

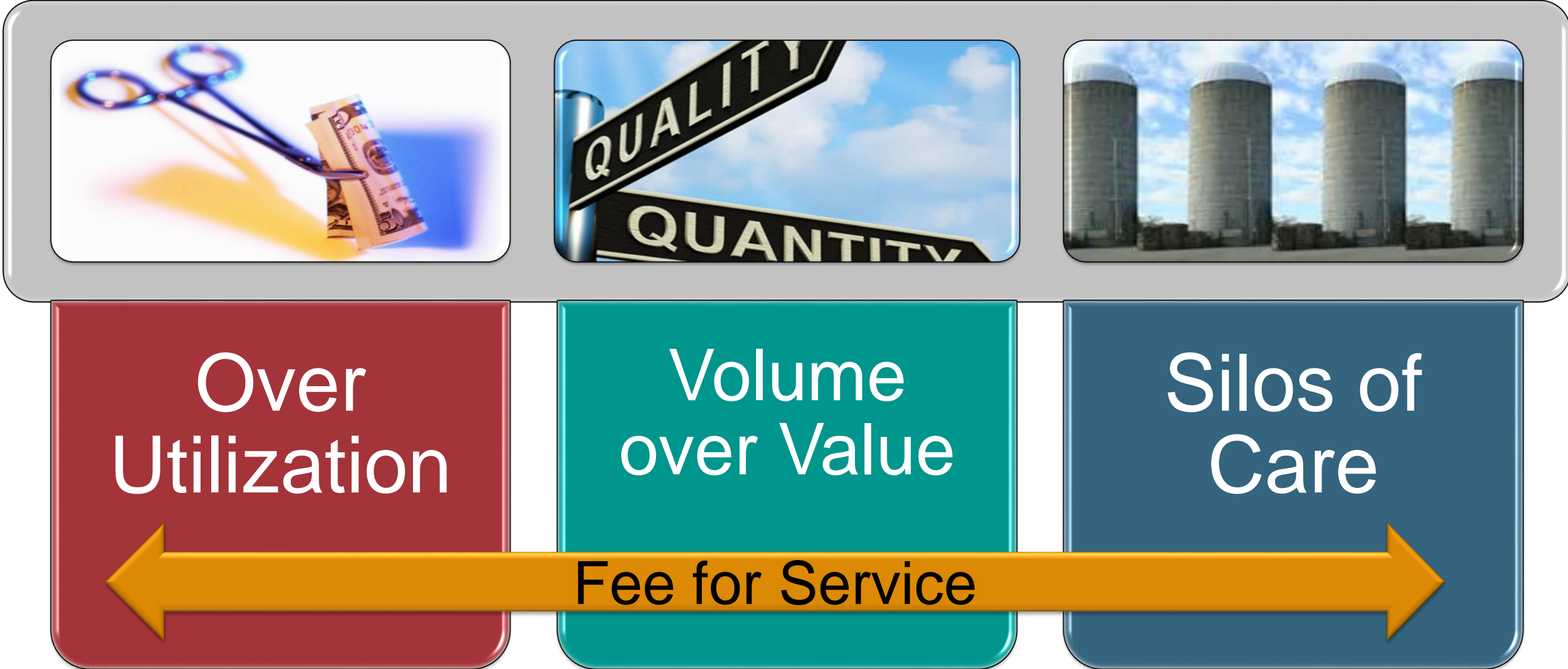
MACRA
ready
The Shift to Value-Based Payment

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



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FAMILY PHYSICIANS

Current State



Push Toward Value & Quality

85% 

30% 

- Medicare payments tied to quality or value by end of 2016
- Of those through alternative payment models (APMs) by end of 2016

75%

- Private payer business through value-based arrangements by 2020

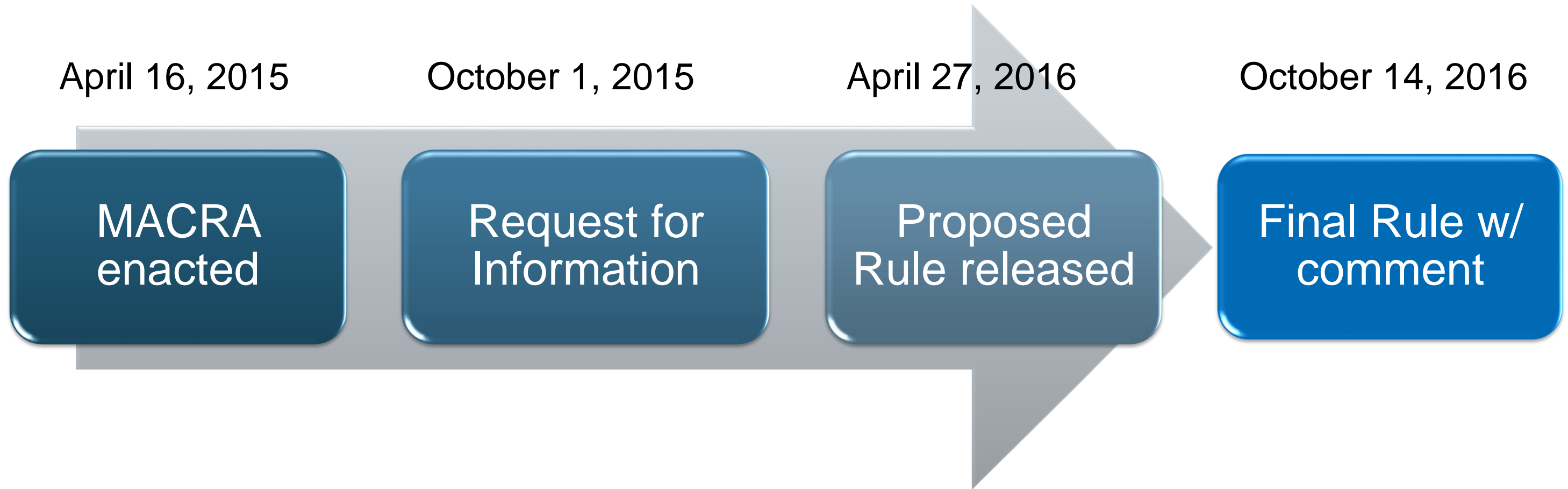
Landmark Legislation Alters How Medicare Will Reimburse Physicians

