



# MACRA and the Quality Payment Program

City & County of San Francisco Health Service Board Special Meeting

November 10, 2016

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### **PBGH Members**



































Pacific Gas and Electric Company.

































### What is MACRA?

◆ Medicare Access and CHIP Reauthorization Act of 2015

- Multiple components
  - Payment system for physicians and other clinicians who care for Medicare beneficiaries
  - Quality measure development
  - Children's Health Insurance Program extension



## Medicare payment before MACRA

- ◆ Fee-for-service (FFS) payment system, where clinicians are paid based on volume of services, not value
- "Cost control" through the sustainable growth rate (SGR) formula



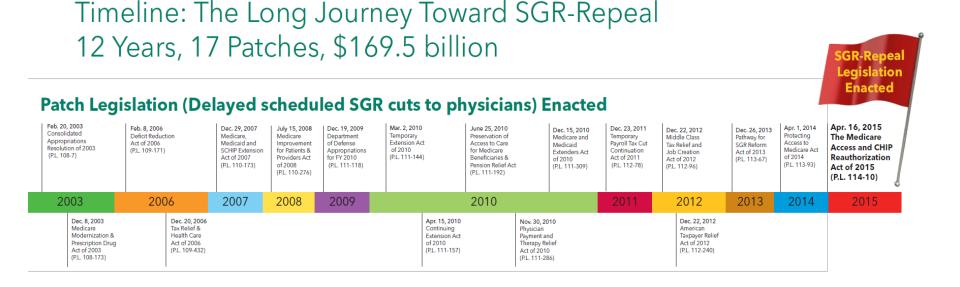


Each year, Congress passed temporary "doc fixes" to avert cuts (no fix in 2015 would have meant a 21% cut in Medicare payments to clinicians)



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# Part of a Bigger Plan

#### THE WALL STREET JOURNAL.

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# **OUR GOAL**

Goals for U.S. Health Care

2016

30%

In 2016, at least 30% of U.S. health care payments are linked to quality and value through APMs.

2018

50%

In 2018, at least 50% of U.S. health care payments are so linked.

These payment reforms are expected to demonstrate <u>better outcomes</u> and <u>lower costs</u> for patients.

В

Updated Jan. 26, 2015 1:14 p.m. E1

# Hospital CFO

# 6th Annual Meeting

153 Health Syste Executive Speake May 7-9, 2015 • Chica

Print Issue E-Weeklies Conferences Webinars Whitepapers Multimedia Lists About Physicians Leadership Executive Moves Transaction & Valuation Workforce Capacity

#### Financial Management



Email Print

20 major health systems, payers pledge to convert 75% of business to value-based arrangements by 2020

Written by Emily Rappleye (Twitter | Google+) | January 28, 2015

A group of the top U.S. health systems, payers and stakeholders announced Wednesday the formation of the Health Care Transformation Task Force, a private-sector alliance aimed at accelerating the healthcare industry's transformation to value-based care.

WASHINGTON—The Obama administration on Monday set an ambitious goar to rework hundreds of billions of dollars in Medicare payments to doctors and hospitals in an effort to reduce waste and make older Americans healthier.



# MACRA's Quality Payment Program

### **MIPS**

(Merit-based Incentive Payment System)

- Traditional Medicare plus new bonuses and penalties based on performance
- Streamlines multiple CMS quality and value reporting programs into single program

