

# Care vs. Cost?



# “Ch-ch-ch-ch-Changes (Turn and face the strange) Turn and face the strain” David Bowie

National

Arkansas Democrat  Gazette

## Medicare changing payment rules

### Plan aims to save by rewarding good outcomes over volume

RICARDO ALON-  
SO-ZALDIVAR

THE ASSOCIATED PRESS

WASHINGTON — Changing the way it does business, Medicare on Friday unveiled a far-reaching overhaul of how it pays doctors and other clinicians.

The goal is to reward quality, penalize poor performance and avoid paying piecemeal for services.

The regulation is nearly 2,400 pages long and will take years to fully implement. It's meant to carry out bipartisan



All health care law coverage  
[arkansasonline.com/healthcare](http://arkansasonline.com/healthcare)

eases some timelines the administration initially proposed, and gives doctors more pathways for complying.

The American Medical Association said its first look suggests that the administration “has been responsive” to many

ments if they learn new ways of doing business, joining a leading-edge track that's called Alternative Payment Models. That involves being willing to accept financial risk and reward for performance, reporting quality measures to the government, and using electronic medical records.

Medicare said some 70,000 to 120,000 clinicians are initially expected to take that more challenging path. Officials are hoping the number will quickly grow.

Most clinical practitioners

ing requirements have been streamlined to make them easier to meet.

With 57 million elderly and disabled beneficiaries, Medicare is the government's premier health insurance program. The Obama administration has also been working to overhaul payment for hospitals and private insurance plans that serve Medicare beneficiaries. The unifying theme is rewarding quality over volume.

While some quality improvements have already been noted, it's likely to take years to

MACRA

CHIPS

Pay-For-Performance

PQRS

QUALITY

Fee-For-Service

MACRA

Measures

Meaningful Use

EHR

EHR

Clinical Practice Improvement



# KEEP CALM AND DO THE MACARENA



**1** Put your right arm out, palm down. Put your left arm out, palm down.



**2** Turn your right palm up. Turn your left palm up.



**3** Put your right hand on your upper left arm. Put your left hand on your upper right arm.



**4** Put your left hand behind your head. Put your right hand behind your head.



**5** Put your left hand on your right hip. Put your right hand on your left hip.



**6** Put your right hand on your right hip. Put your left hand on your left hip.



**7** Sway your hips in place for three beats.



**8** Step a quarter-turn to the right and start over.

## THE MACARENA



# MACRA

## Medicare Access and CHIP (Children's Health Insurance Program) Reauthorization Act of 2015

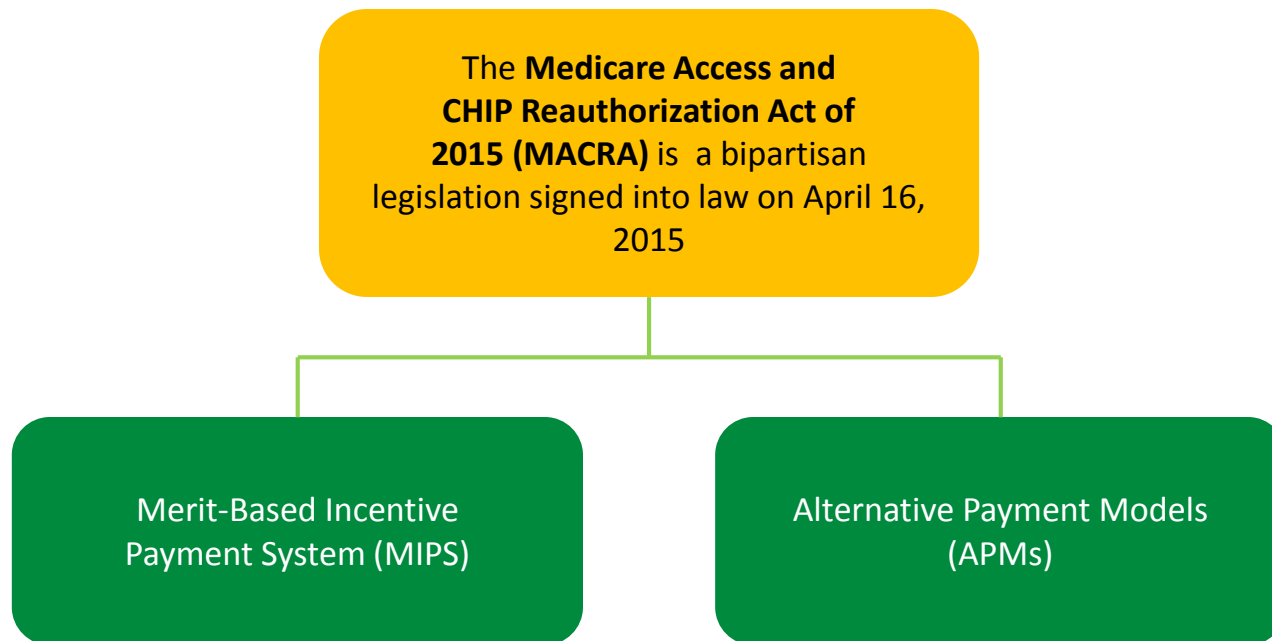
- Rep. Burgess (R) Texas 2015
- Repealed SGR (sustainable growth rate) formula
  - Doc Fix
- Old Meaningful Use is folded into MACRA