A stylized graphic of the US Capitol building in dark teal, centered on a dark teal base. Two white callout boxes with orange text are positioned on either side of the building. The background features a light grey silhouette of a city skyline.

House
(392-37)

Senate
(92-8)

MACRA Legislative Timeline



**Medicare physician fee schedule published separately*

What Does MACRA Do?

Merit-Based Incentive Payment System (MIPS)

- Consolidates quality programs

Advanced Alternative Payment Models (AAPM)

- Potential for bonus payment for participation



APRIL 2016
PROPOSED RULE



CMS has designated a limited number of Advanced APMs (AAPMs).



2017
PERFORMANCE
PERIOD

LEGEND

APM = Alternative Payment Model
 AAPM = Advanced Alternative Payment Model
 MIPS = Merit-Based Incentive Payment System
 ACI = Advancing Care Information
 IA = Improvement Activities
 CPC+ = Comprehensive Primary Care Plus

MSSP = Medicare Shared Savings Program (Tracks 2 & 3)
 Next Gen = Next Generation Accountable Care Organization
 QP = Qualifying Alternative Payment Model (APM) Participant
 PQRS = Physician Quality Reporting System
 VBPM = Value-Based Payment Modifier
 EHR = Electronic Health Record

"MACRA-nyms"
DEFINED
ON BACK.

aafp.org/MACRAReady

CPC+

MSSP 2,3

NEXT GEN ACO

QP

2019 ANNUAL BONUS +5%

QPs are physicians who see a certain percent of their patients OR receive a set percent of payments through an Advanced APM. AAPMs are not subject to MIPS. A limited number of AAPM participants become QPs.

QUALITY

ACI

COST

IA

FINAL SCORE

Your Final Score is based on performance in all four categories. Performance in 2017 will determine your payment adjustments for 2019 in MIPS.

2019 PAYMENT ADJUSTMENT +/-4%

Aspects of the PQRS, VBPM, and EHR Incentive Program will be rolled into these four performance categories in MIPS.



VALUE-BASED PAYMENT

QPP Participants

MACRA defines eligible clinicians as:

**Physicians
(MD/DO)**

**Physician
Assistant**

**Nurse
Practitioner**

**Clinical
Nurse
Specialist**

**Certified
Registered
Nurse
Anesthetist**

Merit-Based Incentive Payment System (MIPS)



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MIPS Highlights

Consolidates existing quality and value programs

- Adds a category for Improvement Activities

Establishes a Final Score

- Weighted scoring by category

Provides opportunity for payment adjustments

- Both positive and negative

What's it called?

MACRA (consolidated existing programs)– April 2015

Proposed Rule – April 2016

Final Rule– October 2016



MIPS Final Score



Quality



Cost



Advancing
Care
Information
(ACI)



