



QPP: Physician Readiness and AMA Resources

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Your MISSION is *Our* MISSION

Disclosure

I disclose that I have no relevant financial relationships with commercial interests.

Agenda

1. AMA Strategic Focus on Physician Practice Sustainability
2. AMA Value Based Payment Model Research to Date
4. Overview of QPP and AMA Resources
5. Questions and Discussion

AMA's Strategic Focus Areas



AMA/Rand Report 2015

Effects of New Payment Models on Physician Practice

Key Findings

- New payment models are being implemented across diverse markets and in physician practices of differing sizes and specialties with surprisingly similar across-the-board effects.
- Main challenges:
 - Disconnect between health plans, physician leaders and front line physicians on goals and implementation
 - Streamlining and harmonizing quality metrics. Managing metric variability for each health plan requires significant resources that could be better spent on the investments practices need to succeed in alternative payment models.
 - Dearth of accurate, actionable and timely data
 - Practices lack the resources – both financial and human – to invest in the necessary infrastructure to manage these challenges

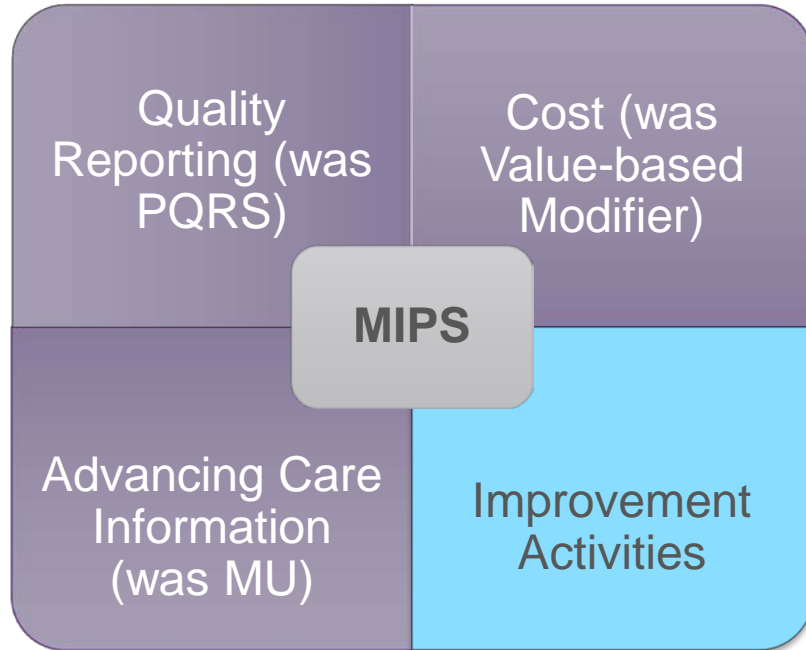
MACRA/QPP: Some general observations

- MACRA/QPP is complex
- Many of the “new” requirements are revisions to the current FFS program
 - Impacts of previous law not universally experienced, understood, or in full effect
- One goal of MACRA was to simplify administrative processes for physicians
 - Compared to recent past framework, there are significant improvements
- MACRA and ACA dynamics are often confused
- More work remains



Merit-based Incentive Payment System (MIPS)

MIPS components



MIPS aims:

- Align 3 current independent programs
- Add 4th component to promote improvement and innovation
- Provide more flexibility and choice of measures
- Retain a fee-for-service payment option

Clinicians exempt from MIPS:

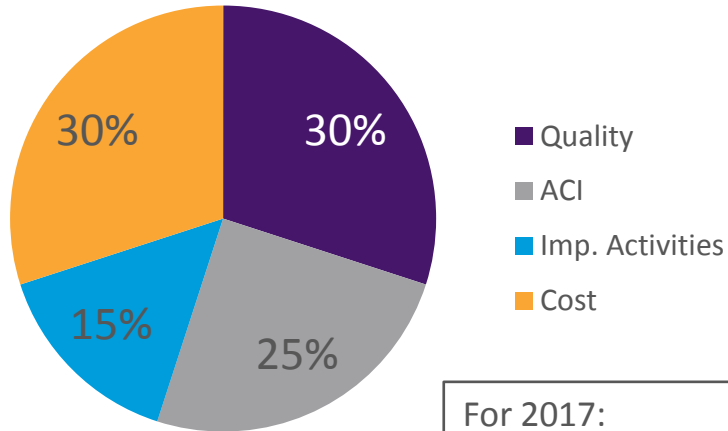
- First year of Part B participation
- Medicare allowed charges \leq \$30K or \leq 100 patients
- Advanced APM participants

