Since 2007, Medicare has offered incentives in the form of bonus payments to eligible professionals, including psychologists, who report data on designated outpatient service measures. As a result of the Patient Protection and Affordable Care Act of 2013, Medicare’s Physician Quality Reporting System (PQRS) must switch from awarding bonuses to providers for satisfactory participation to imposing penalties for the failure to successfully report on PQRS measures.

The practical effect of the shift is that psychologists in Medicare who do not yet participate in PQRS must begin doing so in 2013 or face payment penalties starting in 2015.

To help eligible professionals avoid payment penalties, the Centers for Medicare and Medicaid Services (CMS) has taken steps to facilitate reporting for those Medicare providers who are new to PQRS. Psychologists participating in the program for the first time will only need to report one service measure for at least one applicable patient in 2013 in order to avoid penalties in 2015.

However, in order to meet the requirements for bonus payment in 2013, you must successfully report on at least 50 percent of your applicable Medicare cases. Successful reporting involves selecting measures that are appropriate for the patient and service provided. For example, if the measure involves adult major depressive disorder, it may not be used for patients under 18 years of age.

The reporting period for 2013 lasts the entire 12 months of the year. Though you need not necessarily begin participating in January 2013, failure to start early in the year could prevent you from reaching the 50 percent threshold, thereby making you ineligible for bonus payments.

In order for a psychologist to participate in PQRS, you must be enrolled as a Medicare provider under the clinical psychologist designation, have a National Provider Identifier (NPI) and be enrolled in the Medicare PECOS system.

Steps for psychologists new to PQRS

Following is a step-by-step basic guide for psychologists participating in PQRS for the first time in 2013.

Step 1: Determine which PQRS reporting method is appropriate for your practice

In 2013 and 2014, psychologists who successfully participate in PQRS will earn an additional 0.5 percent payment on all of their Medicare charges. Beginning in 2015, the Centers for Medicare and Medicaid Services (CMS) will no longer provide bonuses but instead will impose penalties on those who do not successfully report PQRS measures. The payment penalties will be 1.5 percent in 2015 and 2 percent in 2016.

Current non-participants may wonder why they need to get involved in 2013 when penalties do not apply until 2015. As a bonus program, Medicare’s payments have been retroactive. Eligible professionals submitted their Medicare claims and were paid for their services with the PQRS bonus payments distributed months later.

But now that PQRS will become a penalty-based program, Medicare must operate prospectively in order have the time needed to analyze reporting data before applying any payment adjustments. The 1.5 percent penalty adjustments for 2015 will be based on 2013 reporting data, while the 2 percent penalty for 2016 will be based on 2014 reporting data. Penalties will apply to all Medicare charges by a provider.
Although eligible professionals may choose from several methods for submitting PQRS data, most psychologists will use claims-based reporting. This option simply involves reporting measures on the standard CMS-1500 claim form. Other options for PQRS reporting include registry-based, qualified Electronic Health Record (EHR), or a Group Practice Reporting Option (GPRO). Check the CMS website at go.cms.gov/Vkaa8V for information about the latter three options.

**Step 2: Select a measure**

Review the list of 2013 PQRS measures on page 8 for which psychologists are eligible to report and determine which ones match the services you provide. CMS recommends reporting on at least three measures, but you can report just one or two measures if fewer than three measures apply to your practice. (The reporting period for 2013 is 12 months, January 1 – December 31.)

**Step 3: Check the measures worksheets in order to determine the required procedure codes**

Measure worksheets are found in the 2013 PQRS Measures Specifications Manual, available in the related links section of the Measures Codes page at go.cms.gov/UmysQS. The procedure code is the CPT® code for the service provided. Be sure to use the new CPT codes for 2013 beginning Jan. 1.

For example, if in Step 2 a psychologist selected Measure 181: Elder Maltreatment Screen and Follow-Up Plan, an acceptable procedure code as listed on page 386 of the PQRS Measures Specifications Manual would be 90791: Psychiatric Diagnostic Interview.

**Step 4: Use the appropriate G-code to indicate whether the service was performed or why it was not performed**

Quality codes, or G-codes, are used to indicate what action, if any, you took. G-codes can be found on the measures worksheets. Because PQRS is a reporting program rather than a pay-for-performance program, health care professionals may indicate they did not provide the action specified under the measure and still qualify for bonus payments in 2013.

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**GETTING STARTED IN PQRS: MORE RESOURCES FOR PSYCHOLOGISTS**

The APA Practice Organization has produced a two-part video for psychologists providing an overview of PQRS as well as details about how to report PQRS measures related to psychological services. The videos are found in the Quality Improvement Programs section of the APA Practice Organization’s Practice Central website at apapracticecentral.org/reimbursement/improvement/index.aspx.

Additional material found at Practice Central includes questions and answers for psychologists about PQRS along with online versions of the material found in this issue of Good Practice, such as the 2013 PQRS measures list.

CMS provides a list of educational materials for health care professionals found at go.cms.gov/YLT1JsP.

If you have additional questions, contact your local Medicare Administrative Contractor or the Government Relations office for the APA Practice Organization by phone at (202) 336-5889 or by email at pracgovt@apa.org.

For example, three possible options for Measure 181: Elder Maltreatment Screen include:

- If the Elder Maltreatment Screen is documented as negative and no follow-up plan is required, G-code G8734 would be reported along with the procedure code.

- If the patient is not eligible for follow-up because he or she refused to participate, use G8535: No documentation of an elder maltreatment screen, patient not eligible.

- If a screen is documented but there is no follow-up because the patient is in an urgent, time-sensitive situation and a delay in treatment would jeopardize his or her health, use G8941: Elder maltreatment screen documented, patient not eligible for follow-up.

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Both the procedure code and the G-code must be reported on the same CMS-1500 claim form (see image below).

**Step 5: Record the information on the CMS-1500 claim form**

The information noted below must be reported on the claim form.

**Claims information**
- Line 1 Dates of service: Record when the service was provided
- Line 1 Procedures, services or supplies: Use the procedure code from Step 3 (see page 7)
- Line 1 Charges: List your charge for this service

**Quality reporting information**
- Line 2 Dates of service: Record the same information as above – when the service was provided
- Line 2 Procedures, services, or supplies: Use applicable quality code (For example: G8534)
- Line 2 Charges: List 0.00 on this line

A sample CMS-1500 claim form involving a psychiatric diagnostic interview with elder maltreatment screen appears below: