

MACRA and Delivery System Reform National Quality Forum Annual Conference



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Delivery System Reform requires focusing on the way we pay providers, deliver care, and distribute information

“

.....

{

Improving the way providers are incentivized, the way care is delivered, and the way information is distributed will help provide better care at lower cost across the health care system.

}

”

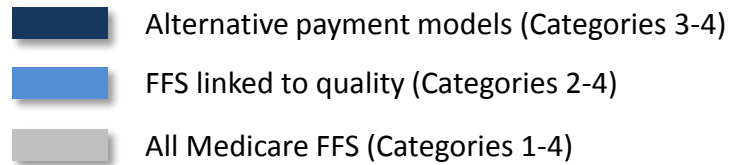
FOCUS AREAS

Pay
Providers

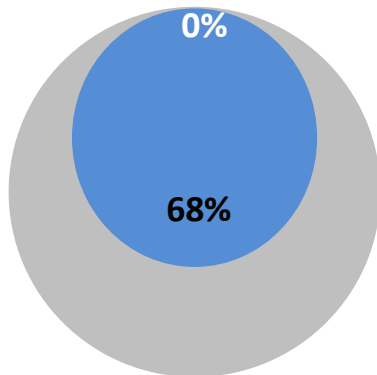
Deliver
Care

Distribute
Information

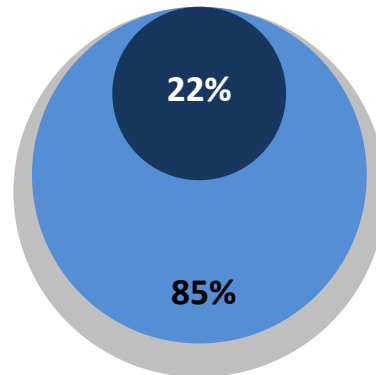
Target percentage of payments in 'FFS linked to quality' and 'alternative payment models' by 2016 and 2018



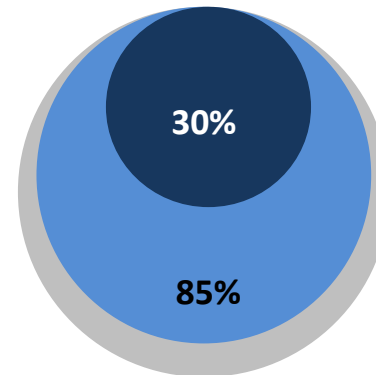
2011



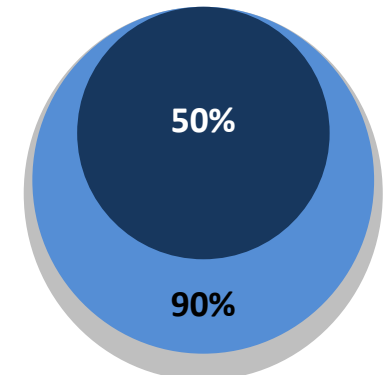
2014



2016




2018



Historical Performance

Goals



What does it mean for you?

**THE
MEDICARE ACCESS &
CHIP REAUTHORIZATION ACT
OF 2015**



A large, high-resolution photograph of the United States Capitol building in Washington, D.C. The building is a grand, white, neoclassical structure with a prominent dome topped by a statue. It is surrounded by lush green lawns and trees. The sky is bright blue with scattered white clouds. A semi-transparent light blue rectangular box is overlaid on the center of the image, containing the text.

What is “MACRA”?



What is “MACRA”?

MACRA stands for the **Medicare Access and CHIP Reauthorization Act of 2015**, bipartisan legislation signed into law on April 16, 2015.

What does it do?

- **Repeals** the Sustainable Growth Rate (SGR) Formula
- **Changes the way that Medicare pays clinicians** and establishes a new framework to reward clinicians for **value** over volume
- **Streamlines** multiple quality reporting programs into 1 new system (MIPS)
- **Provides bonus payments** for participation in **eligible alternative payment models (APMs)**



What does MACRA address?



Medicare Payment Prior to MACRA

Fee-for-service (FFS) payment system, where clinicians are paid based on **volume** of services, not **value**.

The Sustainable Growth Rate (SGR)



Each year, Congress passed temporary **“doc fixes”** to avert cuts (no fix in 2015 would have meant a **21% cut** in Medicare payments to clinicians)

MACRA **replaces the SGR** with a **more predictable** payment method that **incentivizes value**.



Medicare Reporting Prior to MACRA

Currently there are **multiple quality and value reporting programs** for Medicare clinicians:

