

Tuesday, July 8, 2015

## **CMS Begins Implementation of Key Payment Legislation**

*Proposed Update to Physician Fee Schedule is First Since Repeal of SGR*

On July 8, CMS released the first proposed update to the physician payment schedule since the repeal of the Sustainable Growth Rate through the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA). The proposal includes a number of provisions focused on person-centered care, and continues the Administration's commitment to transform the Medicare program to a system based on quality and healthy outcomes.

"CMS is building on the important work of Congress to shift the Medicare program toward a system that rewards physicians for providing high quality care," said Andy Slavitt, Administrator of CMS. "Thanks to the recent landmark Medicare and children's health insurance program legislation, CMS and Congress are working together to achieve a better Medicare payment system for physicians and the American people."

In the proposed CY 2016 Physician Fee Schedule rule, CMS is also seeking comment from the public on implementation of certain provisions of the MACRA, including the new Merit-based Incentive payment system (MIPS). This is part of a broader effort at the Department to move the Medicare program to a health care system focused on the delivery of quality care and value.

The proposed rule includes updates to payment policies, proposals to implement statutory adjustments to physician payments based on misvalued codes, updates to the Physician Quality Reporting System, which measures the quality performance of physicians participating in Medicare, and updates to the Physician Value-Based Payment Modifier, which ties a portion of physician payments to performance on measures of quality and cost. CMS is also seeking comment on the potential expansion of the Comprehensive Primary Care Initiative, a CMS Innovation Center initiative designed to improve the coordination of care for Medicare beneficiaries.

The proposed rule also seeks comment on a proposal that supports patient- and family-centered care for seniors and other Medicare beneficiaries by enabling them to discuss advance care planning with their providers. The proposal follows the American Medical Association's recommendation to make advance care planning services a separately payable service under Medicare.

The release of the rule triggers a 60-day comment period, during which time CMS welcomes the input of stakeholders and the public. A final rule will be published this fall.

*For More Information:*

- [Proposed Rule](#)
- [Fact Sheet](#)

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