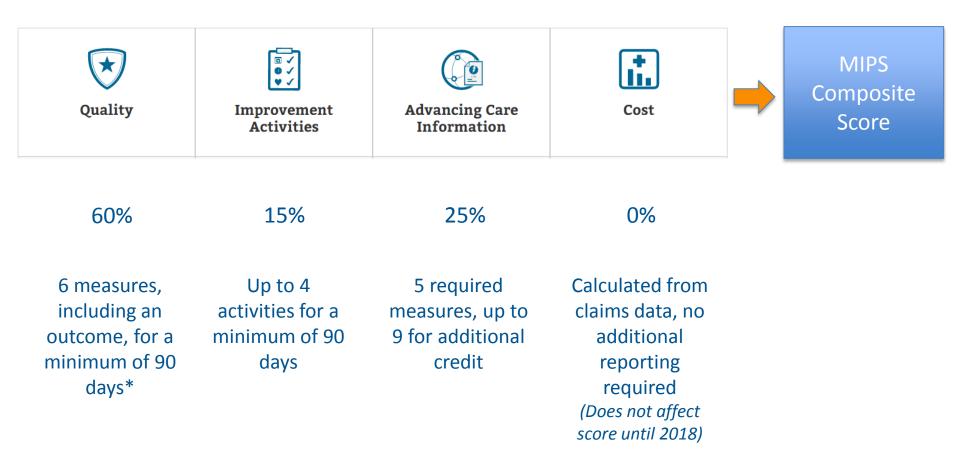
### **APMs**

(Advanced Alternative Payment Models)

 New guaranteed 5% bonus payment for taking part in an innovative payment model (criteria apply)



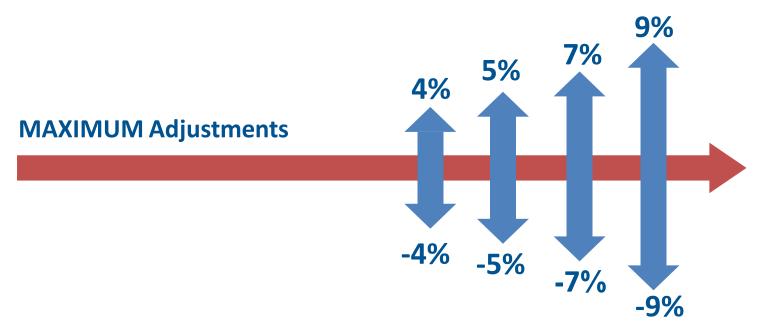
### **MIPS** Performance





### **MIPS** Incentives

Additional \$\$ available for "exceptional performance" (top quartile scores)



2019 2020 2021 2022 onward



### **Advanced APMs**

- Certain programs and models: CMS Innovation
   Center models, Shared Savings Program tracks,
   federal demonstration programs
- Use certified EHR technology
- Base payments on quality metrics similar to those in MIPS
- Expanded medical home model OR bear more than nominal financial risk for losses

#### **Advanced APMs**

Advanced APM-specific rewards (i.e., program design)

+

5% lump sum incentive

#### **APM Volume Requirements**

	2017	2018	2019	2020	2021	2022
% Medicare \$ through APM	25%	25%	50%	50%	75%	75%
% Medicare patients in APM	20%	20%	35%	35%	50%	50%



### Advanced APMs: 2017

Comprehensive End Stage Renal Disease Care Model (Two-Sided Risk Arrangements)

Comprehensive Primary Care Plus (CPC+)

Shared Savings Program Track 2

**Shared Savings Program Track 3** 

Next Generation ACO Model

Oncology Care Model (Two-Sided Risk Arrangement)

Final list to be published by January 2017



### Advanced APMs: 2018

- Physician-Focused Payment Model Technical Advisory Committee (PTAC)
   recommendations
- Likely additional models:

Comprehensive Care for Joint Replacement (CJR) Payment Model (CEHRT)

Advancing Care Coordination through Episode Payment Models Track 1 (CEHRT)

ACO Track 1+

New Voluntary Bundled Payment Model

Vermont Medicare ACO Initiative (as part of the Vermont All-Payer ACO Model)



### Transitional Year: "Pick Your Pace" for 2017

#### Participate in an Advanced Alternative Payment Model



Some practices
 may choose to
 participate in an
 Advanced
 Alternative
 Payment Model in
 2017

