The Medicare Access & Chip Reauthorization Act of 2015

QUALITY PAYMENT PROGRAM

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Center for Clinical Standards and Quality
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**Medicare Payment Prior to MACRA**

**Fee-for-service** (FFS) payment system, where clinicians are paid based on volume of services, not value.

**The Sustainable Growth Rate (SGR)**

- Established in 1997 to control the cost of Medicare payments to physicians

**IF**

- Overall physician costs
- Target Medicare expenditures
- Physician payments cut across the board

Each year, Congress passed temporary “doc fixes” to avert cuts (no fix in 2015 would have meant a 21% cut in Medicare payments to clinicians)

**Quality Payment Program**

- Repeals the Sustainable Growth Rate (SGR) Formula
- Streamlines multiple quality reporting programs into the new Merit-based Incentive Payment System (MIPS)
- Provides incentive payments for participation in Advanced Alternative Payment Models (APMs)

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

- First step to a fresh start
- We’re listening and help is available
- A better, smarter Medicare for healthier people
- Pay for what works to create a Medicare that is enduring
- Health information needs to be open, flexible, and user-centric
Note: Most clinicians will be subject to MIPS.

<table>
<thead>
<tr>
<th>Subject to MIPS</th>
<th>Not in APM</th>
<th>In non-Advanced APM</th>
<th>QP in Advanced APM</th>
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In Advanced APM, but not a QP

Some people may be in Advanced APMs but not have enough payments or patients through the Advanced APM to be a QP.

Note: Figure not to scale.

Who Will Participate in MIPS?

Affected clinicians are called “MIPS eligible clinicians” and will participate in MIPS. The types of Medicare Part B eligible clinicians affected by MIPS may expand in future years.

Years 1 and 2

Physicians, PAs, NPs, Clinical nurse specialists, Certified registered nurse anesthetists

Secretary may broaden Eligible Clinicians group to include others such as

Years 3+

Physical or occupational therapists, Speech-language pathologists, Audiologists, Nurse midwives, Clinical social workers, Clinical psychologists, Dietitians / Nutritional professionals

Note: Physician means doctor of medicine, doctor of osteopathy (including osteopathic practitioner), doctor of dental surgery, doctor of dental medicine, doctor of podiatric medicine, or doctor of optometry, and, with respect to certain specified treatment, a doctor of chiropractic legally authorized to practice by a State in which he/she performs this function.
Currently there are multiple quality and value reporting programs for Medicare clinicians:

- Physician Quality Reporting Program (PQRS)
- Value-Based Payment Modifier (VM)
- Medicare Electronic Health Records (EHR) Incentive Program

MIPS: First Step to a Fresh Start

- MIPS is a new program
  - Streamlines 3 currently independent programs to work as one and to ease clinician burden.
  - Adds a fourth component to promote ongoing improvement and innovation to clinical activities.

- MIPS provides clinicians the flexibility to choose the activities and measures that are most meaningful to their practice to demonstrate performance.
Clinical Practice Improvement Activities

The Secretary is required to specify clinical practice improvement activities. Subcategories of activities are also specified in the statute, some of which are:

<table>
<thead>
<tr>
<th>Expanding Practice Access</th>
<th>Population Management</th>
<th>Care Coordination</th>
<th>Beneficiary Engagement</th>
<th>Patient Safety Practice Assessment</th>
<th>Alternative Payment Models</th>
</tr>
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<tbody>
<tr>
<td>• Same day appointments for urgent needs</td>
<td>• Monitoring health conditions &amp; providing timely interventions</td>
<td>• Timely communication of test results</td>
<td>• Establishing care plans for complex patients</td>
<td>• Use of clinical checklists</td>
<td>• Participation in an APM will also count for CPA</td>
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<tr>
<td>• After hours clinician advice</td>
<td>• Participation in a qualified clinical data registry</td>
<td>• Timely exchange of clinical information with patients AND providers</td>
<td>• Beneficiary self-management assessment &amp; training</td>
<td>• Use of surgical checklists</td>
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<td></td>
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<td>• Use of remote monitoring</td>
<td>• Employing shared decision making</td>
<td>• Assessments related to maintaining of certification</td>
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Secretary shall solicit suggestions from stakeholders to identify activities. Sec. retains discretion. Secretary shall give consideration to practices <15 EPs, rural practices, & EPs in under served areas.

Year 1 Performance Category Weights for MIPS

- Quality 50%
- Advancing Care Information 25%
- Clinical Practice Improvement Activities 15%
- Resource Use 10%
MIPS Incentive Payment Formula

Exceptional performers receive additional positive adjustment factor – up to $500M available each year from 2019 to 2024

Exceptional Performance

- EPs above performance threshold = positive payment adjustment
- Lowest 25% = maximum reduction

2019 2020 2021 2022 and onward

*MACRA allows potential 3x upward adjustment BUT unlikely

Putting it all together:

<table>
<thead>
<tr>
<th>Year</th>
<th>Fee Schedule</th>
<th>MIPS</th>
<th>QP in Advanced APM</th>
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<tbody>
<tr>
<td>2016</td>
<td>+0.5% each year</td>
<td>No change</td>
<td>+5% bonus (excluded from MIPS)</td>
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<tr>
<td>2017</td>
<td>+0.5%</td>
<td>No change</td>
<td></td>
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<tr>
<td>2018</td>
<td>+0.25% or 0.75%</td>
<td>No change</td>
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<tr>
<td>2019</td>
<td>No change</td>
<td>No change</td>
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<td>2020</td>
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<td>2025</td>
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<td>2026 &amp; on</td>
<td>No change</td>
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TAKE-AWAY POINTS

1) The Quality Payment Program changes the way Medicare pays clinicians and offers financial incentives for providing high value care.

2) Medicare Part B clinicians will participate in the MIPS, unless they are in their 1st year of Part B participation, become QPs through participation in Advanced APMs, or have a low volume of patients.

3) Payment adjustments and bonuses will begin in 2019.

THANK YOU!

More Ways to Learn To learn more about the Quality Payment Programs including MIPS program information, watch the [http://go.cms.gov/QualityPaymentProgram](http://go.cms.gov/QualityPaymentProgram) to learn of Open Door Forums, webinars, and more.
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