Quality Payment Program

IHS Preparation

August 2016

This presentation was developed in collaboration with Centers for Medicare & Medicaid Services

Disclaimer

This presentation was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the document for your reference.

This presentation was prepared as a service to the public and is not intended to grant rights or impose obligations. This presentation may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

Important Note: This presentation was developed in collaboration with Centers for Medicare & Medicaid Services (CMS).

Slides are courtesy of CMS from various CMS webinars and presentations about the Quality Payment Program.

Objectives

1. Identify the background and purpose of the Quality Payment Program (QPP): Medicare Access and CHIP Reauthorization Act (MACRA) of 2015.
2. Review the proposed regulation addressing framework paths: Merit Based Incentive Payment Systems (MIPS) and Advanced Alternative Payment Models (APMs).
3. Discuss payment adjustments and bonuses related to MIPS and APMs.
4. Discuss the impact to clinicians.
5. Identify steps to prepare for Quality Payment Program within the IHS

Putting it all together

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026 & on

Fee Schedule

+0.5% each year

No change

+0.25% *or* 0.75%

MIPS

Max Adjustment (+/-)

4 5 7 9 9 9 9

QP in Advanced APM

+5% bonus

(excluded from MIPS)

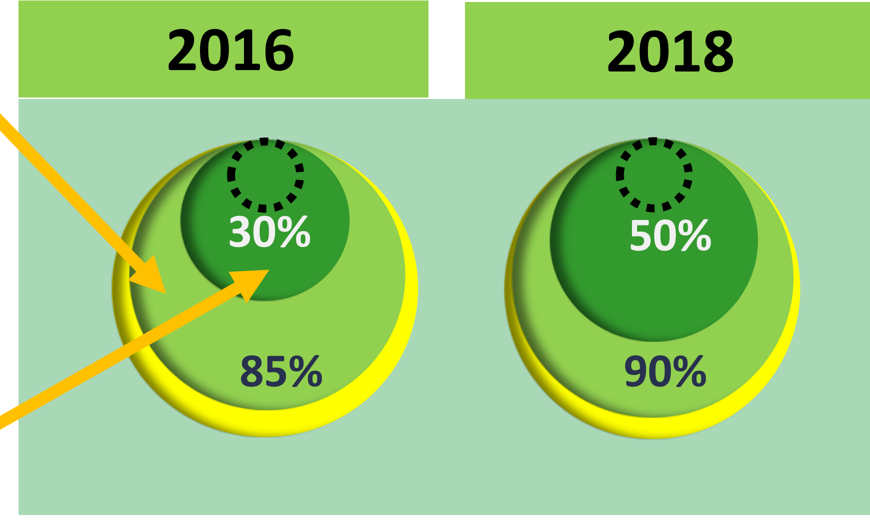
The Department of Health and Human Services Goals

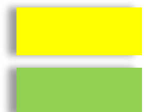
Quality Payment Program moves us closer to meeting these goals

The new Merit-based Incentive Payment System helps to link **fee-for-service payments** to quality and value.

The law also provides incentives for **participation in Alternative Payment Models** in general and bonus payments to those in the most highly advanced APMs

New HHS Goals:





All Medicare fee-for-service (FFS) payments (Categories 1-4)

Medicare **FFS** payments **linked to quality and value** (Categories 2-4)

Medicare payments linked to quality and value **via APMs** (Categories 3-4)

Medicare-Payments to those in the most highly advanced APMs under MACRA

Timeline

April 27, 2016: Notice of Proposed Rule Making
May 2016: Measure Development Plan finalized
June 27, 2016: Public Comments
Late Fall 2016: Final Rule
January 1, 2017: Performance Period (MIPS)
January 1, 2019: Payment Year for Quality Payment Program

2017	2018	2019	2020	2021	2022	2023	2024	2025
Performance Period		Payment Year						

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)	or	Advanced Alternative Payment Models (APMs)

- ✓ First step to a fresh start
- ✓ CMS is 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

Clinician Impact

Which clinicians does
The Quality Payment Program
affect?
(Will it affect me?)

Short answer:
Quality Payment Program affects clinicians who participate in Medicare Part B.

