Center for Medicare & Medicaid Services (CMS) Payment Program Changes

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HIMSS

CENTRAL & SOUTHERN OHIO *Chapter*

Session Objectives:

- Overview of the provisions of the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA).
- Identify the components of the CMS Quality Payment Program (QPP)
  - The Merit-based Incentive Payment System (MIPS)
    - Performance categories
    - Composite scoring
  - Advanced Alternative Payment Models (APMs)
    - Qualifying Criteria
    - Structure of APM Models

HIMSS CENTRAL & SOUTHERN OHIO Chapter

Overview

Key Terms

- APMs - Advanced Alternative Payment Models
- CMS - Center for Medicare and Medicaid Services
- ESRD - End stage Renal Disease
- MACRA - Medicare Access and CHIP Reauthorization Act
- QPP - Quality Payment Program
- MIPS - Merit Based Incentive Payment System
- MHM - Medical Home Models
- VMP – Value Modifier Program

Overview

On April 27, 2016, the Department of Health and Human Services issued a Notice of Proposed Rulemaking to implement key provisions of the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA).

The proposed rule implements these changes through the unified framework called the Quality Payment Program, which includes two paths:

- The Merit-based Incentive Payment System (MIPS)
- Advanced Alternative Payment Models (APMs)

Overview

Currently, Medicare measures the value and quality of care provided by doctors and other clinicians through a patchwork of programs, the include:

- Physicians Quality Reporting System
- Value Modifier Program
- Medicare Electronic Health Record (EHR) Incentive Program

The intent of MACRA is to streamline these programs into a new one approach of paying clinicians for the value and quality of care they provide via the “Quality Payment Program”

Overview

CMS will begin measuring performance for doctors and other clinicians through MIPS in January 2017, with payments based on those measures beginning in 2019.

Who is impacted by the new Rule:

- Small practices *(typically defined as 15 or fewer clinicians)*
- Practices in rural or health professional shortage areas
- Physicians, PAs, NPs, Clinical Nurse Specialists
- Certified Registered Nurse Anesthetists

The Merit-based Incentive Payment System (MIPS)

CMS envisions a MIPS program that equips clinicians with the tools and incentives to focus on:

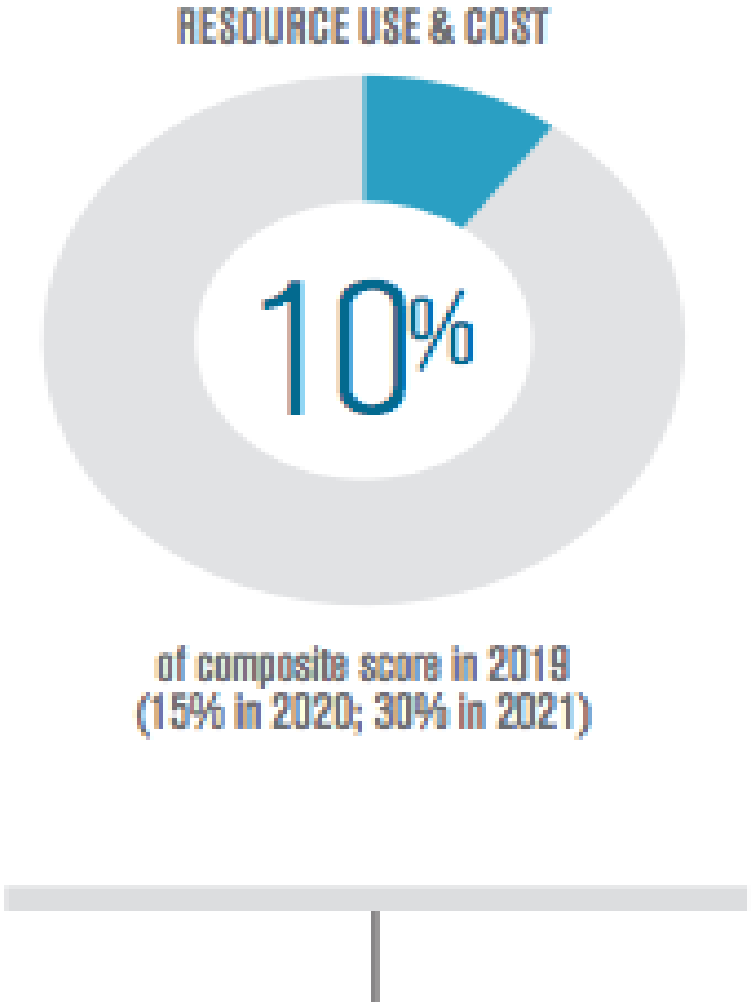
- Improving health care quality
- Increasing efficiency
- Improving and promoting patient safety

MIPS may increase, decrease, or not affect a clinician's Medicare payment rates for a year based on performance.

