

Medicare Access and Summary CHIP Reauthorization Act of 2015

Last year, Congress passed the Medicare Access and Summary CHIP Reauthorization Act of 2015 (MACRA), replacing the sustainable growth rate formula with a new approach to paying clinicians for the value and quality of care they provide. This legislation aligns with the Centers for Medicare and Medicaid Services (CMS) goals for value-based payments within the Medicare Fee-for-Service (FFS) system:

- *Goal 1:* 30 percent of Medicare payments are tied to quality or value through alternative payment models by the end of 2016, and 50 percent by the end of 2018.
- *Goal 2:* 85 percent of all Medicare FFS payments are tied to quality or value by the end of 2016, and 90 percent by the end of 2018.¹

On Oct. 14, 2016, HHS issued final regulations for implementing MACRA. The rule finalizes parameters for MACRA's Quality Payment Program (QPP), in which eligible clinicians (ECs) must choose to participate in either the Merit-based Incentive Payment Systems (MIPS) or Advanced Alternative Payment Models (Advanced APMs). The QPP changes how physicians and other eligible providers are reimbursed for Medicare Part B claims and provides incentives for participation in quality improvement activities.

Merit-Based Incentive Payment Systems and Advanced Alternative Payment Models

All clinicians who serve [Medicare Part B](#) beneficiaries must participate in the quality payment program unless they bill less than \$30,000 to Medicare and provide care to 100 or fewer Medicare patients per year. If a provider is newly enrolled in Medicare during 2017, they are not required to participate in the quality payment program that year. ECs must either choose to participate in MIPS or in an advanced APM and report data to CMS.

MIPS

MIPS is a new program that combines several CMS quality programs, including the [Physician Quality Reporting System](#), the [Value Modifier](#), and the [Medicare Electronic Health Record](#) (EHR) incentive program, into one single program in which ECs will be measured on: quality, improvement activities, advancing care information, and cost. The first payment adjustments based on performance in these four categories will go into effect on Jan. 1, 2019, based on their performance in 2017. In order to help implementation, CMS has allowed ECs to submit a test (e.g., minimum amount of 2017 data) of partial or full year 2017 data for the first year. All ECs must submit some data, or else they will receive a negative four percent payment adjustment. For 2017, the quality category for MIPS is most heavily weighted, and the cost category is not counted (it will count beginning in 2018). For a full description of the MIPS categories and measures, see the CMS [web page](#).

Since the passage of the Affordable Care Act, many healthcare providers have been participating in payment and delivery reforms that change how care is delivered and reimbursed, such as Patient-Centered Medical Homes (PCMHs) and accountable care organizations (ACOs). MACRA builds on these activities to further support participation in health system transformation. Clinicians participating in

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APMs, such as PCMHs and [bundled payment models](#), will receive credits under the clinical practice improvement activities that contribute to their overall MIPS score.

Advanced APMs

ECs participating in advanced APMs as designated by CMS, would be exempt from MIPS payment adjustments and would be eligible for an incentive payment. From 2019-2024, healthcare providers who participate in advanced APMs would qualify for a five percent Medicare Part B incentive payment and would be exempt from MIPS payment adjustments.

To qualify as an advanced APM, ECs must meet the following criteria:

1. Use of certified EHR technology.
2. Provide payment for covered professional services based on quality measures comparable to those used in MIPS under the quality category.
3. Either (1) be a medical home model expanded under the CMS Innovation Center authority, or (2) require participating APM entities to bear more than a nominal amount of financial risk for monetary losses.²

Examples of APMs that meet the advanced APM criteria for 2017 include the comprehensive care plus model and some [ACOs](#) such as the Medicare Shared Savings Program – Track 2 & 3 and the Next Generation ACO Model.³ CMS will likely add other models to the list of Advanced APMs over the next few years.

Public Health and MACRA

MACRA legislation primarily affects physicians and other clinicians who receive Medicare payments as it relates to how they are reimbursed for delivering healthcare services. However, public health professionals are affected by MACRA in a few key ways.

Under the former EHR incentive program (commonly known as “meaningful use”), several public health measures were previously required. In the new “Advancing Care Information” (ACI) category as part of MIPS, these measures are now optional. Specifically, public health measures contribute to MIPS scoring as follows:

- The immunization reporting measure is optional and would earn the EC 10 percent of the ACI performance score.
- ECs would earn a bonus point worth five percent for reporting one or more additional public health reporting measures. These measures include syndromic surveillance, other public health specialized registry reporting (including cancer reporting), clinical data registry reporting, and electronic case reporting (starting in 2018).

While public health reporting may not be as incentivized under MACRA as it had been in meaningful use, state public health officials and their staff can continue to support this reporting and demonstrate the importance of collecting population-wide data for state and local health assessments to inform decision-making.

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Access to healthcare and the quality of healthcare provided also has implications for public health and health outcomes. Under MACRA, the movement from paying providers for the number of services delivered to paying for quality or value continues. These changes to the healthcare delivery system and reimbursement can be confusing for providers and patients. Public health professionals can provide resources on these changes and answer questions. Further, they can collaborate with their colleagues in health systems and Medicaid agencies to support quality improvement programs. In addition, many state public health agencies are engaged in [State Innovation Models](#) (SIM) activities. As part of SIM, states have pursued payment and delivery reforms and invested in infrastructure and capacity building, which may align with MACRA.

Implementation Timeline

MIPS and Advanced APMs will begin to submit data in 2017 and adjustment will be implemented in 2019.

Figure 1: Quality Payment Program Performance Timeline



Source: CMS. "Quality Payment Program." Available at: <https://qpp.cms.gov/>. Accessed 11-14-2016.

Additional MACRA Resources

Organization	Resources
CMS	CMS MACRA Quality Payment Program web pages describing elements of MIPS and APMs. Additional resources include: <ul style="list-style-type: none"> • Educational resources and webinars. • Quality Payment Program Overview Factsheet. • Final Rule at the Federal Register, released October 14, 2016. • Executive Summary of the Final Rule, updated October 14, 2016. • Video on "Delivery System Reform: Paying for What Works." • Blog authored by CMS Acting Administrator Andy Slavitt released on Sept. 8, 2016.
Congress	H.R.2.- Medicare Access and CHIP Reauthorization Act of 2015 bill text .
Health Care Payment Learning & Action Network	APM framework to help guide providers about key principles and components.

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Health Affairs	<ul style="list-style-type: none">• Blog authored by Billy Wynne on “MACRA Final Rule: CMS Strikes a Balance; Will Docs Hang On?”• Blog authored by Mark McClellan, Frank McStay, and Robert Saunders on “The Roadmap to Physician Payment Reform: What It Will Take For All Clinicians to Succeed under MACRA,” published August 30, 2016.
American Association of Family Practitioners	Extensive website containing MACRA resources, including intro modules, FAQ , MACRAnyms , and MACRAREady to help physicians assess readiness for reforms.
American Medical Association (AMA)	Numerous resources on preparing for the reforms and advocacy efforts dedicated to the legislation, including a checklist on how to prepare for MACRA.

References

¹ CMS. “CMS Quality Strategy 2016.” Available at: <https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/QualityInitiativesGenInfo/Downloads/CMS-Quality-Strategy.pdf>. Accessed 10-6-2016.

² CMS. “Alternative Payment Models in the Quality Payment Program.” Available at: https://qpp.cms.gov/docs/QPP_Advanced_APMs_in_2017.pdf. Accessed 11-14-2016.

³ Ibid.