**Physician Quality
Reporting Program
(PQRS)**

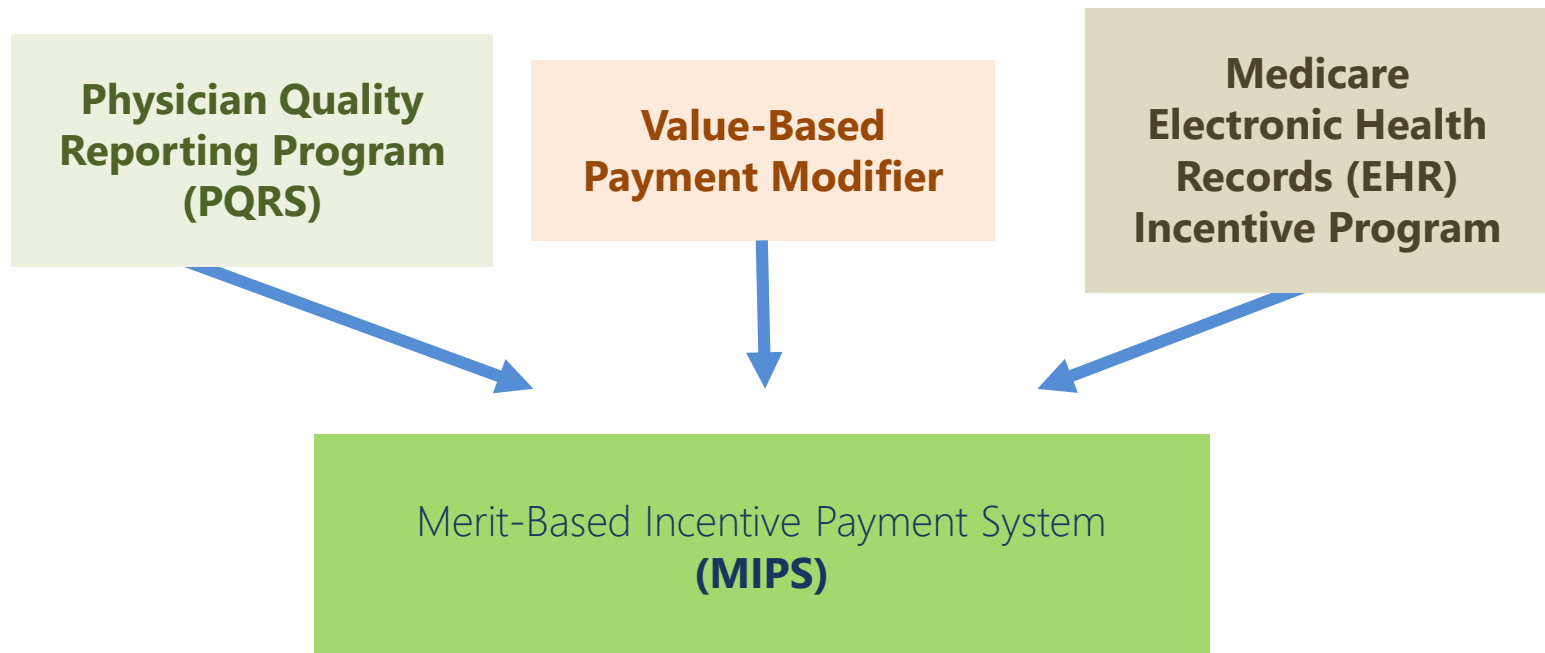
**Value-Based
Payment Modifier**

**Medicare
Electronic Health
Records (EHR)
Incentive Program**



Medicare Reporting Prior to MACRA

MACRA streamlines these programs into **MIPS**.





**Which clinicians does
MACRA affect?
(Will it affect me?)**



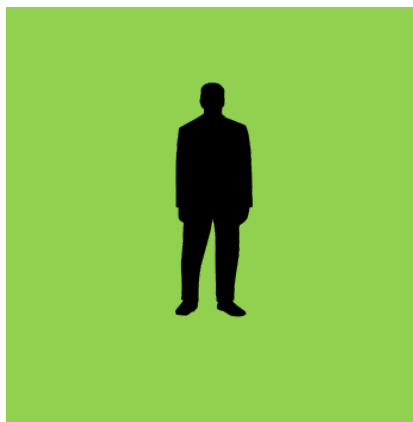
Short answer:
MACRA affects clinicians
who participate in Medicare Part B.

Are there any exceptions to participation in MIPS?

There are **3 groups** of clinicians who will NOT be subject to MIPS:



FIRST year of Medicare
Part B participation



Below **low patient**
volume threshold



Certain participants in
ELIGIBLE Alternative
Payment Models

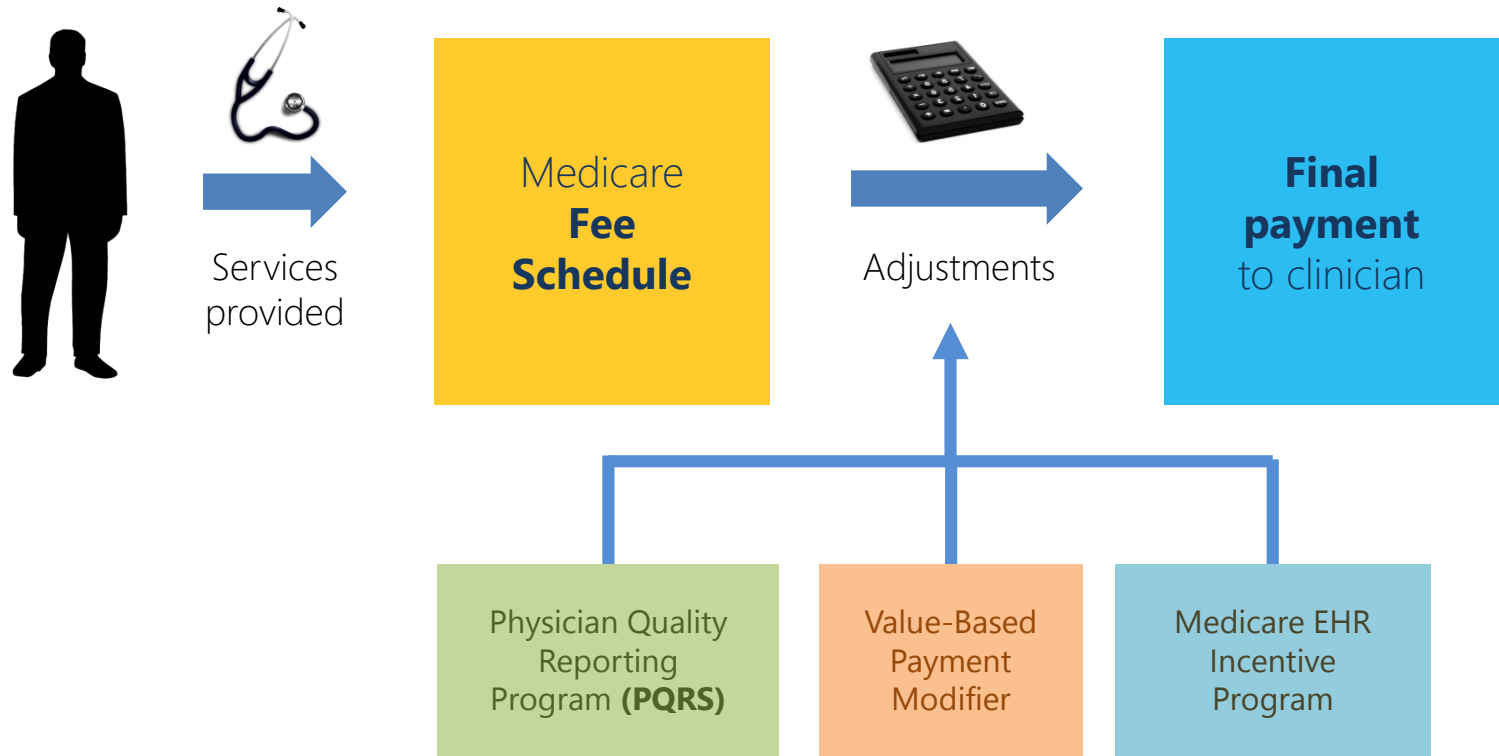
Note: MIPS **does not** apply to hospitals or facilities



How will MACRA affect Medicare clinicians?