# **MACRA**

## **Medicare Access and CHIP Reauthorization Act of 2015**

- **Medicare only for now but private payers likely to follow (DRGs)**
- **CMS move toward paying for “value” rather than volume**
- **Creates two paths for payment**

# MACRA Overview/Acronym Definitions ...





# Starting in 2019\*, physicians will choose from or land in one of two paths: MIPS or APMs?



**\* This decision will actually need to be made sooner than 2019.  
The initial performance period for MIPS in MACRA is 2017.**

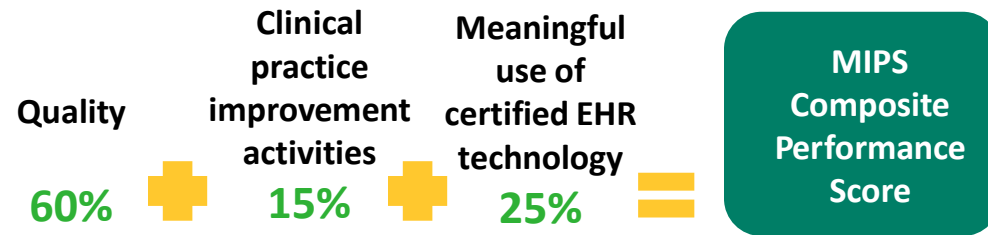


# **MIPS**

## **Merit-Based Incentive Payment System**

# How will Physicians and Clinicians be Scored Under MIPS?

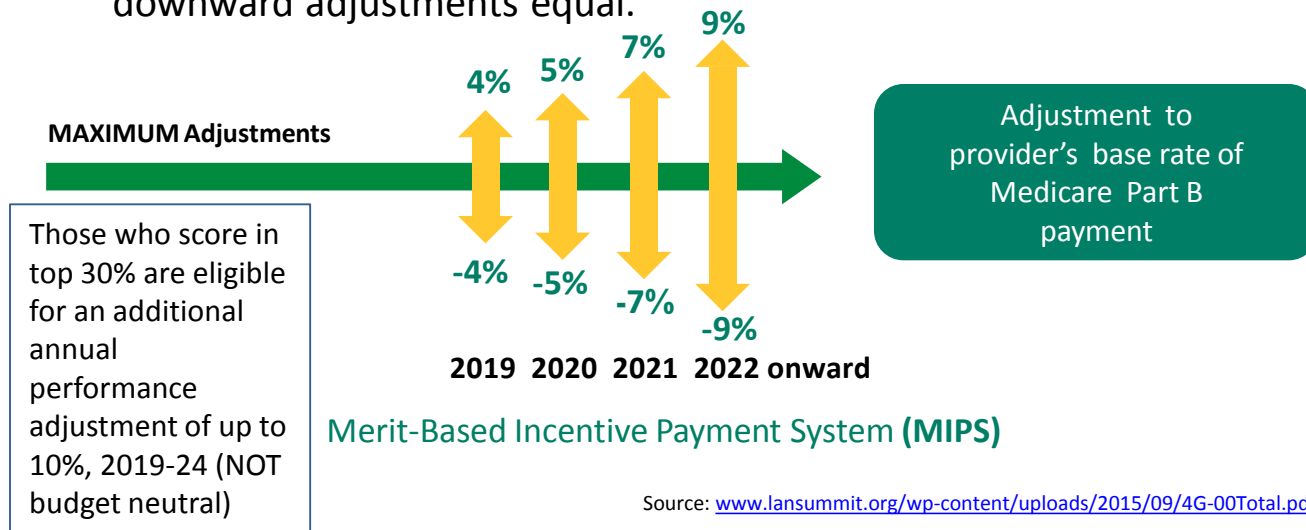
A single MIPS composite performance score will factor in performance in 3 weighted performance categories:



2017 is a “transitional year”. 2017 performance will determine payment adjustments in 2019

# How Much Can MIPS Adjust Payments?

- Based on the MIPS **composite performance score**, physicians and practitioners will receive positive, negative, or neutral adjustments up to the percentages below.
- MIPS adjustments are **budget neutral**. A **scaling factor** may be applied to upward adjustments to make total upward and downward adjustments equal.



# **Final MACRA Rule**

## **October 14<sup>th</sup>, 2016**

- **“Pick Your Pace” policy – Allows choice to report only 90 days rather than full year**
- **If provider participates in MIPS, no matter how long, no penalty in 2019**
- **If provider sees more than a few Medicare patients, is not part of an APM, they will be in MIPS by default**

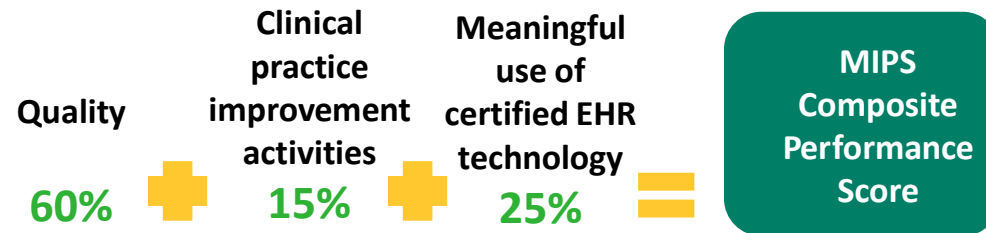
# **Final MACRA Rule**

## **October 14<sup>th</sup>, 2016**

- **CMS estimates that more than 90% of MIPS-eligible clinicians will receive a positive or neutral payment adjustment in the transition year**
- **A score of 70 points or higher will allow the provider to receive an exceptional performance adjustment from a pool of \$ 5 M**

# How will Physicians and Clinicians be Scored Under MIPS?

A single MIPS composite performance score will factor in performance in 3 weighted performance categories:



So of the above maximum score of 100 % (points), the provider will only have to score 3 points in 2017 to avoid a negative payment adjustment in 2019



# **APMs**

## **Alternative Payment Models**

# Alternative Payment Models (APMs)

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

**According to MACRA law, APMs include:**

- **MSSP** (Medicare Shared Saving Program - ACOs)
- **CPC+** (Comprehensive Primary Care Plus)
- **Others**