The Merit-based Incentive Payment System

MIPS allows Medicare clinicians to be paid for providing high quality, efficient care by achieving success in four performance categories:

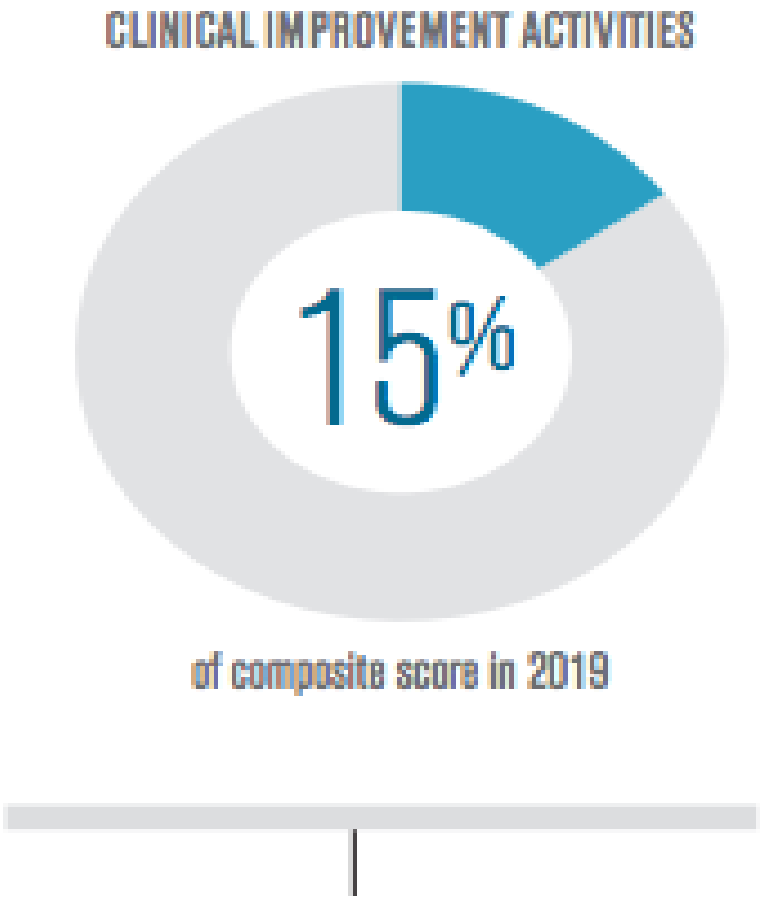
- Resource use and Cost
- Clinical Practice Improvement Activities
- Quality
- Advancing Care Information


RESOURCE USE & COST
10%
of composite score in 2019
(15% in 2020; 30% in 2021)

The Merit-based Incentive Payment System

Resource use & Cost

- Accounts for 10 percent of total score in year 1; replaces the cost component of the Value Modifier Program, also known as Resource Use
  - The score is be based on Medicare claims
  - No Reporting requirements for clinicians
  - This category uses more than 40 episode-specific measures to account for differences among specialties.


CLINICAL IMPROVEMENT ACTIVITIES
15%
of composite score in 2019

The Merit-Based Incentive Payment System (MIPS)

