Navigating Medicare’s Quality Payment Program: 
MIPS Alternative Payment Models

Physicians Advocacy Institute 
MACRA Educational Series 
April 2017
About the Physicians Advocacy Institute

The Physicians Advocacy Institute (PAI) is a not-for-profit organization that was established to advance fair and transparent policies in the health care system to sustain the profession of medicine for the benefit of patients.

As part of this mission, PAI seeks to better understand the challenges facing physicians and their patients and also educate policymakers about these challenges.

PAI also develops tools to help physicians prepare for and respond to policies and marketplace trends that impact their ability to practice medicine.

Information about PAI can be found at physiciansadvocacyinstitute.org.
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Healthsperien is a Washington, D.C.–based consulting and legal services firm focused on strategic issues operating at the intersection of public policy, business strategies, operations, and government affairs.

The idea behind the firm is to work across and integrate diverse disciplines and experiences to help organizations navigate the complexities and challenges of health care policy, politics, and regulation in a systematic way, with a focus on both health care coverage and payment/delivery system reform. Healthsperien derives from health, inspiration, and experience, and reflects the firm’s commitment to help clients find an innovative way forward in a complex and changing health care environment.

Information about Healthsperien can be found at http://healthsperien.com/.
Guide to the PAI MACRA Educational Series

• **Overall purpose** – Program of materials and resources that provide context, an overview of core concepts and requirements, and an in-depth discussion of important topics

• **MACRA overview** – Foundational presentation and associated webinars to include a focus on meeting requirements for the 2017 transition period. Includes different sections on aspects of MACRA’s Quality Payment Program.

• **Follow-on products in early 2017** – In-depth one-pagers and monographs focused on topics such as the MIPS scoring system and strategies for reporting

• **In development** – Guide to additional resources in physician communities
Acronyms

• ACI – Advancing Care Information Category
• APMs – Alternative Payment Models
• CEHRT – Certified EHR Technology
• EHR/EMR – Electronic Health Registry; Electronic Medical Record
• MACRA – Medicare Access and CHIP Reauthorization Act
• MIPS – Merit-Based Incentive Payment System
• PQ – Partially Qualifying Advanced APM Participant
• QCDR – Qualified Clinical Data Registry
• QP - Qualifying Advanced APM Participant
• QPP – Quality Payment Program
What to find in this presentation . . .

1) **Alternative Payment Models (APMs) Overview** (slide 8)
2) **Advanced APMs under the QPP** (slide 10)
3) **MIPS APMs** (slide 12)
   - **MIPS APM Criteria and Scoring Overview** (slide 15)
   - **MIPS APMs Available in 2017** (slide 17)
   - **MIPS APM Scoring Categories and Standard** (slide 19)
   - **2017 Shared Savings Program Tracks 1, 2, and 3 MIPS APM Scoring** (slide 21)
   - **Next Generation ACO MIPS APM Scoring** (slide 23)
   - **2017 Non-ACO MIPS APM Scoring: CPC+, Comprehensive ESRD Care Model, and Oncology Care Model** (slide 25)
4) **Reporting Timeline** (slide 28)
5) **Next Steps and Looking Forward** (slide 29)
Alternative Payment Models (APMs)
Overview
What are alternative payment models (APMs)?

• An APM is a payment and delivery approach where participants in the model have financial incentives to provide efficient, high-quality care

• Include elements that diverge from fee-for-service – such as bundled payments or gain-sharing – but may have fee-for-service elements

• Include performance measurement and payment linked to quality and outcomes

• Participants may be at risk for some or all of the costs of care for a population or a service, but there are variations in characteristics and level of financial incentives

• May apply to services for specific conditions, episodes of care, or populations

• Primary care medical home models are often considered APMs

• There are Medicare APMs as well as commercial APMs and multi-payer APMs
What are Advanced APMs under the QPP?

• Subset of broader category of APMs
  • *Physicians participating in Advanced APMs must meet the quality and reporting requirements that are subject to participation in the APM (this is separate and distinct form the Advanced APM criteria)*

• Characteristics and criteria for participation defined in MACRA – intention was to set a high bar for model where participants are accountable for cost and quality

• Participating physician may earn a 5% incentive payment – and are exempt from MIPS
  • *The 5% incentive payment physicians would receive under QPP would be separate and distinct from the payments for services they receive through the APM*

• Physicians and/or their organizations (called an APM entity) decide whether to participate in the Advanced APM
What types of Advanced APMs are available under the QPP?

Medicare Advanced APMs
- Primary focus of QPP in short-term
- CMS has identified several for 2017 and 2018

Non-Medicare Other Payer Advanced APMs
- Will be implemented beginning with 2019 performance year
- Will potentially include APMs by private payers and state Medicaid payments arrangements and Medicare Advantage
MIPS APMs
Don’t meet the QP thresholds? Not in the right kind of APM?

