# STICKS AND CARROTS:

## MEDICARE PAYMENT AND DELIVERY REFORM TIMELINE

<table>
<thead>
<tr>
<th>Program</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PQRS</strong></td>
<td>Note: 2013 data will determine 2015 payment adjustment</td>
<td>9/30/14</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Last day for groups to register to participate in GPRO for 2014 PQRS program year via web interface, registry, EHR reporting or CAHPS reporting methods</td>
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<tr>
<td></td>
<td></td>
<td>12/31/14</td>
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<tr>
<td></td>
<td></td>
<td>End of 2014 PQRS reporting period</td>
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<td></td>
<td></td>
<td>Note: 2014 PQRS data will determine 2016 PQRS payment adjustment</td>
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<tr>
<td><strong>VBPM</strong></td>
<td>10/15/13</td>
<td>5/1 to 9/30/14</td>
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<tr>
<td></td>
<td>Last day for groups ≥ 100 to self-nominate/elect quality-tiering for VBPM</td>
<td>Registration period for VBPM to avoid a 2% penalty in 2016</td>
</tr>
<tr>
<td></td>
<td>Note: 2013 PQRS data will be used to determine 2015 VB modifier payment adjustment</td>
<td>Third quarter 2014</td>
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<tr>
<td></td>
<td></td>
<td>Retrieve 2013 physician feedback reports (all groups and individuals)</td>
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<tr>
<td></td>
<td></td>
<td>Note: 2014 PQRS data will be used to determine 2016 VB modifier payment adjustment</td>
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<tr>
<td><strong>MU</strong></td>
<td>2014</td>
<td>2014</td>
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<tr>
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<td>Last year to start and receive incentive payment</td>
<td>7/1/14</td>
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<td></td>
<td></td>
<td>Last day to start meaningful use reporting period for first time attesters in order to avoid penalty</td>
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<tr>
<td></td>
<td></td>
<td>10/1/14</td>
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<td></td>
<td></td>
<td>Must attest to meaningful use no later than this date to avoid penalty</td>
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</table>
Though many of the Medicare-oriented programs intended to reduce costs and improve care have gone into effect, a number of implementation steps remain ahead in the years to come.

### 2015

- **1/1/15**
  - Beginning of reporting period for 2015 PQRS program year for group and individuals
  - VBPM applied to physicians in groups of ≥ 100, 1% penalty up to 2x% positive adjustment dependent upon quality and cost performance
- **1/1/15**
  - 1.5% penalty (per claim line) for group and individuals who did not satisfactorily report quality data in 2013
  - Eligible providers who have not achieved meaningful use subject to 1% penalty
  - Note: Based on 2013 attestation or hardship exemption
  - First quarter 2015
    - Complete submission of 2014 PQRS information
  - Third quarter 2015
    - Retrieve 2014 physician feedback reports (all groups and individuals)
- **1/1/16**
  - Beginning of reporting period for 2016 PQRS program year for group and individuals
  - VBPM applied to physicians in groups of > 10, 2% penalty for groups of >10 and up to 2x% positive adjustment dependent upon quality and cost performance
- **2/28/16**
  - Last day to submit 2014 PQRS data to determine the 2014 incentive payment and the 2016 payment adjustment
- **2/28/16**
  - Last day to submit 2014 quality measures for dual participation in PQRS and the Medicare EHR incentive program
- **12/31/15**
  - End of 2015 PQRS reporting period
  - Note: 2015 PQRS data will determine the 2017 PQRS payment adjustment

### 2016

- **1/1/16**
  - Beginning of reporting period for 2016 PQRS program year for group and individuals
  - VBPM applied to all physicians
- **1/1/16**
  - 2% penalty (per claim line) for group and individuals who did not satisfactorily report quality data in 2014
  - Eligible providers who have not achieved or maintained meaningful use subject to 2% penalty
  - Note: Based on 2014 PQRS data
- **2/26/16**
  - Last day that 2015 claims will be processed to be counted for PQRS reporting to determine the 2017 payment adjustment
- **2/28/16**
  - Last day to submit 2015 quality measures for dual participation in PQRS and the Medicare EHR incentive program
- **12/31/16**
  - End of 2016 PQRS reporting period
  - Note: 2016 data will determine 2018 payment adjustment

### 2017

- **1/1/17**
  - 2% penalty (per claim line) for group and individuals who did not satisfactorily report quality data in 2015
  - Note: The penalty will be 2% for subsequent years
  - Eligible providers who have not achieved or maintained meaningful use subject to 3% penalty
  - Note: There will be an additional 1% penalty per year for 2018 and 2019 (up to a maximum of 5%)

**Caution**

Physicians who ignore these programs now could face up to a 9% reimbursement cut by 2017 (some of it based upon 2015 performance). These cuts are separate from the planned 2% Medicare sequestration cuts and any potential SGR reductions.