



**THERE'S STILL TIME TO QUALIFY FOR THE 2012 MEDICARE E-PRESCRIBING BONUS**

The technology surrounding e-prescribing has been around for more than ten years. The primary role of e-prescribing is to reduce medication errors, thereby enhancing patient safety. And, of course, e-prescribing is a cornerstone in the government's plan to expedite the adoption of electronic medical records.

There are a variety of e-prescribing solutions, some of which provide real time patient eligibility checks, patient specific formularies based on the managed care plan that they are enrolled in, patient medication histories, drug and allergy interactions, and the most obvious, connectivity to mail and retail pharmacies. E-prescribing systems are supported on PCs and Macs as well as iPhones, Blackberrys and Ipads.

Beginning in 2012, Medicare will pay 1% of the total allowable charges for professional services (primarily E&M codes) covered under the Part B fee schedule to those eligible providers who e-prescribe. The Centers for Medicare and Medicaid Services (CMS) is utilizing data for 2011 to determine bonus incentive eligibility for 2012.



Some confusion has reigned in the healthcare community regarding e-prescribing. First of all, you do not need to participate in the Physician Quality Reporting Initiatives (PQRI) to participate in the electronic prescribing incentive program. Nor do you need to participate in any of the aspects of meaningful use in order to participate in eRx. As well, there has been a misconception by some that faxing a prescription to a pharmacy is e-prescribing. It clearly is not.

**Key Points**

You must have a qualified eRx system and report to CMS that you have adopted and are utilizing this system. To do this you enroll at the registry for the 2011 eRx program at <http://www.cms.hhs.gov/eRxincentive>.

Successful reporting under the 2011 eRx program is most readily accomplished by the use of a single quality-data code known as an eRx-G code, G 8553.

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**Inside This Edition**

There's Still Time to Qualify for the 2012 Medicare E-Prescribing Bonus.....1, 2  
 Pay for Performance - More Data that Probably Doesn't Work.....2  
 OCR Investigations Increase.....3  
 GatesMoore Staff to Participate in MAG Seminars.....3  
 Company News.....4

## PAY FOR PERFORMANCE – MORE DATA THAT PROBABLY DOESN'T WORK

A study published in the British Medical Journal in January 2011 provides great detail related to the assessment of the impact of pay for performance incentives on quality of care and outcomes among over 470,000 patients with hypertension being treated by primary care physicians. This extensive study lasted from January 2000 to August 2007 and took place in the United Kingdom.

The researchers included physicians and scientists from the United States, Great Britain and Canada. Of significant note is that "This research received no specific grant from any funding agency in the public, commercial, or not for profit sectors".

The authors conclude "In summary, our study has shown that explicit financial incentives did not improve the quality of care and clinical outcomes for patients with hypertension and primary care in the United Kingdom. We found that the quality of care for hypertension was improving and already close to the threshold set for the maximum payment in the pay for performance initiative. Some performance of thresholds may have been set too low for the financial incentives to be effective." Further, they stated: "We want to point out that improvements in the quality of primary care for hypertension exist in areas such as case management and co-management of hypertension and other conditions with allied professionals such as nurses and pharmacists."

One of the US participants, Steven Soumerai, ScD, a professor of population medicine at the Harvard Medical School was quoted as saying that governments and private insurers "Are likely wasting many billions on policies that assume that all you have to do is pay doctors to improve quality of medical care." "Based on our study....that assumption is questionable at best."

We can only wonder when physicians will band together to put a stop to these endless, expensive schemes that the government and insurers are constantly devising to pay for improved patient care.

[continued from page 1](#)

Report eRx-G codes as follows:

- For at least one prescription created during the patient encounter that was generated and transmitted electronically.
- Report on the Medicare Beneficiaries Claim (CMS 1500):
  - For the same beneficiary.
  - For the same date of service.
  - For the same eligible provider (using the individual NPI) who performed the covered service.
  - Submitted as a line item charge of \$0 (do not leave that field blank, it must indicate \$0.00).



There are two other methodologies for reporting participation in the eRx program directly to the carriers/Medicare Administrative Contractors. One of these involves electronic submission in the SV101-2 "Product/Service ID" data element on the SV1 "Professional Service" segment of the 2400 "Service Line" loop. The other involves a paper submission using the standard CMS 1500 claim form completing the appropriate fields and utilizing the G code as described above.

