

# MACRA

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## Key takeaways

1. Understanding MACRA
2. RCMA's role in helping physicians
3. How can you prepare for MACRA now?



# MACRA (Medicare Access & CHIP Reauth Act – April, 2015)

» 7/15 → 1/19 → 0.5% ↑ Part B

» 1/19 → 1) Merit Based Incentive Payment System (MIPS)



2) Alternative Payment Models (APM)



## MACRA is part of a broader push towards value and quality

In January 2015, the Department of Health and Human Services announced **new goals for value-based payments and APMs in Medicare**

### Medicare Fee-for-Service

**GOAL 1:** 30% 

Medicare payments are tied to quality or value through alternative payment models (categories 3-4) by the end of 2016, and 50% by the end of 2018

**GOAL 2:** 85% 

Medicare fee-for-service payments are tied to quality or value (categories 3-4) by the end of 2016, and 90% by the end of 2018



### STAKEHOLDERS:

Consumers | Businesses  
Payers | Providers  
State Partners



Set internal goals for HHS



Invite private sector payers to match or exceed HHS goals



...and toward transforming our health care system.

3 goals for our health care system:

**BETTER** care  
**SMARTER** spending  
**HEALTHIER** people

Via a focus on **3 areas**



Incentives



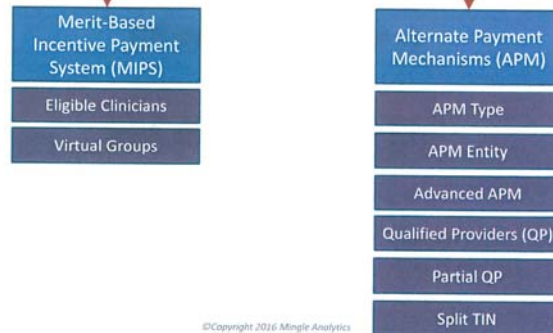
Care Delivery



Information Sharing



### Quality Payment Program



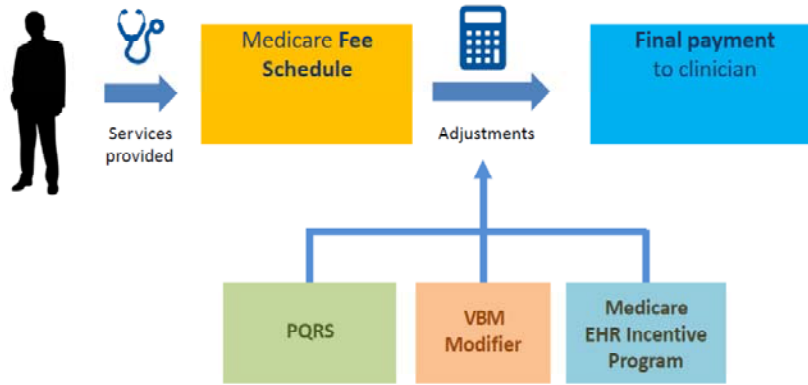
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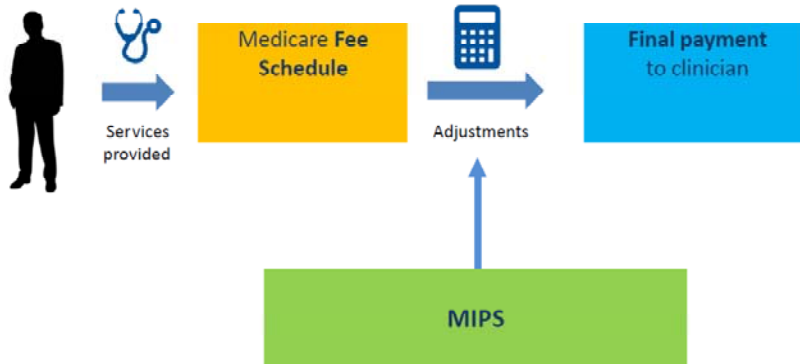
# MACRA Changes How Medicare Pays Clinicians

The **current** system:



# MACRA Changes How Medicare Pays Clinicians (cont.)

The system after MACRA:



*\*or special lump sum bonuses through participation in eligible APMs*



## What Will Determine My MIPS Score?

The MIPS composite performance **score** will factor in **four weighted categories**:

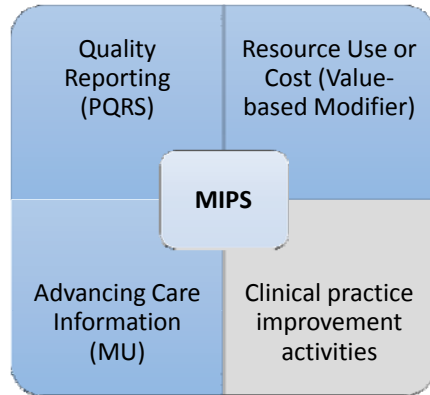


## Applies to

- MIPS EC for the first 2 years
  - Physician (doctors of medicine, osteopathy, dental surgery, dental medicine, podiatric medicine, optometry, and chiropractic)
  - Physician Assistant (PA)
  - Nurse Practitioner (NP)
  - Clinical Nurse Specialist (CNS)
  - Certified Registered Nurse Anesthetist (CRNA)
- MIPS Groups
  - Any group that includes above professionals
  - Virtual Groups: Small practices of 1-10 EPs band together
- Secretary has discretion to specify additional ECs starting in year 3 which may include
  - Certified Nurse Midwife
  - Clinical Social Worker
  - Clinical Psychologist
  - Registered Dietician or Nutrition Professional
  - Physical or Occupational Therapist
  - Speech-Language Pathologist
  - Audiologist



## MIPS components



### MIPS aims:

- Streamline 3 independent programs
- Add 4<sup>th</sup> component to promote improvement and innovation
- Provide more flexibility and choice of measures
- Retain a fee-for-service payment option

### Clinicians exempt from MIPS:

- First year of Part B participation
- Medicare claims  $\leq$  \$10K & patients  $\leq$  100
- Advanced APM participants

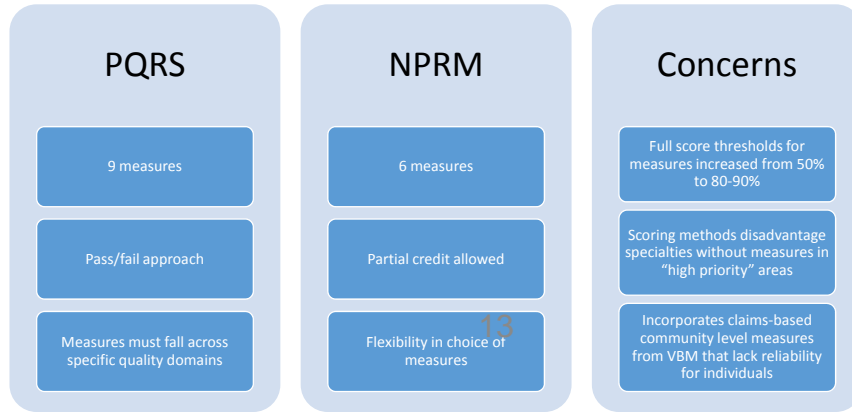


## MACRA Overview—MIPS

A single MIPS composite performance score will factor in performance in four weighted performance categories:



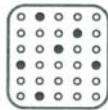
## Quality reporting vs. PQRS



#4: In MIPS, providers have flexibility in selecting performance measures that align with their practice

18

### Significant Flexibility in MIPS Quality Category



MIPS requires providers to report on at least **6 quality metrics**<sup>1</sup> selected from over 200 options

Selections must include at least

- ↳ **1 outcome metric** and
- ↳ **1 "cross-cutting" metric**<sup>2</sup>



CMS will use claims data to calculate **3 population-based measures**:

- All-cause hospital readmission measure
- Acute conditions composite measure
- Chronic conditions composite measure



**Bonus points** are awarded for:

- Reporting extra outcome metrics
- Reporting metrics in high-priority domains<sup>3</sup>
- Reporting via certified EHR technology

#### Sample Outcomes Measures

- Hemoglobin A1C control
- Depression remission at six months
- ED visits in last 30 days of life
- Functional status change for orthopedic patients
- Surgical site infections

#### Sample Cross-cutting Measures

- Documentation of advanced care plan
- Tobacco use screening and intervention
- Control of high-blood pressure

<sup>1</sup>) CMS specifies exceptions for certain specialties and clinicians without six applicable metrics and/or without applicable outcome metrics.