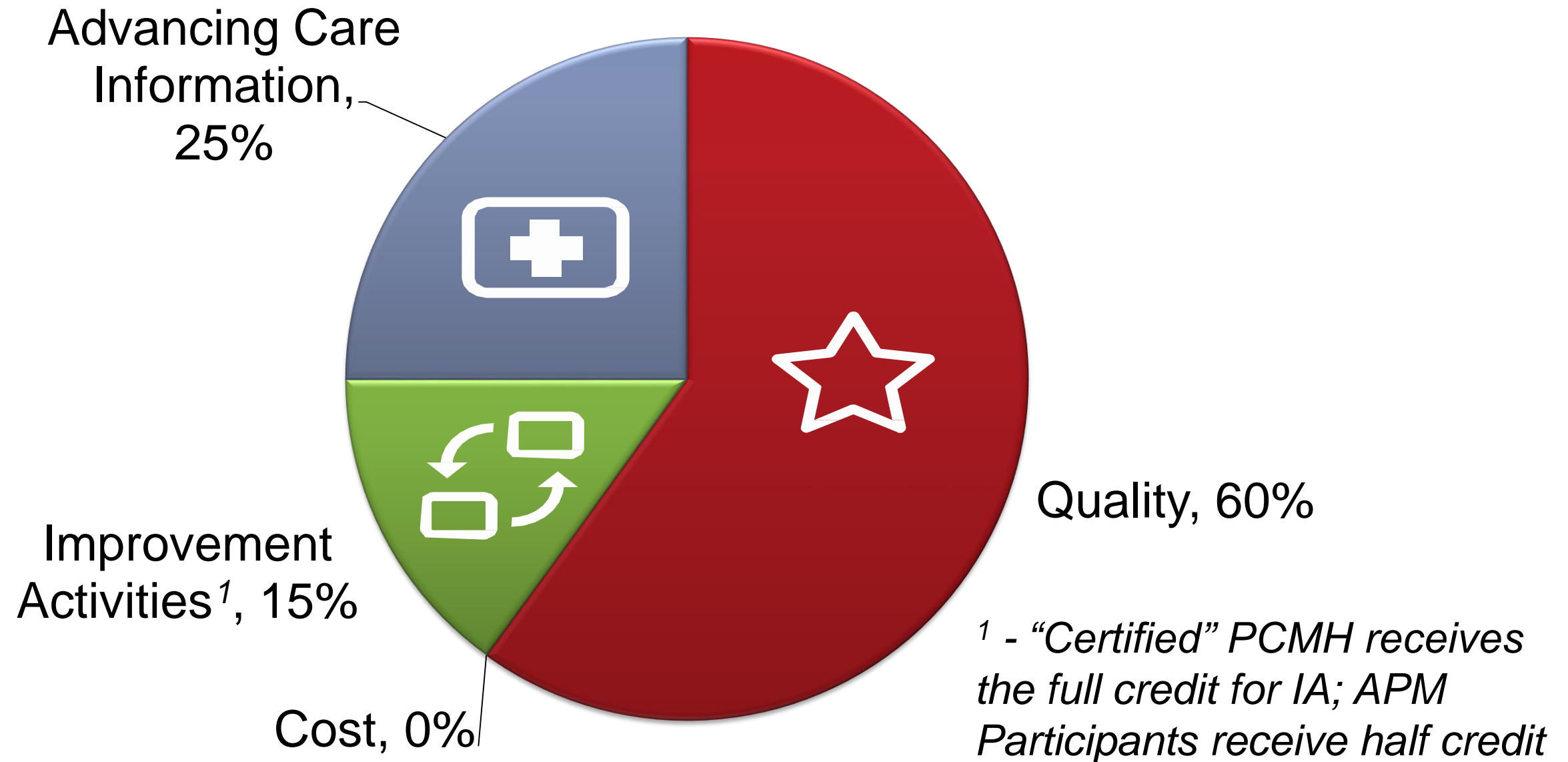
Improvement
Activities

Improvement Activities – New!



- 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

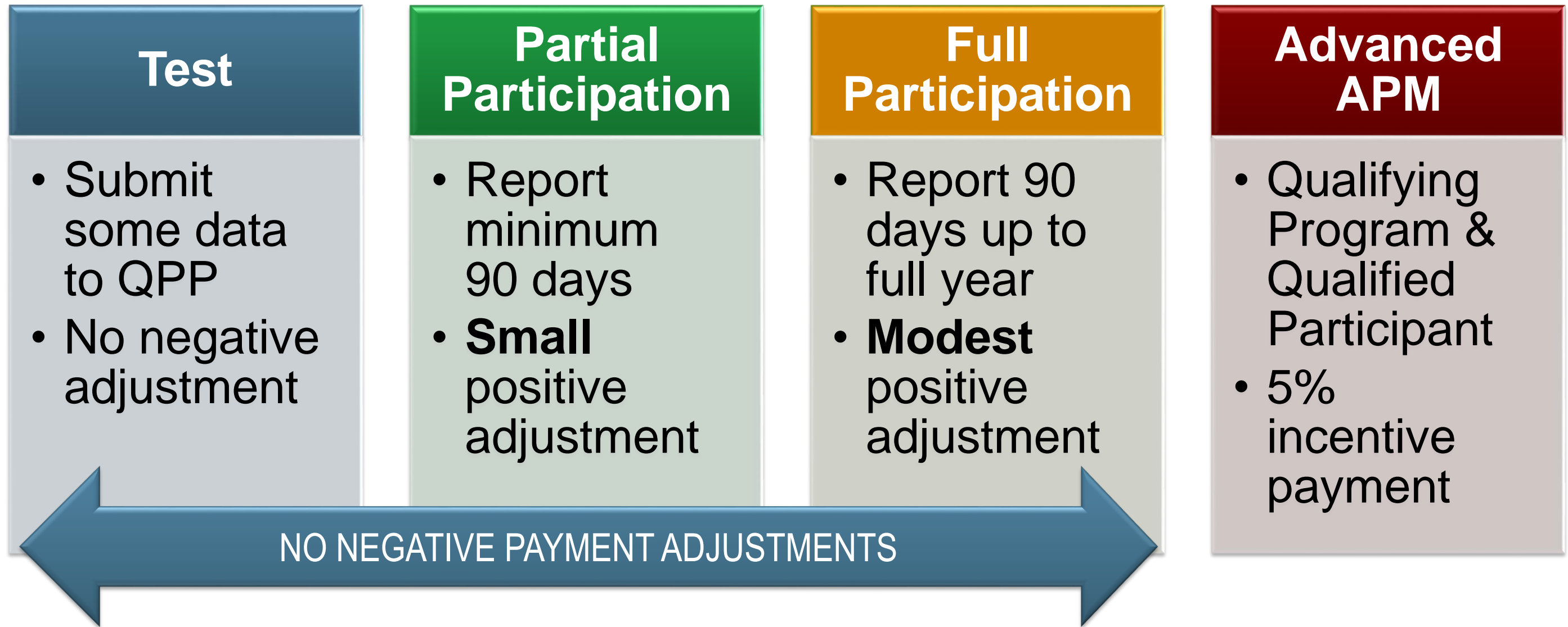
Weighting by Category - 2017



Weighting Progression

	2017/19	2018/20	2020/21
Quality	60%	50%	30%
Cost	0%	10%	30%
Advancing Care Information	25%	25%	25%
Improvement Activities	15%	15%	15%

