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# Making Sense of MACRA in 2018: Six Things You Need to Know

The rules for complying with Medicare's Quality Payment Program are getting stricter.

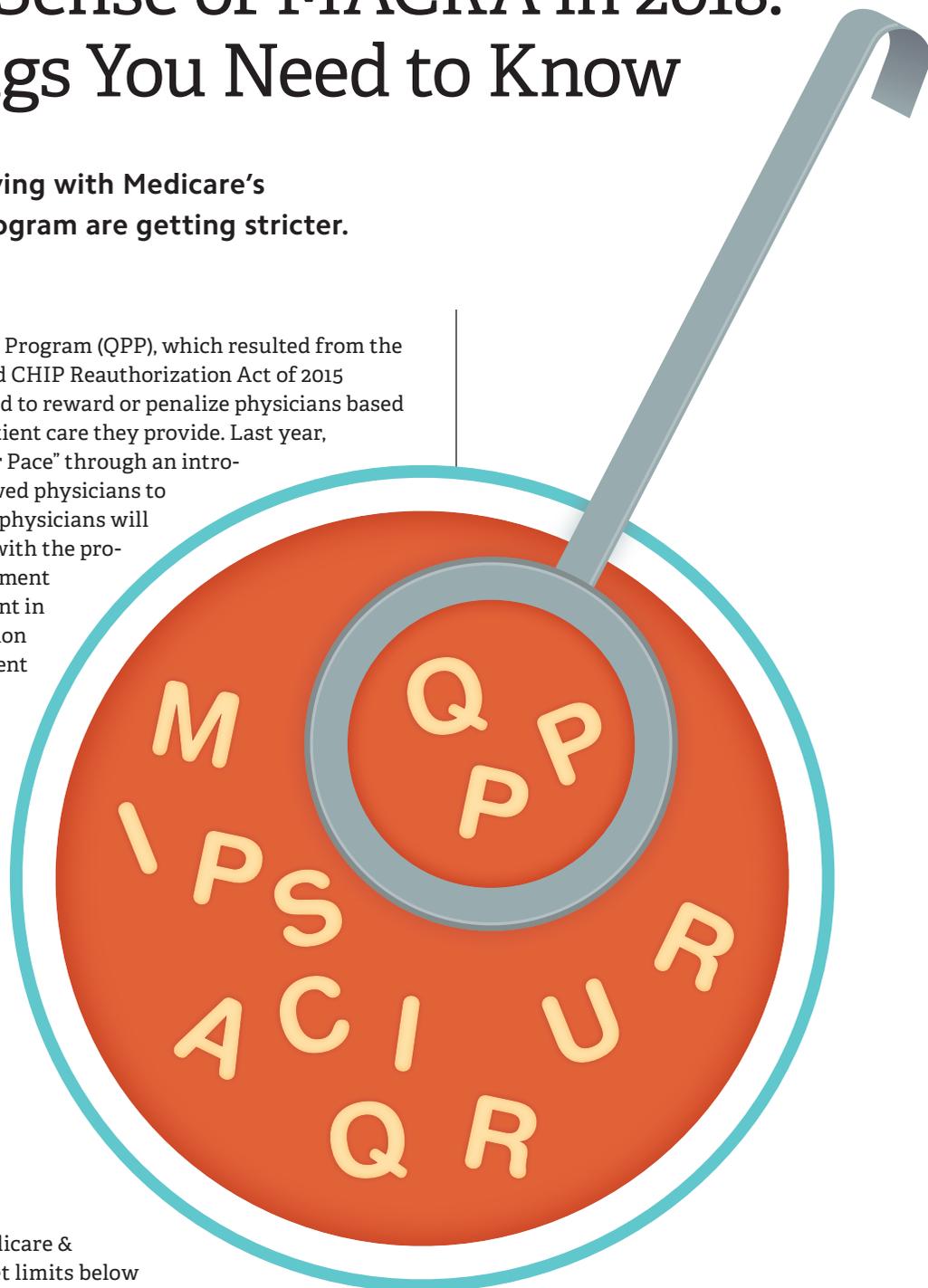
The Quality Payment Program (QPP), which resulted from the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA), is designed to reward or penalize physicians based on the quality of patient care they provide. Last year, physicians could "Pick Your Pace" through an introductory program that allowed physicians to test the waters. But in 2018 physicians will have to more fully engage with the program or risk a negative payment adjustment of up to 5 percent in 2020. Successful participation could earn a positive payment adjustment of 5 percent or more in 2020.

