PARTICIPATING IN THE NEW MEDICARE PAYMENT SYSTEM:
A CHECKLIST FOR MEDICAL PRACTICE LEADERS

The Centers for Medicare & Medicaid Services (CMS) recently finalized the Medicare Quality Payment Program (QPP) created by the Medicare Access and CHIP Reauthorization Act (MACRA). The QPP final rule establishes two separate tracks for eligible clinician (EC) payment – the Merit-Based Incentive Payment System (MIPS) and alternative payment models (APMs). As a direct result of MGMA advocacy, the final QPP rule significantly mitigates the administrative burden for physician practices participating in MIPS and continues to increase opportunities to move away from MIPS into APMs. To review program specifics, download the MGMA member-benefit final rule executive summary at MGMA's MACRA/QPP Resource Center.

MGMA encourages medical practice leaders to consider implementing a strategy to transition from fee-for-service to value-based reimbursement. By taking the appropriate action, practices can not only find success within the MIPS and APM framework, but also create additional benefits for the practice such as collecting and using patient satisfaction information or extending office hours to generate additional revenue.

Here are some steps that your practice can take now to aid in this preparation:

Protect your practice from a payment cut

Physician practices that do not participate in MIPS or qualify for an exception in 2017 will see a Medicare payment reduction of 4% in calendar year 2019. After MGMA and others raised concern that small and medium practices in particular were vulnerable to receiving penalties, CMS established 2017 as a transition year in the QPP final rule and greatly reduced the reporting requirements to avoid a penalty in MIPS.

- ❑ Evaluate whether your practice or ECs qualify for an exception from MIPS based on (i) participation in an Advanced APM, (ii) newly enrolling in Medicare, or (iii) falling below either of the low-volume thresholds, i.e., billing less than $30,000 in Medicare allowed charges or furnishing services to 100 or fewer Medicare beneficiaries. Certain types of providers and practices are also eligible for favorable scoring or reduced reporting in MIPS. Download MGMA's comparison chart of the various MIPS exceptions and flexibilities for more information at MGMA's MACRA/QPP Resource Center.

- ❑ Avoid a 4% payment penalty in 2019 by submitting one or more of the following in 2017: (1) one quality measure for at least one eligible patient encounter, (2) one improvement activity for any 90 consecutive days, or (3) meet the advancing care information (ACI) base measures, which replaced Meaningful Use, for any 90 consecutive days. *MGMA strongly recommends practices report or attest to more than one measure as an insurance policy in case the group encounters any data submission issues or inaccuracies.*

- ❑ Research applicable qualified clinical data registries (QCDRs) and traditional registries, which may help to streamline quality information reporting, particularly for specialty-specific measures, and may also count for credit in the improvement activities category of MIPS.

Weigh the costs and benefits of robust participation in MIPS

Physician practices that exceed the very low bar to avoid a MIPS penalty in 2019 will also be eligible for a MIPS bonus. Because the program is budget neutral and very few groups are expected to receive a penalty in the first year, the upside potential will be very limited. CMS anticipates the bonuses based on 2017 participation will not exceed 1%. In addition to the budget neutral payment adjustments, CMS will also allocate a separate $500 million pool to practices that exceed "exceptional" performance thresholds.

- ❑ Estimate the cost of participation against the small expected upside. The relatively risk-free environment in 2017, however, does present the opportunity to learn how to effectively participate in the program. This should factor into any decision to participate in 2017 as penalties and incentives will escalate in future years of the program.

- ❑ Review the MIPS participation requirements for each of the three categories that will be scored in 2017 – quality, ACI, and improvement activities. For maximum credit, all categories require at least 90 days of data. The 90-day period does not need to be the same across the three categories.

- ❑ Identify minimally-burdensome opportunities that have clear value to the practice outside of this government program, which may also be leveraged for MIPS and potentially APMs. For example, practice may survey patients' experience of care and utilize this data for marketing.

Fill in the details of your MIPS participation plan

- ❑ Identify applicable quality measures, improvement activities, and ACI measures using CMS' interactive MIPS measure selection tools, available at qpp.cms.gov. The tools allow users to compare measures side-by-side and, depending on the measure type, filter by specialty, reporting mechanism, and more. Printable measure lists from the final rule are also available at MGMA's MACRA/QPP Resource Center.

- ❑ Compare group versus individual reporting options. Group-level reporting is generally less burdensome than reporting on an individual basis, as performance is aggregated at the TIN level and clinicians in the practice are able to meet program requirements together. For example, if one clinician in a group can attest to completing an improvement activity, the entire group gets credit toward the 2017 MIPS score. That said, all practice data reported will be counted, including information for providers who fall below the low-volume threshold.

- ❑ Consider maximizing your MIPS performance score by earning bonus credit for submitting quality measure information using end-to-end electronic reporting, reporting outcomes or high-priority quality measure data, and completing EHR-related improvement activities.

Assess your practice's performance under current federal quality reporting programs

There are many consistencies between the current quality reporting programs and MIPS, so your practice's performance in PQRS, Meaningful Use, and the Value-Based Payment Modifier may provide insight into future performance under MIPS.