'Pick your Pace' Options for 2017



“Pick Your Pace” Reporting

Test

- Report one quality measure, one improvement activity, or all four of the required measures within the advancing care information (ACI) category

Partial Participation

- Report a minimum of 90 days for more than one quality measure, more than one improvement activity, or more than four of the measures within the ACI category.

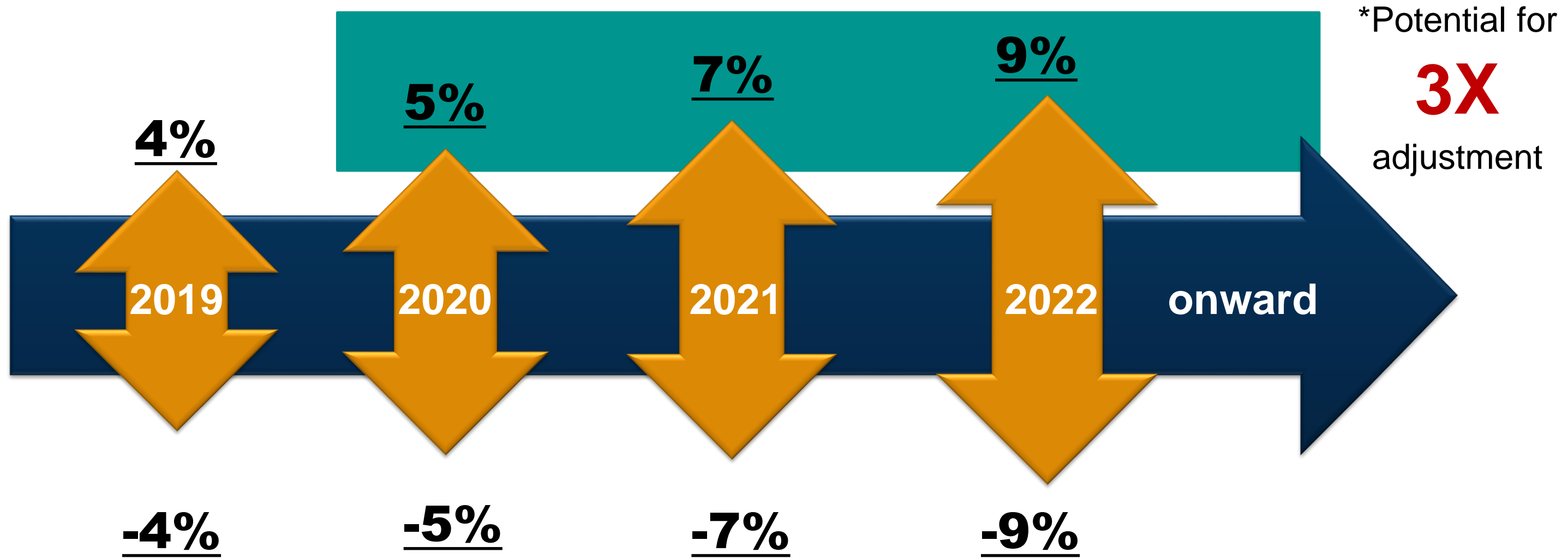
Full Participation

- Report to MIPS for a full 90-day period or full year

Annual Performance Threshold

- Established by Secretary years 1 and 2
 - **For transition year 2017, threshold is 3**
- Below = negative payment adjustments
- Above = positive payment adjustments

Adjust Payments

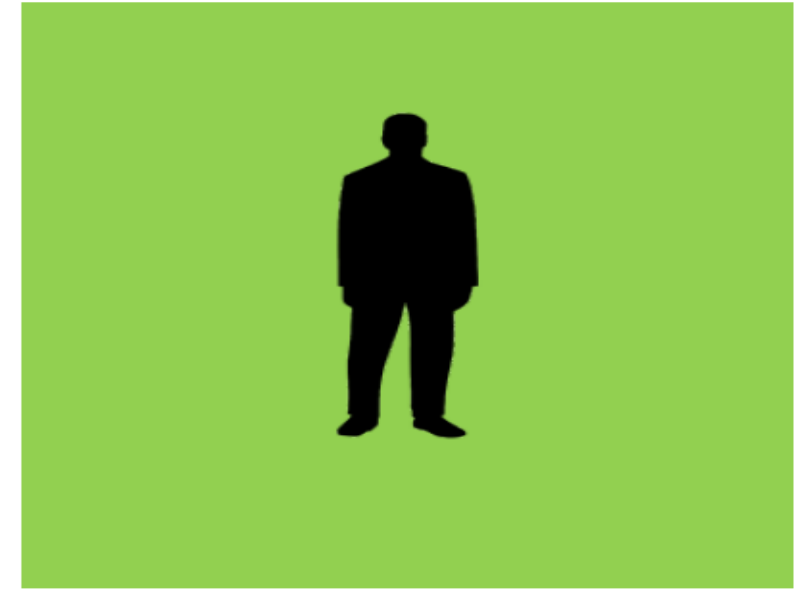


**Adjustment to provider's base rate of Medicare Part B payment*

Adjustment Summary

Performance Score		Payment Adjustment
Exceptional Performers (Final Score over 70)	=	Eligible for up to 10% positive adjustment in 2019
25 th Percentile or below	=	Maximum negative adjustment
At threshold	=	Stable Payment