MIPS APMs
2 pathways

APMs that include MIPS physicians or eligible clinicians and hold participants accountable for the cost and quality of care, but are not considered Advanced APMs

Physicians who participate in an Advanced APM, but do not meet the threshold for payments or patients to become a QP
MIPS APMs – An alternative option for MIPS physicians

**Approach**
- Continue to participate in the APM, and have APM quality, improvement activities, and advancing care information performances cross-walked to the MIPS categories

**Cost category treatment**
- Reweighted to 0% because physicians are already subject to cost and utilization performance assessment under the APM, and the APM’s measures and standards differ than those from the MIPS cost category

**Payment**
- Physicians participating in MIPS APM are not eligible to receive the 5% Advanced APM incentive payment, but they are eligible to receive a MIPS positive payment adjustment
MIPS APMs Criteria and Scoring Overview

Criteria
- APM Entities participate in the APM under an agreement with CMS by law or regulation
- APM requires the APM Entities to include at least one MIPS eligible clinician on a Participation List
- APM bases payment incentives on performance (either at the individual clinician or APM Entity level) on cost/utilization and quality measures

Scoring
- MIPS eligible clinicians would be scored at the APM Entity level, but the final score would be applied to each MIPS physician and other eligible clinician in the APM Entity
- Weights based on model
- Physicians must be on the APM Entity’s Participation List for the performance year to earn credit for participation in MIPS APMs
How do we know what MIPS APMs are available?

- CMS posted on its website a list of all Advanced APMs and MIPS APMs for the 2017 performance period.
- At intervals no less than annually, CMS will update the list on its website.
- CMS will include notice of whether a new APM is an Advanced APM or a MIPS APM in the first public notice of the new APM.

The list of Advanced APMs and MIPS APMs is available on the CMS Quality Payment Program website: [https://qpp.cms.gov/learn/apms](https://qpp.cms.gov/learn/apms)
MIPS APMs available in 2017

An option for physicians who do not meet the QP or PQ thresholds for Advanced APMs, or who participate in an APM not considered an Advanced APM

- **Comprehensive ESRD Care Model**
  - LDO arrangements
  - Non-LDO one- and two-sided risk arrangements

- **Next Generation ACO Model**

- **Oncology Care Model**
  - One-sided risk arrangements
  - Two-sided risk arrangements

- **Medicare Shared Savings Program ACOs** – Tracks 1, 2, & 3

- **Vermont Medicare ACO Initiative**
  - As part of the Vermont All-Payer ACO Model
  - Medicare payments only

- **Comprehensive Care for Joint Replacement (CJR) Payment Model**
  - Track 1 – CEHRT
Who are MIPS eligible clinicians?

• The program will eventually include almost all clinicians who bill for Medicare Part B services; this will be phased in over time

• “Eligible Clinicians” subject to MIPS in 2017:
  • Physicians
    • Physician means doctor of: medicine, osteopathy, dental surgery, dental medicine, podiatric medicine, optometry, and, with respect to certain specified treatment, doctor of chiropractic legally authorized to practice by a State in which he/she performs this function
  • Physician Assistants
  • Nurse Practitioners
  • Clinical Nurse Specialists
  • Certified Registered Nurse Anesthetists

• “Eligible Clinicians” may be expanded in 2019 to also include:
  • Physical or occupational therapists
  • Speech language pathologists
  • Audiologists
  • Nurse midwives
  • Clinical social workers
  • Clinical psychologists
  • Dieticians or nutrition professionals
MIPS categories

Quality
- Builds off Physician Quality Reporting System
- Report quality measures as required for the specific APM

Cost
- Builds off Value-based Modifier
- Category not scored under MIPS APM scoring because physicians already subject to cost and performance assessment under the APM

Advancing Care Information
- Builds off Meaningful Use and encourages greater use of health information technology
- Report required 4 or 5 measures for base score
- Challenging area for many physicians

Improvement Activities
- New category
- Rewarding engagement in clinical practice improvement activities
- Report any combination of high and medium weight activities to achieve 40 total points
What is the MIPS APM scoring standard?