QPP will be updated annually through the federal rulemaking process. The 2018 rules, released on Nov. 2, made significant changes in six key areas. Physicians participating in the Merit-based Incentive Payment System (MIPS) track of QPP will need to focus on these changes to succeed during the 2018 performance period.

## 1. THE LOW-VOLUME THRESHOLD RISES

In 2017, the Centers for Medicare & Medicaid Services (CMS) set limits below which physicians were exempted from having to participate in MIPS. Those limits exempted physicians who provided care to 100 or fewer Medicare Part B beneficiaries or who received \$30,000 or less in Medicare Part B payments.

This year, CMS is raising the low-volume threshold to exempt more small practices and solo physicians from MIPS. Physicians



### ABOUT THE AUTHOR

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who care for 200 or fewer Medicare Part B beneficiaries or receive \$90,000 or less in Medicare Part B payments are exempted.

To check your eligibility, use the CMS look-up tool (<http://qpp.cms.gov>).

## 2. VIRTUAL GROUPS BECOME REALITY

Virtual groups — composed of individual physicians or group practices of up to 10 eligible clinicians who choose to report to

• MIPS-eligible physicians must decide to join a group prior to the start of the applicable performance period and cannot change their decision during the performance period. To participate as a virtual group in 2018, group members must have made their elections by Dec. 31, 2017. To participate as a virtual group in 2019, the deadline is Dec. 31, 2018.

• Participants may belong to only one virtual group during a performance period.

• If a group practice elects to participate in a virtual group, the election applies to all MIPS-eligible clinicians in that group.

• The virtual group must provide written agreements among all individuals and groups electing to participate. (A template is available at <http://go.cms.gov/2AlwW10>.)

## 3. COSTS ARE NOW COUNTED

In 2017, an individual's or group's performance in terms of cost of care did not count toward the MIPS final score. That has changed for the 2018 performance period with the Cost category now contributing 10 percent of the final score, and 30 percent in 2019. As the weight of the Cost category increases, the weight of the Quality category will proportionally decrease, dipping from 60 percent in 2017 to 50 percent in 2018 and 30 percent in 2019. The weights of two other categories, Advancing Care Information (ACI), which relates to how physicians use their electronic health records (EHRs), and Improvement Activities, which focuses on practice transformation efforts, will remain at 25 percent and 15 percent, respectively.

Physicians will not have to submit additional data for cost analysis. Instead, CMS

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MIPS as a unit — will be an option for MIPS participation for the first time in 2018. The intent is to help smaller practices participate successfully in the program.

Under this arrangement, the virtual group's combined performance receives a MIPS score, which is in turn applied to each virtual group member. There are no restrictions on how many individuals or eligible groups can come together to form a virtual group, what types of specialties are allowed, or whether participants have to work in the same town. However, only virtual group members who meet or exceed the low-volume threshold described earlier are eligible for payment adjustments.

To participate in a virtual group, there are several other requirements:

### PREPARING FOR QPP

1. Report at least one quality measure for 2017. The deadline is March 31, 2018.
2. Find one or two things you are likely already doing that would count as "highly weighted" under the Improvement Activities category, such as checking your state's prescription drug monitoring program before prescribing any opioid. (For a full list of activities and their weights, go to <https://qpp.cms.gov/mips/improvement-activities>.)
3. Select which quality measures you plan to report for 2018. (For a full list of measures, go to <https://qpp.cms.gov/mips/quality-measures>.)
4. Enlist the help of your office staff. Resources like the AAFP MIPS Playbook (<http://bit.ly/2vknyzn>) provide a step-by-step guide.

**EMPLOYED PHYSICIANS TAKE NOTE**

Employed physicians may not need the in-depth knowledge of the Quality Payment Program (QPP) that physicians in independent practice must have. However, you must still know your final score under the Merit-based Incentive Payment System and be aware that this score will follow you even if you change practices. You should also learn whether your health system is receiving payment adjustments and how these adjustments are applied to individual physicians. To learn more about how QPP affects employed physicians, see <http://bit.ly/2zYnRui>.

will score the category using claims data, specifically Medicare spending per beneficiary and total per capita cost.