Quality Payment Program: Two Paths

Health care providers to take part in CMS' quality programs in one of two ways:

1. Merit-Based Incentive Payment System (MIPS)
2. Advanced Alternative Payment Models (APMs)

Medicare Reporting Prior to MACRA

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**

The Quality Payment Program/ MACRA streamlines those programs into **MIPS**

MIPS

MIPS Performance Categories

How will physicians and practitioners be scored under MIPS?

A single MIPS composite performance **score** will factor in performance in **4 weighted performance categories on a 0-100 point scale**:

Year 1 Performance Category Weights for MIPS

RESOURCE USE
10%

CLINICAL PRACTICE IMPROVEMENT ACTIVITIES (CPIA)
15%

QUALITY
50%

ADVANCING CARE INFORMATION (ACI)
25%

Who Will Participate in MIPS?

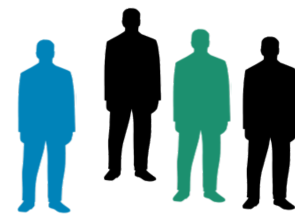
Affected clinicians are called **“MIPS eligible clinicians”** and will participate in MIPS. The types of **Medicare Part B** eligible clinicians affected by MIPS may expand in future years.

Years 1 and 2

Physicians (MD/DO and DMD/DDS), PAs, NPs, Clinical nurse specialists, Certified registered nurse anesthetists

Years 3+

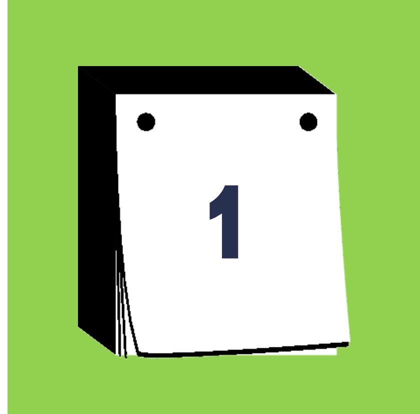
Secretary may broaden Eligible Clinicians group to include others such as



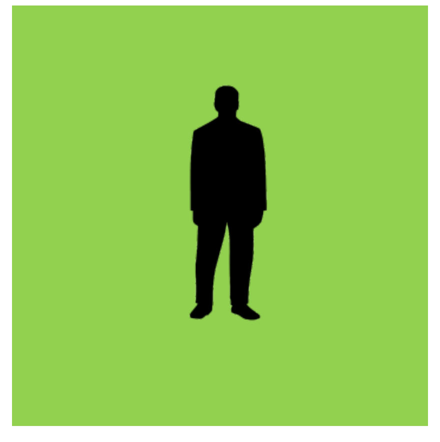
Physical or occupational therapists, Speech-language pathologists, Audiologists, Nurse midwives, Clinical social workers, Clinical psychologists, Dietitians / Nutritional professionals

Who will NOT Participate in MIPS?

There are **3 groups** of clinicians who will NOT be subject to MIPS:



FIRST year of Medicare Part B participation



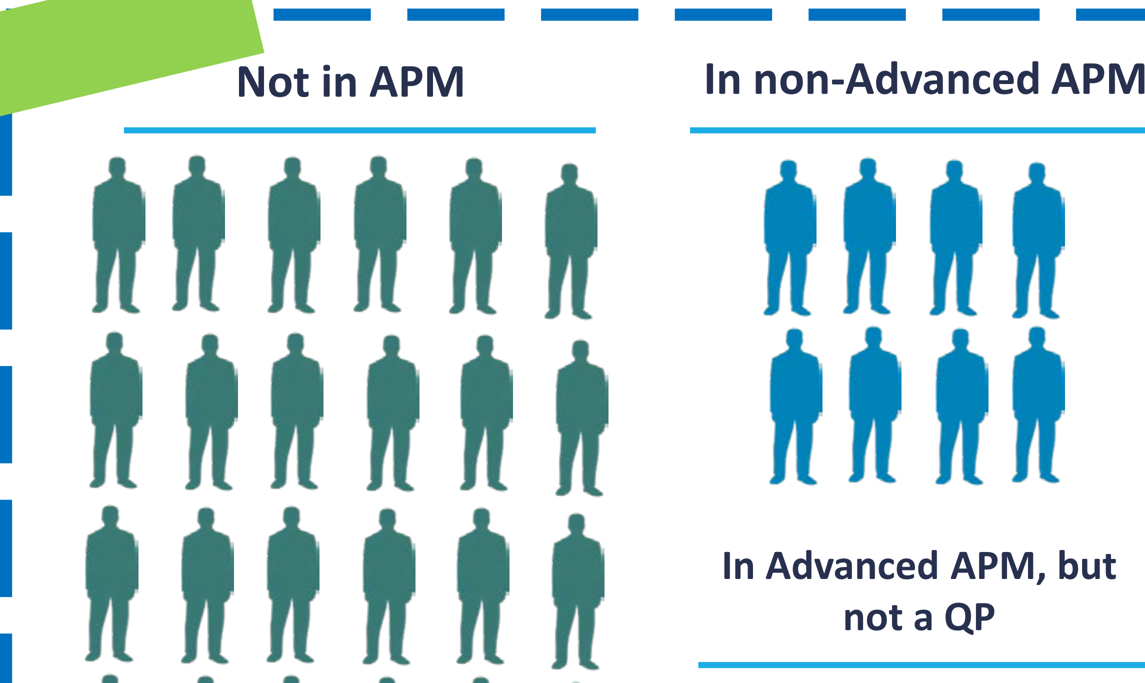
Below low patient volume threshold

*Medicare billing charges less than or equal to $10,000 **and** provides care for 100 or fewer Medicare patients in one year*

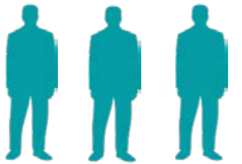
Certain participants in ADVANCED Alternative Payment Models

Note: MIPS **does not** apply to hospitals or facilities (Part A)

Note: Most clinicians will be subject to MIPS.



QP in Advanced APM



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.

Proposed Rule
MIPS: Advancing Care Information (ACI) Performance Category

CMS proposes six objectives and their measures that would require reporting for the base score:

Protect Patient Health Information (yes required)

Electronic Prescribing (numerator/denominator)

Patient Electronic Access (numerator/denominator)

Coordination of Care Through Patient Engagement (numerator/denominator)

Health Information Exchange (numerator/denominator)

Public Health and Clinical Data Registry Reporting (yes required)

Proposed Rule
MIPS Data Submission Options
Quality and Resource Use

	Individual Reporting	Group Reporting
Quality	✓ Claims ✓ Qualified Clinical Data Registry (QCDR) ✓ Qualified Registry ✓ EHR Vendors ✓ Administrative Claims (No submission required)	✓ QCDR ✓ Qualified Registry ✓ EHR Vendors ✓ CMS Web Interface (groups of 25 or more) ✓ CAHPS for MIPS Survey ✓ Administrative Claims (No submission required)
Resource use	✓ Administrative Claims (No submission required)	✓ Administrative Claims (No submission required)