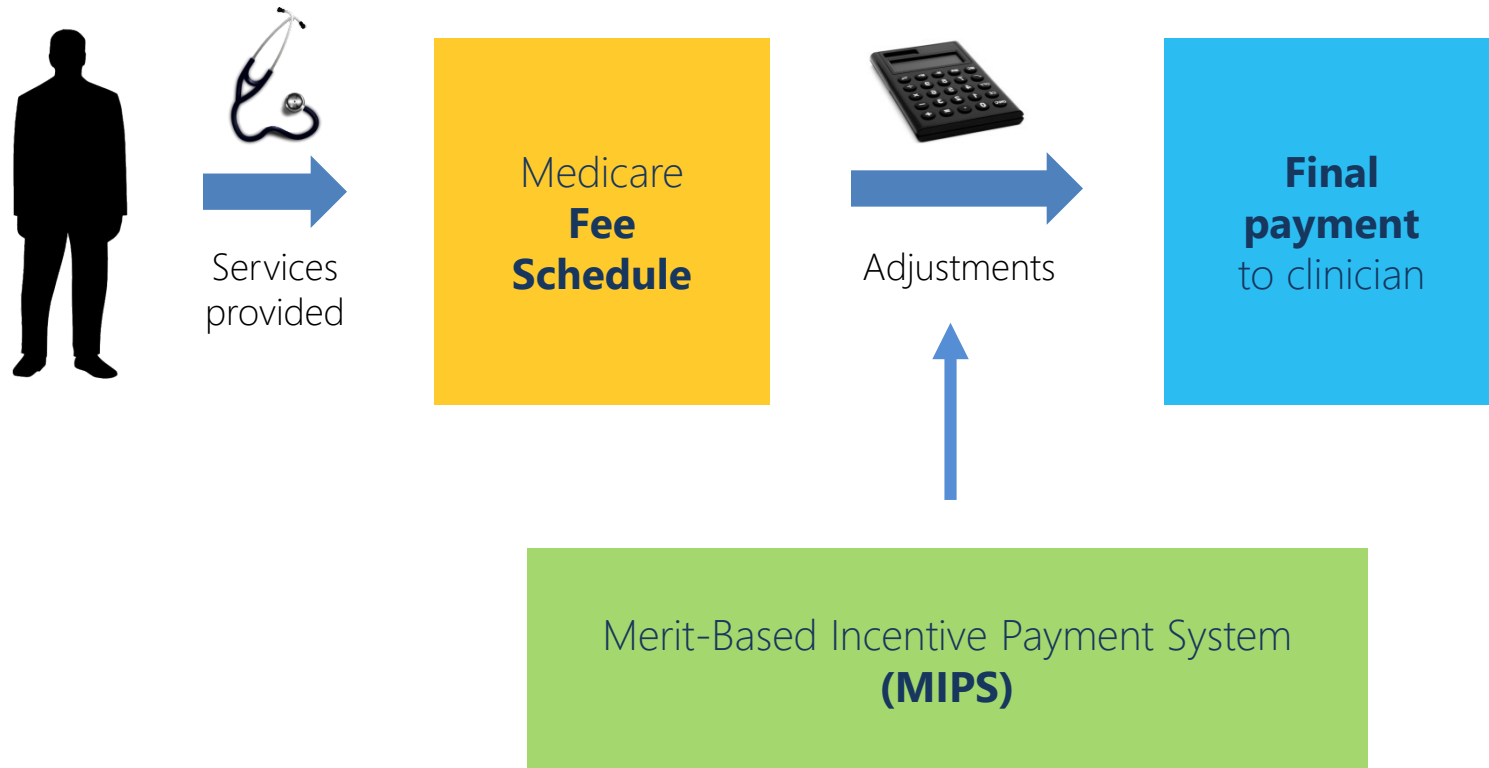
MACRA changes how Medicare pays clinicians.

The **current** system:



MACRA changes how Medicare pays clinicians.

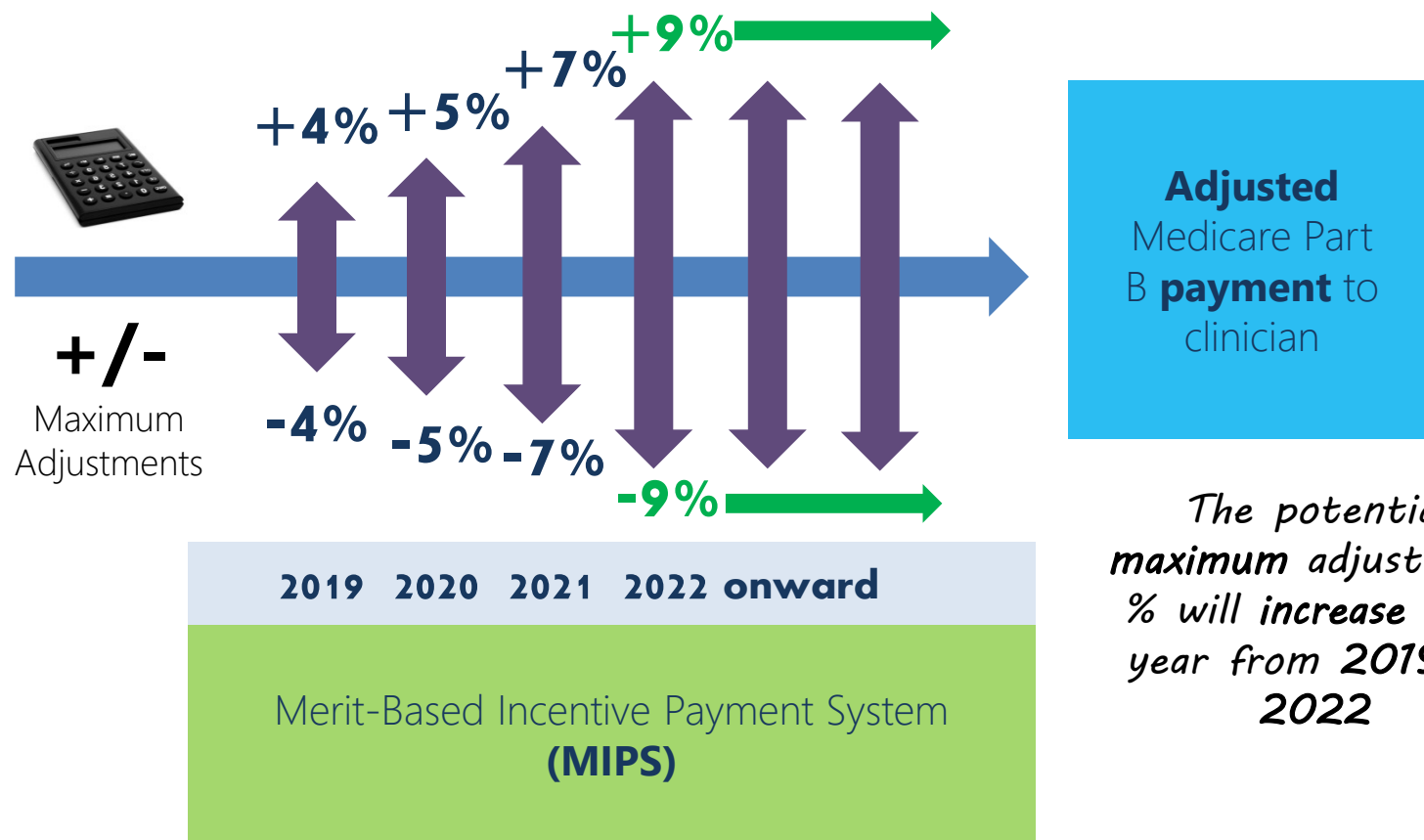
The system after **MACRA**:



**Or special lump sum bonuses through participation in eligible Alternative Payment Models*

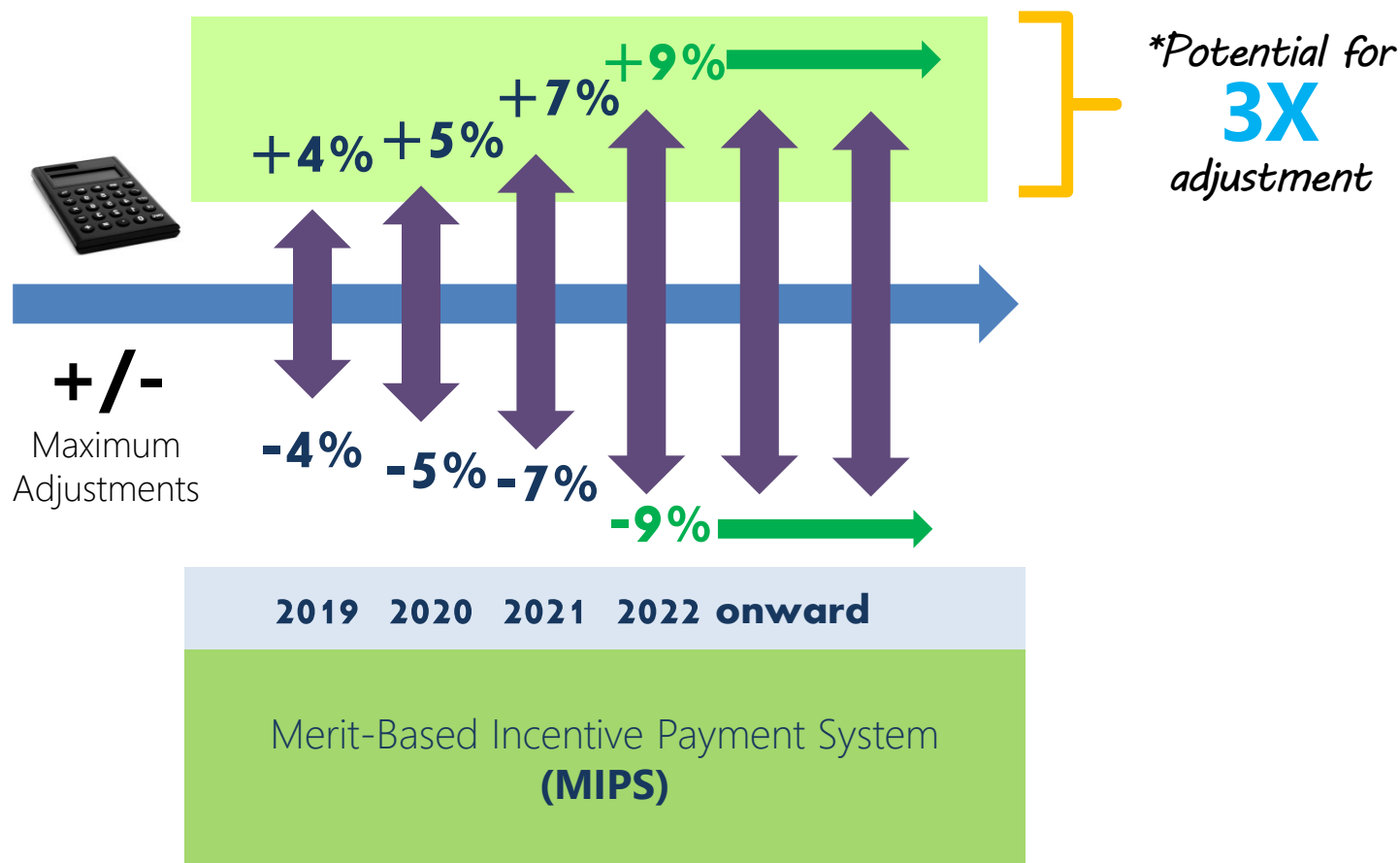
How much can MIPS adjust payments?

Based on a composite performance score, clinicians will receive **+/- or neutral** adjustments up to the percentages below.



How much can MIPS adjust payments?

Note: MIPS will be a **budget-neutral** program. Total upward and downward adjustments will be balanced so that the average change is 0%.



What will determine my MIPS score?

The MIPS composite performance **score** will factor in performance in **4 weighted categories**:



Quality



Resource
use



Clinical
practice
improvement
activities



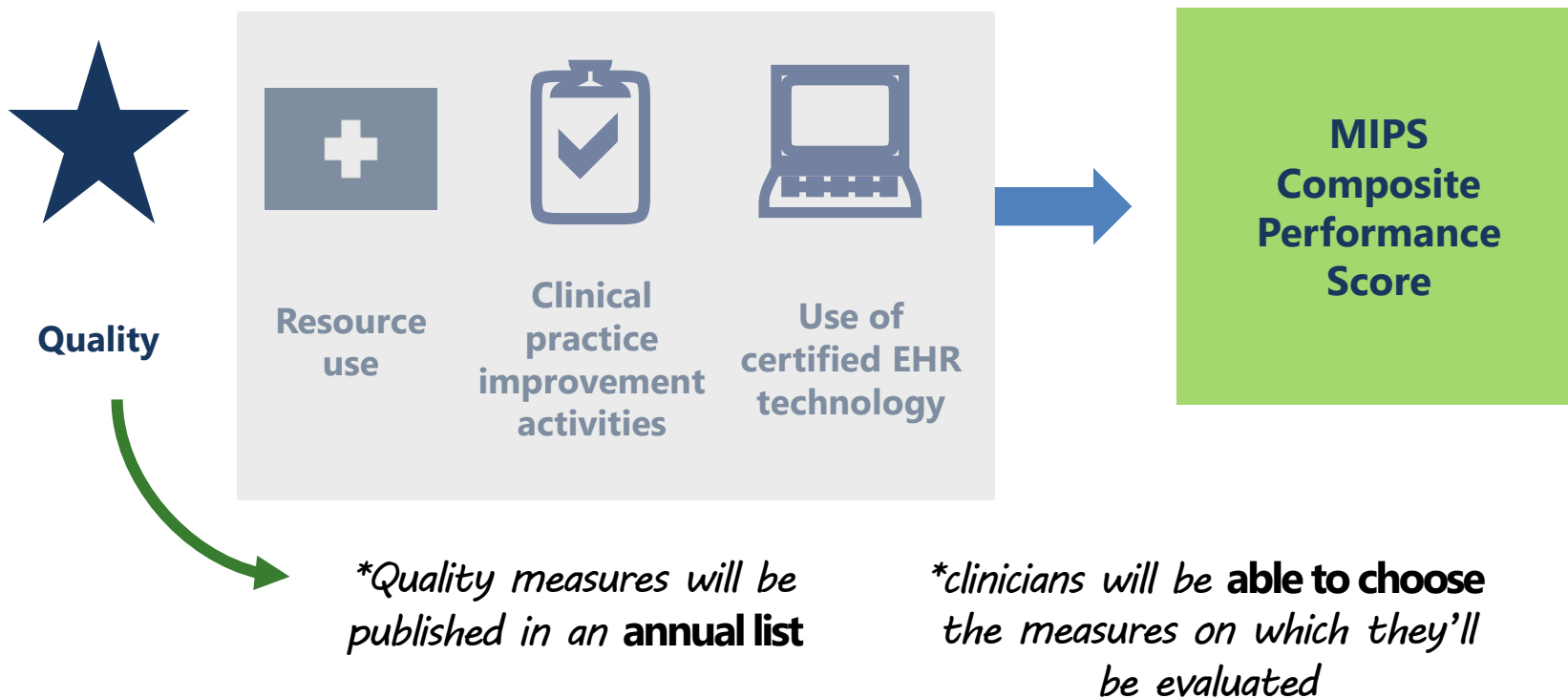
Use of
certified EHR
technology



MIPS
Composite
Performance
Score

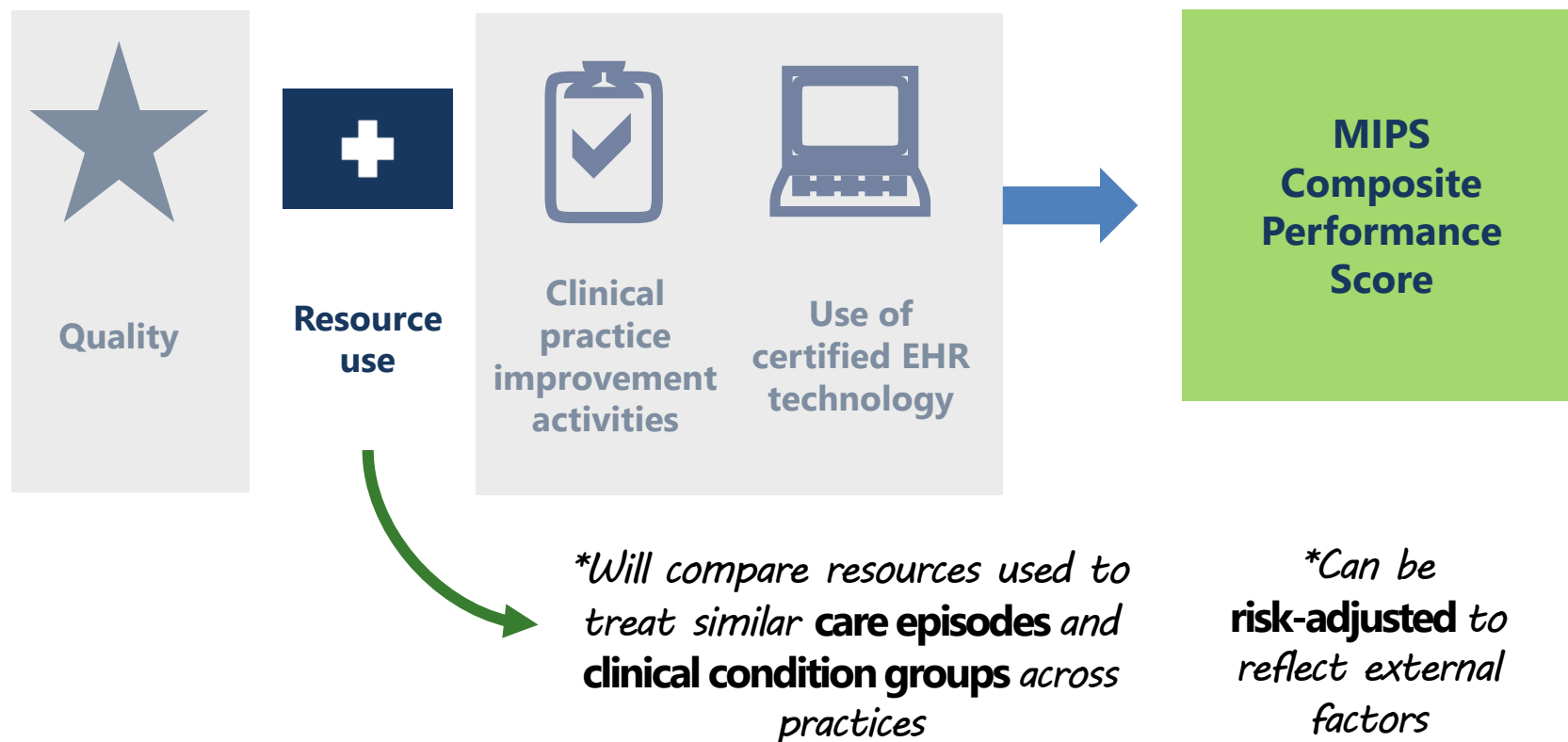
What will determine my MIPS score?

The MIPS composite performance **score** will factor in performance in **4 weighted categories**:



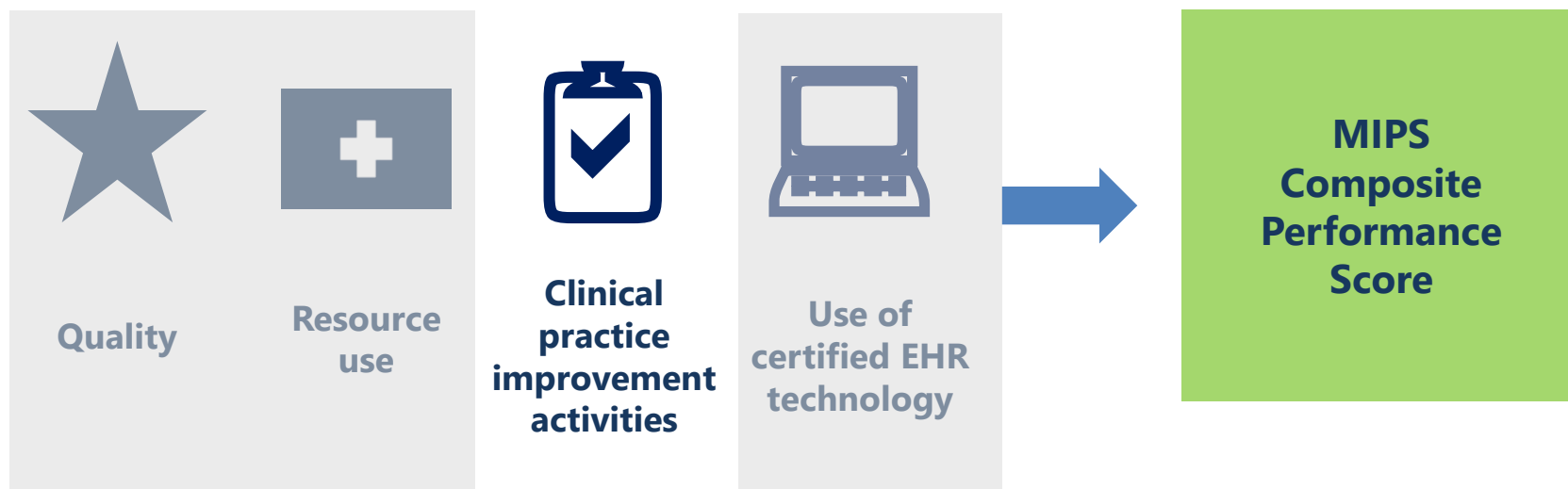
What will determine my MIPS score?