<sup>2</sup>) "Cross-cutting" metrics are metrics broadly available to all clinicians with patient-facing encounters regardless of specialty.

<sup>3</sup>) High-priority domains are appropriate use, patient safety, efficiency, patient experience, and care coordination.

## MIPS Cross-Cutting Measures 2017

#	Proposed for 2017	Mthd	#	Proposed to be dropped	Mthd
47	Care Plan	C,R	1	Hemoglobin A1c control	C,R,E
111	Pneumovax	C,R,E	46	Medication Reconciliation	C,R
128	BMI and Plan	C,R,E	110	Influenza	C,R,E
130	Current Medications	C,R,E	112	Breast Cancer Screening	C,R,E
226	Tobacco Use and Plan	C,R,E	131	Pain Assessment and Plan	C,R
236	Controlling High Blood Pressure	C,R,E	134	Screen for Depression and Plan	C,R,E
317	Screen for HTN and Plan	C,R,E	154	Falls: Risk Assessment	C,R
321	CAHPS for PQRS Survey	S	155	Falls: Plan of Care	C,R
374	Receipt of Specialist Report	E	182	Functional Outcome Assessment and Plan	C,R
402	Tobacco Use and Plan in Adolescents	R,MG	240	Childhood Immunization Status	E
431	Unhealthy Alcohol Use: Screening & Brief Counseling	R	318	Screen for Fall Risk	E
			400	Hepatitis C Screening	R



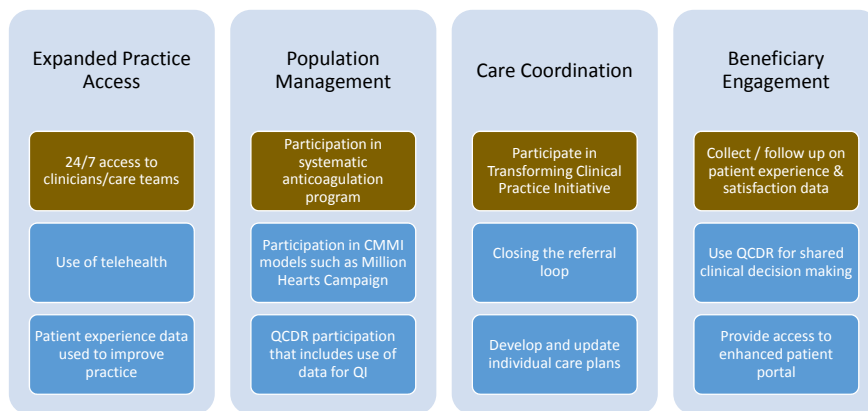
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31