Proposed Rule
MIPS Data Submission Options
ACI and CPIA

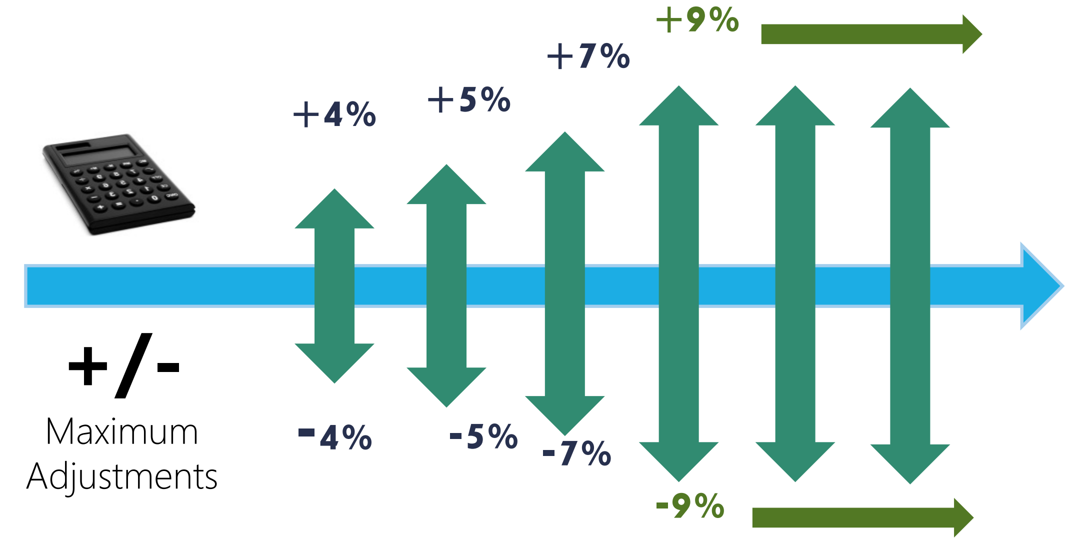
Individual Reporting

Group Reporting

	Individual Reporting	Group Reporting
Advancing care information	✓ Attestation ✓ QCDR ✓ Qualified Registry ✓ EHR Vendor	✓ Attestation ✓ QCDR ✓ Qualified Registry ✓ EHR Vendor ✓ CMS Web Interface (groups of 25 or more)
CPIA	✓ Attestation ✓ QCDR ✓ Qualified Registry ✓ EHR Vendor ✓ Administrative Claims (No submission required)	✓ Attestation ✓ QCDR ✓ Qualified Registry ✓ EHR Vendor ✓ CMS Web Interface (groups of 25 or more)

How much can MIPS adjust payments?

Based on a MIPS Composite Performance Score , clinicians will receive +/- or neutral adjustments up to the percentages below.



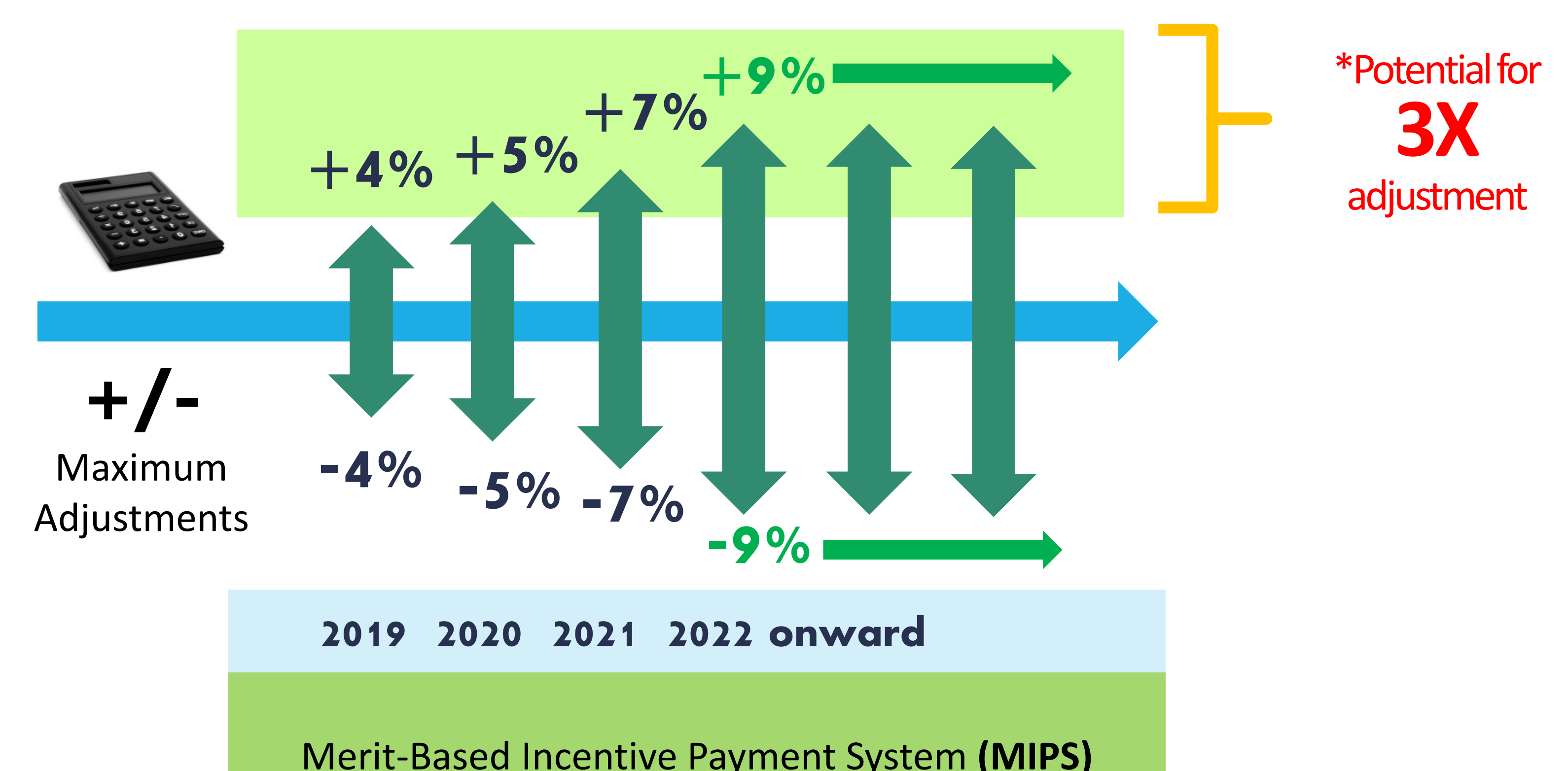
Adjusted Medicare Part B **payment** to clinician

