What is the Quality Payment Program?

Last April, Congress repealed the SGR (sustainable growth rate) formula that determined Medicare physician fees, replacing it with legislation called MACRA (Medicare Access and CHIP Reauthorization Act of 2015).

This landmark bipartisan legislation advances a forward-looking, coordinated framework for healthcare providers to successfully take part in the CMS Quality Payment Program (QPP) that rewards value and outcomes in one of two ways:

Alternative Payment Model (APM)

The Merit-Based Incentive Payment System (MIPS)

Who is in the Quality Payment Program?

The QPP policy will reform Medicare payments for more than 600,000 clinicians across the country, and is a major step in improving care across the entire healthcare delivery system.

You can choose how you want to participate in the QPP based on your practice size, specialty, location or patient population.

You’re a part of the QPP if you bill Medicare more than $30,000 a year AND provide care for more than 100 Medicare patients a year AND are a:

- Physician
- Physician Assistant
- Nurse Practitioner
- Clinical Nurse Specialist
- Certified Registered Nurse Anesthetist
Alternative Payment Models

A payment approach that provides added incentives to clinicians to provide high-quality and cost-efficient care. CMS is constantly developing new payment and service delivery models to encourage this mindset. One of these models is the Medicare Shared Savings Program (MSSP).

Memorial Hermann MSSP Track 1 physicians will qualify as a MIPS APM for Fiscal Year 2017. Please see handout titled MIPS APM for Memorial Hermann MSSP Physicians for detailed directions on how to report measures.

Advanced Alternative Payment Models

For the 2017 performance year, you may qualify as an aAPM if you meet all 3 requirements below:

- Use a certified Electronic Health Record (EHR)
- Currently report quality measures comparable to those used in MIPS
- You are in a medical home model OR bear more than a nominal amount of financial risk

For the 2017 performance year, the following models are Advanced APMs:

- Comprehensive End-Stage Renal Disease Care Model (Two-Sided Risk Arrangements)
- Comprehensive Primary Care Plus (CPC+)
- Next Generation ACO Model
- Shared Savings Program Track 2
- Shared Savings Program Track 3
- Oncology Care Model (Two-Sided Risk Arrangement)

Additional aAPM models possible for 2018

- ACO Track 1+
- Comprehensive Care for Joint Replacement (CJR) Payment Model (CEHRT)
- New Voluntary Bundled Payment Model
- Advancing Care Coordination through Episode Payment Models Track 1 (CEHRT)
**Merit-Based Incentive Payment System**

In MIPS, you can earn a payment adjustment based on evidence-based and practice-specific quality data. MIPS is the category that will apply to most physicians:

- Moves Medicare Part B clinicians to a performance-based payment system
- Provides clinicians with flexibility to choose the activities and measures that are most meaningful to their practice
- Reporting standards align with Advanced APMs wherever possible

### Point Scorecard for MIPS

<table>
<thead>
<tr>
<th>“Pace” Option:</th>
<th>Reporting Requirement for this “Pace”</th>
<th>Minimum Performance for this “Pace”</th>
<th>Projected Payment Adjustment at this “Pace”</th>
</tr>
</thead>
</table>
| “Run” ≥ 70 points | Report for 90 or more consecutive days  
Aim to report a whole year, for better possibilities of higher $ adjustment, but not mandatory | Achieve Highest Points Possible:  
6 Quality measures  
IAs sufficient for full credit  
ACI: “Base” plus “performance” measure(s); and bonus measures for additional points | Positive payment adjustment  
Possible exceptional performance incentives for achieving 70+ points |
| “Walk” 4 - 69 points | Minimum of 90 consecutive days | Any combination of:  
≥ 2 Quality measures and  
≥ 2 IAs and  
ACI: minimum “Base” 4-5 measures & ≥ 1 “performance” measure(s) | Possible nominal positive payment  
Adjustment: the more you report the higher your potential points |
| “Crawl” 1 - 3 points | Can report less than 90 days | Any:  
One Quality measure or  
One IA or  
ACI: minimum “Base” 4-5 measures | Avoid penalty  
Neutral - no payment adjustment |
| “Do Nothing” 0 points | Not report at all | Choosing to not report even one measure or activity, will guarantee the clinician to receive a negative 4 percent | Negative Payment adjustment  
Guaranteed at -4% |

**Key Takeaway**

Positive adjustments are based on the performance data of the performance information submitted, not the amount of information or length-of-time submitted. You can submit 90 days of information with great quality and receive a higher percentage than someone who submitted all year with acceptable quality.
Potential Financial Rewards

Although MACRA creates separate paths for payments under the Medicare Physician Fee Schedule (PFS), these paths are in addition to, not in replacement of, the PFS.

MACRA replaced SGR with a schedule that will increase baseline Medicare Part B payments by 0.5% per year until 2019.

The first payment adjustments will be based on performance year 2017 and will reflect in your 2019 Medicare payments.

If you participate in an APM, you will receive a + payment adjustment of 5% every year, beginning in 2019.

PQRS Payment Reminder:
PQRS will be referred to as a “legacy program.” The last performance year of this program was 2016. If you participated this last year, your payment adjustment will take place in 2018. As a reminder, this is not associated with your 2018 MIPS performance.

How to Prepare for QPP

Conduct a general practice assessment to determine how prepared your practice is for this change:

- Is your EMR updated? Ask your EMR vendor about MACRA additions.
- Are you attesting for Meaningful Use? Stage 2 has the same measures that are in the ACI category.
- Have you reported PQRS measures? If not, make sure your EMR is updated for reporting purposes.
- Have you achieved NCQA Certification? NCQA-certified physicians already report on measures that overlap with MIPS.
- If you submitted quality data during the last calendar year, you should have access to your Quality and Resource Use Report (QRUR). This report will help you understand your performance in terms of cost and quality so you can prioritize potential areas for improvement.
- The first performance period begins on January 1, 2017 and closes December 31, 2017. You can choose to start anytime between January 1 and October 2, 2017.
- No matter when you choose to report, it must be submitted by March 31, 2018.

MACRA SUPPORT

<table>
<thead>
<tr>
<th>CMS</th>
<th>ONSOURCE one.memorialhermann.org</th>
<th>MHMD <a href="mailto:MHMDProviderRelations@MemorialHermann.org">MHMDProviderRelations@MemorialHermann.org</a></th>
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<tr>
<td><a href="https://www.qpp.cms.gov">https://www.qpp.cms.gov</a></td>
<td>Click on Physicians Dropdown Menu MACRA 101</td>
<td>713.338.6464</td>
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</tbody>
</table>

Please visit our MACRA 101 page on OneSource as well as the MACRA Community on OneSource “Communities.” This is where we will post useful resources and handouts, and updates from CMS, as well as upcoming webinars and meetings around MACRA, to assist our physician network through this 2017 transition year of QPP.