MIPS Exemptions



- Year 1 Medicare
- Eligible Advanced Alternative Payment Model with Bonus
- Below low volume threshold
 - Less than or equal to \$30,000 Medicare payments; or less than or equal to 100 Medicare beneficiaries

Advanced Alternative Payment Models (AAPMs)



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Definitions

Qualifying APM

- Based on existing payment models
- 

Advanced APM

- Based on criteria of the payment model
- 

Qualifying AAPM Participant

- Based on individual physician payment or patient volume

Qualifying APMs

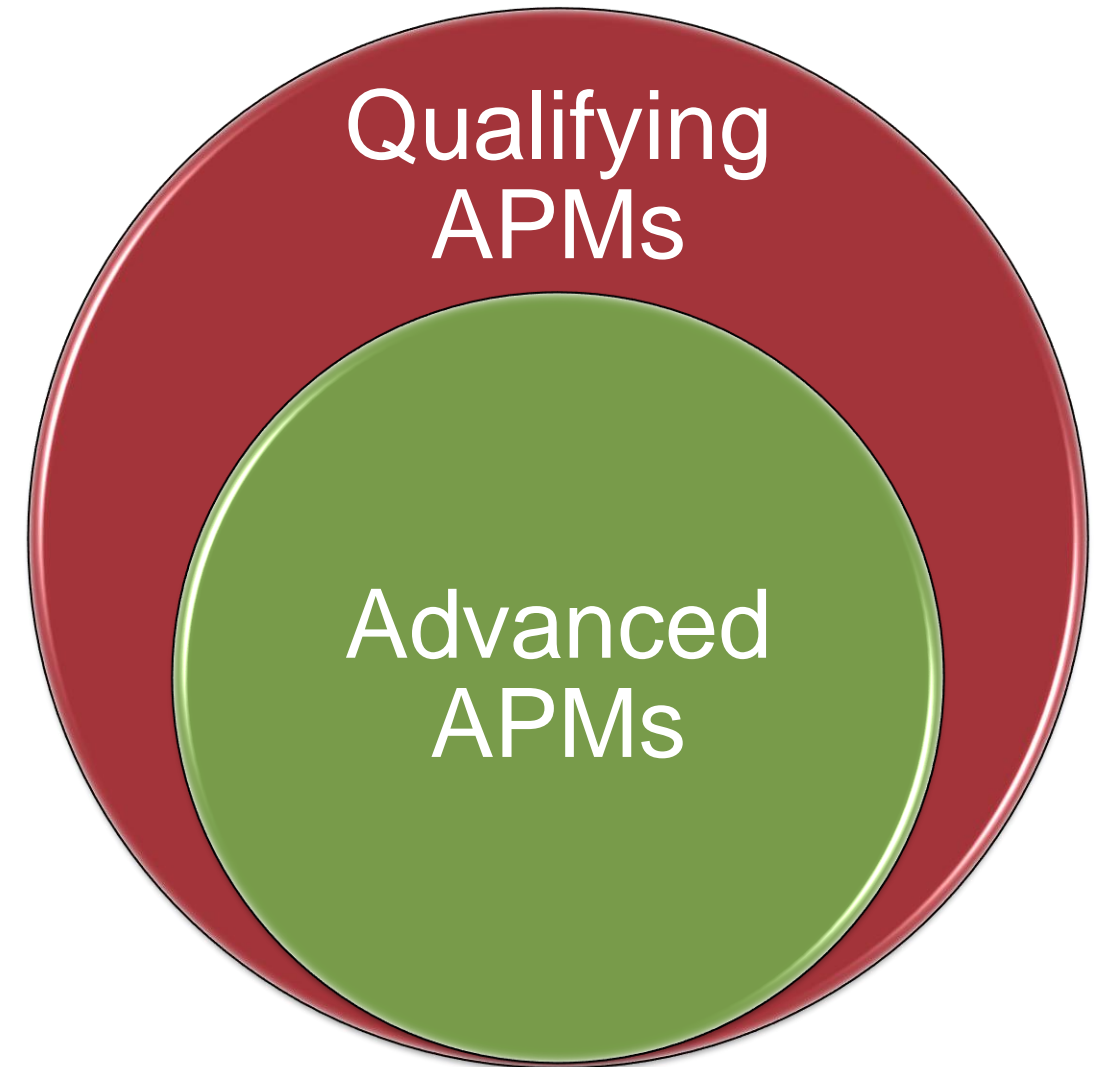
- MSSP (Medicare Shares Savings Program)
- Expanded under CMS Innovation Center Model*
- Demonstration under Medicare Healthcare Quality Demonstrations (MHCQ) or Acute Care Episode Demonstration
- “Demonstration required by Federal Law”