Merit-Based Incentive Payment System **(MIPS)**

The potential maximum adjustment % will increase each year from 2019 to 2022

How much can MIPS adjust payments?

Note: MIPS will be a **budget-neutral** program. Total upward and downward adjustments will be balanced so that the average change is 0%.



Proposed Rule
MIPS Performance Period

MIPS Performance Period
(Begins 2017)

- ✓ **All MIPS performance categories are aligned to a performance period of one full calendar year.**
- ✓ **Goes into effect in first year**

  (2017 performance period, 2019 payment year).

2017	2018	2019	2020	2021	2022	2023	2024	2025
Performance Period		Payment Year						

Incentives for Advanced APM Participation

What is an Alternative Payment Model (APM)?

APMs are **new approaches to paying** for medical care through Medicare that **incentivize quality and value.**

As defined by MACRA, **APMs include:**

- ✓ **CMS Innovation Center model** (under section 1115A, other than a Health Care Innovation Award)
- ✓ **MSSP** (Medicare Shared Savings Program)
- ✓ **Demonstration** under the Health Care Quality Demonstration Program
- ✓ **Demonstration** required by federal law

MACRA **does not change how any particular APM rewards value**.
APM participants who are not "QPs" will receive **favorable scoring under MIPS**.
Only **some** of these APMs will be **Advanced** APMs.

Advanced APMs meet certain criteria

As defined by MACRA, advanced APMs **must meet the following criteria**:

- ✓ The APM requires participants to use **certified EHR technology**.
- ✓ The APM **bases payment on quality** measures comparable to those in the MIPS quality performance category.
- ✓ The APM either: **(1)** requires APM Entities to bear more than nominal **financial risk** for monetary losses; **OR (2)** is a **Medical Home Model expanded** under CMMI authority.

Proposed Rule
Advanced APMs

Based on the proposed criteria, which current APMs will be Advanced APMs in 2017?

- ✓ **Shared Savings Program** (Tracks 2 and 3)
- ✓ **Next Generation ACO Model**
- ✓ **Comprehensive ESRD Care (CEC)**

  (large dialysis organization arrangement)
- ✓ **Comprehensive Primary Care Plus (CPC+)**
- ✓ **Oncology Care Model (OCM)** (two-sided risk track available in 2018)

Rewards for APM Participants

QPP provides additional rewards for participating in APMs.

Potential financial **rewards**

Not in APM	In APM	In Advanced APM
MIPS adjustments	MIPS adjustments	
	+	
	APM-specific rewards	APM-specific rewards
		+
		5% lump sum bonus

If you are a **qualifying APM participant (QP)**

Proposed Rule
Advanced APM Criterion 3:
Requires APM Entities to Bear More than Nominal Financial Risk

Financial Risk

An Advanced APM must meet **two standards**:

Financial Risk Standard

APM Entities must bear risk for monetary losses.

&

Nominal Amount Standard

The risk APM Entities bear must be of a certain magnitude.

- ✓ The Advanced APM financial risk criterion is **completely met** if the APM is a **Medical Home Model** that is **expanded under CMS Innovation Center Authority**
- ✓ Medical Home Models that **have not been expanded** will have **different financial risk and nominal amount standards** than those for other APMs.

