



HIMSS[®] 16

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HEALTH THROUGH IT



CMS Listening Session: Merit-Based Incentive Payment System (MIPS)

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Conflict of Interest

Dr. Kate Goodrich, Robert Anthony, Dr. Pierre Yong, and Molly MacHarris have no real or apparent conflicts of interest to report.

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We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

Listening Session Goals

1. Provide an overview of MACRA and the Merit-Based Incentive Payment System (MIPS)
2. Discuss comments, questions and concerns about the MIPS program
3. Obtain feedback on MIPS scoring methodology

Ground Rules

- This is an open listening session. As such, CMS will focus on listening to your feedback without directing the conversation. CMS may ask questions of clarification or follow-up.
- In scope for today:
 - Clarification on discussion topics
 - Clarification on what CMS is required to do based on language within MACRA (as feasible)
- Out of scope for today:
 - Questions about what CMS is considering for future rulemaking
 - Questions about current rules in progress (i.e., PFS, IPPS, etc.)
We will put these in a parking lot to address at later date

Opening Remarks

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Three goals for our health care system

BETTER care
SMARTER spending
HEALTHIER people

Via a focus on 3 areas



Incentives



Care
Delivery



Information
Sharing

A Broader Push Towards Value and Quality

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In January 2015, the Department of Health and Human Services (HHS) announced new goals for value-based payments and APMs in Medicare.

Medicare Fee-for-Service

GOAL 1: **30%** 

Medicare payments are tied to quality or value through **alternative payment models (categories 3-4)** by the end of 2016, and 50% by the end of 2018

GOAL 2: **85%** 

Medicare fee-for-service payments are **tied to quality or value (categories 2-4)** by the end of 2016, and 90% by the end of 2018



STAKEHOLDERS:

Consumers | Businesses
Payers | Providers
State Partners



Set **internal goals** for HHS



Invite **private sector payers** to match or exceed HHS goals

MIPS Principles

- ✓ Use a patient-centered approach to program development that leads to **better, smarter, and healthier** care
- ✓ Develop a program that **is meaningful, understandable and flexible** for participating clinicians
- ✓ **Design incentivizes that drive movement** toward delivery system reform principles and APMs
- ✓ **Ensure close attention to excellence** in Implementation, operational feasibility, and effective communication with stakeholders

Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)

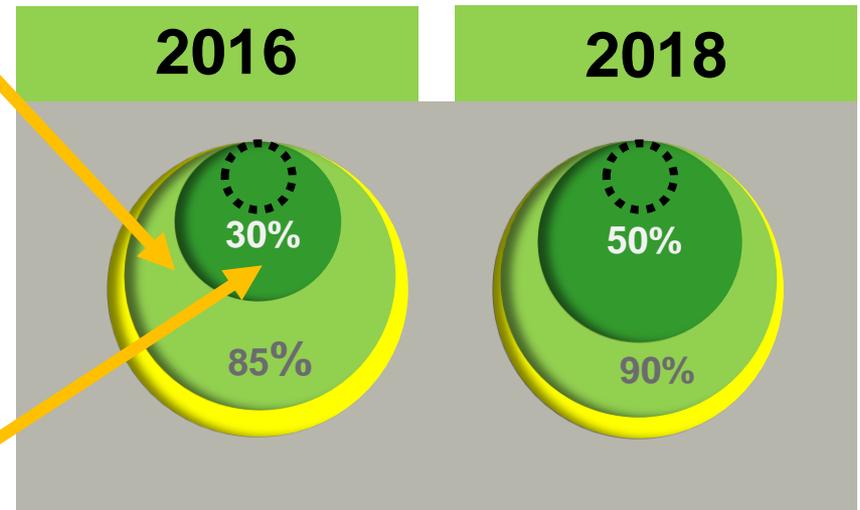
- The **Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)** was signed into law on April 16, 2015.
- Considers quality, cost, and clinical practice improvement activities in calculating how Medicare physician payments are determined.
- Repeals the 1997 Sustainable Growth Rate Physician Fee Schedule (PFS) update.
- Changes Medicare PFS Payment through two streamlined ways:
 - Merit-Based Incentive Payment System (MIPS)
 - Incentives for participation in Alternate Payment Models (APMs)

MACRA Moves Us Closer to Meeting HHS Goals

The Merit-based Incentive Payment System helps to link **fee-for-service payments** to quality and value.