Qualifying
APMs

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

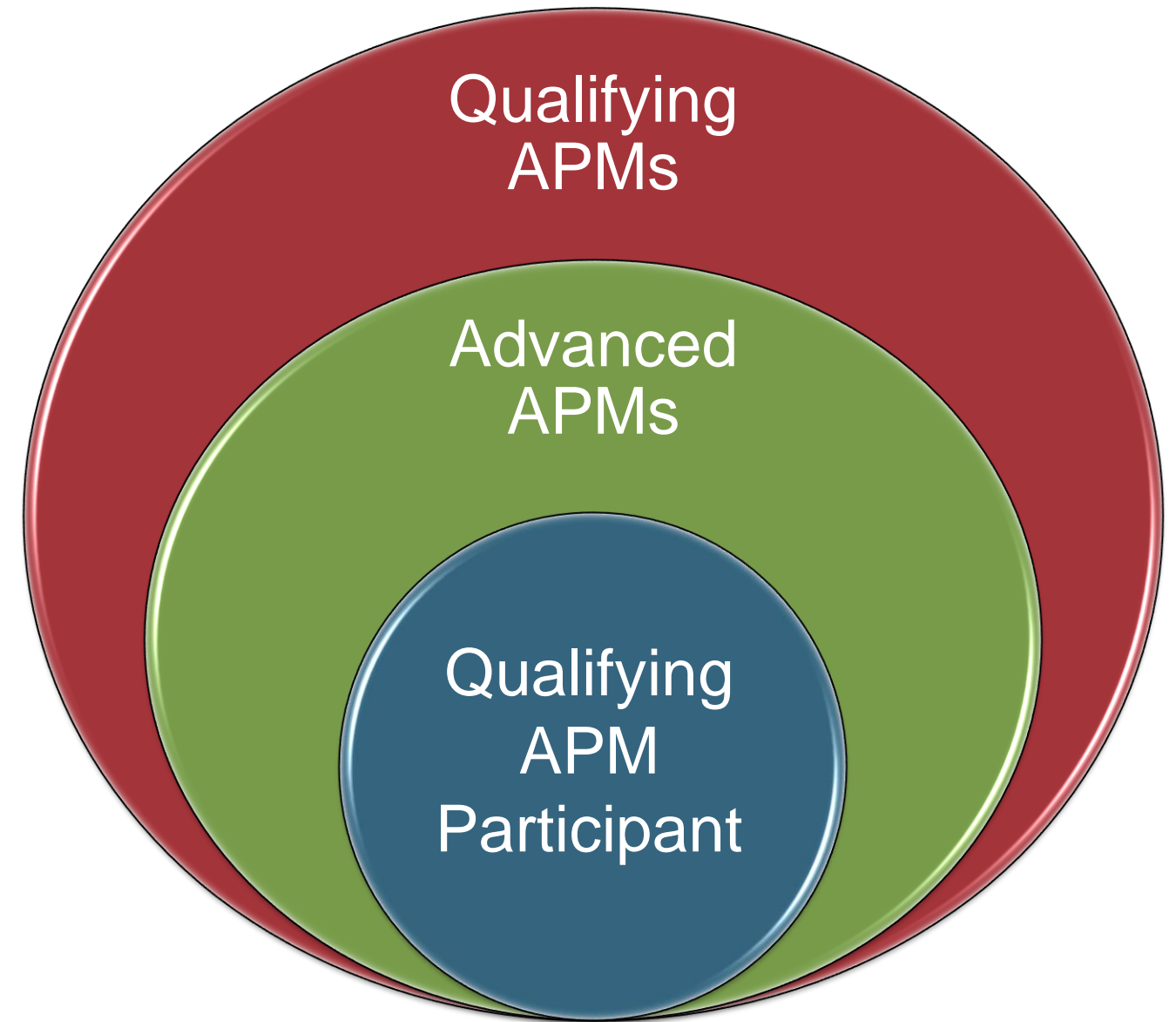


Primary Care Advanced APMs


- Shared Savings Program (Tracks 2 & 3)
- Next Generation ACO Model
- Comprehensive Primary Care Plus (CPC+)

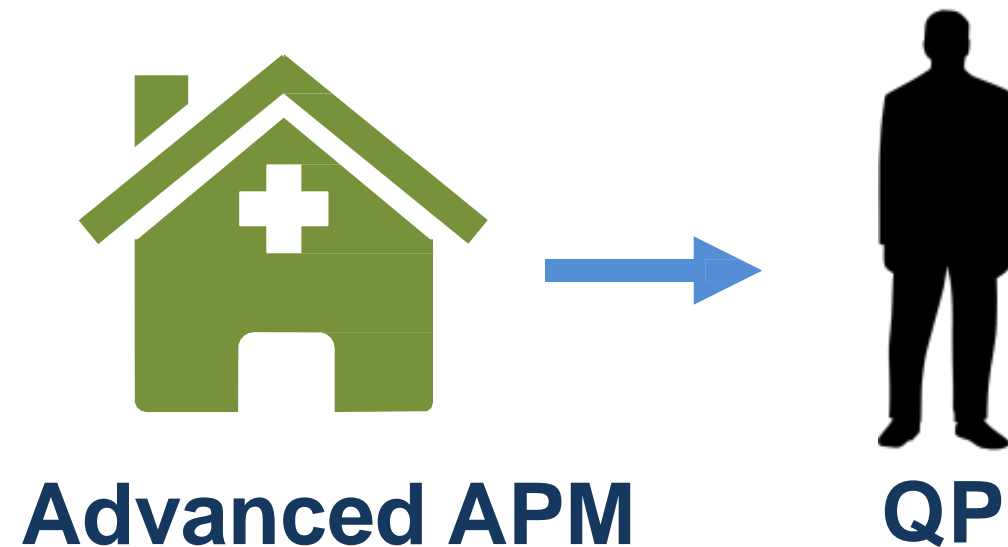
Qualifying APM Participant

- Percentage of patients or payments thru eligible APM
- In 2019, the threshold is 25% of Medicare payments or 20% of beneficiaries
- QP status will be determined at the group level



Additional Rewards for Qualifying Participants

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



What if ???



