CHRONIC CONDITION COST MEASURE FRAMEWORK
Capturing the Costs of Care to Meet the MACRA Mandate

BACKGROUND

Cost measures are measures of health services applied to a population or event, and are a building block towards value (NQF, 2017). Episode-based cost measures are specific to the role of a clinician in providing care, so only assess clinically related costs. There are currently 18 clinically refined cost measures in MIPS spanning a range of procedures (e.g., knee arthroplasty) and acute hospitalizations (e.g., stroke). There are also 2 global or population-based cost measures in MIPS.

Acumen’s approach was to adapt the framework for procedural and acute measures to the challenges particular to chronic conditions, beginning with input from a TEP on key features in 2018. Since then, our team has worked with 90 clinicians across 4 panels and 19 patients and family caregivers, and conducted national field testing by producing over 211,000 clinician reports to develop measures for the care of asthma and COPD, and diabetes.

FRAMEWORK

1) **Identifying the start of a clinician-patient relationship**

Since chronic conditions are by definition ongoing, we require two services specific to the care of the condition. One must be a clinician visit, and the other can be either another visit or a service for the treatment of the condition (e.g., lung imaging test for Asthma/COPD).

2) **A clinician group practice (identified by TIN) must bill both services to start the clinician-patient relationship for attribution**

This approach identifies the care team of the patient and encourages ongoing coordination.

3) **Once a clinician-patient relationship is identified, this starts a period of time when the clinician is monitoring the patient’s care**

This takes into account the indefinite, long-term care that characterizes chronic conditions (unlike acute hospitalization and procedural episodes that have a defined beginning and end). The ongoing period is extended if we continue to see that the group practice is providing care for the patient for this condition.

4) **The total period of ongoing care is divided into episodes, or segments of at least 1 year**

An ‘episode’ is a segment of care that allows clinicians to be assessed in a performance period. During this time, an attributed clinician group – the one that billed the 2 services to start the clinician-patient relationship – is assessed on the cost of services that are clinically related to the management of the chronic condition.

### MIPS 2021

The MIPS Cost Performance Category is weighted at 20% of the MIPS Final Score in 2021. By statute, it must be weighted at 30% in 2022, on par with the Quality Performance Category. MIPS participants currently select 6 quality measures to report, have cost measures automatically calculated for them based on claims data, and report up to 4 Improvement Activities.

<table>
<thead>
<tr>
<th>Category</th>
<th>Quality</th>
<th>Cost</th>
<th>Improvement Activities</th>
<th>Promoting Interoperability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighting in 2021</td>
<td>40%</td>
<td>20%</td>
<td>15%</td>
<td>25%</td>
</tr>
<tr>
<td># of Measures/Activities</td>
<td>209</td>
<td>20</td>
<td>106</td>
<td>37</td>
</tr>
</tbody>
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### COSTS

**Observed Costs:** Episode-based cost measures include only the costs for clinically related services, rather than all costs within the episode. These are identified through medical service codes and diagnosis codes. The measure calculates the cost of these specific services observed during the episode window.

**Expected Costs:** Risk adjustment predicts the expected cost of an episode by adjusting for factors outside of the clinician’s control. The risk adjustment model is based on the CMS-HCC model which includes 79 comorbidities. In addition, each measure has tailored risk adjustors for risk factors specific to the condition. For example, the Asthma/COPD measure includes risk adjustors for obstructive sleep apnea and use of CPAP device. The measure accounts for severity with adjustors for number of HCCs and for recent ER or hospital admissions for asthma or COPD.

### MEASURE SCORE

The measure is calculated as the ratio of the observed cost (standardized to remove geographic and other differences) to the expected cost, averaged across all episodes attributed to the provider. Longer episodes are weighted more heavily than shorter ones to ensure fair comparisons. The average ratio of observed to expected costs per provider is then translated into a dollar amount as the provider’s measure score.

### TERMINOLOGY

- **Trigger Event** - a pair of services that identifies the start or continuation of a clinician group’s management of a chronic disease
- **Trigger Claim** - a “primary care” E&M code with a relevant chronic condition diagnosis
- **Confirming Claim** - either another “primary care” E&M code with a relevant chronic condition diagnosis or a condition-related CPT/HCPCS code with a relevant chronic condition diagnosis
- **Attribution Window** - defines a time period during which the patient’s chronic care will be monitored by a clinician group
- **Reaffirming Claim** - evidence of a continuing clinician-patient relationship
- **Total Attribution Window** - total period of time of the clinician-patient relationship
- **Episode** - a segment of the total attribution window. An episode can be between 1 year (365 days) and 2 years minus 1 day (729 days)
- **Measurement Period** - a static year-long period (calendar year) in which a clinician or clinician group will be measured