Low-volume threshold exemption

- Physicians with Medicare allowed charges of \$30,000 or less or 100 or fewer Medicare patients
- Eligibility calculated by CMS
 - Based on 12-month historical data (September-August)
 - Includes Part B drug costs, but not Part D
 - CMS will notify those exempt
- Exempted physicians receive annual fee schedule updates, but no bonuses or penalties

MIPS component weights (when fully transitioned)

Component Weights



For 2017:

- Quality = 60%
- ACI = 25%
- IA = 15%
- Cost = 0%

Component Scoring

- **Quality:**
 - 60 points groups ≤ 15
 - 70 points for larger groups
- **Advancing Care Information:**
 - 50 points base score
 - 90 points performance score
- **Improvement Activities:**
 - 40 points (2-4 activities; 1-2 activities for practices ≤ 15 clinicians, rural practices, and non-patient facing physicians)
- **Cost:**
 - 10 points per measure
 - Score is average of attributable measures

2019 (first year) penalty risks compared

Prior Law	2019 adjustments
PQRS	-2%
MU	-5%
VBM	-4% or more*
Total penalty risk	-11% or more*
Bonus potential (VBM only)	Unknown (budget neutral)*

*VBM was in effect for 3 years before MACRA passed, and penalty risk was increased in each of these years; there were no ceilings or floors on penalties and bonuses, only a budget neutrality requirement.

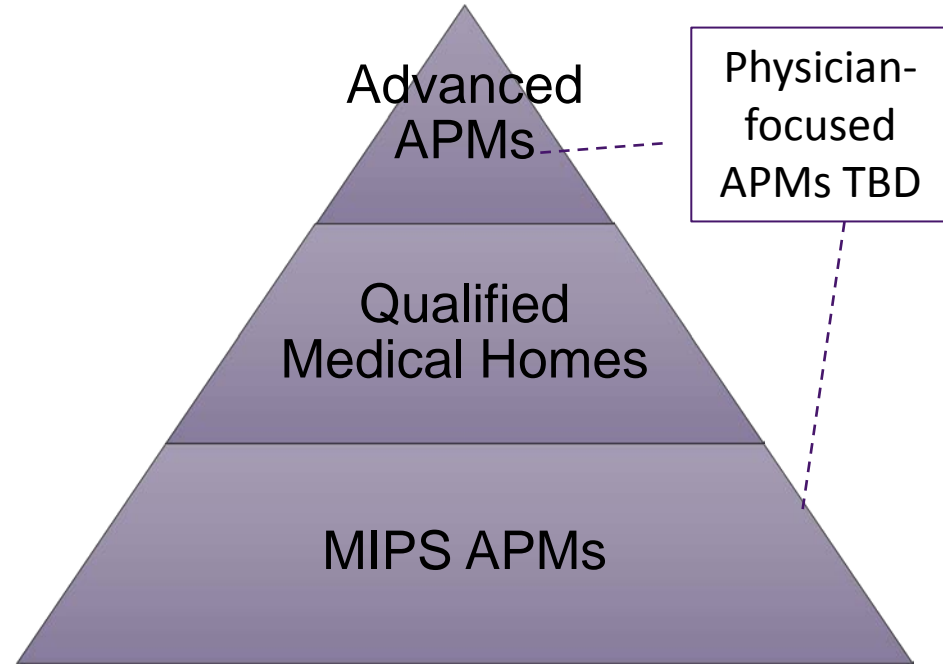
MIPS factors	2019 scoring
Quality measurement	60% of score
Advancing Care Info.	25% of score
Resource use	0% of score
Improvement Activities	15% of score
Total penalty risk	Max of -4%
Bonus potential	Max of 4%, plus potential 10% for high performers

Alternative Payment Models (APMs)



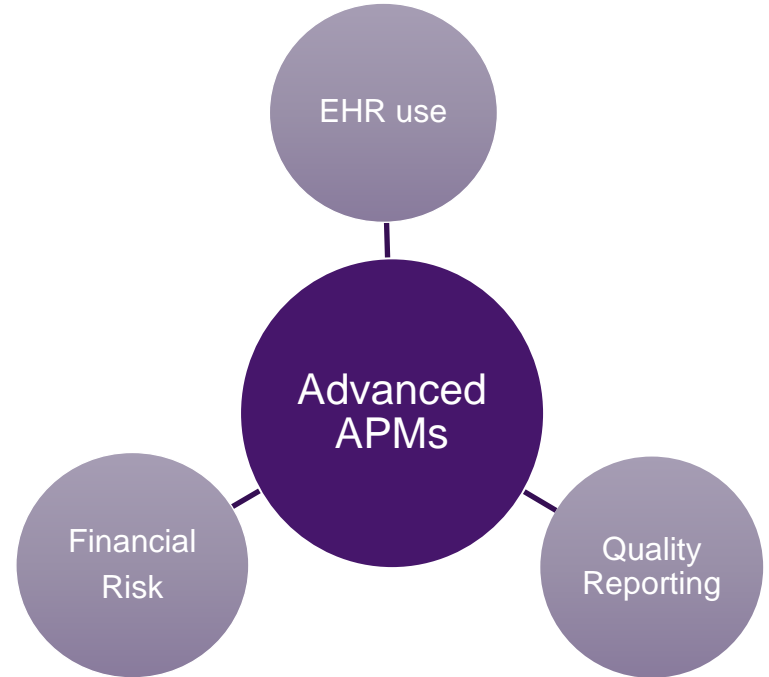
APMs participation options as outlined by CMS