- ❑ Access the CMS Enterprise Portal (portal.cms.gov) and download your practice's 2015 PQRS Feedback Report to understand your historic quality reporting metrics and identify areas where improvement may be made. For instance, a number of the MIPS quality measures match those under PQRS, so practices leaders should evaluate whether measures continue to meet the group's work flow and clinical priorities.

- ❑ Review your practice's 2015 Quality and Resource Use Reports, available at the CMS Enterprise Portal, to gain an understanding of your practice's relative cost and quality performance as compared to a national benchmark. Cost will not be counted towards the MIPS composite score for the 2017 performance year, but it will account for 10% of the total MIPS score in 2018 and rise to 30% for 2019 and beyond.

Evaluate existing and future health information technology vendor readiness and cost

With MIPS and APMs, CMS is continuing the movement, established by Meaningful Use, of putting a premium on practice adoption and use of health information technology (HIT). As practices begin to transition to new MACRA payment approaches, identifying a cost-effective pathway forward to appropriate HIT will be important to ensure success not just in the reporting program but, more critically, for overall practice performance.

- ❑ Discuss with your EHR vendor what their expected timeline is to make all necessary software upgrades to support MIPS and/or APMs following publication of the final rule. Do they anticipate upgrading your specific version of the EHR software, or will you be required to purchase a more advanced version?

- ❑ Establish when your EHR vendor expects to recertify its EHR software to meet the government's 2015 requirements. Practices participating in MIPS or an APM are required to implement an EHR certified at the 2015 level for the 2018 reporting year.

- ❑ Review your existing vendor contracts and discuss with your vendors all anticipated software upgrade or replacement costs. Determine if the upgrade or replacement will require you to replace any computer hardware and if staff training will be included as part of the contract or be available at an additional cost.

- ❑ Determine as early as possible if your current EHR software will need to be replaced with another vendor's product. If you do require a new system, it is best to begin the selection and implementation process well before the start date of the 2018 reporting year. Take advantage of the MGMA Online Communities to discuss technology options with your peers in the same specialty and size of practice. Virtual and in-person networking with your MGMA colleagues is an effective strategy to identify the most appropriate HIT for your organization.

- ❑ Leverage the upgrading or replacing of your clinical EHR to evaluate your administrative HIT. Many of the larger EHR vendors offer integrated practice management (PM) system software, while others require the purchase of separate PM software. As you review your PM software options, you may wish to explore incorporating additional automation into your revenue cycle. This can be accomplished by leveraging electronic functionality for administrative transactions including insurance eligibility verification, claim, claim acknowledgement, claim status inquiry, prior authorization, remittance advice, and payment.

Review your internal processes related to patient engagement and data exchange

- ❑ Establish what percentage of your patients currently engage your clinicians through secure messaging and how many take advantage of their ability to view, download or transmit their medical record through your web portal. These patient engagement methods are required under the current Meaningful Use program and will continue to be a component of the MIPS program. In an effort to increase their MIPS composite score, practices should consider mapping out a patient outreach strategy to maximize success in these two patient engagement objectives.

- ❑ Determine what percentage of your external transitions of care-involved data exchanges are conducted via your EHR. Are there local care settings that you currently interact with (i.e., other specialty practices, hospitals, skilled nursing facilities) that you may wish to explore electronically exchanging data with? At the same time, it will be important to evaluate your vendor's data exchange capabilities and review workflow requirements and staff training needs.

Explore expanding Advanced APM opportunities

In addition to incentive payments specific to the model, physician practices meeting Advanced APMs requirements will receive an annual 5% lump sum bonus payment from 2019 through 2024 and be exempt from MIPS.

- ❑ Confirm whether you are a participant in one of the payment models CMS considered an Advanced APM in the proposed rule. For the 2017 reporting year, qualifying models include Medicare Shared Savings Program Track 2 and 3 Accountable Care Organizations (ACOs), Next Generation ACOs, the Comprehensive ESRD Care Model (large dialysis organization arrangements), Comprehensive Primary Care Plus (CPC+), and Oncology Care Model Two-Sided Risk Arrangements.

- ❑ MGMA continues to urge CMS to rapidly expand the Advanced APM pathway, and the agency has indicated its intent to expand the list of Advanced APMs in 2018 to include models currently in development. By 2018, CMS expects approximately 25% of clinicians will earn incentives through participation in an Advanced APM.

Leverage your MGMA membership to educate yourself and network with your peers

To assist members anticipate and prepare for changes as Medicare transitions from fee-for-service to value-based reimbursement, MGMA created a number of practical resources that you can access today.

- ❑ Bookmark MGMA's MACRA/QPP Resource Center for the latest news and resources about MIPS and APMs, including an executive summary of the regulation and a quick guide to the numerous exceptions in MIPS. You will also find a number of useful CMS resources, including a PowerPoint presentation that may be utilized to educate your physicians and staff about MIPS and APMs.

- ❑ Connect with MGMA's "MIPS/APMs Medicare Value-Based Payment Reform" Online Community to interact with your peers and ask MGMA Government Affairs staff questions as the MIPS and APM programs unfold. Visit community.mgma.com to join the conversation.