

MACRA: Medicare's Shift to Value-based Delivery and Payment Models

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Before taking on the role of medical director for quality improvement at the AAFP, Dr. Mullins—who is a board-certified family physician-practiced family medicine at a National Committee for Quality Assurance (NCQA) Level 3 patient-centered medical home (PCMH) in Whitehouse, Texas. In her current position, Dr. Mullins works with other national organizations in the quality arena, and participates in national-level policy and advocacy work that emphasizes practice transformation and payment reform. She has spoken extensively on value-based payment, quality improvement, and the PCMH.

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Learning Objectives

1. Define the Medicare Access and CHIP Reauthorization Act (MACRA).
2. Contrast the Merit-Based Incentive Payment System and the Alternative Payment Model payment tracks.
3. Analyze the criteria and benefits of participation in each payment track.
4. Develop a plan for positioning the practice for success in Medicare payment.

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Audience Engagement System

Step 1: Home screen of the CME Center app. A red arrow points to the 'CME Center' icon.

Step 2: CME Center screen showing a list of activities. A red arrow points to the 'CME01 Adult Coronary Syndromes: Unchain My Heart' activity.

Step 3: Content of the 'CME01 Adult Coronary Syndromes: Unchain My Heart' activity. A red arrow points to the 'View Presentation' button.

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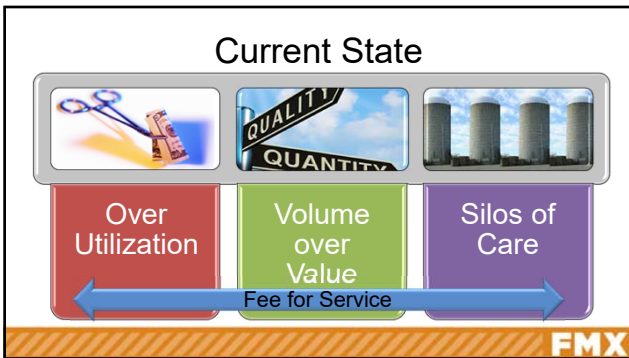


Polling Question #1

How would you describe your knowledge of MACRA?

- MAC what?
- I've heard of it
- I've read an article/attended a lecture
- I could give this lecture

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Push Toward Value & Quality

85%

- Medicare payments tied to quality or value by end of 2016

30%

- Of those through alternative payment models (APMs) by end of 2016

75%

- Private payer business through value-based arrangements by 2020

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Medicare Access & CHIP Reauthorization Act (MACRA)

“To repeal the Medicare SGR and strengthen Medicare access by improving physician payments...”

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What is MACRA?: Quality Payment Program

- Signed into law April 16, 2015
- Passed 392 to 37 in the House and 92 to 8 in the Senate

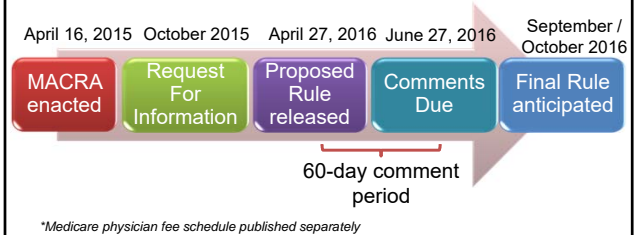
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What Does MACRA Do?

- Repeals the Sustainable Growth Rate (SGR)
- Extends Children's Health Insurance Program (CHIP) funding for 2 years
- Creates 2 payment pathways
- Provides Annual Baseline Fee Schedule Updates 2016-2018

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MACRA Legislative Timeline



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Payment Pathways

Merit-Based Incentive Payment System (MIPS)

- Consolidates quality programs

Advanced Alternative Payment Models (AAPM)

- Potential for bonus payment for participation

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Merit-Based Incentive Payment System (MIPS)

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MIPS Highlights

Consolidates existing quality and value programs

- Adds a category for Clinical Practice Improvement Activities

Establishes a Composite Performance Score (CPS)

- Weighted scoring by category

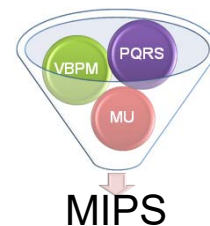
Provides opportunity for payment adjustments

- Both positive and negative

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Consolidates Quality & Value Programs

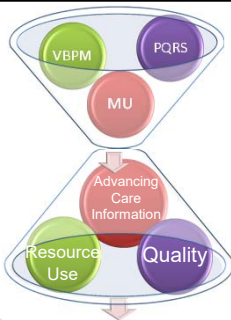
- Physician Quality Reporting System
- Value Based Payment Modifier
- Meaningful Use



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“Consolidates”

Old		New
Meaningful Use	=	Advancing Care Information (ACI)
Value-Based Payment Modifier	=	Resource Use
PQRS	=	Quality



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Polling Question #2

Have you reported PQRS?

