mistake has been made. Examples of informal appeals include:

- Physician is not included on the list of eligible professionals who are able to participate in the program; or
- Claims were submitted using your group NPI number instead of your individual NPI number.

Contact QualityNet Help Desk at (866) 288-8912 or via qnetsupport@sdps.org Monday through Friday from 7:00 am-7:00 pm CST.

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**Appendix B: Requesting an E-Prescribing Exemption**

To access the exemption request form, visit CMS’ “Communication Support Page” at: https://www.qualitynet.org/portal/server.pt/community/communications_support_system/234

Submission of an e-prescribing exemption request requires the following:

- Identifying information (TIN, individual NPI, name, mailing address, e-mail address);
- The applicable exemption category; and
- A statement of justification that outlines how compliance with the e-prescribing program resulted in a significant hardship to you.

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**Communication Support Page**

**User Information**

Legal Business Name (as enrolled in PECOS)*:

TIN (Last 4 digits)*: 

Email*:

**Contact Information (Requestor)**

First Name*:

Address 1*:

City*:

Phone*:

Ext:

Program Year: [ ] 2011 [ ] PQRS Feedback Report [ ] elfx Feedback Report [ ] elfx Payment Adjustment

**Request NPI Level Feedback Report**

Feedback reports are optional and provide a detailed summary of data received by CMS.

Select Health Care Provider:

- Health Care Provider
- Billing Manager
- Other Office Staff

Report physician NPI #, not Group NPI #.

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**Texas Medical Association’s Department of Health Information Technology.**