CARLTON FIELDS

The MACRA Final Rule: 10 Things You Need to Know

December 05, 2016

The Centers of Medicare and Medicaid Services (CMS) released the much-anticipated Medicare Access and CHIP Reauthorization Act (MACRA) final rule this month. The rule makes extensive changes to traditional Medicare Part B reimbursement. MACRA moves Medicare away from a primarily volume based fee-for-service system to a value-based system as part of an overarching strategy to transform how health care is delivered in America by rewarding quality improvement, focusing on patient health outcomes, and reducing unnecessary costs. The final rule eases the administrative burden for provider transition to MACRA, broadens opportunities for participation in advanced alternative models (APMs) and sets aside funding to provide technical assistance to Merit-Based Incentive Payment System (MIPS) participating clinicians in areas with a shortage of health professionals. Below are answers to ten frequently asked questions: 1. Who is affected? Physicians, physician assistants, nurse practitioners, clinical nurse specialists and certified registered nurse anesthetists who participate in Medicare Part B, bill Medicare more than $30,000/year and provide care for more than 100 Medicare patients a year. Note the proposed rule had set the threshold at $10,000/year. 2. What is the Quality Payment Program? MACRA's Quality Payment Program (QPP) replaces the sustainable growth rate and continues the agency's shift toward value-based care reimbursement reform. Medicare Part B participating providers must choose between two tracks: APMs or MIPS. If providers choose to participate in an Advanced APM through Medicare Part B, they will earn an incentive payment. If, instead, a provider chooses to participate in traditional Medicare Part B, he or she will participate in MIPS, and will earn a performance-based payment adjustment. Providers may participate as an individual (single National Provider Identifier (NPI)) or a group (sharing a common Tax Identification Number). 3. When does the Quality Payment Program start? The first performance year starts January 1, 2017 and ends December 31, 2017. If already participating in an Advanced APM, a clinician can provide care during the year through that model and will be eligible for a 5% incentive payment. If not participating in an Advanced APM, clinicians must participate in MIPS, or will receive a negative payment adjustment. In the first year of the program, 2017, clinicians can pick the pace of participation in MIPS. Clinicians can begin collecting performance data anytime between the first of the year and October 2nd. To

earn a positive payment adjustment, data must be submitted to CMS by March 31, 2018. Medicare will provide feedback to providers after data submission. If a positive MIPS payment adjustment or Advanced APM incentive payment is earned, clinicians will receive the money beginning January 1, 2019. 4. How will my Medicare payments change? Depending on the data submitted by March 31, 2018, 2019 Medicare payments will be adjusted up, down, or not at all.

- If clinicians choose not to participate, and do not send any data to CMS in 2017, they will receive a negative 4% payment adjustment;
- If clinicians submit some data, they avoid a negative payment adjustment, but will not receive a positive adjustment;
- If clinicians submit 90 days of 2017 data, they can earn a neutral or small positive payment adjustment;
- If clinicians submit a full year of 2017 data, they may earn a moderate positive payment adjustment;
- If clinicians participate in the Advanced APM path (i.e., they receive 25% of payments from Medicare and 20% of Medicare patients are seen through an Advanced APM in 2017), they will earn a 5% incentive payment.

Note: each year of the program, CMS changes the rates of payment adjustments. 5. How does the final rule affect MIPS? MIPS streamlines prior CMS initiatives (PQRS, Meaningful Use and Value Based Modifier) with four categories: Quality, Improvement Activities, Advancing Care Information and Cost. In 2017, CMS will not use the Cost category to determine payment adjustments. Instead, the agency will calculate payment adjustments solely based on the Quality (60% of weighted score), Improvement Activities (15% of weighted score) and Advancing Care Information (25% of weighted score) categories. 6. How does the final rule affect APMs? Advanced APMs allow practices to earn incentive payments for taking on financial risk related to patient outcomes. CMS will announce 2017 qualifying Advanced APMs by January 1, 2017. As of now, the agency has announced 2017 qualifying advanced APMs include: Comprehensive ESRD Care (two sided risk model);
Comprehensive Primary Care Plus (CPC+);
Next Generation ACO Model;
Shared Savings Program – Track 2;
Shared Savings Program – Track 3. 7. How does the final rule impact small practices? The final rule eases the burden on small practices. In 2017, many small practices are excluded from new requirements, because they see less than or equal to $30,000 in Medicare Part B charges or less than or equal to 100 Medicare patients per year. Although it does not apply in 2017, in future years, MACRA will allow solo and small practices to combine and submit MIPS reporting together as virtual groups of no more than 10 clinicians. 8. How do I know if I'm ready to participate in MIPS? Determine if you will submit data individually or as a group. Then, consider which measures you will submit to

CMS in each of the three categories: quality, improvement activities and advancing care information. Use the QPP Website to explore the MIPS data your practice can choose to submit. Choose quality, advancing care information and improvement activities measures which best fit your practice. Next, consider how you will submit data: via qualified data registry, registry, CMS web interface (for groups) or electronic health record. If you choose to submit via electronic health record (HER), verify that your EHR is certified by the Office of the National Coordinator for Health Information Technology. If so, CMS indicates your EHR is ready to capture information for the MIPS advancing care information category as well as certain quality category measures. 9. Where can I read the final rule? The final rule is available here: https://www.federalregister.gov/documents/2016/11/04/2016-25240/medicare-program-merit-based-incentive-payment-system-mips-and-alternative-payment-model-apm 10. How can I learn more? On Friday, CMS launched the Quality Payment Program website. The Agency will continue to host listening and learning sessions throughout the country. Additionally, CMS will continue to accept comments on the final rule through December 17, 2016, sixty days after the final rule release date. If you have additional questions about how MACRA will affect you and your practice, you should contact a qualified health care attorney or your billing provider.

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