EHR Incentive Programs: Where We Go Next

Summer 2016
Sandy Swallow
Telligen QIN QIO

- **Telligen**: Quality Innovation Network-Quality Improvement Organization (QIN-QIO) for Colorado, Illinois and Iowa

![Diagram showing beneficiaries in Colorado, Iowa, and Illinois]

**TOTAL BENEFICIARIES = 3,160,416**

*Data Source: Medicare Enrollment: Hospital Insurance and/or Supplementary Medical Insurance Enrollees, as of July 1, 2012, http://kff.org/other/state-indicator/hospital-supplementary-enrollees/*
Today’s Objectives

- Learn the BUZZ words of the recently legislated physician payment quality incentive program
- Recognize what MACRA entails
- Understand what MIPS entails and how it relates to you
- Appreciate the APM Framework
- Recognize Telligen’s capacity to assist you succeed in the new value-based reimbursement program
BUZZ Words

- CPIA
- QPP
- MIPS
- MACRA
- ECs
- APMs
- ACI
- PA

[Image of a colorful diagram with the mentioned buzz words connected by lines to a group of people.]
MACRA

The law that “fixed” the SGR


- Medicare Physician Fee Schedule Changes
  - Repealed the Sustainable Growth Rate
  - Replaces with 0.5% payment “update” each year from 2016-2019
  - Establishes new physician payment framework to reward “value”
  - “Streamlines” the Medicare physician quality incentive programs (PQRS, MU, VM)

- Bunch of other stuff
Better, Smarter, Healthier:

In historic announcement, HHS sets clear goals and timeline for shifting Medicare reimbursements from volume to value.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of FFS Medicare Tied to Quality</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>85%</td>
<td>90%</td>
</tr>
<tr>
<td>Percent of FFS Medicare Tied to Alternate Models</td>
<td>20%</td>
<td>30%</td>
<td>50%</td>
</tr>
</tbody>
</table>
MIPS - APM

- Preserves choices for medical providers.
- Value-Based Fee for Service (MIPS)
- Alternative Payment Models (APMs)

The new 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 in general and bonus payments to those in the most highly advanced APMs.

New HHS Goals:

- 2016: 85% of payments linked to quality and value
- 2018: 90% of payments linked to quality and value

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 those in the most highly advanced APMs under MACRA
MACRA “Proposed” Rule Changes

- **Unified framework “Quality Payment Program” (QPP)**
  - Ends the SGR formula
  - Creates a new framework for rewarding healthcare for giving better care not just more care
  - Combines our existing quality programs into one system

- **Includes Two Paths:**
  - Merit-Based Incentive Payment System (MIPS)
    - Receive +, - or neutral
  - Advanced Alternative Payment Model (APMs)
    - 5% incentive bonus

- **First Performance**
  - Most eligible clinicians will report through MIPS the first year
  - Jan. 1, 2017 through Dec. 31, 2017
MACRA Implementation Timeline

October 2015
Two Meaningful Use final rules released.
- New 60-day comment period on Stage 3
  A Request for Information (RFI) released from CMS on both MIPS and APM pathway implementation

Spring 2016
MU Stage 3 Final Rule
MACRA Proposed Rule Released 4/27/2016, “Quality Payment Program (QPP)”
MACRA Measure Development Plan

Fall 2016
MACRA “QPP” Final Rule
(for the 2017 performance period; 2019 MIPS payment adjustment period)
Annual list of MIPS quality measures (by Nov. 1 for 2017 performance period)

January 2017
First performance year begins (1/1/2017 – 12/31/2017) for eligible clinicians
First Payment adjustment year 2019
What MIPS means for Medicare’s PQRS, VM and MU Programs

- PQRS, VM and MU no longer exist as stand-alone programs starting in 2019
- In fact… 2016 is the FINAL reporting period for all of these programs as stand alones!
- The infrastructure for these programs is expected to be used for MIPS beginning in 2017
- This is an opportunity to improve them all!

- Congress streamlined and improved these programs into one for Medicare Part B Clinicians
- Hospitals and Medicaid EHR Incentive Program EPs will continue to follow the current MU rules
MIPS “Proposed” Payment Adjustments

The MIPS Incentives

Adjustment to provider’s base rate of Medicare Part B payment

2019  2020  2021  2022 onward

Merit-Based Incentive Payment System (MIPS)
Quick View of MIPS Scoring Categories “Proposed” for Performance Year 1

## Composite Performance Score (CPS)

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality</td>
<td>50</td>
</tr>
<tr>
<td>Resource Use - Cost</td>
<td>10</td>
</tr>
<tr>
<td>Advancing Care Information (ACI) – MU</td>
<td>25</td>
</tr>
<tr>
<td>Clinical Practice Improvement Activities (CPIA)</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total Possible Points</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Quality + Resource Use + ACI + CPIA = CPS for each eligible clinician or group
MIPS “Proposed” Eligible Clinicians

- Applies to Medicare Part B Clinicians
  - 2019-2020
    - Physicians, PAs, NPs, CRNA and CNS
    - 2021 and beyond additional clinicians will be added

- Assessed as an individual or group
  - Group is defined by TIN and assessed across all 4 categories

- Exempt
  - Newly Medicare-enrolled
  - Low volume threshold exclusions
  - Significantly participating in Advanced APM
Q: How does MIPS work for critical access hospitals, and Method II billing?

A: MIPS applies only to EPs and not to facilities like CAHs and hospitals. Services under Medicare Part A is not subject to MIPS. If an EP works at the hospital and bills any Medicare Part B services these are subject to MIPS similar to how they function under PQRS and MU Programs now.

Q: How does MIPS work for rural health clinics and federally qualified health centers?

A: MIPS applies only to services billed under Medicare Part B.
Alternative Payment Models

- New approaches to paying for medical care that incentivizes quality and value
- Qualifying APM participants (QPs) will be given a 5% payment bonus from 2019-2024 for participating in an eligible APM.
- This bonus is viewed as a strong incentive to participate in APMs.
- Eligible medical providers achieving a threshold level of participation in an eligible APM are excluded from MIPS.
- Does not change how any particular APM rewards value
The Road To Eligible APMs

Not all APMs will be “eligible” APMs

Criteria applied:
- Certified eHR
- Comparable quality measures to MIPS
- Risk above a nominal amount or a medical home that meets expansion criteria

Models under Medicare demonstration authority
Models in CMMI
Medicare shared savings program
Demonstrations required by law

Eligible APMs
“Proposed” Advanced APMs Standards

• **Must meet following criteria:**
  • Bases **payment on quality** measures comparable to those in MIPS quality performance category
  • Require use of certified **EHR** technology
  • Bear more than nominal **financial risk** for monetary losses or special rules for medical home expanded under the CMS innovation model

• **Qualifying for Incentive Payments**
  • Physicians and other clinicians who have a certain % of **their patients** or payments through an **eligible** APM
  • Option to be assessed at the APM entity level or eligible clinician level
The MIPS-APM Payment Adjustment Timeline

https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/Timeline.PDF
Key Takeaways for CAHs

• MACRA/MIPS/QPP applies to Medicare Part B eligible clinicians only

• 2021 expect additional eligible clinicians
  – Dieticians, nutritionist, PT, OT, social workers, etc.

• Meaningful Use for Hospitals, CAHs and Medicaid EPs stays the same
  – Current Stage 2 and Stage 3 objectives
  – Current attestation methods
  – Medicaid EPs attest to both MIPS and current MU