The law also provides incentives for **participation in Alternative Payment Models** via the bonus payment for Qualifying APM Participants (QPs) and favorable scoring in MIPS for APM participants who are not QPs.

New HHS Goals:



-  All Medicare fee-for-service (FFS) payments (Categories 1-4)
-  Medicare **FFS** payments **linked to quality and value** (Categories 2-4)
-  Medicare payments linked to quality and value **via APMs** (Categories 3-4)
-  Medicare payments to QPs in eligible APMs under MACRA

MIPS and APMS

- Separate payment adjustments under Physician Quality Reporting System (PQRS), Value-Based Payment Modifier (VM), and Meaningful Use of EHRs will sunset **December 31, 2018**.
- MIPS and APM incentive payments will begin **January 1, 2019**.
- Eligible professionals can participate in MIPS or meet requirements to be a qualifying APM participant.
- MIPS – Can receive a positive, negative or zero payment adjustment.
- APM Participant – Can receive 5 percent incentive payment for 6 years, if criteria are met.

Physician Fee Schedule Updates

- PFS 0.5 percent update 7/1/15-12/31/15
- PFS 0.5 percent update CY2016 - CY2019
- PFS 0.0 percent update CY 2020-2025
- MIPS & APMs will drive payment 2019 onward
- Beginning with CY 2026 - 0.75 percent APM update
- Beginning with CY 2026 - 0.25 percent update for other PFS services

Overview of MIPS

- *MIPS is a new program that changes how Medicare links performance to payment.*
- There are currently multiple individual **quality and value** programs for Medicare physicians and practitioners:

Physician Quality
Reporting Program
(PQRS)

Value-Based
Payment
Modifier

Medicare EHR
Incentive
Program

MACRA streamlines features of these programs into **MIPS**:

Merit-Based Incentive Payment
System

MIPS Eligible Professionals (EPs)

Applies to individual EPs, groups of EPs, or virtual groups

2019-2020 (first two years)

- Physicians, Physician assistants
- Nurse practitioners, Clinical nurse specialists
- Nurse anesthetists

2021-Onward

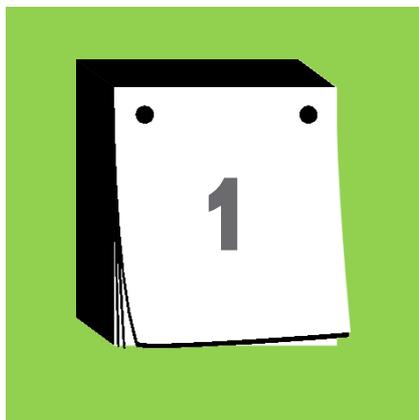
- Secretary can add EPs (described in 1848(k)(3)(B)) to MIPS

Excluded EPs

- Qualifying APM participants
- Partial Qualifying APM participants
- Low volume threshold exclusions

Are There Any Exceptions to MIPS Adjustments?

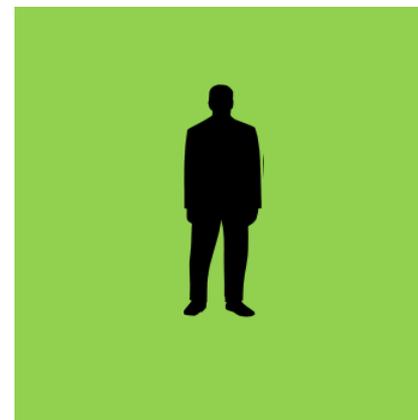
- There are 3 groups of physicians and practitioners who will **NOT** be subject to MIPS:



FIRST year of Medicare participation



Participants in **eligible** Alternative Payment Models who **qualify** for the bonus payment



