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How To Maximize MACRA Bonuses and Increase Your Reimbursement

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A powerful community:

Cardiovascular Professionals with Industry Knowledge and Experience Sharing Insights and Solutions

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CARDIOVASCULAR ORGANIZATIONS

PRIVATE • ACADEMIC • HOSPITAL-OWNED

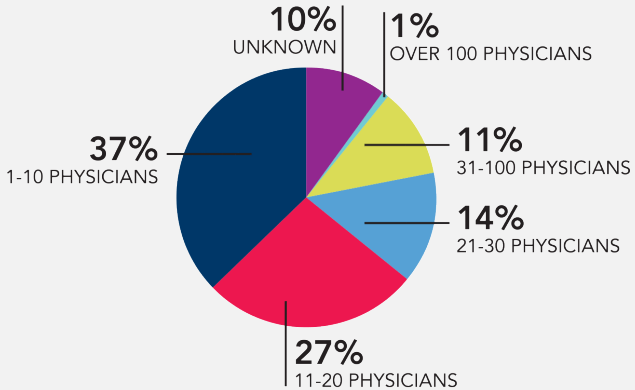
REPRESENTING

- **6,800+** PHYSICIANS
- **700+** CARDIOVASCULAR CODERS
- **3,500+** C-SUITE LEADERS
- **460+** CODING MANAGERS

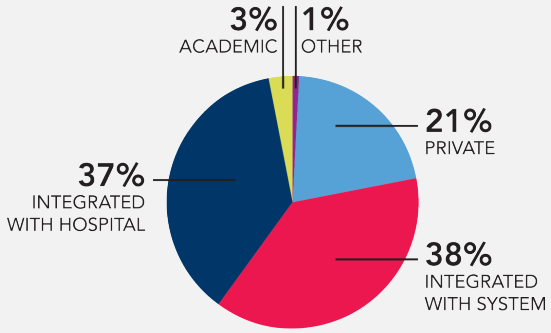
46
STATES

1,800+
LOCATIONS

MEMBERSHIP BY GROUP SIZE



MEMBERSHIP BY OWNERSHIP MODEL



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Background: Larry Sobal

Provider Experience

- Leadership of independent and employed single specialty and multi-specialty physician groups

Consulting focus: Service Line and Physician Practice Optimization, Clinical and Operational Strategy Development & Deployment, Governance Structure Design, Physician Alignment, Physician Compensation Plan Design, Value Stream Facilitation

Hospital Experience

- Hospital Executive
- Insurance CEO
- Heart Institute CEO
- Service Line VP
- VP Care Transformation
- Small, regional and national health system roles
- Trained LEAN and Value Stream facilitator

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What I'll Cover Today

- Overview of MACRA, QPP, MIPS, APMs
- Is MACRA a Hospital or Physician program?
- Reporting Options, Pick Your Pace and Timelines
- Basics of MIPS, Categories, Composite Score
- Reimbursement Impact - Optimizing Your Bonus Opportunities
- Preparing For 2018 and Beyond
- Questions

Audience Question #1

My organization is a:

A. Hospital/Health System
B. Independent Physician Practice
C. Other

Audience Question #2

Is your organization participating in MACRA this year?