- Yes
- No

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Establish Composite Performance Score



Quality

Resource Use

Advancing Care Information (ACI)

Clinical Practice Improvement Activities (CPIA)

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Polling Question #3

Is your practice a “certified”/recognized PCMH?

- AAAHC
- NCQA
- JCHO
- URAC
- Other
- No, and I don't plan to be

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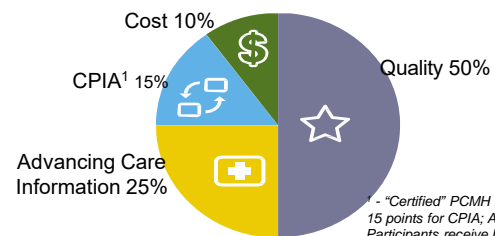
Clinical Practice Improvement Activities



- Expanded Practice Access
- Population Management
- Care Coordination
- Beneficiary Engagement
- Patient Safety and Practice Assessment
- Achieving Health Equity
- Emergency Response and Preparedness
- Integrated Behavioral and Mental Health

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Weighting by Category



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Weighting by Category

	2019	2020	2021
Quality	50%	45%	30%
Resource Use	10%	15%	30%
Advancing Care Information	25%	25%	25%
CPIA ¹	15%	15%	15%

¹ - "Certified" patient-centered medical home will receive the full 15 points for CPIA MIPS
APM Participants will get half credit

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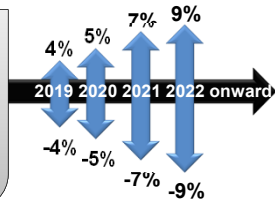
Annual Performance Threshold

- Established by Secretary years 1 and 2
- Mean or median of previous year's MIPS scores
- Below = negative payment adjustments
- Above = positive payment adjustments

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Adjust Payments

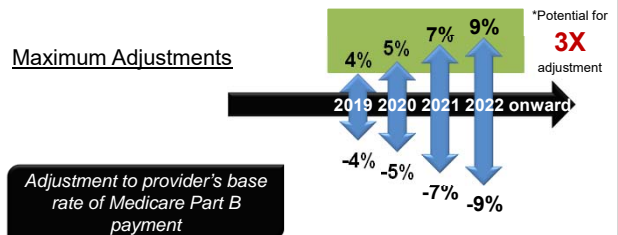
"With respect to positive MIPS adjustment factors...the Secretary shall increase or decrease such adjustment factors by a scaling factor in order to ensure that the budget neutrality requirement...is met"



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Adjust Payments

Maximum Adjustments



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Exemptions



- Year 1 Medicare
- Eligible APMs with Bonus
- ≤ \$10,000 Medicare payments AND ≤ 100 Medicare Beneficiaries
- Federally Qualified Health Centers
- Rural Health Clinics

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Adjustment Summary

Performance Score	Payment Adjustment
25 th Percentile or below	= Maximum negative adjustment
At threshold	= Stable Payment

"Exceptional Performers" are eligible for up to 10% positive adjustment 2019 - 2024

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MACRA Timeline

2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
Medicare Part B Baseline Payment Updates											
+0.5%	+0.5%	+0.5%	+0.5%	+0%						+0.25%*	+0.75%**
				<small>*Non-qualifying APM Conversion Factor **Qualifying APM Conversion Factor</small>							
Merit-Based Incentive Payment System (MIPS)											
<i>PQRS, Value-based Modifier, & Meaningful Use</i>				<i>Quality, Resource Use, Meaningful Use, & Clinical Practice Improvement Activities</i>							
-6%	-9%	-9%	+/-4%	+/-5%	+/-7%	+/-9%					

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MIPS Summary

Composite Performance Score

- Consolidates existing quality reporting programs in Medicare Part B with Clinical Practice Improvement Activities

Positive payment adjustments

- Includes the potential for adjustments for "Exceptional Performers"

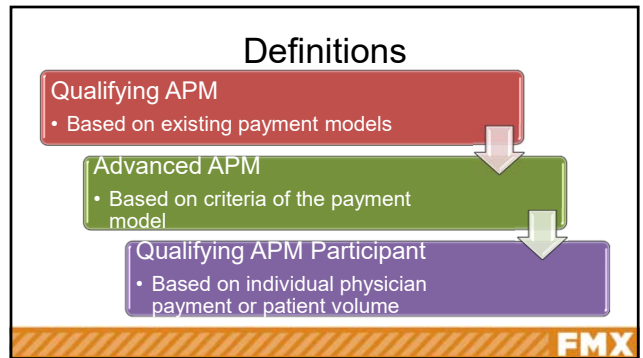
Risk of payment penalty

- Risk of negative payment adjustment if performance below threshold

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Alternative Payment Models (APMs)