## CPIA categories and examples



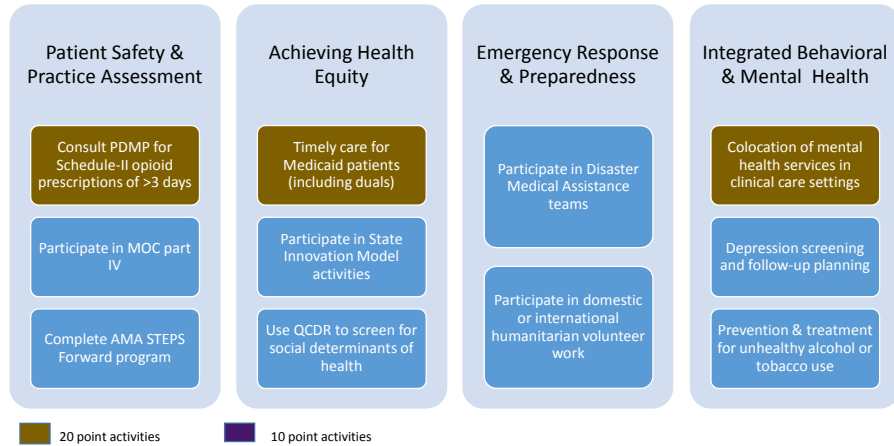
■ 20 point activities

■ 10 point activities



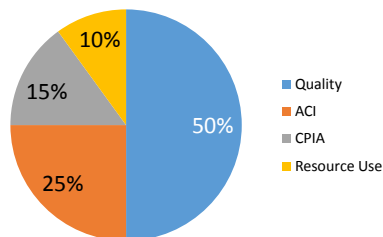


## CPIA categories and examples--continued



## MIPS component weights and scoring in 2019

### Component Weights



### Component Scoring

- Quality:**
  - 80 points groups <10
  - 90 points for larger groups
- Advancing Care Information:**
  - 50 points base score
  - 80 points performance score
- Clinical Practice Improvement Activities:**
  - 60 points (3-6 activities; 2 activities for small and rural practices)
- Resource Use:**
  - 10 points per measure
  - Score is average of attributable measures

18



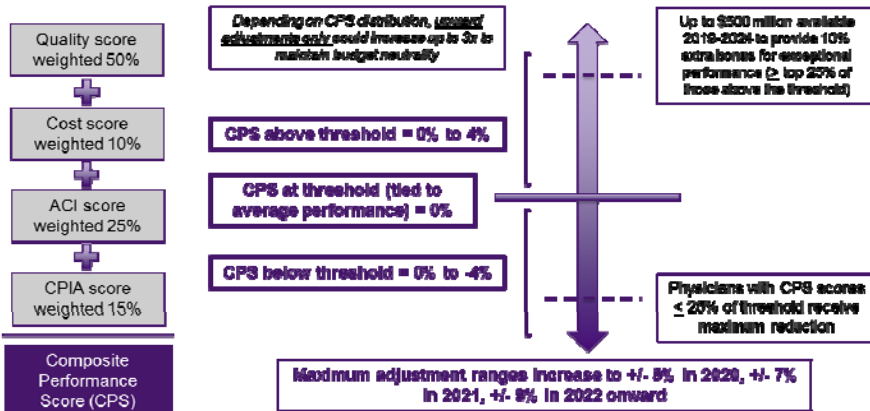
## Relative weights of MIPS components

	2019	2020	2021	2022 onward
Quality (PQRS)	50%	45%	30%	30%
Resource use (VBM)	10%	15%	30%	30%
Advancing Care Info (MU*)	25%	25%	25%	25%
CPIA	15%	15%	15%	15%
Penalty risk	-4%	-5%	-7%	-9%

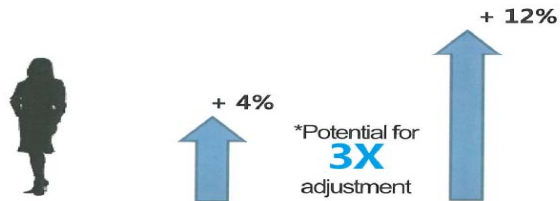
\*MU weight may be reduced to 15% if 75% of EPs are successful