Below **low volume** threshold

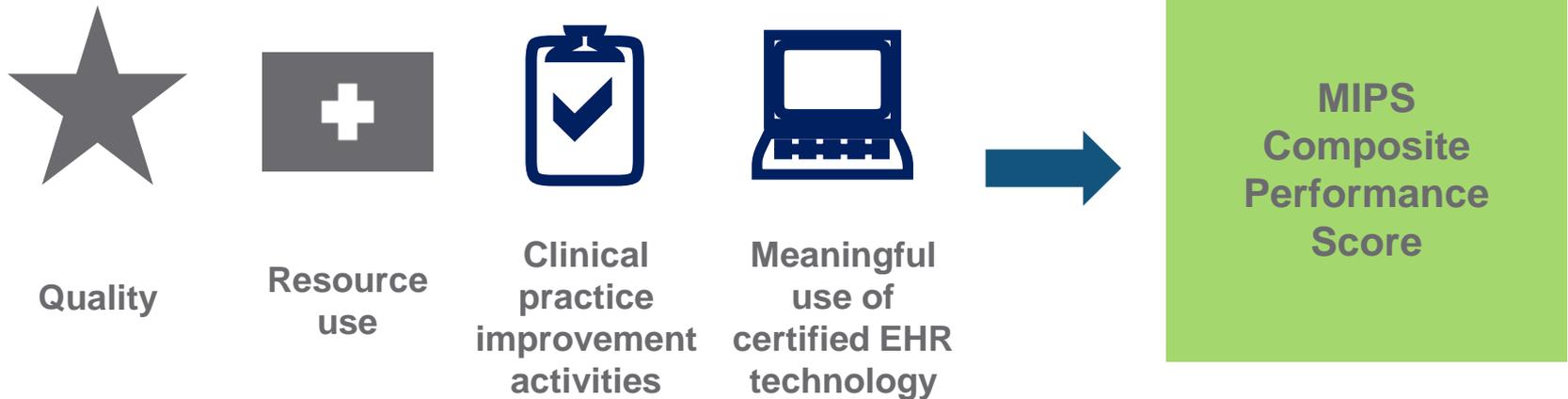
Note: MIPS **does not** apply to hospitals or facilities

Overview of MIPS (continued)

- MIPS payment adjustment begins **January 1, 2019**.
- Under MIPS, the Secretary must develop a methodology to assess EP performance and determine a composite performance score.
- The score is used to determine and apply a MIPS payment adjustment factor for 2019 onward.
- Payment adjustment can be positive, negative, or zero.

How Will Physicians and Practitioners Be Scored Under MIPS?

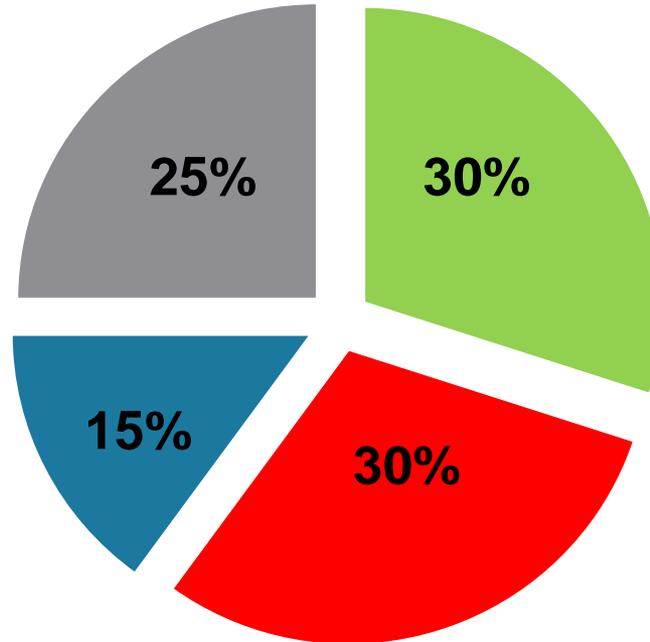
A single MIPS composite performance score will factor in performance in 4 weighted performance categories:



MIPS Performance Score

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Weighted Performance Categories



