

Pay for Performance (P4P) Frequently Asked Questions (FAQ)

1. What is P4P?

The P4P concept is to reward/pay physicians based on the quality of care provided to patients instead of the current concept of paying based on the volume of care.

2. What are the P4P catch phrases?

Tiered Network: A tiered network assigns physicians into two or more separate tiers. Patients may still see physicians not included in the tiered network.

Narrow Network: A narrow network is a small or select network of physicians within a larger physician network. Patients are limited to seeing only those physicians included in the network.

PQRI: Physician Quality Reporting Initiative This is the Medicare quality program.

Claims Data: Claims data refers to the claims payment history held by payers on claims submitted for reimbursement for services provided to their insureds.

Episode Treatment Grouper (ETG): A computer program developed by Symmetry Health Data Systems to assign quality and efficiency measures based on claims data for episodes of care.

Episode of Care: An episode of care includes all physician, pharmacy, inpatient, and outpatient services provided to an individual for a given episode of illness.

3. How are the determinations made?

The majority of commercial payers utilize ETG Software to make determinations regarding quality and cost effectiveness of care. Each payer may have different measures for inclusion in their program. Therefore, a physician may be considered to be providing quality care by one payer's standards, but not be considered as providing quality according to another payer's standards. Regardless of the criteria, commercial payers are relying on claims data.

4. I am an anesthesiologist or radiologist, does P4P affect me?

P4P may not directly affect your reimbursement at this time. However, the ETG software looks at all physician charges related to an episode of care. This means your charges as an ancillary physician will be used in determining inclusion/exclusion of the primary physician in a network.

5. What insurers are using a P4P program?

Currently, the ISMA is aware of programs either developed or being used by Aetna, Humana, United Healthcare, Anthem/Wellpoint, and Cigna.

6. What should I do?

Check your status on the website of each of your large commercial insurance plans. You may not know it, but quality and cost effectiveness ratings may already be available to the public.

7. Where can I find more information about the various plans?

The ISMA has links to some of the programs on our website at:

<http://www.ismanet.org/p4p.htm>.

8. What if I don't agree with the determination made regarding my care?

Immediately contact your provider representative to begin an investigation of the data used to make a decision. Offices are finding payers are very slow in producing the data and can take several months. The sooner you start requesting data, the sooner you will be able to conduct your own internal review and potentially dispute the insurance company's determination.

9. What is the Medicare P4P program?

The Medicare program is called the Physician Quality Reporting Initiative (PQRI). It provides a 1.5% bonus of all paid services for a given time period. This requires reporting of either level II CPT codes or G Codes on your claim for certain services provided to Medicare beneficiaries.

10. What Medicare services are included in the PQRI program?

The measures used by Medicare were developed by the AMA Physician Consortium for Performance Improvement. More information about the Consortium can be found at: <http://www.ama-assn.org/ama/pub/category/2946.html>. The measures being utilized by the Medicare program can be found at: http://www.cms.hhs.gov/PQRI/15_MeasuresCodes.asp#TopOfPage.

11. How do I participate in the Medicare PQRI program?

Comprehensive information regarding the PQRI program are located at: <http://www.cms.hhs.gov/mlnmattersarticles/downloads/mm5558.pdf>. Information on reporting the services provided to Medicare beneficiaries can be found at: http://www.cms.hhs.gov/PQRI/20_Reporting.asp#TopOfPage.

12. Is Indiana Medicaid doing anything related to P4P?

In the Request for Services (RFS) issued in 2006, the State required Managed Care Organizations to include information regarding P4P. The contracts were effective January 1, 2007. The ISMA is not currently aware of any programs currently in place. However, the RFS included suggested areas such as decreasing Emergency Department (ED) utilization, blood lead screening, etc. Medicaid will focus on primary care issues.