SEC. 3002. IMPROVEMENTS TO THE PHYSICIAN QUALITY REPORTING SYSTEM. (a) Extension.—Section 1848(m) of the Social Security Act (42)

U.S.C. 1395w-4(m)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), in the matter preceding

clause (i), by striking "2010" and inserting "2014"; and (B) in subparagraph (B)— (i) in clause (i), by striking "and" at the end;

(ii) in clause (ii), by striking the period at the end and inserting a semicolon; and (iii) by adding at the end the following new clauses:

"(iii) for 2011, 1.0 percent; and "(iv) for 2012, 2013, and 2014, 0.5 percent.";

(2) in paragraph (3)—

(A) in subparagraph (A), in the matter preceding clause (i), by inserting "(or, for purposes of subsection (a)(8), for the quality reporting period for the year)" after "reporting period"; and

(B) in subparagraph (C)(i), by inserting ", or, for purposes of subsection (a)(8), for a quality reporting period for the year" after "(a)(5), for a reporting period for a year"; (3) in paragraph (5)(E)(iv), by striking "subsection" (a)(5)(A)" and inserting "paragraphs (5)(A) and (8)(A) of sub-

section (a)"; and (4) in paragraph (6)(C)— (A) in clause (i)(II), by striking ", 2009, 2010, and

2011" and inserting "and subsequent years"; and (B) in clause (iii)— (i) by inserting "(a)(8)" after "(a)(5)"; and

(ii) by striking "under subparagraph (D)(iii) of such subsection" and inserting "under subsection (a)(5)(D)(iii) or the quality reporting period under subsection (a)(8)(D)(iii), respectively".

(b) INCENTIVE PAYMENT ADJUSTMENT FOR QUALITY REPORT-ING.—Section 1848(a) of the Social Security Act (42 U.S.C. 1395w-4(a)) is amended by adding at the end the following new paragraph:

"(8) INCENTIVES FOR QUALITY REPORTING.— "(A) ADJUSTMENT.—

"(i) IN GENERAL.—With respect to covered professional services furnished by an eligible professional during 2015 or any subsequent year, if the eligible professional does not satisfactorily submit data on quality measures for covered professional services for the quality reporting period for the year (as determined under subsection (m)(3)(A)), the fee schedule amount for such services furnished by such professional during the year (including the fee schedule amount for purposes of determining a payment based on such amount) shall be equal to the applicable percent of the fee schedule amount that would otherwise apply to such services under this subsection (determined after application of paragraphs (3), (5), and (7), but without regard to this paragraph).

"(ii) APPLICABLE PERCENT.—For purposes of clause

(i), the term 'applicable percent' means—

"(I) for 2015, 98.5 percent; and

"(II) for 2016 and each subsequent year, 98 percent.

"(B) APPLICATION.—

"(i) PHYSICIAN REPORTING SYSTEM RULES.—Paragraphs (5), (6), and (8) of subsection (k) shall apply for purposes of this paragraph in the same manner as they apply for purposes of such subsection.

"(ii) INCENTIVE PAYMENT VALIDATION RULES.— Clauses (ii) and (iii) of subsection (m)(5)(D) shall apply for purposes of this paragraph in a similar manner as

they apply for purposes of such subsection.

"(C) DEFINITIONS.—For purposes of this paragraph:

"(i) ELIGIBLE PROFESSIONAL; COVERED PROFESSIONAL SERVICES.—The terms 'eligible professional'
and 'covered professional services' have the meanings
given such terms in subsection (k)(3).

"(ii) PHYSICIAN REPORTING SYSTEM.—The term 'physician reporting system' means the system estab-

lished under subsection (k).

"(iii) QUALITY REPORTING PERIOD.—The term 'quality reporting period' means, with respect to a year, a period specified by the Secretary.".

(c) Maintenance of Certification Programs.—

(1) IN GENERAL.—Section 1848(k)(4) of the Social Security Act (42 U.S.C. 1395w-4(k)(4)) is amended by inserting "or through a Maintenance of Certification program operated by a specialty body of the American Board of Medical Specialties that meets the criteria for such a registry" after "Database)".

(2) EFFECTIVE DATE.—The amendment made by paragraph

(1) shall apply for years after 2010.

(3) AUTHORITY.—For years after 2014, if the Secretary of Health and Human Services determines it to be appropriate, the Secretary may incorporate participation in a Maintenance of Certification Program and successful completion of a qualified Maintenance of Certification Program practice assessment into the composite of measures of quality of care furnished pur-

suant to the physician fee schedule payment modifier, as described in section 1848(p)(2) of the Social Security Act (42 U.S.C. 1395w-4(p)(2)). [As added by section 10327(b)]

(d) INTEGRATION OF PHYSICIAN QUALITY REPORTING AND EHR REPORTING.—Section 1848(m) of the Social Security Act (42 U.S.C. 1395w-4(m)) is amended by adding at the end the following new paragraph:

"(7) INTEGRATION OF PHYSICIAN QUALITY REPORTING AND EHR REPORTING.—Not later than January 1, 2012, the Secretary shall develop a plan to integrate reporting on quality measures under this subsection with reporting requirements under subsection (o) relating to the meaningful use of electronic health records. Such integration shall consist of the following:

"(A) The selection of measures, the reporting of which would both demonstrate—

"(i) meaningful use of an electronic health record for purposes of subsection (o); and

"(ii) quality of care furnished to an individual.

"(B) Such other activities as specified by the Secretary.".

[Section 10327(a), p. 871, also added a paragraph (7) to section 1848(m) adding an additional incentive payment relating to physician quality reporting]

(e) FEEDBACK.—Section 1848(m)(5) of the Social Security Act (42 U.S.C. 1395w-4(m)(5)) is amended by adding at the end the following new subparagraph:

"(H) FEEDBACK.—The Secretary shall provide timely feedback to eligible professionals on the performance of the eligible professional with respect to satisfactorily submitting data on quality measures under this subsection.".

(f) APPEALS.—Such section is further amended—

(1) in subparagraph (E), by striking "There shall" and inserting "Except as provided in subparagraph (I), there shall"; and

(2) by adding at the end the following new subparagraph: "(I) INFORMAL APPEALS PROCESS.—The Secretary shall, by not later than January 1, 2011, establish and have in place an informal process for eligible professionals to seek a review of the determination that an eligible professional did not satisfactorily submit data on quality measures under this subsection.".

[Section 10331, p. 875, also provides for public reporting of performance information for eligible professionals who participate in the Physician Quality Reporting Initiative]