The Physicians Advocacy Institute’s Medicare Quality Payment Program (QPP)
Physician Education Initiative

2020 Merit-Based Incentive Payment System (MIPS) Overview
MEDICARE QPP PHYSICIAN EDUCATION INITIATIVE

Merit-Based Incentive Payment System (MIPS) Overview

2020 is the fourth year of the MACRA Quality Payment Program (QPP) under which physicians may choose to participate in an Advanced Alternative Payment Model (APM) or submit data to the Merit-Based Incentive Payment System (MIPS).

MIPS consolidates and sunsets the previous quality reporting programs by the Centers for Medicare and Medicaid Services (CMS), including the Physician Quality Reporting System (PQRS), Value-based Payment Modifier (VM), and the Electronic Health Records (EHR) Incentive program (Meaningful Use), into one program. In 2020, MIPS has four weighted performance categories: quality (45%), based on PQRS; cost (15%), based on VM; promoting interoperability (PI) (25%), previously advancing care information (ACI); and improvement activities (15%).

Physicians’ total combined scores (final score) in all four categories will determine whether they receive a positive, neutral, or negative adjustment of their Medicare Part B payments. There is a two-year gap between the participation year and the payment adjustment year, so 2020 participation and performance will be used to assess the 2022 payment adjustment.
Who participates in MIPS

CMS has identified a list of “eligible clinicians (ECs)” who are subject to participation in the QPP; these include:

Physicians    Physician Assistants    Osteopathic Practitioners    Chiropractors    Nurse Practitioners
Clinical Nurse Specialists    Certified Registered Nurse Anesthetists    Physical & Occupational Therapists    Qualified Speech-Language Pathologists    Qualified Audiologists
Clinical Psychologists    Registered Dietitians or Nutrition Professionals

Additionally, CMS has defined a list of ECs who may be exempt from MIPS participation.

Exempt from MIPS

- Newly-enrolled Medicare physicians who enroll in Medicare for the first time during the performance year
- Physicians below the low-volume threshold. Physicians who either:
  - Have Medicare Part B allowed charges ≤ $90,000, OR
  - Provide care to 200 or fewer Medicare Part B patients, OR
  - Provide fewer than 200 professional services under the Physician Fee Schedule
- Physicians participating in Advanced APMs

If you exceed one or more of the low-volume threshold criteria, you have the opportunity to opt-in to MIPS and report MIPS data to be eligible to receive a positive payment adjustment. You must make the election to opt-in in the QPP portal.
Use the CMS lookup tool to determine if you are exempt from MIPS participation due to the low-volume threshold. To use the tool, you will need to know your 10-digit national provider identification (NPI) number. Learn more about MIPS eligibility on the CMS QPP website.

2020 Performance Periods

CMS has maintained the 2020 performance periods for each of the MIPS categories.

Note: Physicians and other clinicians who do not begin reporting for the quality category on January 1, 2020, do not automatically receive 0% score for that category; they may still be eligible to receive quality category points if they are able to meet the data completeness criteria. Please see the Quality Category Overview and the MIPS Scoring Overview available on PAI’s MIPS Pathway page.

Physicians and other ECs can participate either as individuals, as a group, or as part of a Virtual Group, but they must participate the same way across all four categories.
Individual Reporting
If you are electing to report as an individual, no registration is required, and payment adjustments will be based on your individual performance across the MIPS categories.

Group Reporting
If you are reporting as a group, payment adjustments will be based on group performance. Group registration is required only if you elect to report data via the CMS Web Interface and/or if you report the Consumer Assessment of Healthcare Providers and Systems (CAHPS) for MIPS survey measure. The registration deadline for these reporting options is June 30, 2020. If your group or Virtual Group reported through the CMS Web Interface for 2019 performance year, then you are automatically registered for the 2020 performance year.

The CMS Web Interface is only an option for groups with 25 or more eligible clinicians. The CAHPS for MIPS survey is only an option for groups with 2 or more eligible clinicians. Per CMS, the survey is not appropriate for practices that do not provide primary care services.

Virtual Group Reporting¹

Virtual Groups represent a separate participation option made effective in 2018. Virtual Groups are defined as a combination of 2 or more TINs assigned to 1 or more solo practitioners or 1 or more groups consisting of 10 or fewer clinicians. Physicians and other ECs can elect to form a Virtual Group regardless of their geographic location or specialty, and there are no limits on the number of solo practitioners and groups that can come together to form a Virtual Group.

Unlike the group participation option which is limited to physicians under the same TIN/practice, the Virtual Group participation option allows multiple solo practitioners and small practices to come together “virtually” with each other to participate. Similar to group participation, Virtual Group participants will have their performance assessed collectively as a group in all four MIPS categories.

Participation Must be the Same Across All MIPS Categories.