A. Yes

B. No

C. Not Sure

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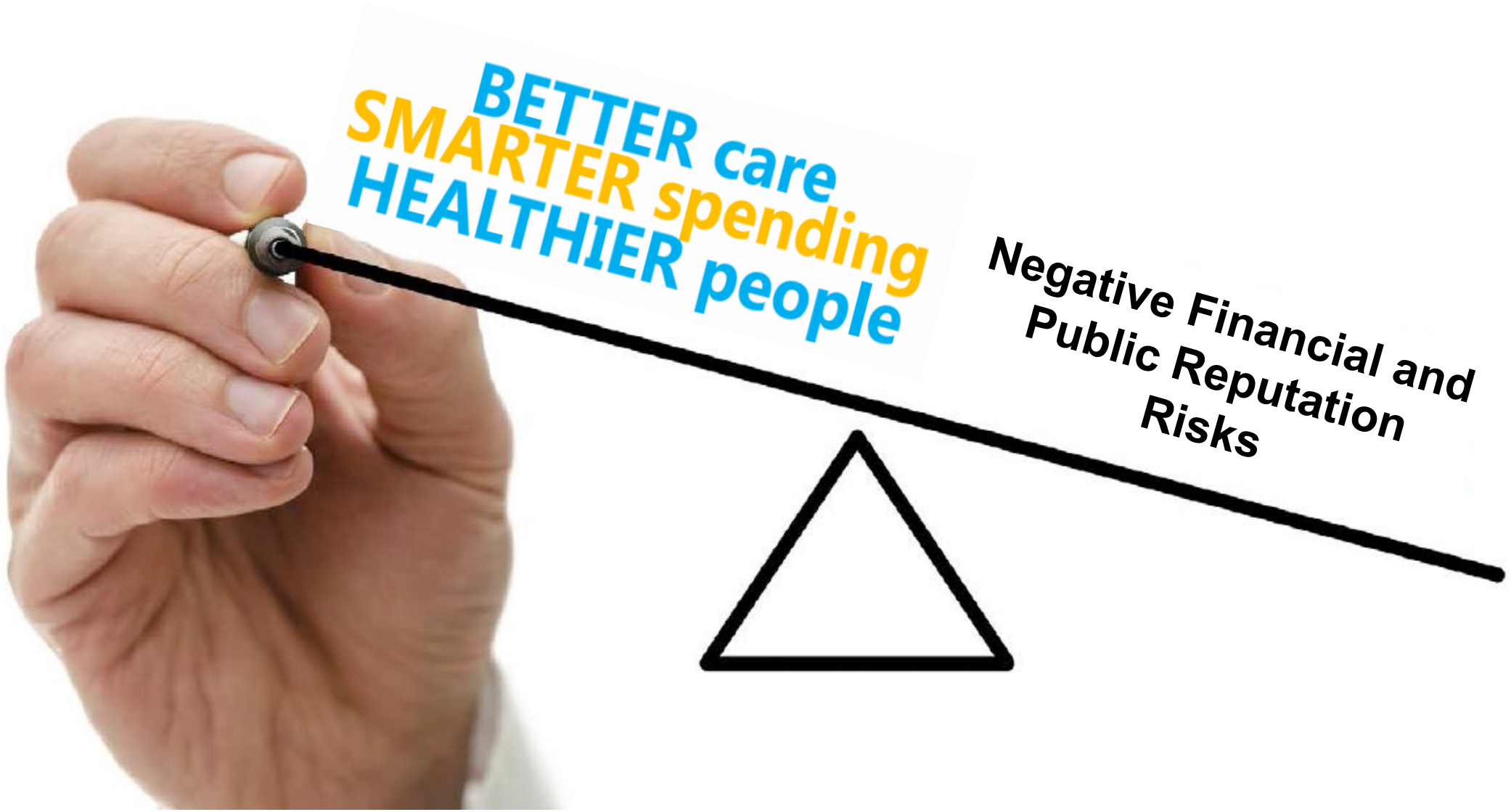
What's At Stake With MACRA?



Quality Payment Program Overview

- The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) **ended the Sustainable Growth Rate formula**, which threatened clinicians participating in Medicare with potential payment cliffs
- The Quality Payment Program (QPP) establishes a new framework for **rewarding health care providers for the quality** of services delivered to patients instead of just the quantity

MIPS

Combines multiple Medicare reporting programs into one performance-based payment program for Medicare clinicians and groups, who may receive a positive or negative payment adjustment.

Advanced Alternative Payment Models

Clinicians and groups participating sufficiently in models under CMS's definition of an Advanced Alternative Payment Model are exempt from MIPS and earn a 5% bonus.

What is the Merit-Based Incentive Payment System (MIPS)?

- PQRS
- Medicare EHR Incentive Program
- Value-Based Payment Modifier

▶

MIPS	
Quality	Advancing Care Information
Improvement Activities	Cost

Who Qualifies For MIPS?

A “Provider” is eligible for MIPS if:

1. They bill more than $30,000 per year in Medicare Part B allowed charges, AND;
2. Provide care to more than 100 Part B enrolled Medicare patients per year AND;
3. They are a physician, physician assistant, nurse practitioner, clinical nurse specialist or certified registered nurse anesthetist

Who Qualifies For AMPs?

- Clinician must be identified on the "Participation List" of an "Advanced APM" as of March 31, June 30, or August 31 of the “QP Performance Period” (i.e., 2017)
  - Advanced APMS must satisfy certain criteria. Under the final rule’s criteria, the following current APMs would be "Advanced APMS“ (subject to CMS’s official announcement prior to January 1, 2017):

1. Medicare Shared Savings Program, Tracks 2 and 3 only;
2. Next Generation ACO Model;
3. Oncology Care Model, 2-sided risk arrangement only;
4. Comprehensive Primary Care Plus Program; and
5. Comprehensive ESRD Program, LDO arrangement only

MACRA and Hospitals/Systems

- What affects physicians affects hospitals. Hospitals now employ at least 250,000 physicians and contract with another 300,000
- Medicare Part B payments under MACRA will not keep up with inflation and you (hospital) are tied to the success of physicians
- MACRA will pose another reason for physicians to consolidate, and hospitals/systems typically play the role of consolidators
- Hospitals/Systems can support physicians with MACRA through a Business Processing Outsource (BPO) or Managed Service Organization (MSO) which can consolidate and aggregate MACRA data reporting functions for physicians

More MACRA and Hospitals/Systems

CMS has communicated that it intends to try and incent physicians to move into Alternative Payment Models (APMs) and hospitals/system are the likely vehicle to create the APM

A study in the April issue of Health Affairs predicted hospital revenues could be reduced as much as $250 million by 2030 depending on the strength of incentives in APM's for physicians to reduce hospital spending

The American Hospital Association has information to educate hospitals about MACRA which can be found on their website www.aha.org/MACRA

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How Will You Report?