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Qualifying APMs

- MSSP (Medicare Shares Savings Program)
- Expanded under CMS Innovation Center Model*
- Demonstration under Medicare Healthcare Quality Demonstrations (MHCQ) or Acute Care Episode Demonstration
- "Demonstration required by Federal Law"

Qualifying APMs

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Advanced APM Eligibility

- Quality measures comparable to MIPS
- Use of certified EHR technology
- More than nominal risk **OR** Medical Home model expanded under CMMI authority

Qualifying APMs

Advanced APMs

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Advanced APMs

- Shared Savings Program (MSSP tracks 2 & 3)
- Next Generation ACO Model
- Comprehensive ESRD Care (CEC) (large dialysis organization arrangement)
- Comprehensive Primary Care Plus (CPC+)
- Oncology Care Model (OCM)

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Polling Question #4

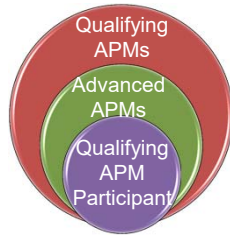
Are you participating in any of the designated AAPMs?

- Shared Savings Program (MSSP tracks 2 & 3)
- Next Generation ACO Model
- Comprehensive ESRD Care (CEC) (large dialysis organization arrangement)
- Comprehensive Primary Care Plus (CPC+)
- Oncology Care Model (OCM)
- No

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Qualifying APM Participant

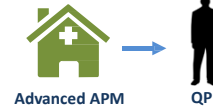
- Percentage of patients or payments thru eligible APM
- In 2019, the threshold is 25% of Medicare payments or 20% of beneficiaries
- Can be a group or individual percentage



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Additional Rewards for Qualifying Participants

- Not subject to MIPS
- 5% bonus 2019-2024
- Higher fee schedule update to 0.75% 2026 →



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Summary of APMs

Qualifying APMs

- As defined by the law

Advanced APMs

- Must meet further criteria

Qualifying APM Participants

- Potentially more financial certainty with a 5% annual bonus (and no potential for penalty)

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Qualifying APM?

MSSP (Medicare Shares Savings Program)

Expanded under CMS Innovation Center Model

Demonstration under Medicare Healthcare Quality Demonstrations (MHCQ) or Acute Care Episode Demonstration "Demonstration required by Federal Law"

Advanced APM?

Shared Savings Program (MSSP tracks 2 & 3)

Next Generation ACO Model

Comprehensive ESRD Care (CEC)

Comprehensive Primary Care Plus (CPC+)

Oncology Care Model (OCM)

Exceed Thresholds / 1st Year Medicare?

25% of Medicare payments or 20% of patients

Qualified AAPM Participant

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2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Medicare Part B Baseline Payment Updates										
+0.5%	+0.5%	+0.5%	+0.5%	+0%					+0.25%*	+0.75%**
				*Non-qualifying APM Conversion Factor						
				**Qualifying APM Conversion Factor						
Merit-Based Incentive Payment System (MIPS)										
PQRS, Value-based Modifier, & Meaningful Use				Quality, Resource Use, Meaningful Use, & Clinical Practice Improvement Activities						
-6%	-9%	-9%	+/-4%	+/-5%	+/-7%	+/-9%				
5% Incentive Payment										
APM Participants Exempt from MIPS										

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Payment Reform Is Here

- Final regulations in 2016
- 2017 likely performance year for MIPS and APMs
- Help is available



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What Can I Do Right Now?

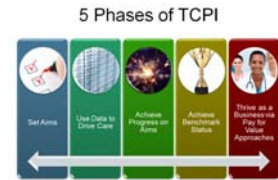
- Evaluate your practice
 - Are you submitting PQRS?
 - Have you reviewed your QRUR?
 - Attested for Meaningful Use?
 - Ask the Expert - aco@aaafp.org



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What Can I Do Right Now?

- Find a PTN
 - Go to aaafp.org/tcpi
 - Click “Find a PTN” to find a practice transformation network in your area
 - Email tcpi@aaafp.org with any questions.



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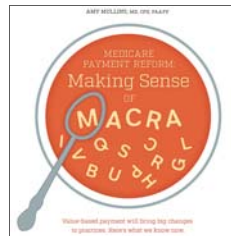
Family Practice Management Articles

What You Need to Know About Medicare's New "Quality and Resource Use Report"

THE QRUR IS ESSENTIALLY AN ANNUAL REPORT CARD, AND ITS DATA CAN REVEAL HOW YOU GET PAID IN THE FUTURE.

FPM Journal Article - <http://www.aaafp.org/fpm/2015/1100/p19.pdf>

FPM Journal Article - <http://www.aaafp.org/fpm/2016/0300/p12.html>



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AAFP.ORG/MACRAREADY

- FAQs
- Timeline
- MIPS/APM Comparison table
- Related articles
- Related links



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The FMX logo is located in the bottom right corner of the slide. It consists of the letters 'FMX' in a bold, white, sans-serif font, set against a dark orange background with diagonal white stripes.