

MACRA: A Private Sector View

Alliance for Health Reform Briefing

July 11, 2016



Donald R. Fischer, MD

Blue Cross Blue Shield Association is an association of independent Blue Cross and Blue Shield companies.



2

MACRA: Potential Impacts on Private Sector

Future ability to
innovate

Viability of
small/independent
practices

Medicare
Advantage

Cost-shifting to
private sector

 3

BCBSA Priority Comments to CMS on Proposed MACRA Rule

Support Flexibility	Ensure a level playing field for Medicare Advantage
Protect against unintended consequences	Begin with a “Soft launch” of MIPS

 4

Flexibility is Key

- If ability to innovate is hampered by rigid “one-size-fits-all” models, over a decade’s worth of work in the private sector can begin to unravel
- Flexibility to *align* rather than *conform* is key for Other-Payer APMs; need to recognize differences in populations served, benefit designs, and definitions of risk
- Standardization of APMs could have unintended consequences of dissuading clinicians from participating in Other-Payer APMs, limiting populations that can benefit from new care models

Ensure a level playing field for Medicare Advantage

- CMS should ensure that Medicare Advantage (MA) remains a viable option for clinicians (i.e., that the playing field is not inadvertently tilted away from MA in favor of MIPS or Advanced APM models)
- Options for consideration:
 - Weighting MA more heavily than other payers under the Other-Payer Advanced APM threshold
 - Allow an Advanced APM that contracts with an MA plan to receive credit towards the 5% lump sum bonus

Protect against unintended consequences

- CMS should put increased protections in place to prevent undue market power as a result of MACRA
 - More aggressively protect against anticompetitive behaviors or abuses of pricing power
 - Solely relying on the efforts of the Antitrust Agencies to address consolidation and pricing power in the context of APMs is inherently limited by the resource and fact intensive nature of antitrust analysis (Montgomery, 2016)
- Provide protection for smaller, independent practices to meet regulatory requirements and mitigate further provider consolidation under MACRA

MIPS “Soft-Launch”

- Ensuring a smooth transition to MACRA is critical for all stakeholders, recognizing that the launch will be particularly hard for smaller group practices and solo practice physicians
- CMS should take fundamental steps to soften the launch of MIPS by:
 - Moving back the start date of the performance period or staggering start dates for the various MIPS categories
 - Modifying the benchmark (regional or specialty-specific)
 - Engaging in additional education and outreach

MACRA: Additional Considerations

Virtual Groups

Credit for
Private Sector
Efforts in PCMH

Considerations
regarding
Resource Use

Drive
Interoperability

Distributed Data
Collection