# **Comprehensive Primary Care Plus**

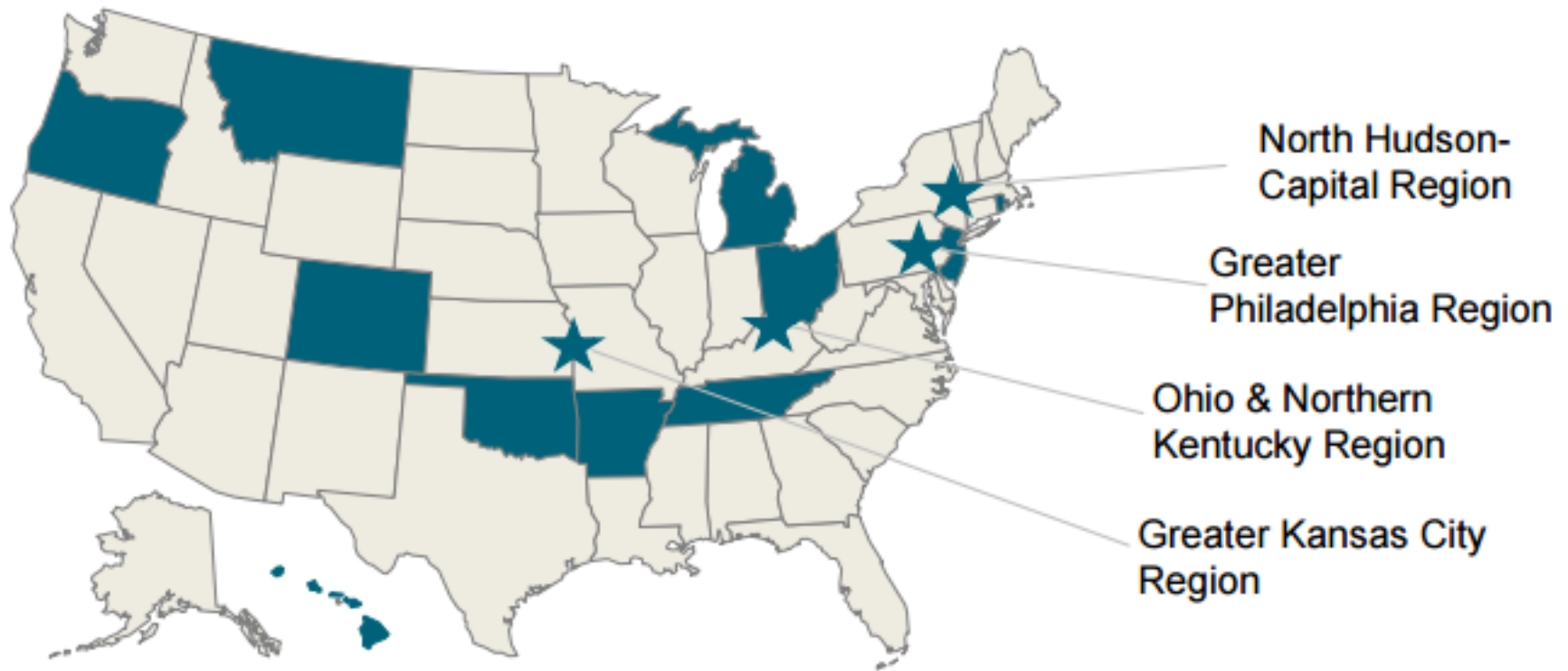
- **Replaces last CMS initiative – CPCI**
- **Approximately 63 practices in Arkansas participated in CPCI over the last 5 years**
- **All of these, plus selected others will have the opportunity to participate in CPC+**



# Comprehensive Primary Care Plus (CPC+)

*A new model for primary care in America*

## CPC+ Participating Regions & Provisional Payer Partners



■ = Region spans the entire state    ★ = Region comprises contiguous counties



# Practices Apply to Participate in One of Two Tracks

## Track 1



Up to **2,500** primary care practices.



Pathway for practices ready to build the capabilities to deliver comprehensive primary care.

## Track 2



Up to **2,500** primary care practices.



Pathway for practices poised to increase the **comprehensiveness** of care through enhanced **health IT**, improve care of patients with **complex needs**, and inventory resources and supports to meet patients' **psychosocial needs**.



# CPC+ Practice Expectations

## Track 1

- Assign patients to provider panels
- 24/7 Access
- Support QI Activities
- Risk Stratify Population
- Short and Long Term Care Management
- **Identify High Volume/Cost Specialists**
- Follow Up After Hospital/ER Discharges (TCM)

## Track 2

**(all of Track 1, but also...)**

- Developing and recording care plans
- Implement process to connect patients to community resources
- Expanded office hours
- **Integration of Behavioral Health**
- **Electronic Visits**
- **Psychosocial Needs Assessment**
- **Letter of Support from IT Vendor**