Additionally, all physicians and other eligible clinicians in a practice must participate the same way—either individually, as a group, or as part of a Virtual Group. The practice cannot split the physicians so that some physicians are participating individually while others are participating as a group or as part of a Virtual Group, or while some physicians are participating as a group and

¹ Virtual Group election must be made prior to the beginning of the performance period; therefore, physicians and other clinicians must have elected to form a Virtual Group by the December 31, 2019 deadline for 2020 MIPS participation.
others are participating as part of a Virtual Group. For example, in a practice of 10 physicians all under the same TIN, the practice has the following participation options.

The exception to this is when a group practice has some ECs who are participating in an APM Entity under a MIPS APM and/or an Advanced APM, and others as part of the Virtual Group.

In the case where some ECs are participating in a MIPS APM, the scores and related payment adjustments for ECs will be tied to the APM Entity’s performance in the MIPS APM, and the other ECs in the practice would have their scores and related payment adjustments tied to the Virtual Group’s participation in MIPS.

- For example, in a practice of 10 physicians all under the same TIN, 5 of the physicians may participate as part of a Medicare Shared Shavings Program Level A Accountable Care Organization (ACO), while the other 5 may only participate as part of a Virtual Group with other ECs and practices. The 5 in the ACO will have their performance assessed under the Virtual Group and the ACO (i.e., the MIPS APM), however, their scores and payments will be tied to the ACO’s performance; and the 5 participating only in the Virtual Group will have their scores and payments tied to the Virtual Group’s performance.

Similarly, in the case where some ECs are participating in an Advanced APM, the scores and related payment adjustments for ECs will be tied to the APM Entity’s performance in the Advanced APM. If the EC achieves a Qualifying APM Participant (QP) status, they will be assessed under MIPS as part of the Virtual Group but will be excluded from the MIPS payment adjustment and eligible for the 5% Advanced APM incentive payment. If the EC achieves Partial QP (PQ) status, they will be
excluded from the MIPS payment adjustment unless the EC elects to report under MIPS by agreeing to participate in a Virtual Group prior to the start of the performance year.

**Data can be submitted using various reporting mechanisms**

There are generally five submission type options via which physicians can submit their MIPS data: Medicare Part B claims, CMS Web Interface, Log-In and Attest, Log-In and Upload, and Direct.

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**Medicare Part B claims**
- Quality measures are reported through routine billing processes
- Only available to small practices (15 or fewer ECs)

**Direct**
- Third-party intermediaries transmit data through a computer-to-computer interaction (e.g., an API)
- Third-party intermediaries include qualified clinical data registries (QCDRs), qualified registries, and EHR vendors

**CMS Web Interface**
- Web-based application with a required set of measures
- Only available to groups of 25 or more clinicians

**Log-In and Attest**
- Participants can log-in and manually attest to data submission
- Available to individual physicians and those in groups, as well as third-party intermediaries

**Log-In and Upload**
- Participants can login and upload data in an approved format on qpp.cms.gov
- Available to individual physicians and those in groups, as well as third-party intermediaries

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*Practice Tip:* You can report different categories using different reporting mechanisms; you are not required to submit MIPS data using one reporting mechanism for all four categories. Additionally, you may use multiple mechanisms for submitting quality measures and improvement activities and CMS will aggregate the data for scoring purposes.

Reporting mechanisms that can be used to submit your MIPS data depend on the category and whether you participate as an individual, group, or Virtual Group.
How are MIPS scores determined?

Physicians’ MIPS scores are determined on their overall performance in each of the four MIPS categories compared to the CMS performance threshold score for a given year. Physicians will receive a score in each category, and their MIPS final score will be the sum of the weighted score of each category. For 2020, CMS set the performance threshold at 45 points. If the final score is below the threshold, physicians will receive a negative adjustment of their Medicare Part B payments; if the final score is equal to the threshold, physicians will receive no adjustment of their Medicare Part B payments; and if the final score is above the threshold, physicians will receive a positive adjustment of their Medicare Part B payments.

Additionally, continuing in 2020, CMS is offering a small practice bonus in the quality category score for practices of 15 or fewer ECs, complex patient bonus, and end-to-end reporting bonus for reporting data directly from CEHRT. Improvement scoring policies for the quality and cost (beginning in 2022) categories reward physicians for improving their overall performance in the
quality category from one year to the next and improving their performance in a cost category measure from one year to the next.

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\text{(quality score, including small practice, end-to-end reporting, and/or high-priority measure if applicable) } \times 45\% \times 100 \ + \ \text{(improvement activities score) } \times 15\% \times 100 \ + \\
\text{(PI score) } \times 25\% \times 100 \ + \ \text{(cost score) } \times 15\% \times 100 \ + \ \text{complex patient bonus (if applicable)} \times 2020 \text{ MIPS final score}
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To avoid a negative payment adjustment, the 2020 MIPS final score must be \( \geq 45 \)

Additionally, physicians whose performance meets or exceeds a final score of 85, will be eligible for an additional positive payment adjustment of their Medicare Part B payments for exceptional performance.

To learn more about scoring and payment adjustments, see PAI’s MIPS Scoring Overview and How QPP Affects Medicare Part B Payments resources.

Where can I go for more information?

Please visit PAI’s QPP Resource Center and the CMS’s QPP Resource Library for more additional information.