There are certain hardship codes that can also be utilized for individuals who are in rural areas without sufficient high speed internet access (G-8642); or for eligible professional practices in areas without sufficient available pharmacies for electronic prescribing (G-8643).

To be eligible to receive the e-prescribing incentive, the eligible prescriber must report a minimum of 25 unique visits for the first six months of 2011 during which an e-prescribing event took place. Additionally, at least 10% of the eligible professional Medicare Part B charges must be comprised of the codes utilized under this program.

One percent used to seem like a very small number. But with reimbursement decreasing on a number of fronts, one percent of Medicare allowed charges under this program could be significant for many providers. And on the downside, if you don't begin participation in the eRx program, there will be a one percent penalty for the same allowed charges submitted in 2012.



## OCR INVESTIGATIONS INCREASE

Rarely a week goes by, much less a day or two, when there isn't information in the healthcare media, if not in the national media related to another HIPAA Privacy or Security violation.

We speculate that part of the reason that the news of these violations has increased so significantly is that first of all the Office of Civil Rights (OCR) has upped its investigatory presence. Secondly, individuals are becoming increasingly aware of the HIPAA rules and regulations and how they may impact their protected health information.

Most of the recent violations that have come to the attention of the media have been electronic in nature. That is a large percentage of them involve theft or a loss of laptops in particular, as well as thumb drives and disks. And of course, the stories of paper claims blowing around a highway or parking lot still routinely occur.

In early March 2011 the OCR announced a series of training programs for states' attorney generals (AGs). The AGs were given authority under the HITECH Act to bring civil actions on behalf of their states' residents for HIPAA violations, as well as to pursue monetary damages. So now there is a new sheriff in town!



This news should not sit well with the many medical practices that forgot about HIPAA. It was the big item ten years ago when the Privacy Rule came into play. Somewhat of a lesser item eight years ago when the Security Rule followed. The changes presented by the HITECH rules and regulations in early 2010 did cause some providers to briefly wake up and take note. However, in our experience many practices are still behind the curve in terms of implementing the HIPAA elements of the HITECH, as well, frankly, as making certain that their current staff are up to speed with all of the Privacy and Security Rules.

We all have to be reminded periodically to obey the rules. We've all seen the portable electronic signs that are routinely placed by police departments indicating "Your Speed" to encourage adherence to speed limits. Consider this our reminder to you to closely check your speed in regard to HIPAA compliance within your practice. We'd hate to see one of our clients as the next local or national news story regarding a HIPAA violation.

## GATESMOORE STAFF TO PARTICIPATE IN MAG SEMINARS

Over the next few months Barbara Stahura, Valerie Rock and Mike Fleischman will be volunteering their time to the Medical Association of Georgia participating in a series of programs addressing current trends in medical practice. Georgia clients should contact MAG directly for information on enrollment. The schedule is as follows:

### Medicine Today

Hyatt Regency Savannah  
Savannah, GA  
April 8, 2011 and April 9, 2011

Cuscowilla Golf Resort  
Eatonton, GA  
April 30, 2011

Atlanta, GA  
May 13, 2011 and May 14, 2011

For more information about upcoming seminars, visit our website at [www.GatesMoore.com](http://www.GatesMoore.com).

# Company News

## GATESMOORE WELCOMES WILL HAMILTON, VALUATION CONSULTANT

**G**atesMoore is pleased to announce that Will Hamilton has joined our firm as a valuation consultant. Will joins us with previous experience in business valuation specializing in appraising businesses and intangible assets, primarily for ESOPs, gift and estate tax, mergers and acquisitions, purchase price allocations, and goodwill. He will be working with our valuation consulting staff addressing issues related to the valuation of medical practices, ambulatory surgery centers, hospitals and other entities.

Will has a Bachelor's degree from Washington and Lee University and an MBA with an emphasis on finance from the Eller College of Management at the University of Arizona. We are excited to have Will join our great consulting staff.



## WE WELCOME BRITTANY MATTHEWS AS OUR NEW RECEPTIONIST

**W**e are pleased to announce that Brittany Matthews has joined GatesMoore as our lead receptionist. Brittany has a Bachelor of Science Degree with a concentration in marketing and sports from Kennesaw State University. She has had a variety of experiences in her previous positions working in customer service, as an accounting assistant and other general office duties. In her spare time, Brittany teaches girls from the ages of 9 to 17 in the techniques of fast pitch softball. Please join us in welcoming Brittany to our great administrative staff.

Update: Practice Management  
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directed to:  
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