	Individual	Group
Quality	✓ QCDR *(Qualified Clinical Data Registry)* ✓ Qualified Registry ✓ EHR ✓ Claims	✓ QCDR *(Qualified Clinical Data Registry)* ✓ Qualified Registry ✓ EHR ✓ Administrative Claims ✓ CMS Web Interface (groups of 25 or more) ✓ CAHPS for MIPS Survey
Advancing Care Information	✓ Attestation ✓ QCDR ✓ Qualified Registry ✓ EHR Vendor	✓ Attestation ✓ QCDR ✓ Qualified Registry ✓ EHR Vendor ✓ CMS Web Interface (groups of 25 or more)
Improvement Activities	✓ Attestation ✓ QCDR ✓ Qualified Registry ✓ EHR Vendor	✓ Attestation ✓ QCDR ✓ Qualified Registry ✓ EHR Vendor

CMS

HOW TO PICK YOUR PACE

Test the Quality Payment Program

Report a minimum amount of data in at least one MIPS category: one quality measure, one improvement activity, or all five base Advancing Care Information measures

Avoid a 4% payment penalty in 2019

Participate for part of the calendar year

Submit MIPS data across all categories for at least 90 days, which can begin anytime between Jan. 1 and Oct. 2, 2017

Potential for a performance-based bonus in 2019

Participate for the full calendar year

Submit data across all MIPS categories covering the full year reporting period, starting Jan. 1, 2017. Your EHR or registry vendors may be able to help you pull data for the entire year even if you haven't done anything yet

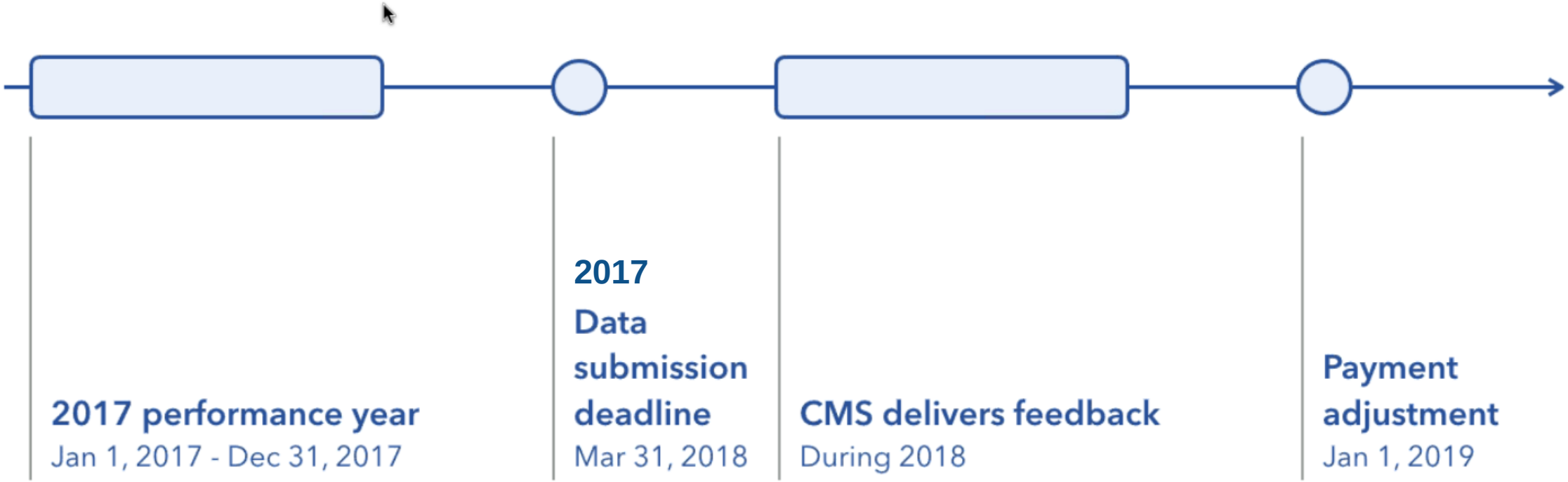
Potential for a performance-based bonus in 2019 with more bonus points opportunities based on MIPS score