Clinical Practice Improvement Activities

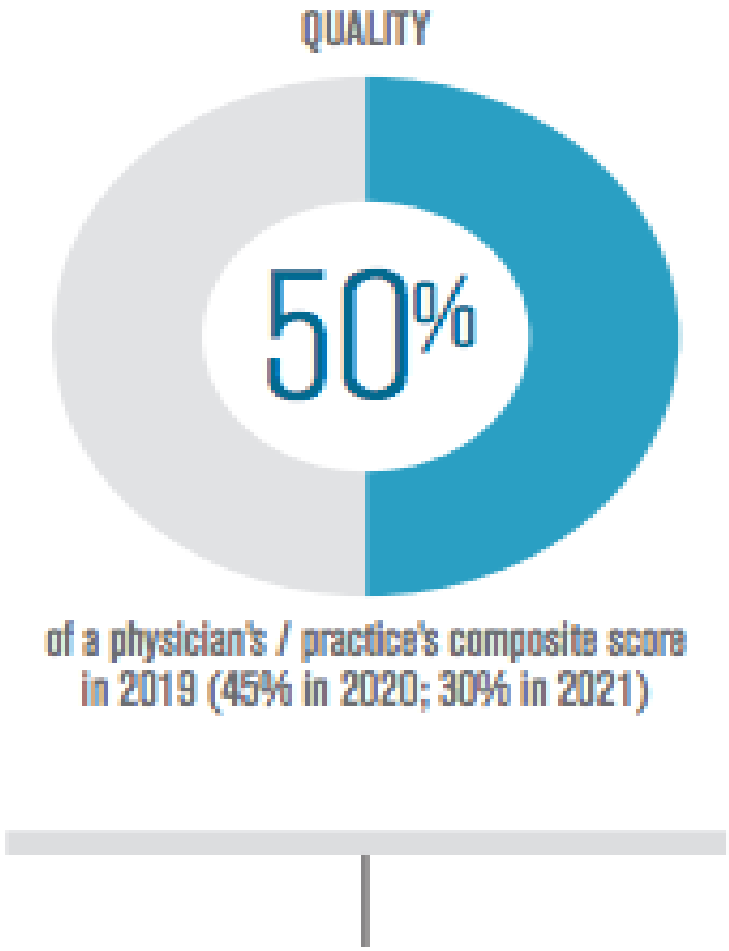
- Account for 15 percent of total score in year one
- Clinicians would be rewarded for clinical practice improvement activities such as:
    - Care coordination
    - Beneficiary engagement
    - Patient safety

The Merit-Based Incentive Payment System (MIPS)

Clinical Practice Improvement Activities

- Clinicians may select activities that match their practice goals from a list of more than 90 options
- Additional credit will be awarded in this category for participating in:
    - Alternative Payment Models
    - Patient-Centered Medical Homes

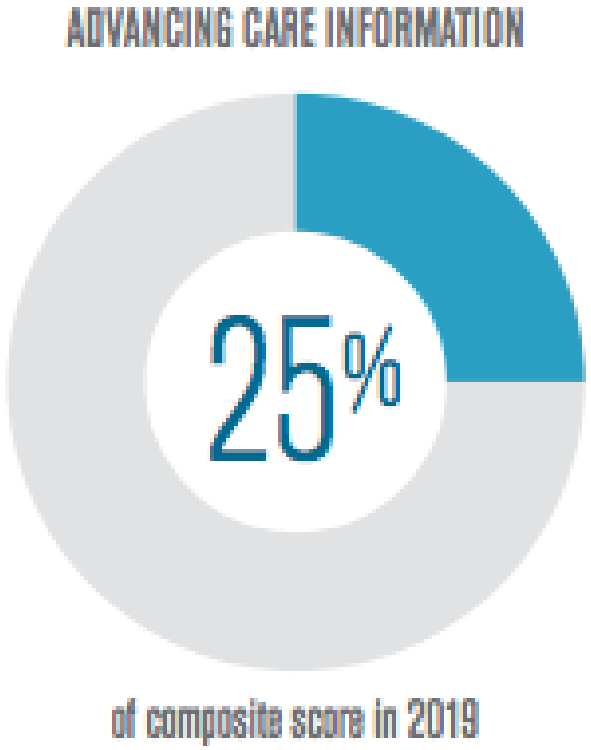
*Clinicians participating in APMs would be exempt from MIPS payment adjustments and would qualify for a 5% Medicare Part B incentive payment.


QUALITY
50%
of a physician's / practice's composite score
in 2019 (45% in 2020; 30% in 2021)

The Merit-based Incentive Payment System (MIPS)

Quality

- Accounts for 50% in year one
- Replaces the Physician Quality Reporting System and the quality component of the Value Modifier Program
- Clinicians would choose to report six measures versus the nine measures currently required under the Physician Quality Reporting System.
- Reporting in this category accommodates for differences in specialty and practices


ADVANCING CARE INFORMATION
25%
of composite score in 2019

The Merit-based Incentive Payment System (MIPS)

Advancing Care Information

- Accounts for 25% of total score in year one
- Replaces the Medicare EHR Incentive Program for physicians, also known as “Meaningful Use”
- Clinicians will report customizable measures that reflect how they use electronic health record (EHR) technology in their day-to-day practice to support the following initiatives:
  - Interoperability
  - Information exchange

Advanced Alternative Payment Models (APMs)

Advanced Alternative Payment Models

Advanced Alternative Payment Models (APMs) are referred to as the CMS Innovation Center models

- Shared Savings Program tracks
- Statutorily-required demonstrations where clinicians accept both risk and reward for providing coordinated, high-quality, and efficient care
  - APMs must meet criteria for payment based on quality measurement and for the use of EHRs
  - The criteria was designed to ensure that primary care physicians have opportunities to participate in Advanced APMs through medical home models