- Quality Measures
- Resource Use
- Clinical Practice Improvement Activities
- Meaningful Use of EHRs

MIPS Composite Performance Score

- A composite or total performance score will be developed using a scale of 0 to 100.
- The weights for the four performance categories may be adjusted if there are not sufficient measures and activities applicable for each type of EP, including assigning a scoring weight of 0 for a performance category.
- The weighting can be decreased and shifted to other categories if Secretary estimates the proportion of physicians who are meaningful EHR users is 75 percent or greater (statutory floor for EHR weight is 15 percent).
- Performance threshold will be established based on the mean or median of the composite performance scores during a prior period.
- The score will assess achievement & improvement (when data available).

MIPS: Clinical Practice Improvement Activities

The Secretary is required to specify clinical practice improvement activities.

Subcategories of activities are also specified in the statute, some of which are:

Expanded Practice Access	Population Management	Care Coordination	Beneficiary Engagement	Patient Safety Practice Assessment	Alternative Payment Models
<ul style="list-style-type: none"> • Same day appointments for urgent needs • After hours clinician advice 	<ul style="list-style-type: none"> • Monitoring health conditions & providing timely intervention • Participation in a qualified clinical data registry 	<ul style="list-style-type: none"> • Timely communication of test results • Timely exchange of clinical information with patients AND providers • Use of remote monitoring • Use of telehealth 	<ul style="list-style-type: none"> • Establishing care plans for complex patients • Beneficiary self-management assessment & training • Employing shared decision making 	<ul style="list-style-type: none"> • Use of clinical checklists • Use of surgical checklists • Assessments related to maintaining of certification 	<ul style="list-style-type: none"> • Participation in an APM will also count for CPIA

- Secretary shall solicit suggestions from stakeholders to identify activities.
- Secretary shall give consideration to practices <15 EPs, rural practices, and EPs in underserved areas.

MIPS Incentive Payment Formula

- MACRA establishes a formula for calculating payment adjustment factors related to performance threshold and established “applicable percent” amounts.
- EPs receive a positive adjustment factor if their score is above the performance threshold and a negative adjustment factor if their score is below the threshold.

MIPS APPLICABLE PERCENT DEFINED

Year	Applicable Percent (+) or (-)
2019	4%
2020	5%
2021	7%
2022 and onward	9%

MIPS Incentive Payment Formula

MIPS Adjustment for *Performance Below Threshold*

- EPs with a performance score below the performance threshold receive a negative payment adjustment factor between 0 and negative of the applicable percent.
- Scores are based on linear sliding scale relative to threshold.
- Exception: EPs with scores below a number equivalent to one-quarter (25 percent) of the performance threshold receive maximum reduction.

MIPS Incentive Payment Formula

MIPS Adjustment for *Performance Above Threshold*

- EPs with a performance score above the performance threshold receive positive payment adjustment factor.
- Scores are based on linear sliding scale relative to threshold and the applicable percent.
 - Scaling for budget neutrality – All positive adjustment factors are increased or decreased by a scaling factor to achieve budget neutrality with respect to aggregate application of negative adjustment factors. (Scaling factor cannot be greater than 3.)
- Additional adjustment for exceptional performance:
 - For 6 years beginning in 2019, EPs with scores above additional performance threshold (defined in statute) receive additional positive adjustment factor (\$500 million is available each year for 6 years for these payments.)

MIPS Quality Measures

- On **November 1** each year, CMS will publish a measure list for MIPS; MACRA explicitly states that outcome measures are emphasized.
- CMS may use:
 - Facility-based measures for MIPS EPs
 - Outpatient hospital measures may be used for emergency physicians, radiologists, and anesthesiologists
- Population-based measures are allowed for MIPS.
- In selecting MIPS measures and applying the MIPS formula, Secretary shall give consideration to “non-patient facing” specialties.

More on MIPS

To implement MIPS, CMS will:

- Propose the initial policies for the MIPS in a forthcoming regulation in 2016; required to have final policies by **November 1, 2016**.
- Make available timely (“such as quarterly”) confidential feedback reports to each MIPS EP starting **July 1, 2017**.
- Provide information about items and services furnished to the EP’s patients by other providers and suppliers for which payment is made under Medicare to each MIPS EP, beginning **July 1, 2018**.
- Make information about the performance of MIPS EPs available on Physician Compare.