## Calculating MIPS payment adjustments (2019)

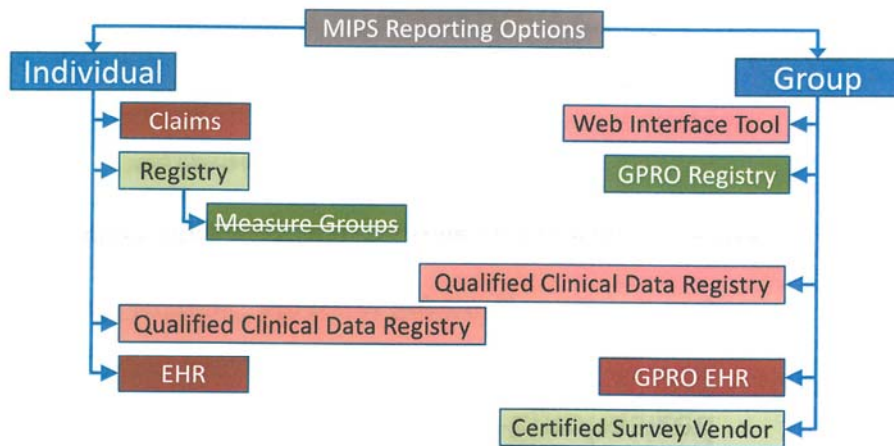


## MIPS: Scaling Factor Example



Dr. Joy Smith, who receives the +4% adjustment for MIPS, could receive up to +12% in 2019. For exceptional performance she could earn an additional adjustment factor of up to +10%.

**Note:** This scaling process will only apply to positive adjustments, not negative ones.



## Alternative Payment Models (APMs)

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

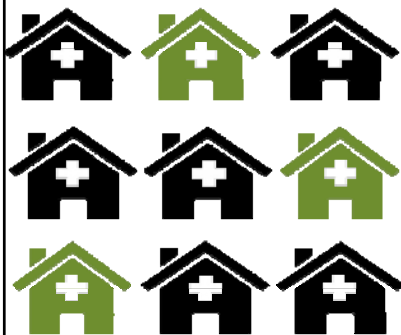
According to MACRA law, APMs include:

- ✓ **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 **eligible** APMs.



## What is an eligible APM?



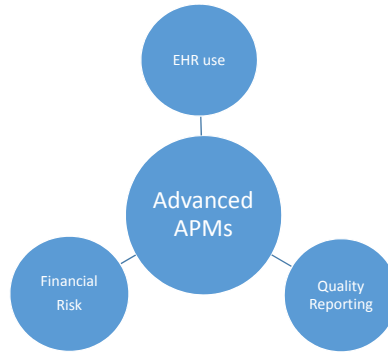
Eligible APMs are the **most advanced** APMs that meet the following criteria according to the MACRA law:

- ✓ **Base payment on quality** measures comparable to those in MIPS
- ✓ Require use of certified **EHR** technology
- ✓ Either (1) bear more than nominal **financial risk** for monetary losses **OR** (2) be a **medical home model expanded** under CMMI authority



## CMS criteria for Advanced APMs

- Participants must use certified EHR technology
  - At least 50% of clinicians in first year, 75% thereafter
- Payment based on quality measures comparable to MIPS
- Bear “more than nominal risk” for monetary losses
  - Expanded Medical Home models exempt from risk
  - Other Medical Home models have different standards
- Physicians may be Qualified Participants (QPs) or Partially Qualified Participants (PQPs) based on revenue and patient thresholds, with differential rewards



