2012 Electronic Prescribing (eRx) Incentive Program Payment Adjustment Feedback Report Update

The Centers for Medicare & Medicaid Services would like to advise providers, due to the high volume of significant hardship exemption requests received it is no longer technically feasible for CMS to provide a 2012 Electronic Prescribing (eRx) Incentive Program payment adjustment feedback report as originally intended.

As CMS continues to explore alternative means to notify eligible professionals that they are subject to the 2012 eRx payment adjustment, we urge you to review your remittance advices for claims submitted for dates of services on or after January 1, 2012.

Eligible professionals and group practices (GPRO) participating in the eRx GPRO that receive the 2012 eRx payment adjustment will see the term “LE” on their remittance advice for all Medicare Part B services rendered January 1-December 31, 2012.

The remittance advice will also contain the following Claim Adjustment Reason Code (CARC) and Remittance Advice Remark Code (RARC):

- CARC 237 – Legislated/Regulatory Penalty. At least one Remark Code must be provided (may be comprised of either the NCPDP Reject Reason Code, or Remittance Advice Remark Code that is not an ALERT).
- RARC N545 – Payment reduced based on status as an unsuccessful e-prescriber per the Electronic Prescribing (eRx) Incentive Program.

If an eligible professional or group practice that participated in the eRx GPRO receives the payment adjustment in error (e.g., the eligible professional or group practice submitted a hardship exemption request that is ultimately approved by CMS), the claim will be reprocessed to return the 1.0% and the remittance advice for the reprocessed claim will include the following codes and messages:

- CARC 237 – Legislated/Regulatory Penalty. At least one Remark Code must be provided (may be comprised of either the NCPDP Reject Reason Code, or Remittance Advice Remark Code that is not an ALERT).
- RARC N546 – Payment represents a previous reduction based on the Electronic Prescribing (eRx) Incentive Program.

For more information on how the 2012 eRx payment adjustment will be assessed and applied, please refer to MLN Matters Article SE1141 for additional information. Or feel free to visit the eRx Incentive Program webpage at http://www.cms.gov/erxincentive on the CMS website.