

of drugs and biologicals described in sections 1861(s)(2)(J), 1861(s)(2)(Q), and 1861(s)(2)(T) of the Act, that the pharmacy provided to a beneficiary during a 30-day period.

(3) A separate supplying fee is paid to a pharmacy for each prescription of drugs and biologicals described in sections 1861(s)(2)(J), 1861(s)(2)(Q), and 1861(s)(2)(T) of the Act.

(b) *Supplying fees following transplant.* Beginning CY 2006—(1) A supplying fee of \$50 is paid to pharmacy for the initial supplied prescription of drugs and biologicals described in section 1861(s)(2)(J) of the Act, that the pharmacy provided to a patient during the first 30-day period following a transplant.

(2) A supplying fee of \$16 is paid to a pharmacy for each prescription following an initial prescription after a transplant (as specified in paragraph (b)(1) of this section) of drugs and biologicals describe in section 1861(s)(2)(J) of the Act, that the pharmacy provided to a beneficiary during a 30-day period.

(c) *30-day dispensing fees.* Beginning CY 2006—(1) A dispensing fee of \$57 is paid to a supplier to the extent that the prescription is for the initial dispensed 30-day supply of inhalation drugs furnished through durable medical equipment covered under section 1861(n) of the Act, regardless of the number of partial shipments of that 30-day supply.

(2) Except for supplied inhalation drugs that meet criteria described in paragraph (c)(1) of this section, a dispensing fee of \$33 is paid for each dispensed 30-day supply of inhalation drugs furnished through durable medical equipment covered under section 1861(n) of the Act, regardless of the number of partial shipments of that 30-day supply.

(d) *90-day dispensing fee.* Beginning CY 2006, a dispensing fee of \$66 is paid to a supplier for each dispensed 90-day supply of inhalation drugs furnished through durable medical equipment covered under section 1861(n) of the Act, regardless of the number of partial shipments of that 90-day supply.

[70 FR 70334, Nov. 21, 2005]

## Subpart M—Payment for Comprehensive Outpatient Rehabilitation Facility (CORF) Services

SOURCE: 72 FR 66404, Nov. 27, 2007, unless otherwise noted.

### §414.1100 Basis and scope.

This subpart implements sections 1834(k)(1) and (k)(3) of the Act by specifying the payment methodology for comprehensive outpatient rehabilitation facility services covered under Part B of Title XVIII of the Act that are described at section 1861(cc)(1) of the Act.

### §414.1105 Payment for Comprehensive Outpatient Rehabilitation Facility (CORF) services.

(a) *Payment under the physician fee schedule.* Except as otherwise specified under paragraphs (b), (c), (d), and (e) of this section payment for CORF services, as defined under §410.100 of this chapter, is paid the lesser of 80 percent of the following:

(1) The actual charge for the item or service; or

(2) The nonfacility amount determined under the physician fee schedule established under section 1848(b) of the Act for the item or service.

(b) *Payment for physician services.* No separate payment for physician services that are CORF services under §410.100(a) of this chapter will be made.

(c) *Payment for supplies and durable medical equipment, prosthetic and orthotic devices, and drugs and biologicals.* Supplies and durable medical equipment that are CORF services under §410.100(l) of this chapter, prosthetic device services that are CORF services under §410.100(f), orthotic devices that are CORF services under §410.100(g) of this chapter and drugs and biologicals that are CORF services under §410.100(k) of this chapter are paid the lesser of 80 percent of the following:

(1) The actual charge for the service provided that payment for such item is not included in the payment amount for other CORF services paid under paragraphs (a) or (d); or

(2) The amount determined under the DMEPOS fee schedule established

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under part 414 subparts D and F for the item or the single payment amount established under the DMEPOS competitive bidding program provided that payment for such item is not included in the payment amount for other CORF services paid under paragraphs (a) or (d).

(d) *Payment for drugs and biologicals.* Drugs and biologicals that are CORF services under § 410.100(j) of this chapter, are paid the lesser of 80 percent of the following:

(1) The actual charge for the service provided that payment for such item is not included in the payment amount for other CORF services paid under paragraphs (a) or (c); or

(2) The amount determined using the same methodology for drugs (as defined in § 414.704 of this chapter) described in section 1842(o)(1) of the Act provided that payment for such *drug* is not included in the payment amount for other CORF services paid under paragraphs (a) or (c).

(e) *Payment for CORF services when no fee schedule amount for the service.* If there is no fee schedule amount established for a CORF service, payment for the item or service will be the lesser of 80 percent of:

(i) The actual charge for the service provided that payment for such item or service is not included in the payment amount for other CORF services paid under paragraphs (a), (c), or (d) of this section.

(ii) The amount determined under the fee schedule established for a comparable service as specified by the Secretary provided that payment for such item or service is not included in the payment amount for other CORF services paid under paragraphs (a), (c), or (d) of this section.

### Subpart N—Value-Based Payment Modifier Under the Physician Fee Schedule

SOURCE: 77 FR 69368, Nov. 16, 2012, unless otherwise noted.

#### § 414.1200 Basis and scope.

(a) *Basis.* This subpart implements section 1848(p) of the Act by establishing a payment modifier that provides for differential payment starting

in 2015 to a group of physicians and starting in 2017 to a group and a solo practitioner under the Medicare Physician Fee Schedule based on the quality of care furnished compared to cost during a performance period.

(b) *Scope.* This subpart sets forth the following:

(1) The application of the value-based payment modifier.

(2) Performance and payment adjustment periods.

(3) Reporting mechanisms for the value-based payment modifier.

(4) Alignment of PQRS quality of care measures with the quality measures for the value-based payment modifier.

(5) Additional measures for groups and solo practitioners.

(6) Cost measures.

(7) Attribution for quality of care and cost measures.

(8) Scoring methods for the value-based payment modifier.

(9) Benchmarks for quality of care measures.

(10) Benchmarks for cost measures.

(11) Composite scores.

(12) Reliability of measures.

(13) Payment adjustments.

(14) Value-based payment modifier quality-tiering scoring methodology.

(15) Limitation of review.

(16) Inquiry process.

[77 FR 69368, Nov. 16, 2012, as amended at 79 FR 68005, Nov. 13, 2014]

#### § 414.1205 Definitions.

As used in this subpart, unless otherwise indicated—

*Accountable care organization (ACO)* has the same meaning given this term under § 425.20 of this chapter.

*Certified registered nurse anesthetist (CRNA)* has the same meaning given this term under section 1861(bb)(2) of the Act.

*Critical access hospital* has the same meaning given this term under § 400.202 of this chapter.

*Electronic health record (EHR)* has the same meaning given this term under § 414.92 of this chapter.

*Eligible professional* has the same meaning given this term under section 1848(k)(3)(B) of the Act.