## Currently proposed Advanced APMs

**Comprehensive ESRD Care Model**  
(currently 13 ESCOs)

**Comprehensive Primary Care Plus**  
(coming in Fall 2016)

**Medicare Shared Savings Track 2**  
(currently 6 ACOs, 1% of total)

**Medicare Shared Savings Track 3**  
(currently 16 ACOs, 4% of total)

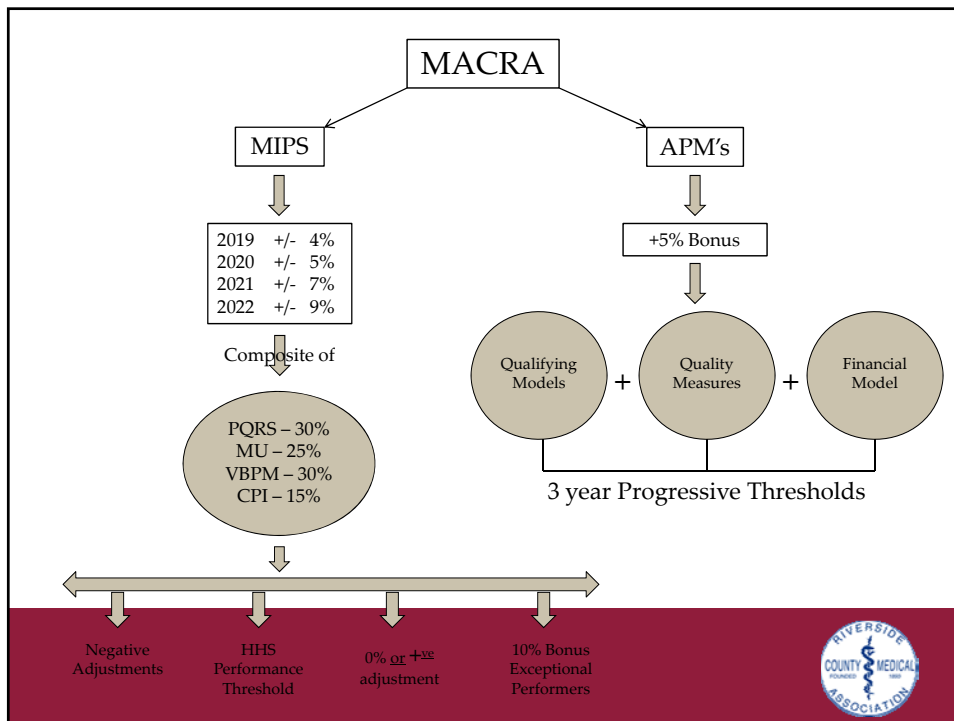
**Next Generation ACO Model**  
(currently 18)

**Oncology Care Model, 2-Sided Risk Arrangement**  
(coming in 2018)



# Requirements and payments for APM participants

	Qualified Participant in Advanced APM	Partially Qualified Participant in Advanced APM	MIPS APM participant
Patient and revenue thresholds required	≥25% revenues or ≥20% patients in 2019, rising to 75% or 50%, respectively by 2023	≥20% revenues or ≥10% patients in 2019, rising to 50% and 35%, respectively, by 2023	None
Eligible for APM bonus, higher updates	Yes	No	No
Must participate in MIPS	No	Optional (but no performance adjustments without MIPS)	Yes
MIPS scoring and adjustments	N/A	Favorable weighting and scoring	Favorable weighting and scoring



## Potential value-based financial rewards

- APMs—and eligible APMs in particular—offer greater **potential risks and rewards** than MIPS.
- **In addition** to those potential rewards, MACRA provides a bonus payment to providers committed to operating under the most advanced APMs.



## “Special” MIPS APM Eligibility Requirements

22

Preferential Scoring for ECs Without QP Status or in MIPS APMs

### MIPS APM Criteria

- ✓ Entities participate in the APM under agreement with CMS
- ✓ Entities include ≥1 MIPS EC on participation list
- ✓ Bases payment incentives on performance on cost/utilization and quality measures



### “Big Fish, Little Pond” Under MIPS APM Scoring Standard?

MIPS APM scoring will be applied to all others in MIPS. Will that preferential scoring create the top-performer tier in MIPS?