MIPS APM

(MIPS) APM Scoring Standard



Quality

- Measures report through APM



Cost

- 0% Indefinitely



ACI

- Must report (same requirements as MIPS ECs)



Improvement Activities

- Automatic 100% (annual review of model)

***CMS will calculate the final score for MIPS APM at the APM Entity level.**

MACRA Timeline

2017	2018	2019	2020	2021	2022-2024	2025	2026
Medicare Part B Baseline Payment Updates							
+0.5%	+0.5%	+0.5%	0%	+0%			+0.25%* +0.75%**
			<i>*Non-qualifying APM Conversion Factor</i> <i>**Qualifying APM Conversion Factor</i>				
Merit-Based Incentive Payment System (MIPS)							
<i>PQRS, Value-based Modifier, & Meaningful Use</i>		<i>Quality, Cost, Advancing Care Information, & Improvement Activities</i>					
-9%	-9%?	0 or +/-4%* <i>"Pick Your Pace"</i>	+/-5%	+/-7%	+/-9%		
Qualifying APM Participant							
5% Incentive payment							
Excluded from MIPS							

What Can I Do Right Now?

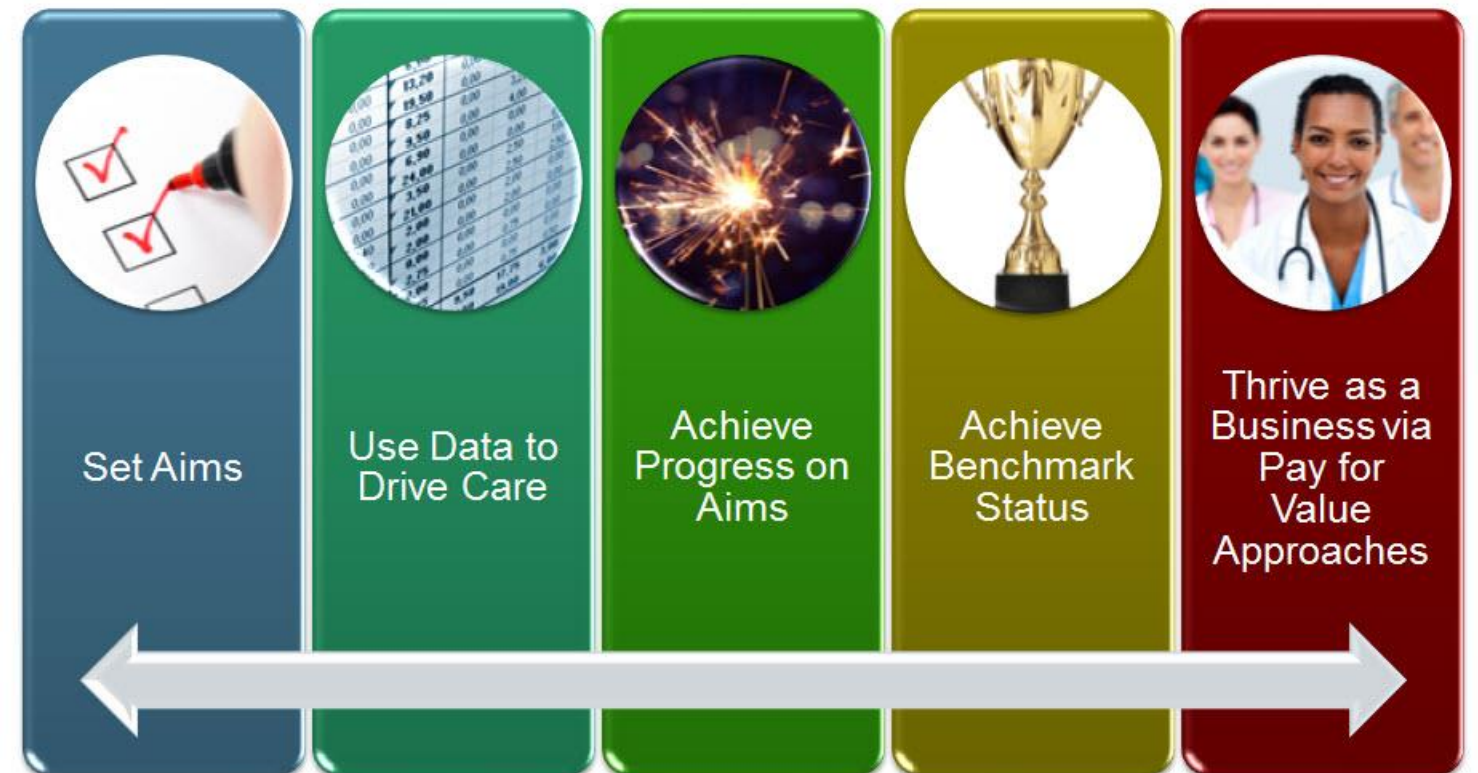
‘Pick Your Pace’



Assistance is Available

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

5 Phases of TCPI



MACRA ready

The Shift to Value-Based Payment

Landmark Legislation Alters How Medicare Will Reimburse Physicians

The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) passed by an overwhelming bipartisan majority in Congress and was signed into law by President Barack Obama on April 16, 2015.