	Quality		Advancing Care Information		Improvement Activities	Cost
Do Not Participate **-4% payment adjustment**	**0** *measures*		**0** *measures*		**0** *activities*	**n/a** *(auto-calculated)*
Submit Something **Avoid the 4% penalty**	**1** *measure*	**OR**	**5** *measures*	**OR**	**1** *activity*	**n/a** *(auto-calculated)*
Submit at least 90 days **Avoid penalty, potentially get small incentive**	**1** *measure*	*AND*	**5** *measures*	*AND*	**1** *activity*	**n/a** *(auto-calculated)*
Submit a Full Year **Earn a positive adjustment**	**6** *measures*	*AND*	**5** *measures*	*AND*	**4** *activities*	**n/a** *(auto-calculated)*

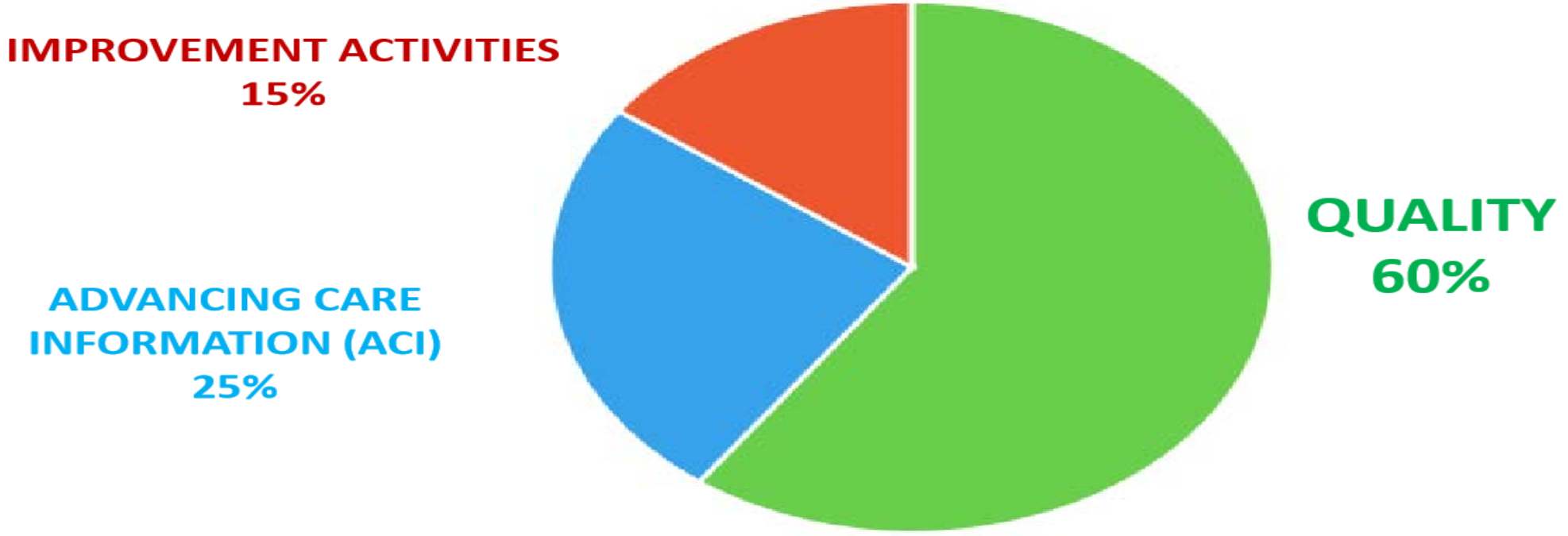
Three common strategies for 2017

- ✓ Avoid the negative adjustment with minimal time and cost
- ✓ Do your best this year to gain an understanding of performance before 2018
- A Go for gold

What dates do I need to know?



Year 1 Performance Category Weights for MIPS



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Composite Performance Score

$$\left(\left[\frac{\text{\# Quality points}}{60}\right] \times 60\% + \left[\frac{\text{\# ACI points}}{100}\right] \times 25\% + \left[\frac{\text{\# IA points}}{40}\right] \times 15\% \right) \times 100 = \text{CPS}$$

✓ **3+** points avoid the negative payment adjustment

70+ points gain access to $500 million bonus pool for exceptional performers

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A Zero Sum Game (+$5 million)