Physicians have previously received scores on cost measures in Quality Resource Use Reports (QRUR) provided by CMS. Reviewing these reports will allow physicians to predict how they might score in the Cost category.

**4. THE PERFORMANCE PERIOD EXPANDS**

During the “Pick Your Pace” period, physicians could participate in QPP at varying levels, all of which required less than a full year of reporting and some of which required less than 90 days. For 2018, the required reporting period for two of the four MIPS categories has increased.

The reporting period for Advancing Care Information and Improvement Activities will be 90 days each, the same length as in 2017.

Cost, on the other hand, will be calculated by CMS using claims data gathered over the entire performance period.

The Quality category will also require a full year of data reporting. Physicians are still required to report six measures, one being an outcome measure.

**5. THE DATA REQUIREMENTS INCREASE**

In 2018, if submitting quality data using a qualified clinical data registry, a qualified registry, or an EHR, physicians must submit data for at least 60 percent of patients who qualify for the measure, regardless of the insurer.

Also, if submitting data through claims, physicians must submit information for at least 60 percent of the applicable Medicare Part B patients who qualify for the measure. In 2017, this data completeness criterion required only 50 percent of applicable patients.

**6. CERTAIN PRACTICES CAN EARN BONUSES**

In 2018, physicians can earn bonus points to their MIPS final score, depending on their practice size, the complexity of the patient care they provide, and their technology:

**Practice size.** CMS plans during the 2018 performance period to add five points to the MIPS final score of practices with 15 or fewer clinicians who submit data on at least one MIPS category. This should be helpful in 2018 because practices must now score at least 15 points to avoid a negative payment adjustment.

**Patient complexity.** CMS will also add up to five points to any sized practice based on patient complexity. The bonus will be calculated based in part on the physician’s average Hierarchical Condition Category (HCC) risk score. (For more on HCC scores, see “HCC Coding, Risk Adjustment, and Physician Income: What You Need to Know,” *FPM*, September/October 2016, <http://www.aafp.org/fpm/2016/0900/p24.html>.) ➤

**KEY POINTS**

- Physicians’ performance in 2018 will affect their Medicare payments in 2020.
- The required reporting period for some MIPS categories has increased to a full year, and physicians must provide data for a larger percentage of patients.
- The Centers for Medicare & Medicaid Services has raised the low-volume threshold under the Quality Payment Program to exempt more small practices and solo physicians from the Merit-based Incentive Payment System (MIPS).
- Physicians and small group practices can now join “virtual groups” to amass their data and better participate in MIPS.
- A physician’s cost of care now accounts for 10 percent of his or her MIPS final score.
- Physicians who belong to small practices or who provide high-complexity patient care are eligible for bonus points.

## The required reporting period for two of the four MIPS categories has increased.

**EHR technology.** Lastly, CMS will allow physicians to continue to use the 2014 edition of certified EHR technology (CEHRT) in 2018. However, if a practice has updated to the 2015 CEHRT and uses only that edition during the performance period, it could receive a bonus of 10 points to their ACI score.

### GOING FORWARD

This article lists just some of the top-level changes to the QPP made by CMS for 2018, but there are many things physicians can do now to better prepare. (See “Preparing for QPP,” page 22.) The QPP rule will continue to evolve and change each year with many of the requirements becoming stricter as physicians and practices gain experience. You

### MACRA BASICS

As the Quality Payment Program (QPP) under the Medicare Access and CHIP Reauthorization Act has evolved, the AAFP has published educational resources for physicians, including step-by-step guides for QPP and reporting for the Merit-based Incentive Payment System (<http://bit.ly/2uD1Ij0>). Additional resources are available at <http://www.aafp.org/MACRAready>.

can visit the CMS webpage for QPP, <http://www.qpp.cms.gov>, for more information, or visit the AAFP’s website at <http://www.aafp.org/MACRAready> for more details on how the 2018 QPP changes may affect your practice. Lastly, it is important to remember that although reporting has begun for 2018, MIPS participants may still submit data for 2017 through March 31, 2018. **FPM**

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