- **“Advanced” APMs**--term established by CMS; these have greatest risks and offer potential for greatest rewards
- **Qualified Medical Homes** have different risk structure but otherwise treated as Advanced APMs
- **MIPS APMs** receive favorable MIPS scoring
- **Physician-focused APMs** are under development



CMS criteria for Advanced APMs

- 50% of participants must use certified EHR technology
- Must report and at least partially base clinician payments on quality measures comparable to MIPS
- Bear “more than nominal risk” for monetary losses
 - Defined as the lesser of 8% of total Medicare revenues or 3% of total Medicare expenditures
 - Primary Care Medical Home models with < 50 clinicians have different standards (2.5%-5% total Medicare revenues)
- Physicians may be Qualified Participants (QPs) or Partially Qualified Participants (PQPs) based on revenue and patient thresholds, with differential rewards



MACRA incentives for Advanced APM participation

Model design

- APMs have shared savings, flexible payment bundles and other desirable features

Bonuses

- In 2019-2024, 5% bonus payments made to physicians participating in Advanced APMs

Higher updates

- Annual baseline payment updates will be higher (0.75%) for Advanced APM participants than for MIPS participants (0.25%) starting 2026

MIPS exemption

- Advanced APM participants do not have to participate in MIPS (models include their own EHR use and quality reporting requirements)

Current Advanced APMs

Comprehensive
ESRD Care Model
(13 ESCOs)


Comprehensive
Primary Care Plus
(14 states, practice
applications closed
9/15/16)

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

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

Next Generation
ACO Model
(currently 18)

Oncology Care
Model Track 2
(A portion of 196
practices will qualify)



What Physicians Can
Do to Prepare

AMA Understanding Medicare Reform home page

- www.ama-assn.org/MACRA



Links and tabs to:

- Detailed AMA comments and recommendations
- Specific info on MIPS and APMs
- STEPS*Forward* modules
- Checklist to prepare
- MACRA Action Kit and slides from A-16
- Links to specialty society MACRA resources
- Other MACRA resources, links, and news stories

AMA Payment Model Evaluator tool



AMA Payment Model Evaluator

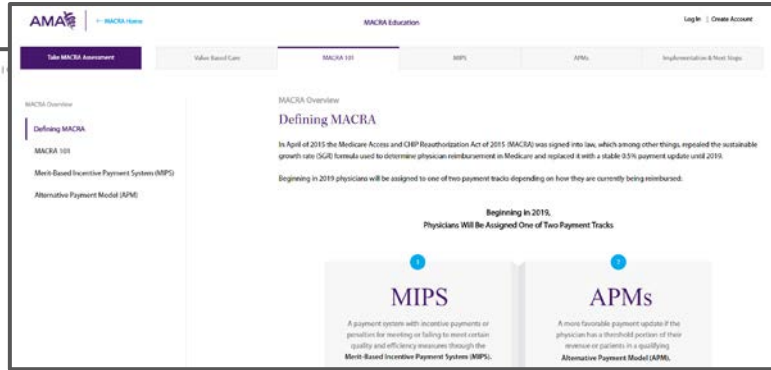
How Will MACRA Affect Me?

Whether through the Merit-Based Incentive Payment System (MIPS) or advanced alternative payment models (APMs), physician practices will have the flexibility to choose the care model, reporting measures and methods suited to them. The American Medical Association is here with solutions to help you understand, prepare and maximize your performance in value-based care.

[Learn About MACRA](#)

[Take MACRA Assessment](#)

1. View MACRA Timeline



AMA MACRA Home

MACRA Education

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Take MACRA Assessment

Value-Based Care | **MACRA 101** | MIPS | APMs | Implementation & Next Steps

MACRA Overview

Defining MACRA

In April of 2015, the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) was signed into law, which among other things, replaced the sustainable growth rate (SGR) formula used to determine physician reimbursement in Medicare and replaced it with a stable 3.5% payment update until 2019.

Beginning in 2019 physicians will be assigned to one of two payment tracks depending on how they are currently being reimbursed.

