Medicare Advantage Physician Incentive Program Payments

The Centers for Medicare & Medicaid Services (CMS) oversees several physician incentive/bonus programs for services rendered to Medicare Advantage plan members. As a Medicare Advantage Plan, Blue Cross and Blue Shield of Florida, Inc. (BCBSF) must comply with legislation regarding these programs and make incentive payments to eligible providers.

Physicians and other qualified professionals are eligible to receive incentive payments based on four measurement criteria:

- Health Professional Shortage Area (HPSA)
- Physician Quality Reporting Initiative (PQRI) also called the Physician Quality Reporting System (PQRS)
- Electronic Prescribing (eRx)
- Primary Care Incentive Payments (PCIP)

Program Summaries

Health Professional Shortage Area (HPSA)

Section 1833(m) of the Social Security Act provides bonus payments for physicians who furnish medical care services in geographic areas that are designated by the program as primary medical care HPSAs under section 332 (a)(1)(A) of the Public Health Service (PHS) Act. Physicians are made aware of their eligibility by CMS. Additional information is located at the following link: https://www.cms.gov/HPSA/HPSAPhysicianBonuses/

Physician Quality Reporting Initiative (PQRI)

The 2006 Tax Relief and Health Care Act (TRHCA) required the establishment of a physician quality reporting system, including an incentive payment for eligible professionals who satisfactorily report data on quality measures for covered professional services furnished to Medicare beneficiaries during the second half of the 2007 reporting period. Individual eligible professionals do not need to sign-up or pre-register in order to participate in the program. However, to qualify for a Physician Quality Reporting incentive payment, an eligible provider must meet the criteria for satisfactory reporting specified by CMS for a particular reporting period. Physicians are made aware of eligibility by CMS. Additional information is located at the following link: https://www.cms.gov/PQRS/

BCBSF makes payments under this program on a retrospective annual basis. For example, bonuses for claims incurred in 2010 are payable in 2011.
Electronic Prescribing (eRx)

Section 132 of the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) authorizes a new and separate incentive program for eligible providers who are successful electronic prescribers as defined by MIPPA.

There is no sign-up or pre-registration for individual eligible providers to participate in the eRx Incentive Program. However, there are certain limitations for those who qualify for an eRx incentive payment. First, an eligible professional must have and use a qualified eRx system and report on his or her adoption and use of the eRx system. Second, the eligible professional must meet the criteria for a successful electronic prescriber specified by CMS for a particular reporting period. Finally, at least 10 percent of a successful electronic prescriber’s Medicare Part B covered services must include codes that appear in the denominator of the eRx measure. Physicians are made aware of eligibility by CMS. Additional information is located at the following link: https://www.cms.gov/ERXincentive/

BCBSF makes payments under this program on a retrospective annual basis. For example, bonuses for claims incurred in 2010 are payable in 2011.

Primary Care Incentive Payments (PCIP)

Section 5501(a)(3) of the Affordable Care Act (the Act) provides payment of the Primary Care Incentive Payment Program (PCIP) as an additional payment amount for specified primary care services. Under this program, payment will be made on a monthly or quarterly basis. The amount is equal to 10 percent of the payment amount for such services under Medicare Part B. The incentive payments will be made on a quarterly basis and will equal 10 percent of the amount paid for primary care services under the Medicare Physician Fee Schedule for those services furnished during the bonus payment year. Physicians are made aware of eligibility by CMS. Additional information is located at the following link: http://www.cms.gov/MLNMattersArticles/downloads/MM7060.pdf

BCBSF makes payments under this program on a quarterly basis beginning January 1, 2011.

Not connected with or endorsed by the U.S. Government or the Federal Medicare Program.