Discussion Topics

For the four performance categories, what performance criteria should exist? What measures and activities should comprise the four performance categories?

Quality Performance Category:

- Which data should be used to calculate an EP's score when data are received via multiple submission methods?
- Should we maintain the same or similar reporting criteria under MIPS as under PQRS?
 - What is the appropriate number of measures on which a MIPS EP's performance should be based?
- How should we assess MIPS EPs who use data reporting mechanisms that do not meet CMS data integrity standards?

Discussion Topics

Resource Use Performance Category:

- What role should episode-based costs play in calculating resource use and/or providing feedback reports to MIPS EPs?
- How should we incorporate Part D drug costs into MIPS? How should this be measured and calculated?
- What peer groups or benchmarks should be used when assessing performance in this category?

Discussion Topics

Clinical Practice Improvement Activities Performance Category:

- How many activities or hours would be needed to earn the maximum possible score in each CPIA subcategory?
- Should the performance standards or quantity of activities increase over time?
- How should the various subcategories be weighted? (i.e., Equal weight? Some weighted more than others?)
- How should this category be applied to EPs practicing in small practices or rural areas?

Discussion Topics

Meaningful Use of Certified EHR Technology Performance

Category:

- Should the performance score for this category be based be based solely on full achievement of meaningful use?
- Should CMS use a tiered methodology for determining levels of achievement in this category?
- What alternate methodologies should CMS consider for this performance category?
- How should hardship exemptions be treated?

Discussion Topics

Composite Performance Score:

- How should we assess performance on each of the four performance categories and combine the assessments to determine a composite performance score?
- For the quality and resource use performance categories, should we use a methodology similar to what is currently used for the VM?

Performance Thresholds:

- How should we use the existing data on quality measures and resource use measures to construct a performance threshold for the first two years of the program?
- How can we establish a base performance standard for the Clinical Practice Improvement Activities?
- What other considerations should be made as we determine the performance threshold for the total Composite Performance Score?

Discussion Topics

- What considerations should be made for leveraging system-based measures, global and population based measures, and measures or activities that would apply to non-patient facing EPs?
- What mechanisms for distributing feedback have proven beneficial? Are there other ways of providing feedback that we should consider?
- For the Technical Assistance to small practices and practices in HPSA areas for MIPS EPs, what best practices should be applied and spread?

Join CMS Sessions at HIMSS16

Title	Session	Time & Location
Wednesday, March 2		
CMS Listening Session: Merit-Based Incentive Payment System (MIPS)	101	8:30 a.m. – 9:30 a.m. Palazzo B
CMS Electronic Clinical Quality Measurement (eCQM) Development and Reporting	131	11:30 a.m. – 12:30 p.m. Palazzo B
Thursday, March 3		
Interoperability Showcase: eCQM Submissions	N/A	10:00 a.m. – 11:00 a.m. Booth #11954
CMS Person and Family Engagement: Incentivizing Advances that Matter to Consumers	234	1:00 p.m. – 2:00 p.m. Palazzo B

Visit CMS Office Hours at Booth #10309

Office Hours Topic	Time
Wednesday, March 2	
Merit-Based Incentive Payment System (MIPS)	10:00 a.m. – 11:00 a.m. Booth #10309
EHR Incentive Programs	11:00 a.m. – 12:00 p.m. Booth #10309
Quality Measurement Development and Reporting	2:00 p.m. – 3:00 p.m. Booth #10309
Thursday, March 3	
Merit-Based Incentive Payment System (MIPS)	9:30 a.m. – 10:30 a.m. Booth #10309
EHR Incentive Programs	11:00 a.m. – 12:00 p.m. Booth #10309
Quality Measurement Development and Reporting	1:00 p.m. – 2:00 p.m. Booth #10309

Thank You

- For more information on MACRA, MIPS and APMs, visit:
<https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/MACRA-MIPS-and-APMs.html>