

Physician Quality Reporting Initiative measured against AMA's Principles for Pay for Performance programs

The CMS Physician Quality Reporting Program (PQRI) is unique in that it does not profile physicians in an attempt to determine their relative ranking on providing quality or cost-effective care. Rather, the program compensates physicians for submitting practice data for selected performance measures on their Medicare patients to CMS. CMS then sorts the data to provide physicians with information on their performance. This information can then be used by the physicians for their own performance improvement activities. Because no physician profiling or reporting is done, much of the AMA's Pay for Performance Principles do not apply to this program. CMS has announced its future intentions to publicly report on PQRI data and use it to profile physicians; however, until CMS releases details of its intentions in this regard, there are relatively few relevant comparisons for the PQRI program to AMA policy.

The following chart contains an AMA staff description and analysis of PQRI. In this chart, PQRI is broken horizontally into five sections that correspond to the AMA's five Principles for Pay-for-Performance Programs. There are also four vertical columns, the first of which contains each of the five AMA Principles. The second column contains descriptions of aspects of the program, as derived from CMS' Web site or other CMS-generated documents, that pertain to each particular AMA Principle. The third column contains some of the strategies that CMS officials envisioned when they designed these particular aspects of this program and information from discussions with participating physicians and practice managers. The last column is an AMA analysis of the program when compared to the AMA Principles.

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AMA Principles for PFP programs	CMS’ description of PQRI	CMS’ implementation strategies	AMA analysis & comments
<p>1. Ensure quality of care</p> <p>Fair and ethical PFP programs are committed to improved patient care as their most important mission.</p>	<p>CMS designed PQRI to improve physician care of Medicare patients by having physicians report on their use of evidence-based measures that are based upon clinical guidelines.</p>		<p>Physicians only report on quality measures and the use of electronic health records and e-prescribing. Efficiency measures are not used.</p>
<p>Evidence-based quality of care measures, created by physicians across appropriate specialties, are the measures used in the programs.</p>	<p>Physicians submit data on select measures applicable to their patient panels and the professional services furnished to his or her patients. Physicians report on selected measures by submitting the specified quality-data codes on claims for services paid under the Medicare Physician Fee Schedule (PFS) and provided during the reporting period.</p> <p>2008 PQRI measures are endorsed or adopted by a consensus organization, such as the National Quality Forum (NQF) or AQA Alliance, and have been developed using a consensus-based process. The 2008 PQRI measures also must include measures submitted by a physician specialty and two or more structural measures, such as the use of electronic health records (EHRs) or electronic prescribing.</p>	<p>Physicians report on up to four evidence-based measures that are relevant to their practice. If they report on less than four, they will be penalized if it is determined that the physician has not reported on one or more measures that are applicable to their practice.</p>	<p>The Physician Consortium for Performance Improvement, using the AMA’s CPT II codes, created most of the measures for the program.</p>

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<p>Variations in an individual patient care regimen are permitted based on a physician’s sound clinical judgment and should not adversely affect PFP program rewards.</p>	<p>If exclusion is appropriate, because of a necessary deviation from practice standards, then an exclusion modifier may be submitted for the measure.</p>		<p>Use of CPT II codes allows for capture of variation from practice guidelines.</p>
<p>2. Foster the patient/physician relationship</p> <p>Fair and ethical PFP programs support the patient/physician relationship and overcome obstacles to physicians treating patients, regardless of patients’ health conditions, ethnicity, economic circumstances, demographics, or treatment compliance patterns.</p>			<p>There is nothing inherent in the PQRI program that would prove disruptive to the patient/physician relationship.</p>
<p>3. Offer voluntary physician participation</p> <p>Fair and ethical PFP programs offer voluntary physician participation, and do not undermine the economic viability of non-participating physician practices.</p>	<p>The PQRI is a voluntary program.</p>		<p>Program meets this Principle.</p>

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<p>These programs support participation by physicians in all practice settings by minimizing potential financial and technological barriers including costs of start-up.</p>	<p>Practices do not need electronic health records (EHR) to participate in the PQRI. If a practice does have an EHR system, it may be modified to capture PQRI quality data codes for submission through the claims system.</p>		<p>Any physician treating Medicare patients is eligible to participate so long as there is at least one performance measurement that applies to the physician’s Medicare practice. No financial commitment is necessary other than the time needed to properly identify and code the claims associated with the measures that are being reported. Unfortunately, many find this an arduous and time-consuming process.</p>
<p>4. Use accurate data and fair reporting</p> <p>Fair and ethical PFP programs use accurate data and scientifically valid analytical methods.</p>		<p>Physicians choose the measures they will report to CMS.</p>	<p>Data will be accurate if coded correctly by the physician practice. No physician rating is performed in this program.</p>
<p>Physicians are allowed to review, comment and appeal results prior to the use of the results for programmatic reasons and any type of reporting.</p>	<p>There is no rating or public reporting of individual or group physician results. There is no mechanism for physicians to appeal CMS’ determination of whether a physician has successfully met CMS’ requirements for reporting under PQRI or the amount of the physician bonus CMS will,</p>	<p>At least 80% of the data are accurately reported by the practice for each measure to qualify for the bonus payment.</p>	<p>Although there is no public reporting of results and no physician rating is performed, CMS does have to verify that the reporting physician sufficiently meets the reporting thresholds necessary for physician bonuses to be awarded. Physicians are allowed to submit inquiries to CMS if they disagree with CMS’</p>

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	however, establish a process for eligible professionals to inquire about these matters.		determinations; however, there is no physician appeal process per statute.
<p>5. Provide fair and equitable program incentives</p> <p>Fair and ethical PFP programs provide new funds for positive incentives to physicians for their participation, progressive quality improvement, or attainment of goals within the program.</p>	<p>Incentive payments for successful participation in the 2008 PQRI program will be paid from the Medicare Part B Trust Fund. Physicians may earn a bonus payment of 1.5% of total allowed charges for covered services payable under the Medicare Physician Fee Schedule.</p>	<p>Starting in 2009, the bonus will be increased to up to 2% of physician billed Medicare charges. In 2007 (program only operated in the second half of year) the average physician payout was \$630.</p>	<p>Although not a pay for performance program, this pay for reporting program provides incentives for merely reporting data. Many physicians feel that the monetary returns for the amount of work expended in reporting is insufficient to warrant participation.</p>
<p>The eligibility criteria for the incentives are fully explained to participating physicians. These programs support the goal of quality improvement across all participating physicians.</p>	<p>CMS offers outreach and education programs for PQRI to assist physicians in submitting data on measures, understanding the incentive payment eligibility and amount calculation, and accessing feedback reports.</p>	<p>Of the 109,000 physicians who reported their data in 2007, only slightly more than half qualified for bonus payments. Success in qualifying for the bonus varied greatly by state, specialty and even by measure.</p>	<p>CMS should perform an analysis of why the success rate in this program was so low and so varied. Additional educational programs should be enacted to address deficiencies. Reporting tools and measures should be re-examined. AMA urges CMS to share the data and analysis with organized medicine so that we can help physicians better understand how to participate in PQRI.</p>