

April 2007

Lilly Oncology Reimbursement Update

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PQRI is a pay-for-performance program developed by Medicare to replace the Physician Voluntary Reporting Program that ended in 2006. PQRI begins July 1, 2007. Participating providers who qualify may receive bonus payments from Medicare in mid-2008. Individual bonuses will be aggregated for groups that bill under a single tax identification number (TIN).

Lilly Oncology is pleased to offer this newsletter as part of our commitment to patient access to care. For more information about the topics discussed in this issue, please contact Brenda Morrow, Vice President of Payer Policy for AccessMED, at (866) 663-3969.

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This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of the written law or regulations or local payer guidelines. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

MG44087

New Medicare Quality Reporting Initiative May Provide Bonus Payments for Physicians

A new Medicare program that begins on July 1, 2007, will provide qualified physicians, practitioners, and therapists the opportunity to earn bonus payments for their practices. Qualified providers who comply with Physician Quality Reporting Initiative (PQRI) requirements may receive a bonus of up to 1.5% of Medicare's allowed charges for certain services they provide and bill, which are paid under the physician fee schedule.

Items such as professional services and the technical component of diagnostic services are paid under the physician fee schedule. Items such as drugs and clinical lab testing, which are subject to different fee schedules, are not included.

The bonus payment applies to services provided between July 1, 2007, and December 31, 2007, that are billed on claims received and posted by Medicare on or before February 29, 2008. The bonus will be paid in a lump sum in mid-2008.

To qualify for the bonus, physicians and other qualified providers must report specific PQRI quality measures, which have been defined by the Centers for Medicare and Medicaid Services. Quality measures describe conditions related to specific disease states. Physicians who choose to participate in PQRI must report pertinent quality measures for at least 80% of the cases in which the measures were reportable in order to receive the bonus payment.

There is no formal enrollment process for physicians and others who are eligible and wish to participate. Quality measures will be simply reported on CMS-1500 claim forms using HCPCS or CPT Category II codes. The claim form must also include the National Provider Identifier (NPI) of the physician who treated the patient.

There are a number of quality measures that apply to patients with cancer, which will allow oncologists to participate in PQRI. The current list of codes can be viewed on the CMS web site at <http://www.cms.hhs.gov/PQRI/Downloads/PQRIMeasuresList.pdf>. This list is not final – additional measures are expected to be added before the program begins in July. To read a complete description of PQRI and to monitor changes as the implementation date approaches, see <http://www.cms.hhs.gov/pqri/>. ♦