The MIPS composite performance **score** will factor in performance in **4 weighted categories**:



What will determine my MIPS score?

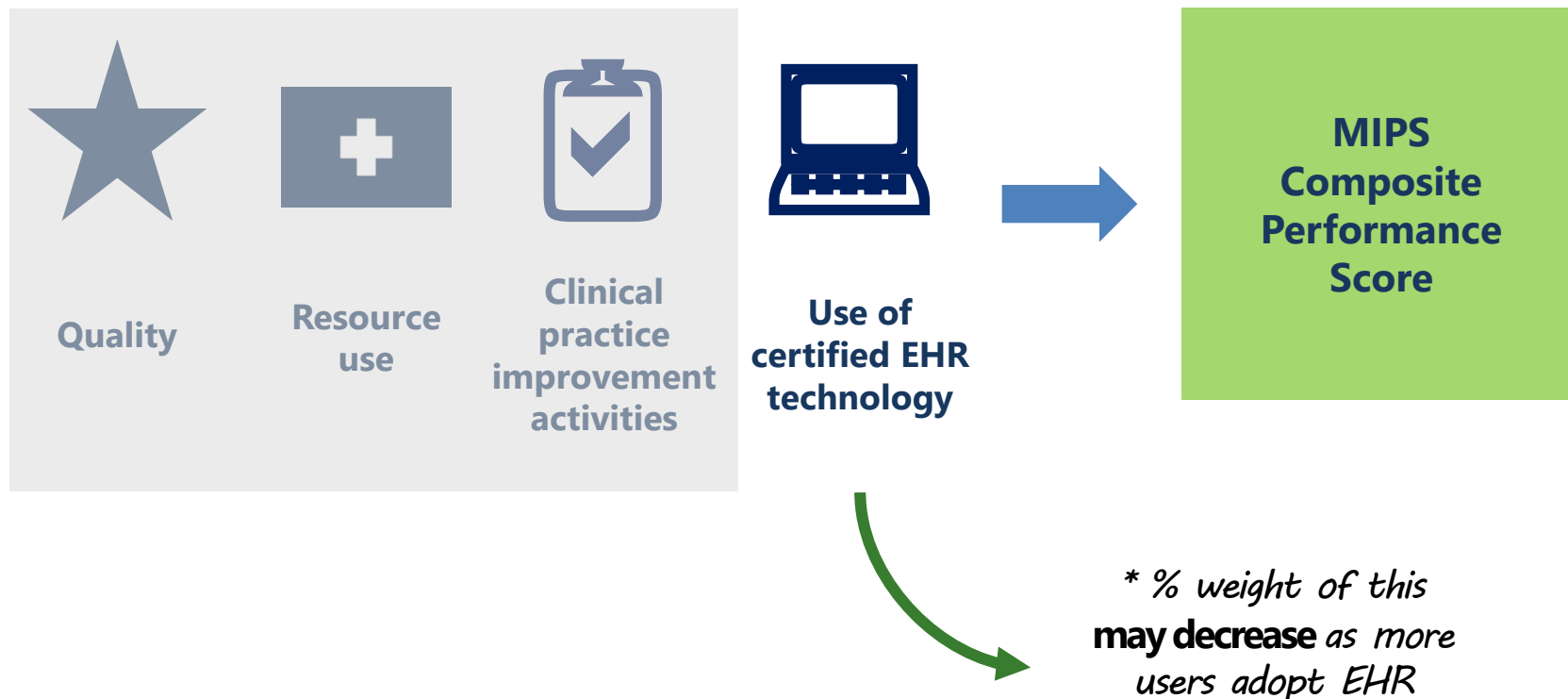
The MIPS composite performance **score** will factor in performance in **4 weighted categories**:



**Examples include care coordination, shared decision-making, safety checklists, expanding practice access*

What will determine my MIPS score?

The MIPS composite performance **score** will factor in performance in **4 weighted categories**:





What is a Medicare Alternative Payment Model (APM)?

APMs are **new approaches to paying** for medical care through Medicare that **incentivize quality and value**.

As defined by
MACRA,
APMs
include:

- ✓ **CMS Innovation Center model**
(under section 1115A, other than a Health Care Innovation Award)
- ✓ **MSSP** (Medicare Shared Savings Program)
- ✓ **Demonstration** under the Health Care Quality Demonstration Program
- ✓ **Demonstration** required by federal law

“Eligible” APMs are the most advanced APMs.



As defined by MACRA, eligible APMs **must meet the following criteria:**

- ✓ **Base payment on quality** measures comparable to those in MIPS
- ✓ Require use of certified **EHR** technology
- ✓ Either **(1)** bear more than nominal **financial risk** for monetary losses **OR (2)** be a **medical home model** expanded under CMMI authority



MACRA provides additional rewards for participating in APMs.



Potential financial rewards

Not in APM

In APM

In eligible APM



MACRA provides **additional** rewards for participating in **APMs**.



Potential financial rewards

Not in APM

In APM

In **eligible APM**

MIPS adjustments



MACRA provides **additional** rewards for participating in **APMs**.



Potential financial rewards

Not in APM

MIPS adjustments

In APM

MIPS adjustments

+

APM-specific
rewards

In **eligible** APM

APM participation =
favorable scoring in
certain MIPS categories

MACRA provides **additional** rewards for participating in **APMs**.