### Applies to Two MIPS EC Scenarios



**Below QP Volume Threshold in Advanced APM**



**Any Volume in MIPS APM**

Proposed Medicare Advanced APMs

Proposed MIPS APMs

Comprehensive ESRD Care LDO Arrangement

Comprehensive ESRD Care non-LDO Arrangements

CPC+

MSSP Track 1

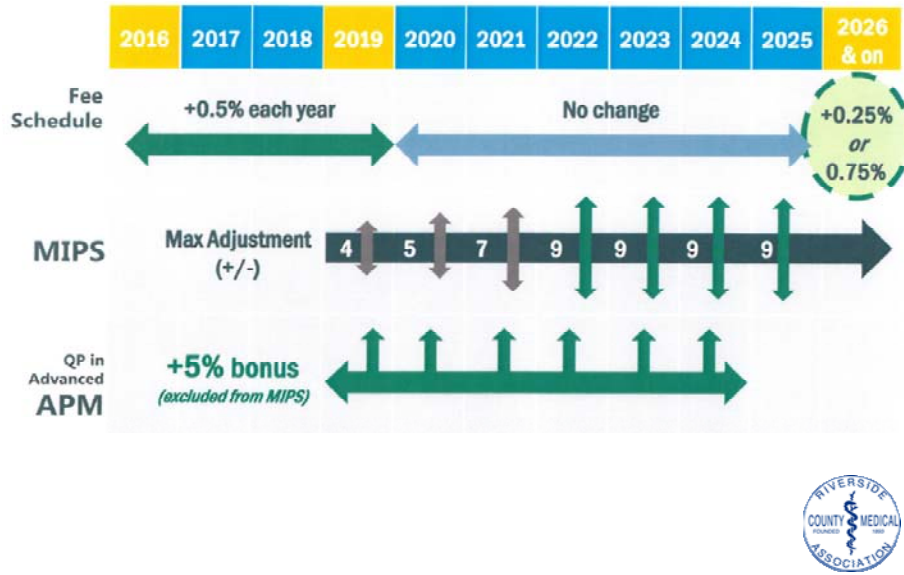
MSSP Track 2 and Track 3

Oncology Care Model One-Sided Risk

Next Generation ACO

Oncology Care Model Two-Sided Risk

### Putting it all together:



### CORE QUALITY MEASURE COLLABORATIVE

1. ACO's PCMH & CPCI (22)
2. Cardiology (23)
3. GI (8)
4. HIV | Hep C (8)
5. Medical Oncology (14)
6. Ob | Gyn (11)
7. Orthopedic (3)





## How RCMA is helping you

1. Close input to CMS via CMA's Technical Advisory Committee & AMA's (Green, Larson & Rajaratnam)
2. Around 40 recommendations given
3. Solo small group and rural practices accommodation is insufficient & should be phased in
4. MIPS changes
  - Too complex reporting and scoring
  - ACI maintain MU exclusions
  - Telehealth same as face-to-face for MIPS
5. EHR vendor accountability for interoperability
6. Resource use category disadvantages MD's treating \_\_\_\_\_, vulnerable population
7. Advanced APM's models are too narrow
8. Delay performance reporting period by a year
9. Capture and credit investment risks for practices to implement MACRA
10. Adopt "virtual" groups immediately



## How to prepare

1. Educate yourself & your providers immediately.  
Materials on 1) CMS 2) CMA 3) AMA  
Websites, Webinars, your specialty societies
2. Assess your EHR Readiness  
Is it CEHRT? (Certified EHR Technology)
3. Participate in an APM (Eg: ACO)
4. Look at your CMS Quality Resource and Use Report (QRUR)
5. Check if you have reported on PQRS MU.  
If not investigate immediately how you can report on quality stuff in MACRA
6. Determine your path in MACRA  
Is it MIPS or APM's?
7. Create a "Rapid Deployment Force" to
  - a) Measure Selection
  - b) Data Capture & Reporting
  - c) Work flow mapping for (a) & (b)
  - d) Staff & MD training
  - e) Monitor progress & performance
8. Determine if you are exempt
  - a) \$10,000 or less in billed charges
  - b) <100 FFS Medicare patients annually
  - c) You are 1<sup>st</sup> year in Medicare
9. Familiarize with physician  
Compare site @ CMS
10. Learn about various new payment models advocated by your specialty

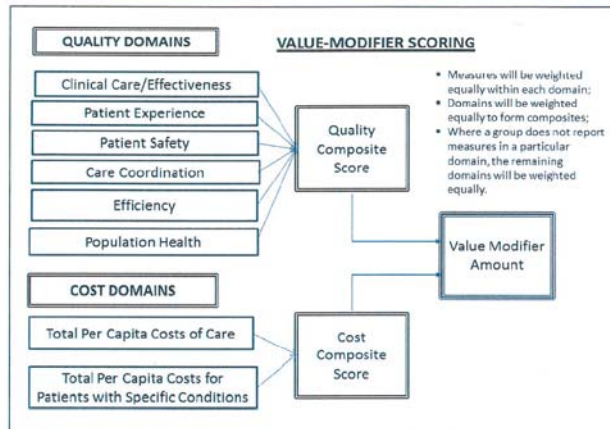


## Why is your QRUR important?

- Shows you where you align with quality and cost performance, among your peers.
- Measures are:
  - Risk adjusted
  - Geographically standardized



## Quality Improvement Feedback Value-based Modifier Scoring



Peer group and benchmarking are based on TINs nationwide with at least 20 cases in the measure.