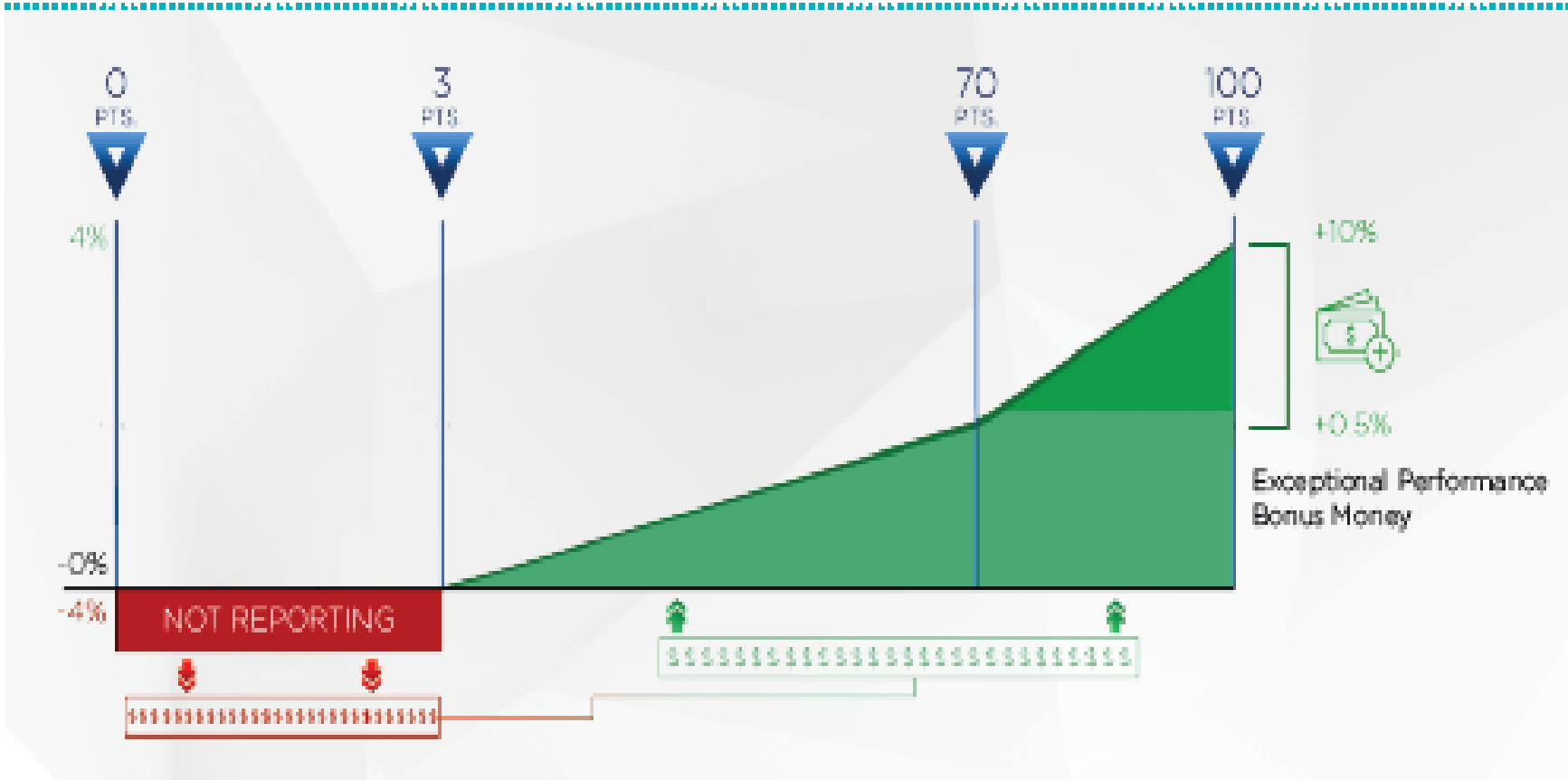
0-3 Points – By not participating you will automatically have -4% reduced from your 2019 Medicare Fee Schedule

3 Points – By reporting anything and getting 3 points you will avoid a decrease but are not guaranteed an increase

3-100 Points – CMS will take the funds of those who did participate and distribute them to those that did. A greater than 3 gets you some of those funds up to 4%

70 Points – You are eligible for the Exceptional Performance bonus money ($500 million)

The clinicians who do not report (in red) will feed the incentive money for those who do report (in green).



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MIPS vs APM Payments

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Anticipated annual baseline payment increases:									
.5%	.5%	.5%	.5%	.5%	0%	0%	0%	0%	0%
Current quality programs remain in place (PQRS, MU, VBPM). Penalties up to:									
-3.5%	-6%	-9%	TBD						
MIPS: Adjustments made based on performance.									
Baseline Payment Adjustments:				(-/+)4%	(-/+)5%	(-/+)7%	(-/+)9%	(-/+)9%	(-/+)9%
Maximum Payment Adjustments for High Performers:				+12%	+15%	+21%	+27%	+27%	+27%
APMs: 5% Annual bonus paid in lump sums.									