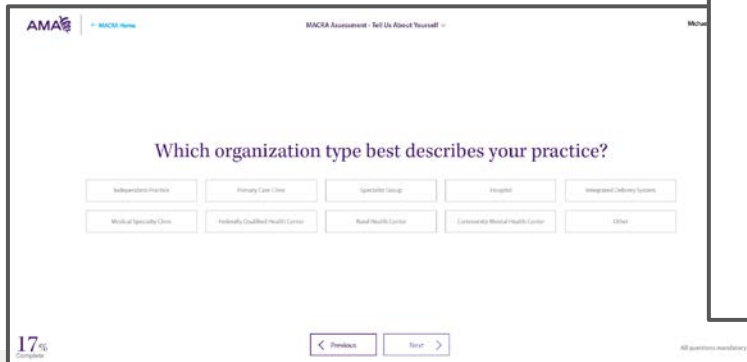
Beginning in 2019, Physicians Will Be Assigned One of Two Payment Tracks

MIPS

A payment system with incentive payments or penalties for meeting or failing to meet certain quality and efficiency measures through the Merit-Based Incentive Payment System (MIPS).

APMs

A more favorable payment structure if the physician has a threshold portion of their revenue or patients in a qualifying Alternative Payment Model (APM).



AMA MACRA Home

MACRA Assessment: Tell Us About Yourself

Which organization type best describes your practice?

Independent Practice

Primary Care Clinic

Specialty Group

Hospital

Integrated Delivery System

Medical Specialty Clinic

Federally Qualified Health Center

Rural Health Center

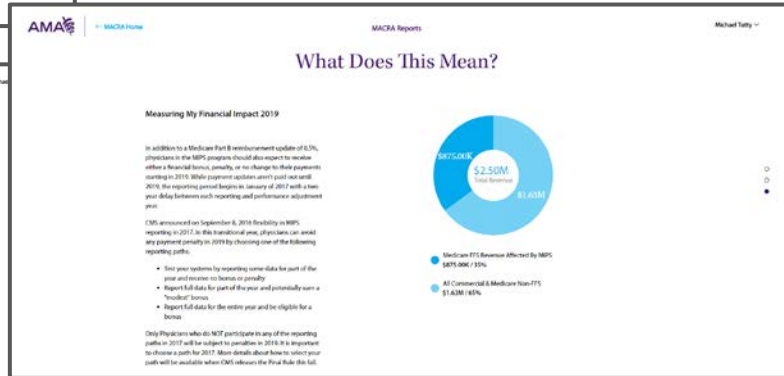
Community Medical Health Center

Other

17% complete

[< Previous](#) [Next >](#)

All questions mandatory



AMA MACRA Home

MACRA Reports

Michael Tully

What Does This Mean?


Measuring My Financial Impact 2019

In addition to a Medicare Part B reimbursement update of 0.5%, physicians in the MIPS program should also expect to receive either a financial bonus, penalty, or no change to their payments starting in 2019. MIPS (payment system) will not start in 2019; the reporting period begins in January of 2020 with three-year data between each reporting and performance adjustment year.

CMS announced on September 8, 2018 flexibility on MIPS reporting in 2019. In this transitional year, physicians can avoid any payment penalty in 2019 by choosing one of the following reporting paths:

- Test your systems by reporting some data for part of the year and receive no bonus or penalty
- Report full data for part of the year and potentially earn a "partial" bonus
- Report full data for the entire year and be eligible for a bonus

Only Physicians who do NOT participate in any of the reporting paths in 2019 will be subject to penalties in 2019. It is important to choose a path for 2019. More details about how to select your path will be available when CMS releases the Final Rule. We will



- Medicare FFS Revenue Affected by MIPS: \$175.6M (5.5%)
- All Commercial Medicare Non-FFS: \$1.43M (0.6%)



MEDICARE QUALITY PAYMENT PROGRAM

MIPS ACTION PLAN *10 Key Steps for 2017*

- STEP 1** Determine whether MIPS Applies to You
 - STEP 2** Review Available Performance Categories
 - STEP 3** 'Pick Your Pace' for MIPS Participation
 - STEP 4** Review your Data
 - STEP 5** Decide whether to Report as an Individual or a Group
 - STEP 6** Identify your Reporting Mechanism
 - STEP 7** Perform a Security Risk Analysis*
 - STEP 8** Report for at Least 90 Days* [CMS DEADLINE: OCT. 3, 2017]
 - STEP 9** Complete MIPS performance [CMS DEADLINE: DEC. 31, 2017]
 - STEP 10** Report 2017 MIPS Data
- *May or may not be applicable, depending on your level of MIPS participation.

Take advantage of educational opportunities

www.stepsforward.org

Completion of select STEPS Forward™ modules meets eligibility criteria for Improvement Activity category credit

AMA's 2018 Quality Portfolio Transforming Clinical Practice Initiative (TCPI)



Your **MISSION** is *Our* **MISSION**