Advanced Alternative Payment Models

- CMS has defined specific criteria for what would qualify as an Advanced APM
- The list of models that qualify as Advanced APMs include:

• Comprehensive ESRD Care Model (Large Dialysis Organization arrangement)	• Medicare Shared Savings Program—Track 3
• Comprehensive Primary Care Plus (CPC+)	• Next Generation ACO Model
• Medicare Shared Savings Program—Track 2	• Oncology Care Model Two-Sided Risk Arrangement (available in 2018)

Advanced Alternative Payment Models

- CMS is planning to update this list of qualifying Advanced APM models on an annual basis
- CMS is also intending to modify models in coming years to help them qualify as Advanced APMs
- In performance year 2019, clinicians could qualify for incentive payments based on participation in Advanced APMs developed by non-Medicare payers such as private insurers or state Medicaid programs

Advanced Alternative Payment Models

- All clinicians will report through MIPS during the first year to determine if they have met the requirements for the Advanced APM track
- The new rule provides flexibility and makes it easy for clinicians to move between the two components of the Quality Payment program

For example -

MIPS participants who participate in APMs would receive credit toward scores in the Clinical Practice Improvement Activities category.

Certain Advanced APMs participants, who fall short of the payment or patient participation requirements for the incentive payments, but meet a lower threshold of participation, would be able to choose whether they would like to receive the MIPS payment adjustment.

Wherever possible, the proposed rule aligns standards between the two parts of the Quality Payment Program in order to make it easy for clinicians to move between them.

Summary

- (CMS) will begin measuring performance for doctors and other clinicians through MIPS in January 2017, with payments based on those measures beginning in 2019
- Eligible clinicians include:
  - Physicians
  - Physician assistants
  - Nurse Practitioners
  - Clinical Nurse Specialists
  - Certified Registered Nurse Anesthetists, and groups that include such clinicians

Summary

The new Quality Payment Program, combines three programs into one program with two paths:

- The Merit-based Incentive Payment System (MIPS)
- Advanced Alternative Payment Models (APMs)

- The law requires MIPS to be budget neutral
  - In the first year, negative adjustments can be no more than 4%
  - Positive adjustments are up to 4%, with additional bonuses for the highest performers

- MACRA seeks to enhance the shift to value-based reimbursement

Summary

- The MACRA APM is a pathway through which eligible clinicians can become “qualifying participants” and earn statutorily-specified incentives for participation
- Advanced APMs must meet three proposed requirements:
  - Use of certified EHRs
  - Payment for covered professional services must be based on comparable quality measures
  - Must be an enhanced medical home or bearing more than “nominal risk” for losses

THE ROAD TO MIPS

MIPS became law through the 2015 Medicare Access & CHIP Reauthorization Act (MACRA). The 426-page proposed rule for implementing the legislation, released on May 9, is scheduled to take effect no later than November 1. It can be found in full at: bit.ly/MACRA-rule.

Under the proposed rule, starting in 2019, physicians and practices will choose either MIPS or, if they prefer and qualify, one of an array of alternative payment models (APMs.) These APMs will include accountable care organizations, patient-centered medical homes and bundled payment models as well as other "demonstration" projects. Practices in their first year of billing Medicare and those who fall below a still-to-be-defined minimum payment threshold will be exempt from MIPS.

Under MIPS, payments would be adjusted up or down by as much as 4% starting in 2019, rising to 9% for 2022 and beyond, depending on the composite score under the four quality measures. However, practices must begin reporting their quality data in 2017.

MIPS payments are required to be budget-neutral, meaning that doctors will be able to receive bonus payments only to the extent that others pay penalties. For that reason, the scoring will follow a bell-shaped sliding scale, in which those at the median will receive no adjustment to their payments.

Practices choosing the APM option will receive a 5% lump sum bonus without the risk of penalties, but the practice must qualify in the first place. In that light, since the requirements are still coming into focus, physicians should first prepare for MIPS while exploring possibilities for APM status by 2019, when the 5% bonuses take effect, advises the American Academy of Family Physicians. CMS has said it would like to move half of payments to APMs by the end of 2018.

Source: Medical economics August 10, 2016

- https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/MACRA-MIPS-and-APMs.html
- https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/MACRA-LAN-PPT.pdf
- https://www.acponline.org/practice-resources/business-resources/payment/medicare/macra/top-10-things-you-need-to-do-for-macra
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- https://www.federalregister.gov/documents/2016/05/09/2016-10032/medicare-program-merit-based-incentive-payment-system-mips-and-alternative-payment-model-apm

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Questions??