Cost domain uses parts A and B claims data (Part D is excluded).

If you qualify for an upward adjustment, you are eligible for an additional +1.0x if you are in the top 25% nationwide.



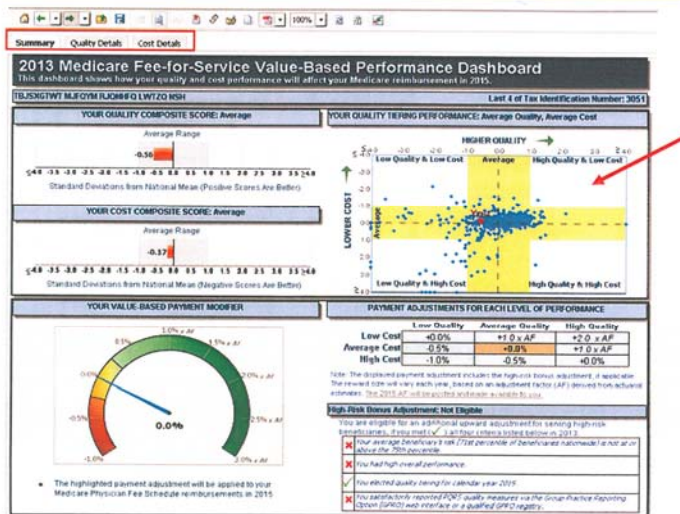
# How is the Value Modifier Calculated?

Quality/ Cost	High Cost	Average Cost	Low Cost
High Quality	+0.0x%	+1.0x*	+2.0x*
Medium Quality	-1.00%	0.00%	+1.0x*
Low Quality	-2.00%	-1.00%	0.00%

\*Eligible for additional +1.0x if reporting clinical quality measures and average beneficiary risk score is in the top 25 percentile, x = the upward VM payment adjustment factor



# Quality Improvement Feedback (continued)



## CMS - QPP the latest

"Pick Your Pace" – No Penalties 2019







1. Submit some data to the QPP including after Jan 2017
2. Submit quality data for limited days, that is can submit after 1.1.17 for limited calendar year – small positive payment
3. Submit full calendar year of quality measure – modest positive payment



## Details Still Subject to Change

But General Framework of MIPS and APM Established in Law

### Early Industry Reactions to Proposed Rule

-  Proposal **too complex**
-  **Timeline too rapid**
-  **Particularly challenging for small practices**
-  **Limited risk adjustment, doesn't account for SES<sup>1</sup>**
-  **EHR<sup>2</sup> use requirements still difficult**
-  **Disappointment MSSP Track 1 not eligible for APM Track**



### (Limited) Flexibility to Address Concerns

#### CMS Could Change

- Timing of performance period
- MIPS scoring methodology
- Flexibility for certain clinicians
- **Criteria for "more than nominal" risk**
- Entity level for scoring and determinations

#### Only Congress Can Change

- Timing of payment adjustments
- MIPS category weights broadly
- Types of clinicians subject to MACRA
- Requirement of "more than nominal" risk
- Range of penalties and bonuses



## Resources

### RCMA MACRA RESOURCE CENTER

[www.rcmanet.org/macra](http://www.rcmanet.org/macra)

### CMA MACRA RESOURCE CENTER

[www.cmanet.org/macra](http://www.cmanet.org/macra)

### AMA MACRA RESOURCE CENTER

[www.ama-assn.org/ama/pub/advocacy/topics/medicare-physician-payment-reform.page](http://www.ama-assn.org/ama/pub/advocacy/topics/medicare-physician-payment-reform.page)