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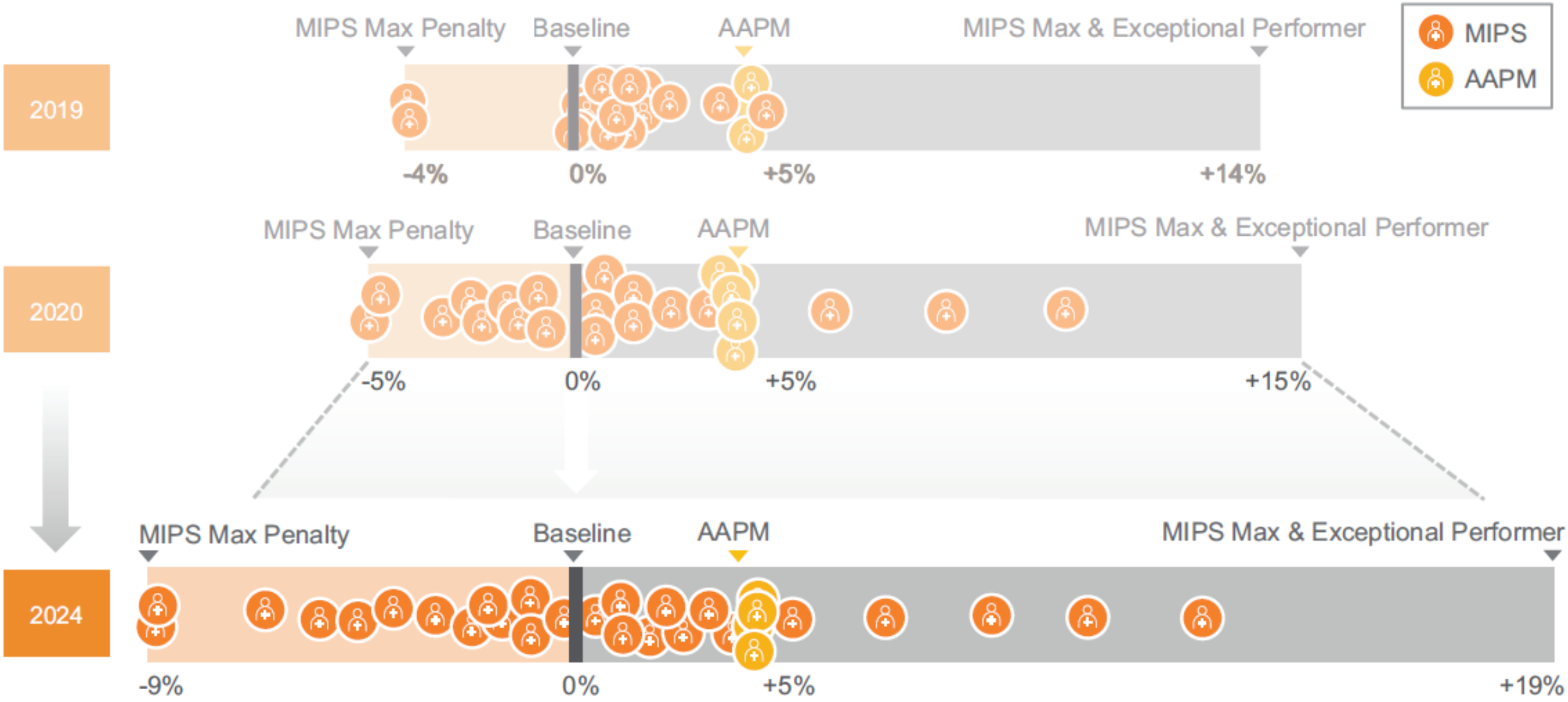
Predicted Reimbursement



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Payment Simulation Over Time