• APM Entities will receive a score for some of the 4 MIPS categories

• APM Entities will not be scored for the cost category

• All MIPS APMs for 2017 automatically meet the requirements for the Improvement Activities category and will earn full credit for that category

• Weights apply to each category to get to a final score

• Weights for each category depend on the type of MIPS APM
2017 Medicare Shared Savings Program MIPS APM Scoring – Tracks 1, 2, & 3

WEIGHT OF CATEGORIES

- Advancing Care Information: 30%
- Improvement Activities: 20%
- Quality: 50%
## 2017 Medicare Shared Savings Program MIPS APM Scoring – Tracks 1, 2, & 3

<table>
<thead>
<tr>
<th>MIPS Performance Category</th>
<th>APM Entity Submission Requirement</th>
<th>Performance Score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quality</strong></td>
<td>ACOs submit quality measures to the CMS Web Interface on behalf of their participating physicians and other eligible clinicians</td>
<td>The MIPS quality performance category requirements and benchmarks will be used to determine the MIPS quality score at the ACO level</td>
</tr>
<tr>
<td></td>
<td><strong>Note:</strong> the burden of reporting is not on the individual physicians or group TIN level</td>
<td><strong>Note:</strong> aggregate scoring is at the overall APM Entity level, which may be advantageous/disadvantageous</td>
</tr>
<tr>
<td><strong>Improvement Activities</strong></td>
<td>CMS has reviewed the MIPS APM’s participation agreements, assigned scores to the improvement activities, and has determined that all APM Entities participating in MIPS APMs will receive the full score of 40 points for this category</td>
<td></td>
</tr>
<tr>
<td><strong>Advancing Care Information</strong></td>
<td>All ACO participant TINs in the ACOs submit under this category according to the MIPS group reporting requirements</td>
<td>All of the ACO participant TIN scores will be aggregated as a weighted average based on the number of physicians and other eligible clinicians in each TIN, to yield one APM Entity score</td>
</tr>
<tr>
<td></td>
<td><strong>Note:</strong> the burden of reporting is at the TIN level according to group reporting requirements</td>
<td><strong>Note:</strong> even though reporting is at the group TIN level, aggregate scoring is at the APM Entity level, so the performance of all others will affect your overall score</td>
</tr>
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</table>
2017 Next Gen ACO MIPS APM Scoring

WEIGHT OF CATEGORIES

Quality 50%

Advancing Care Information 30%

Improvement Activities 20%
## 2017 Next Gen ACO MIPS APM Scoring

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| **Quality**               | ACOs submit quality measures to the CMS Web Interface on behalf of their participating physicians | The MIPS quality performance category requirements and benchmarks will be used to determine the MIPS quality score at the ACO level.  
**Note:** the burden of reporting is not on the individual physicians or group TIN level  
**Note:** aggregate scoring is at the overall APM Entity level, which may be advantageous/disadvantageous. |
| **Improvement Activities** | CMS has reviewed the MIPS APM’s participation agreements, assigned scores to the improvement activities, and has determined that all APM Entities participating in MIPS APMs will receive the full score of 40 points for this category | |
| **Advancing Care Information** | Each physician in the APM Entity reports ACI to MIPS through either group reporting at the TIN level or individual reporting | CMS will attribute one score to each MIPS eligible clinicians in the APM Entity, which will be the highest score attributable to the NPI/TIN combination of each MIPS eligible clinician (derived from either group or individual reporting). CMS will then aggregate and average the scores to yield a single score for the APM Entity.  
**Note:** although the highest score is attributed at the individual level, the aggregate scoring could result in an overall score which may be advantageous/disadvantageous.
|
2017 Non-ACO MIPS APM Scoring: e.g., CPC+, Comprehensive ESRD Care Model, and Oncology Care Model

WEIGHT OF CATEGORIES

- Advancing Care Information: 75%
- Improvement Activities: 25%
## 2017 Non-ACO MIPS APM Scoring: *e.g.*, CPC+, Comprehensive ESRD Care Model, and Oncology Care Model

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<th>APM Entity Submission Requirement</th>
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<tr>
<td><strong>Quality</strong></td>
<td>The APM Entity will not be assessed on quality under MIPS. The APM Entity will submit quality measures to CMS as required by the APM</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td><strong>Note: burden of reporting is at the APM Entity level per the APM’s quality measures</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Improvement Activities</strong></td>
<td>CMS has reviewed the MIPS APM’s participation agreements, assigned scores to the improvement activities, and has determined that all APM Entities participating in MIPS APMs will receive the full score of 40 points for this category</td>
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<td><strong>Advancing Care Information</strong></td>
<td>Each MIPS eligible clinician in the APM Entity reports ACI to MIPS through either group reporting at the TIN level or individual reporting</td>
<td>CMS will attribute one score to each MIPS eligible clinicians in the APM Entity, which will be the highest score attributable to the NPI/TIN combination of each MIPS eligible clinician (derived from either group or individual reporting). CMS will then aggregate and average the scores to yield a single score for the APM Entity.</td>
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<td><strong>Note: burden of reporting is at the group TIN or individual physician level</strong></td>
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CMS will make 3 QP/PQ determinations throughout the year