Potential financial rewards

Not in APM

MIPS adjustments

In APM

MIPS adjustments

+

APM-specific
rewards

In **eligible** APM

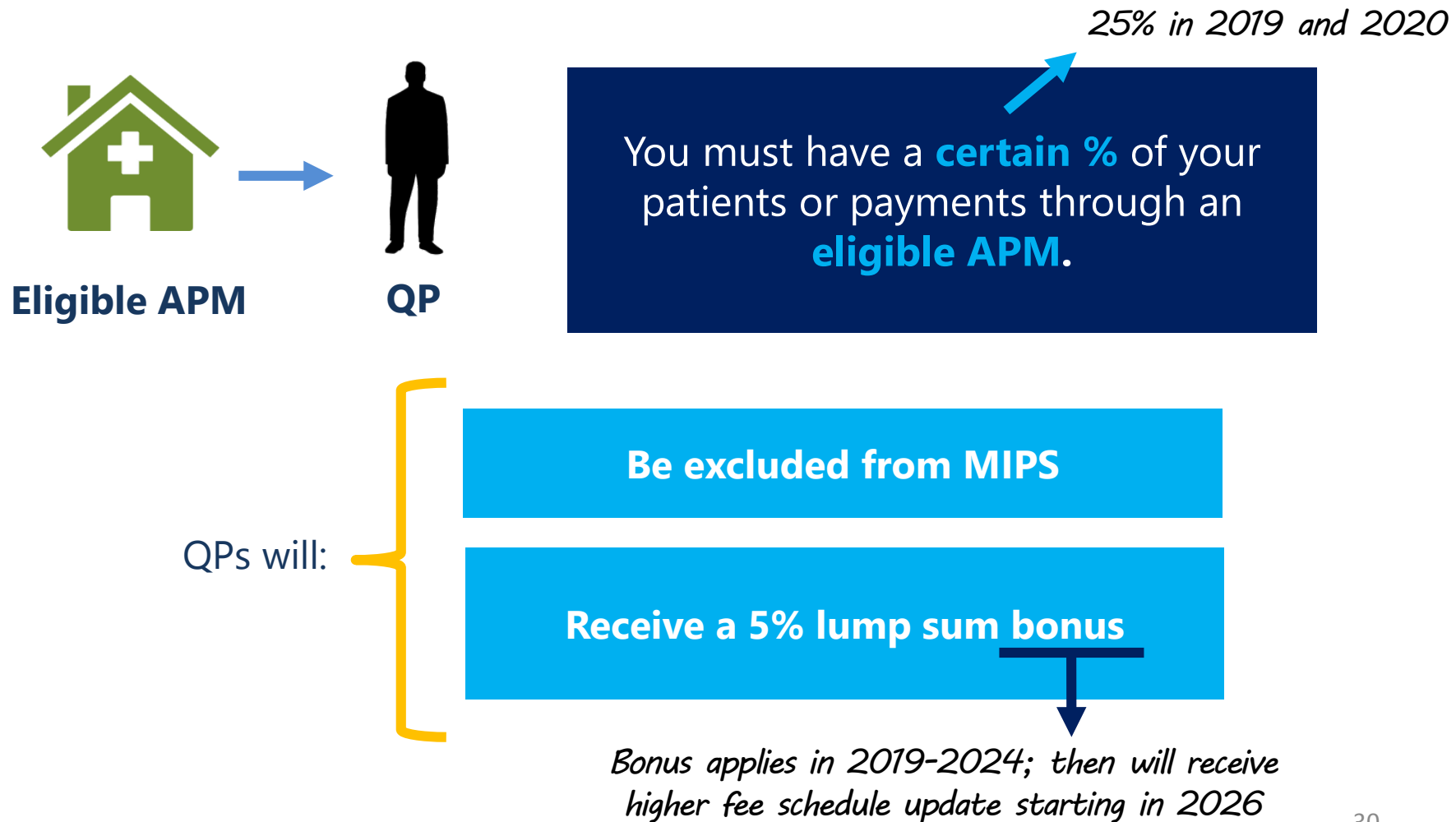
APM-specific
rewards

+

**5% lump sum
bonus**

If you are a
**qualifying APM
participant (QP)**

How do I become a **qualifying APM** participant [QP]?



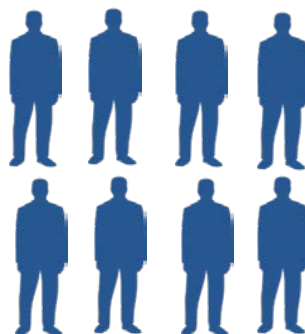
Note: Most practitioners will be subject to MIPS.

Subject to MIPS

Not in APM



In non-eligible APM



In eligible APM, but not a QP



QP in eligible APM



Some people may be in eligible APMs and but not have enough payments or patients through the eligible APM to be a QP.

TAKE-AWAY POINTS

- 1) MACRA **changes the way Medicare pays clinicians** and offers financial **incentives** for providing high **value** care.
- 2) Medicare **Part B clinicians** will participate in the **MIPS** program, unless they are in their 1st year of Part B participation, meet criteria for participation in certain **APMs**, or have a low volume of patients.
- 3) Payment adjustments and bonuses will begin in **2019**.
- 4) A **proposed rule** is targeted for spring 2016, with the **final rule** targeted for **fall 2016**.



Other than payment adjustments, what else does MACRA change?



MACRA supports care delivery and promotes innovation.

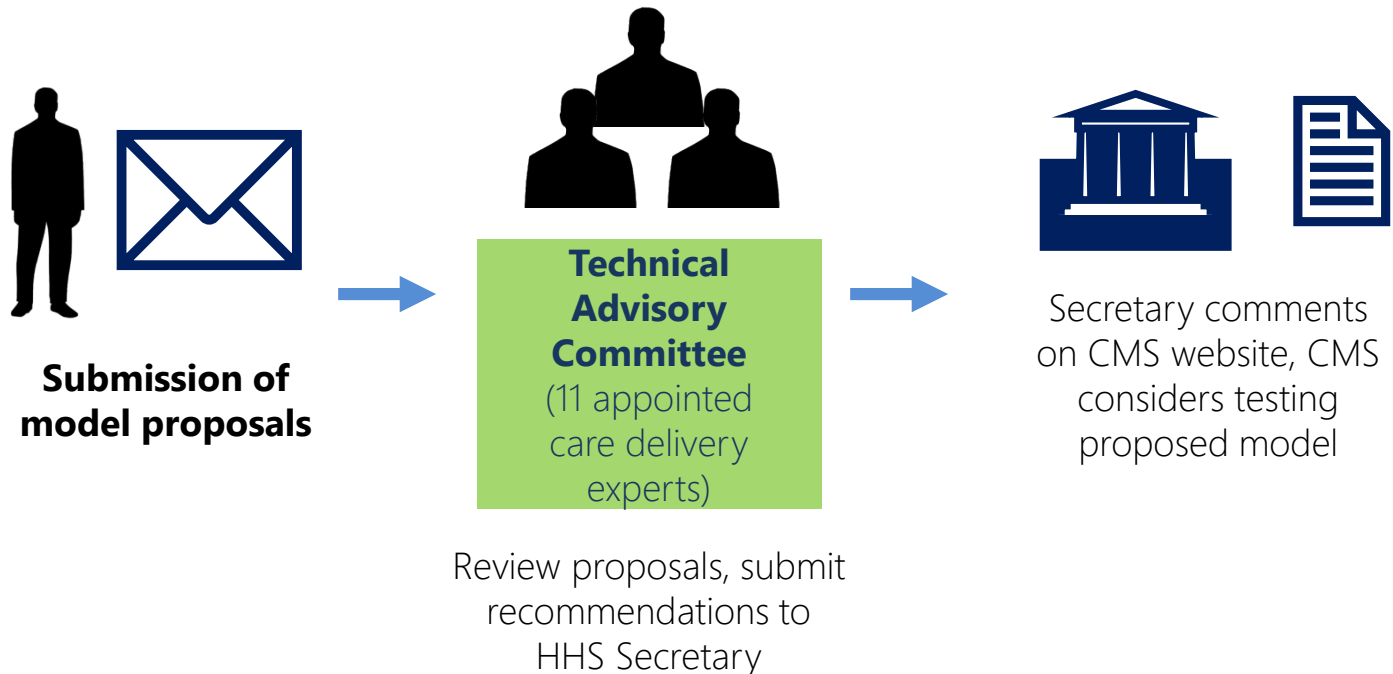
Several examples:

- 1 Allocates **\$20 million / yr.** from 2016-2020 to **small practices** to provide **technical assistance** regarding MIPS performance criteria or transitioning to an APM.
- 2 Creates an advisory committee to help promote development of **Physician-Focused Payment Models**

Independent PFPM Technical Advisory Committee

PFPM = Physician-Focused Payment Model

Encourage new **APM options** for Medicare physicians and practitioners.

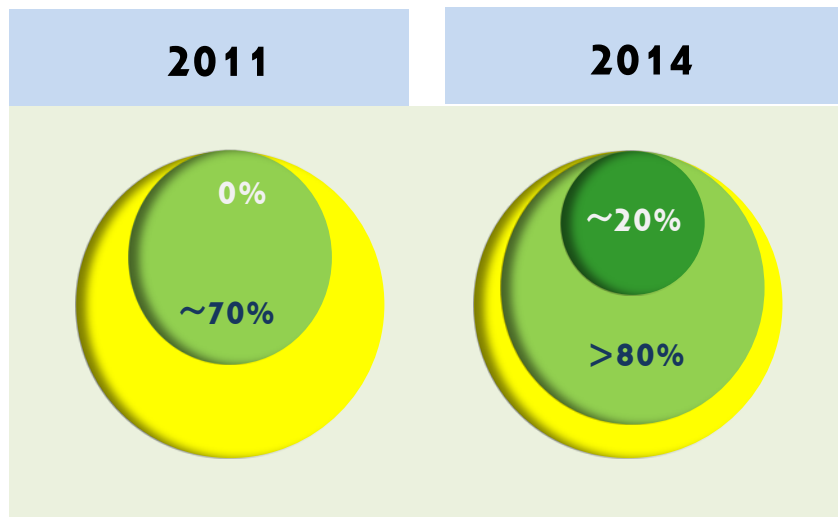


A hand holding a black Nikon D70 camera. The camera is the central focus, with its lens and various controls visible. The background is a blurred interior space with large, light-colored arches, suggesting a church or a grand hall. A semi-transparent light green rectangular box is overlaid on the center of the image, containing the main text.

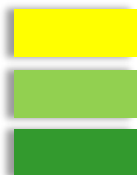
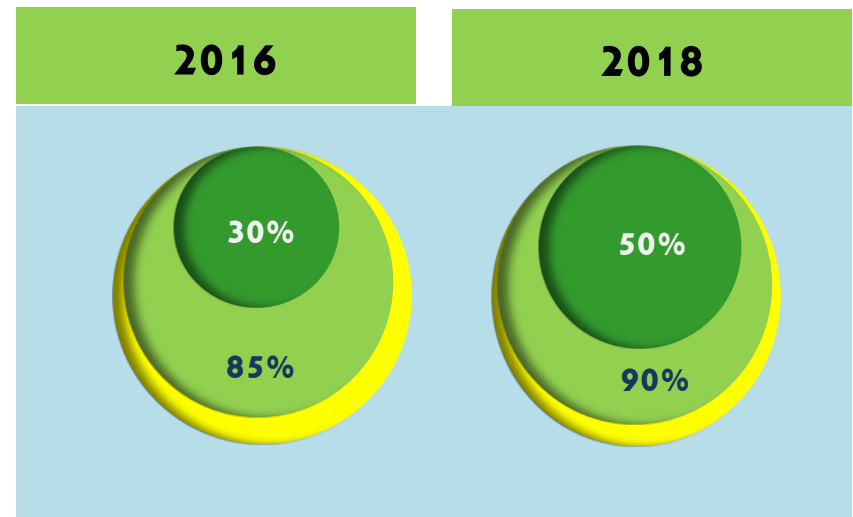
The big picture: how does *MACRA* relate to broader health care delivery system reform?

Target % of Medicare payments tied to quality or value in 2016 and 2018

Actual % (Pre-HHS Goal Announcement)



New HHS Goals:



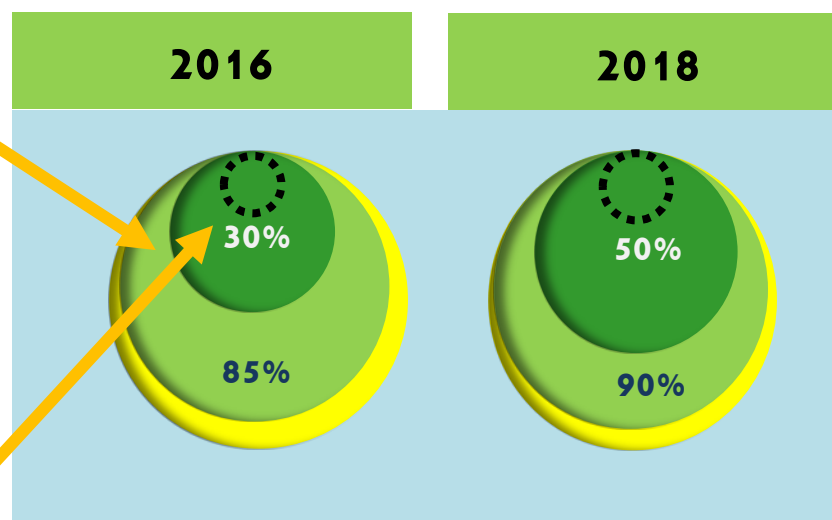
- All Medicare fee-for-service (FFS) payments (Categories 1-4)
- Medicare **FFS** payments **linked to quality and value** (Categories 2-4)
- Medicare payments linked to quality and value **via APMs** (Categories 3-4)

MACRA moves us closer to meeting these goals...

MIPS helps to link **fee-for-service payments** to quality and value.

The law also **incentivizes participation in APMs**.

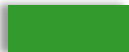
New HHS Goals:



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 those in the **most highly advanced APMs under MACRA** ("eligible APMs")



...and toward transforming our health care system.

3 goals for our health care system:

BETTER care
SMARTER spending
HEALTHIER people



We look forward to **working together** to achieve
these **shared goals**.

Contact Information

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