Introduction

CMS has released its proposed final rule for MACRA (Medicare Access & CHIP Reauthorization Act of 2015). Though not finalized, MACRA creates a new framework for rewarding providers for better, lower cost, patient-centered care.

Credit: http://www.healthmgttech.com/industry-watch-october-2016

MACRA

1. Prepare now. Though it could change in the final ruling (due by the end of 2016), the MACRA timeline is aggressive. The first performance year starts Jan. 1, 2017, and impacts payments in 2019.

2. MACRA affects most providers across the country. Under MACRA, clinicians will choose one of two payment options: MIPS or APMs.

MIPS (Merit-based Incentive Payment System) combines the Meaningful Use (MU), Physician Quality Reporting System (PQRS), and Value-based Payment Modifier Program (VM) programs. Clinicians get a composite score based on performance across four areas, which serves as a modifier for Medicare Part B reimbursements.

APMs (Alternative Payment Models) include healthcare organizations with two-sided risk-based payment models such as Next Generation ACOs and Comprehensive Primary Care Plus (CPC+).

3. Everyone reports under MIPS in 2017. While MACRA offers two tracks (MIPS and APMs), all providers will report under MIPS in 2017 unless they are new to Medicare or bill very low Medicare volume. CMS will then determine which clinicians qualify for APM status.

4. Reporting is a full calendar year. The performance period for the new Quality Payment Program (QPP) tracks is a full calendar year, not 90 days. Performance during 2017 will be reflected in 2019 payment adjustments.

5. MIPS payment adjustments are complex. There are four categories that determine a clinician's MIPS score: quality, cost, care coordination, and EHR use. Each category has a different weight, and relative weighting changes over time.

6. Under MIPS, most clinicians will see a payment adjustment. With other CMS programs, average performers saw no adjustment. By contrast, under MIPS most clinicians will. Those with a MIPS score above or below the national threshold will see a corresponding upward or downward payment adjustment. According to CMS, the majority of independent practices are expected to see a pay cut.

7. We won't see a lot of APMs at first. Only a small number of groups will initially meet APM requirements, but CMS believes that over the long term, the Advanced APM will become the preferred choice for providers.

MACRA (cont)

8. Reporting under these programs won't be cheap. CMS estimates MIPS Quality Reporting will cost about $723 per clinician per year, and take about 11 hours per reporting category each year.

9. Remember Meaningful Use? It's not going away (yet). QPP does not change hospital or Medicaid MU. Medicaid MU participants who also bill Medicare will need to participate in both Medicaid MU (through 2021) and MIPS.

10. Your data will be public. MACRA requires that each physician's MIPS composite score be posted to the Physician Compare website, along with the physician's score in each of the four performance categories.