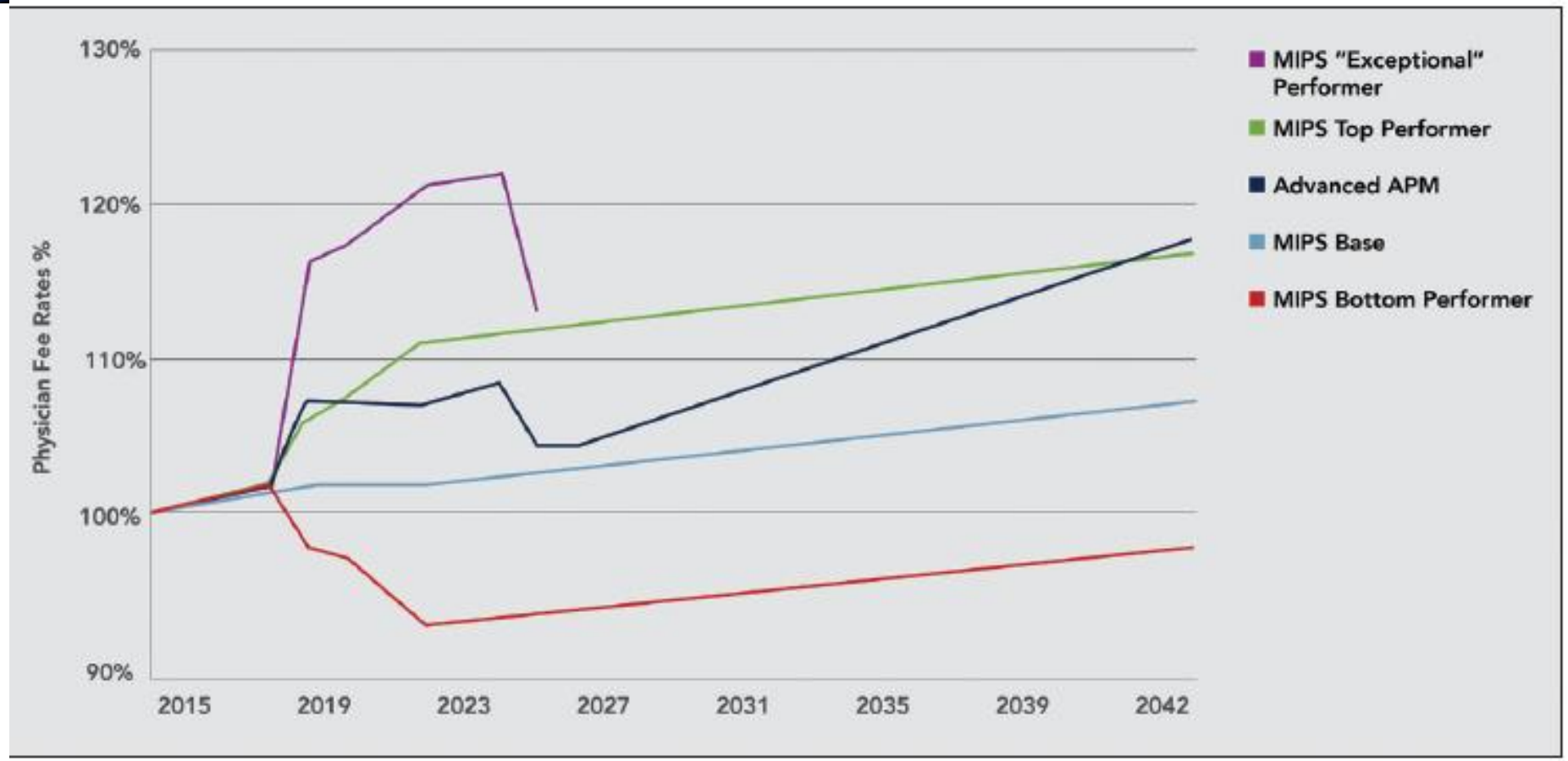

Figure 2. Graph representing potential earnings for MIPS participants as compared with APM participants over time. Reproduced with permission from Patel K, Adler L, Darling M, et al. How the money flows under MACRA. http://healthpolicy.usc.edu/How_the_Money_Flows_Under_MACRA.aspx. Accessed November 26, 2016.