Proposed Rule
How do Eligible Clinicians become QPs?

Eligible Clinicians to QP in 4 STEPS

1. QP determinations are made at the **Advanced APM Entity level**.
2. CMS calculates a **"Threshold Score"** for each Advanced APM Entity.
3. The Threshold Score for each method is compared to the corresponding **QP threshold**.
4. All the eligible clinicians in the Advanced APM Entity **become QPs** for the payment year.

- ✓ The period of assessment (QP Performance Period) for each payment year will be **the full calendar year that is two years prior to the payment year** (e.g., 2017 performance for 2019 payment).
- ✓ Aligns with the MIPS performance period.

Step 2
How do Eligible Clinicians become QPs?

Step 2

- ✓ **The two methods for calculation are Payment Amount Method and Patient Count Method.**

Payment Amount Method

$$$ for Part B professional services to **attributed beneficiaries**

―――――――――――――――― = **Threshold Score %**

$$$ for Part B professional services to **attribution-eligible beneficiaries**

Payments

Patient Count Method

of **attributed beneficiaries** given Part B professional services

―――――――――――――――― = **Threshold Score %**

of **attribution-eligible beneficiaries** given Part B professional services

Patients

Proposed Rule
QP Determination and APM Incentive Payment Timeline

2017	2018	2019
QP Performance Period	Incentive Payment Base Period	Payment Year
QP status based on Advanced APM participation here.	Add up payments for a QP's services here.	+5% lump sum payment made here. *(and excluded from MIPS adjustments)*

2018	2019	2020
QP Performance Period	Incentive Payment Base Period	Payment Year

Repeat the cycle each year…

Putting it all together

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026 & on

Fee Schedule

+0.5% each year

No change

+0.25% *or* 0.75%

MIPS

Max Adjustment (+/-)

4 5 7 9 9 9 9

QP in Advanced APM

+5% bonus

(excluded from MIPS)

For IHS and Tribal Programs

- What is the business case for attention to QPP
- What is needed to operationalize QPP?
- Which Tracks (MIPS vs. Advanced APM)?

and

Can IHS and Tribes participate in advanced APM?

Preparing for Quality Payment Program within the IHS

#	Immediate Action Items
1	Quality Measure assessment & development / IHS set of eCQMs for reporting
2	Measure reporting capability (submission from CEHRT or Registry)
3	2015 CEHRT
4	Assessment / Development of ACI (MU) measures
5	Clarify legality of IHS and Tribal participation in MSSP Tracks 2 and 3 and CPC+
6	Identify pathways for Clinical Practice Improvement Activities in MIPS
7	Support for I/T/Us in understanding and preparation for QPP

Resources

Centers for Medicare & Medicaid Services. Merit-Based Incentive Payment System: Advancing Care Information Performance Category. Available at: https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/Advancing-Care-Information-Presentation.pdf

Centers for Medicare & Medicaid Services. The Merit-Based Incentive Payment Systems (MIPS). Available at: https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/Quality-Payment-Program-MIPS-NPRM-Slides.pdf

Centers for Medicare & Medicaid Services. Quality Payment Program. Available at: https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/Quality-Payment-Program.html

Centers for Medicare & Medicaid Services. Quality Payment Program (slide deck). Available at: https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/Quality-Payment-Program-MACRA-NPRM-Slides.pdf

Federal Register. Proposed Rule 42 CFR Parts 414 and 495. Medicare Program; Merit-Based Incentive Payment System (MIPS) and Alternative Payment Model (APM) Incentive Under the Physician Fee Schedule, and Criteria for Physician-Focused Payment Models; Proposed Rule. May 9, 2016. Available at: https://www.gpo.gov/fdsys/pkg/FR-2016-05-09/pdf/2016-10032.pdf

Health Information and Management Systems Society. MACRA Resource Center. Available at: http://www.himss.org/MACRA-resource-center

Zaroukian M. Medicare Access and CHIP Reauthorization Act of 2015: An Executive Overview of the Proposed Rule presentation. Health Information and Management Systems Society (HIMSS). 2016. Available at: http://www.himss.org/Events/EventDetail.aspx?ItemNumber=48362

Discussion