#### **Test Pace**



**Submit Something** 

- Submit some data after January 1, 2017
- Neutral or small payment adjustment

# <u>MIPS</u>

#### **Partial Year**



- Report for 90-day period after
   January 1, 2017
- Small positive payment adjustment

#### **Full Year**

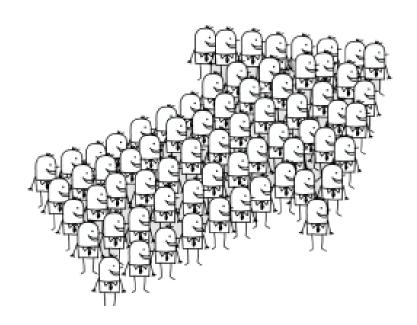


- Fully participate starting January 1, 2017
- Modest positive payment adjustment

Not participating in the Quality Payment Program for the transition year will result in a negative 4% payment adjustment.



# How will this drive system change?



Program Performance

Quality Measures

Advancing Care Information

Improvement Activities

#### **MIPS Overview**

Use this tool to browse the different MIPS measures and activities.

Category	What do you need to do?			
Quality  Replaces the Physician  Quality Reporting System  (PQRS).	<b>Most participants:</b> Report up to 6 quality measures, including an outcome measure, for a minimum of 90 days.			
	<b>Groups using the web interface:</b> Report 15 quality measures for a full year.			
	Groups in APMs qualifying for special scoring under MIPS, such as Shared Savings Program Track 1 or the Oncology Care Model: Report quality measures through your APM. You do not need to do anything additional for MIPS quality.			
	<b>Most participants:</b> Attest that you completed up to 4 improvement activities for a minimum of 90 days.			
	Groups with fewer than 15 participants or if you are in a rural or			
	<b>health professional shortage area:</b> Attest that you completed up to 2 activities for a minimum of 90 days.			
	Participants in certified patient-centered medical homes, comparable specialty practices, or an APM designated as a Medical			
Improvement Activities	Home Model: You will automatically earn full credit.			
New category.	Participants in certain APMs under the APM scoring standard, such as Shared Savings Program Track 1 or the Oncology Care Model: You			

#### **2017 MIPS Performance**





### How can clinicians get ready for MACRA?



Transforming Clinical Practice Initiative (TCPI): TCPI is designed to support more than 140,000 clinician practices over the next 4 years in sharing, adapting, and further developing their comprehensive quality improvement strategies. Clinicians participating in TCPI will have the advantage of learning about MIPS and how to move toward participating in Advanced APMs. Click here to find help in your area.



Quality Innovation Network (QIN)-Quality Improvement Organizations (QIOs): The QIO Program's 14 QIN-QIOs bring Medicare beneficiaries, providers, and communities together in data-driven initiatives that increase patient safety, make communities healthier, better coordinate post-hospital care, and improve clinical quality. More information about QIN-QIOs can be found nere



If you're in an APM: The Innovation Center's Learning Systems can help you find specialized information about what you need to do to be successful in the Advanced APM track. If you're in an APM that is not an Advanced APM, then the Learning Systems can help you understand the special benefits you have through your APM that will help you be successful in MIPS. More information about the Learning Systems is available through your model's support inbox.



### How can clinicians get ready for MACRA?

- Connect locally with organizations and use their websites
- AMA <a href="https://www.ama-assn.org/practice-">https://www.ama-assn.org/practice-</a> management/medicare-payment-delivery-changes
- AHA <a href="http://www.aha.org/advocacy-issues/physician/index.shtml">http://www.aha.org/advocacy-issues/physician/index.shtml</a>
- AAFP <a href="http://www.aafp.org/practicemanagement/payment/macraread-y.html">http://www.aafp.org/practicemanagement/payment/macraread-y.html</a>
- ONC <a href="https://chpl.healthit.gov/#/search">https://chpl.healthit.gov/#/search</a> list of certified vendors



## **Discussion**

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