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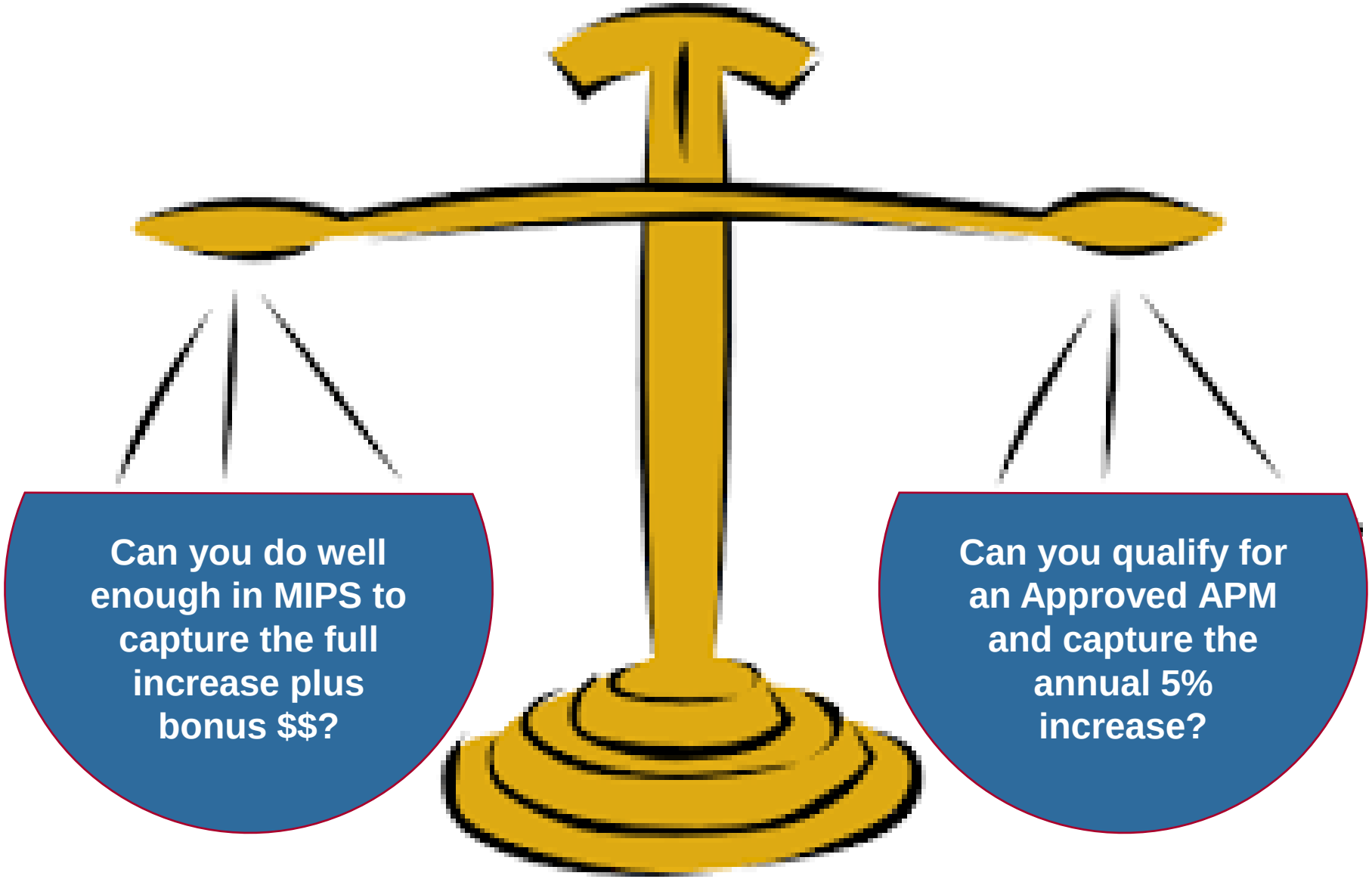
Weighing Your Options



Proposed Rules for 2018 - MIPS

- The Cost category to be weighted again at 0.
- Minimal threshold to be raised to $90,000 in Medicare Part B allowed charges and /or less than or equal to 200 Part B patients
- Virtual Groups allowed to report to MIPS
- Continued recognition of qualified clinical data registries to report MIPS data to CMS
- Implementation of facility based measures (Facilities assessed based on performance).

Advanced APM's 2017 & Future

2017	FUTURE PROPOSED MODELS
ACO Models: • MSSP Tracks 2 & 3 • Next Generation ACO Model • Comprehensive ESRD Care (CEC) (LDO & non-LDO 2-sided risk arrangements) **Episodes of Care Models:** • Oncology Care Model (OCM) (2-sided risk arrangement) • Chronic Care for Joint Replacement (CJR) (Track 1) **PCMH Models:** • Comprehensive Primary Care Plus (CPC+)	**ACO Models:** • ACO Track 1+ • Medicare-Medicaid ACO • Vermont Medicare ACO Initiative **Episodes of Care Models:** • Advancing Care Coordination through Episode Payment Models (Track 1) **Other Models:** • Maryland All-Payer Model

MACRA Changes Are Ahead?

- There has been some talk in Congress about additional changes to APMs beyond 2018, and those will likely be things that make APM participation easier for a broader group of clinicians.
- There is growing pressure from various physician societies calling for very broad exemption from 2018 Meaningful Use, Physician Quality Reporting System (PQRS), and value-based payment modifier (VBM) penalties due to the administrative burden of reporting under these programs in addition to MACRA.
- By 2026, the physician fee schedule theoretically bifurcates between MIPS and APMs making Advanced APMs increasingly more lucrative

But Wait….

MIPS Takes a Beating at MedPAC

— Medicare advisory panel says it needs to go

by Shannon Firth, Washington Correspondent, MedPage Today
October 05, 2017

WASHINGTON -- Health policy experts sometimes battle for consensus over payment issues, but when it comes to the new way of paying most doctors under Medicare, one group reached near-unanimous agreement: Scrap it.

The Merit-based Incentive Payment System (MIPS) should be spiked, virtually all members of the Medicare Payment Advisory Commission (MedPAC) said during a meeting on Thursday morning.

- Don’t just get your MACRA done…
- Get your MACRA won!

(at least in 2017…)

Thank You!

Questions?

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