- CMS will make 3 evaluations each performance year to determine whether physicians meet the QP thresholds
- Evaluations will be made at the APM Entity level and will be applied to each physician in the APM Entity
- The three evaluations for 2017 performance will be: March 31, June 30, and August 31
  - Will ensure that physicians who only participate in an Advanced APM and meet the QP thresholds for part of the year still receive their Advanced APM participation credit
  - APM Entities and physicians who meet the QP thresholds during any of these three review periods will be exempt from MIPS and receive the 5% incentive payment
- If an APM Entity meets only PQ thresholds, then the APM Entity can elect whether to be subject to MIPS (using the APM scoring standard for MIPS APMs), or be exempt
- If an APM Entity does not meet QP or PQ thresholds, then they will be subject to the MIPS APM scoring method
Performance to payment timeline – submission and CMS dates for 2017 performance year

- **Jan. 1, 2017**: Performance period began
- **March/Spring 2017**: CMS review of MIPS APM Participation List
- **June 30, 2017**: Registration deadline for CMS Web Interface and CAHPS
- **Aug. 31, 2017**: CMS review of MIPS APM Participation List
- **Oct. 2, 2017**: Last day to begin 90-day reporting period
- **Dec. 31, 2017**: Last day 2017 claims processed for 2019 adjustment
- **Late Feb. 2018**: Last day to begin 90-day reporting period
- **March 31, 2018**: CMS review of MIPS APM Participation List
- **Fall 2018**: CMS feedback reports on 2017 performance and targeted review period to appeal errors
- **Jan. 2019**: CMS applies adjustment based on 2017 performance

- **Late Feb. 2018**: CMS review of MIPS APM Participation List
- **March 31, 2018**: 2017 data submission deadline for QCDRs, qualified registries, EHRs, CMS Web Interface, attestation
- **Fall 2018**: CMS feedback reports on 2017 performance and targeted review period to appeal errors
- **Jan. 2019**: CMS applies adjustment based on 2017 performance

**Key Dates:**
- Jan. 1, 2017: Performance period began
- March/Spring 2017: CMS review of MIPS APM Participation List
- June 30, 2017: Registration deadline for CMS Web Interface and CAHPS
- Aug. 31, 2017: CMS review of MIPS APM Participation List
- Oct. 2, 2017: Last day to begin 90-day reporting period
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- Late Feb. 2018: Last day to begin 90-day reporting period
- March 31, 2018: CMS review of MIPS APM Participation List
- Fall 2018: CMS feedback reports on 2017 performance and targeted review period to appeal errors
- Jan. 2019: CMS applies adjustment based on 2017 performance

**Activities:**
- CMS publishes 2017 qualified registries & QCDRs
- CMS reviews MIPS APM Participation List
- CMS review of MIPS APM Participation List
- 2017 data submission deadline for QCDRs, qualified registries, EHRs, CMS Web Interface, attestation
- CMS applies adjustment based on 2017 performance
Next steps and looking forward
Next Steps: Should I select the MIPS APM option?

1. Evaluate practice readiness for APM participation

2. Consider advantages of the MIPS APM v. traditional MIPS reporting pathway before making final decision
   - Remember, participation for the quality and ACI categories is determined at an aggregate level (at the APM Entity or APM level depending on the model, e.g., medical homes, shared savings ACOs, Next Gen ACOs, bundled payment models)—determine how the performance of others in the APM and/or APM entity may affect the aggregate scores under the MIPS APM scoring methodology

3. Determine eligibility for a MIPS APM
   - Do you participate in an Advanced APM?
     - Check the QP/PQ determinations by CMS to see if you have met the QP thresholds and are exempt from MIPS participation
     - If you have met PQ, but not QP, thresholds, determine whether it may be advantageous to participate in MIPS using the MIPS APM option to be eligible to earn a positive payment adjustment
     - If you have not met the QP or PQ thresholds, you will be subject to the MIPS APM scoring methodology
   - Are you participating in an APM not an Advanced APM?
     - Check CMS list of MIPS APMs which is more inclusive of other APMs that may not meet the criteria for Advanced APMs (e.g., one-sided risk models)
What PAI-Healthsperien resources will be available to help?

• **Follow-on products in early 2017** – In-depth one-pagers and monographs focused on topics such as the MIPS scoring system and strategies for reporting and how to meet the minimum reporting requirements for 2017

• **In development** – Guide to additional resources in physician communities

• **FAQ document** – updated on a continuous and ongoing basis with important questions

• **Regular e-mail updates** – Emails will provide updates on new information, materials, and tools available from PAI, Healthsperien, as well as CMS and other organizations
www.PhysiciansAdvocacyInstitute.org