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IN THIS ISSUE

[June 30: Important Deadline for Electronic Prescribing Incentive Program \(eRx\)](#)

[CMS Proposes Increased Medicaid Payment for Primary Care](#)

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June 30: Important Deadline for Electronic Prescribing Incentive Program (eRx)

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Two important deadlines for the Electronic Prescribing Incentive Program (eRx or ePrescribing) coincide on June 30, 2012. At stake in both is the application of the "payment adjustment" (penalty) in 2013 – for Eligible Professionals (EPs) who fail to meet the definition of a "successful prescriber" payment for all 2013 covered Part-B eligible charges will be reduced by 1.5%. For EPs who expect to meet the definition of a "successful prescriber" for the 2012 year (thus avoiding the penalty in 2013), June 30 marks the last day counted by CMS to determine whether the minimum criteria (10 electronic prescriptions) have been met. For EPs who know that they will not meet the minimum criteria for the 2012 year, June 30, 2012 is the last day to submit hardship exemption requests.

The eRx program operates on an annual schedule with program incentives (and penalties) applied in a backward-looking fashion and adjusted each year as part of the Physician Fee Schedule (PFS) final rule. In order to avoid a penalty during the 2013 calendar year, EPs must issue a certain minimum number of electronic prescriptions by June 30, 2012. To avoid the penalty during 2013 that number is remaining unchanged – EPs must report at least 10 electronic prescriptions between January 1, 2012 and June 30, 2012.

Avoiding the 2013 penalty, however, does not qualify an EP for the 2012 incentive. Rather, to qualify for the incentive, EPs must report 25 electronic prescriptions issued during program eligible encounters between January 1, 2012 and December 31, 2012. Professionals who have reported at least 10 by June 30, however, can rest assured that they will not be penalized during 2013.

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For EPs who know (or fear) that they will be unable to meet the eRx program minimum thresholds, however, CMS is continuing to accept "hardship exemption requests" as it did last year. (For more detail on the hardship exemption request process, see [our article on the topic here](#)). For exemptions from the 2013 penalty, the process remains mostly unchanged:

- Exemption requests must be submitted through CMS's [dedicated "communication support page."](#)
- Individual EPs must complete and submit their own exemption requests.
- Exemptions are only available for EPs who meet one of the following criteria:
 - The EP practices in an area with insufficient high-speed internet access;
 - The EP practices in an area with an insufficient number of pharmacies that will accept electronic prescriptions;
 - The EP is not able to electronically prescribe due to federal, state, or local laws; or
 - The EP expects to make fewer than 100 total prescriptions between January 1, 2012 and June 30, 2012.
- Notably absent from this list is the exemption category available during 2011 that permitted exemption requests for EPs who intended to purchase electronic health record (EHR) technology and participate in the EHR incentive program.

CMS's dedicated website is currently open and available to EPs who wish to submit hardship exemption requests. As was the case last year, all exemption requests submitted by the deadline will be accepted, but not all requests will be granted. Each request will be reviewed on a case by case basis.

Ober|Kaler's Comments

EPs who intend to qualify for the 2012 incentive payment are likely well on their way to meeting the eRx program requirements. For those who are uncertain, however, June 30 marks an important deadline to avoid 2013 payment reductions. EPs who are concerned that they may not meet eRx program minimum requirements should consider acting quickly to avoid the 2013 penalty. As always,



CMS's dedicated program website is an excellent source for FAQs, program instructions, and further details.

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