

FEDERAL PROGRAM PENALTIES

	What is penalized?	Are injectible drugs penalized?	How is penalty applied?	2017 Penalty (Solo or Groups of 2 - 9)	2017 Penalty (Groups 9 or more)	2018 Penalty (ALL)
PQRS	MPFS Allowed Charges	No	TIN / NPI Combo ⁽¹⁾	2%	2%	2%
Value Modifier	MPFS Allowed Charges	No	TIN	2% ⁽²⁾ / Neutral or Positive ⁽³⁾	4% ⁽⁴⁾ / Negative, Neutral or Positive ⁽⁵⁾	2% or 4% ⁽⁶⁾ / Negative, Neutral or Positive ⁽⁷⁾
MU/EHR	MPFS Allowed Charges	No	NPI	3%	3%	3%
TOTAL Potential Penalty				7%	9%	7% or 9%

Note 1 - Because the PQRS penalty applies to the TIN/NPI combination, a provider could be working in one practice and be penalized in that practice while working in another practice at the same time and not be penalized in the second practice.

Note 2 - The 2% listed would be for a solo practioner who did not successfully report PQRS in 2015, or for a small group practice (2 – 9 providers) who did not have at least 50% of their providers successfully report PQRS in 2015.

Note 3 - If the solo practitioner successfully reports PQRS, or if a small group has at least 50% of their providers successfully report PQRS, they avoid the automatic VM penalty and are then subject to Quality Tiering. However, they can only receive a neutral or positive adjustment in 2017.

Note 4 - The 4% listed would be for a large group practice that did not have at least 50% of their providers successfully report PQRS in 2015.

Note 5 - If the large group has at least 50% of their providers successful with PQRS, then they avoid the automatic VM penalty and are subject to Quality Tiering. They can receive a negative, neutral or positive adjustment in 2017.

Note 6 - The automatic VM penalty applies to all providers and groups who do not successfully report PQRS in 2017 (2% for solo & small groups / 4% for large groups).

Note 7 - All providers and groups who successfully report PQRS in 2016, avoid the automatic VM penalty in 2018 & are subject to Quality Tiering, and then may receive a negative, neutral or positive adjustment.