As further rules are proposed and final regulations are enacted, we'll get a clearer picture of the impact of the legislation and continue to help our members update. For now, here's what we do know.

House (392-37) **Senate (92-8)**

THE LAW ACCOMPLISHES THREE GENERAL OBJECTIVES:

- REFORMS** - MACRA permanently expands the broad sustainable growth rate (SGR) formula, preventing a 2% annual cut to Medicare reimbursement rates. It also extends the Children's Health Insurance Program (CHIP) for two years and it sets up a new, two-track Medicare physician payment system that emphasizes value-based payment models.
- EXTENDS** - MACRA extends the Medicare physician payment system that emphasizes value-based payment models.
- SHIFTS TO** - MACRA shifts to a new, two-track Medicare physician payment system that emphasizes value-based payment models.

Physicians will enter one of two new payment tracks:

- Merit-based Incentive Payment System (MIPS)** - New Medicare quality work programs
- Alternative Payment Model (APM)** - Medicare payment programs that are not subject to the SGR formula

Rules will evolve

As currently written, MACRA is a general framework for payment reform and lacks details on many key concepts. The Centers for Medicare and Medicaid Services (CMS) has solicited public comments to help clarify their goals of the law. To help improve details of the law and address members' interests, the American Academy of Family Physicians (AAFP) responded to 105 questions from CMS. A proposed set of rules should be released in spring 2016, and the final rule is anticipated in fall 2016.

BE PREPARED
Performance in 2017 may determine Medicare payment adjustments by 2019.



Consolidates Quality & Value Programs

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

MIPS

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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 patients
- Can be a group or individual percentage

Qualifying APM
Advanced APMs
Qualifying APM Participant

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MACRA ready **CHECKLIST**

This checklist provides actions you can take today to help prepare your practice for the Merit-Based Payment System (MIPS). MIPS is one of two payment tracks created under the Medicare Access and CHIP Reauthorization Act (MACRA) of 2015. MIPS consolidates three existing Medicare quality programs into one new program. MIPS will incorporate elements from meaningful use (MU), the Physician Quality Reporting System (PQRS), and the Value-Based Payment Modifier (VBM). MACRA begins in 2016, and the American Academy of Family Physicians (AAFP) anticipates that 2017 will be the initial performance year for MIPS. You can begin preparing for MIPS by assessing your performance under CMS' current quality programs. Use this checklist to help you and your practice become "MACRA Ready."

CURRENT CMS QUALITY PROGRAMS

- Adapt to Meaningful Use**
 - Adapt to Meaningful Use for 2015: <http://www.aafp.org/online/management/updates/2015.html>
 - 1. Anticipated to Meaningful Use for 2016:
 - Next Steps
 - Review Modified Stage 2 requirements for 2016.
 - Incorporate data collection into workflow.
 - Consider preparing for Stage 3 in 2017.
 - Resource: The Evolution of Meaningful Use Today, Stage 3, and Beyond <http://www.aafp.org/online/management/updates/2015.html>
 - I did not attest to Meaningful Use for 2015:
 - Next Steps
 - Adopt Certified Electronic Health Record Technology (CEHRT).
 - Review Modified Stage 2 requirements for 2016.
 - Incorporate data collection into workflow.
 - Consider preparing for Stage 3 in 2017.
 - Resource: The Evolution of Meaningful Use Today, Stage 3, and Beyond <http://www.aafp.org/online/management/updates/2015.html>
 - Report to the Physician Quality Reporting System (PQRS) <http://www.aafp.org/online/management/updates/2015.html>
 - My practice successfully reported as a group for 2015.
- Of the measures I reported, _____ are included in the PCMH/ACO Primary Care Core Measure Set.** <http://www.aafp.org/online/management/updates/2015.html>
- Next Steps**
 - Select reporting option for 2016.
 - If reporting as a group, register for the PQRS Group Practice Reporting Option (GPRO) before the June 30, 2016, deadline.
 - Consider using measures from the PCMH/ACO Primary Care Core Measure Set in 2016.
 - Monitor measure performance throughout the performance year as part of your quality improvement (QI) plan. <http://www.aafp.org/online/management/updates/2015.html>
 - Resource: AAFP PQRS Wizard <http://www.aafp.org/online/management/updates/2015.html>
 - Resource: Quality Improvement Basics <http://www.aafp.org/online/management/updates/2015.html>
- I did not report to PQRS for 2015.**
- Next Steps**
 - Select reporting option for 2016.
 - If reporting as a group, register for the PQRS Group Practice Reporting Option (GPRO) before the June 30, 2016, deadline.
 - Resource: AAFP PQRS Wizard <http://www.aafp.org/online/management/updates/2015.html>

Resources available | aafp.org/MACRAReady



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