MACRA Explained

What is MACRA?

The Medicare Access and CHIP Reauthorization Act of 2015 replaced the flawed Sustainable Growth Rate (SGR) formula.

Why MACRA?

The goal is to improve care for Medicare patients by shifting the payment system from volume to value.

Start now to get ready! 2017 reporting will affect 2019 payments.

Quality Payment Program

MIPS

Merit-based Incentive Payment System

- Adjusts payments up or down based on new reporting system
- Consolidates PQRS, MU, and value-based modifier

The MIPS score will account for performance in 4 weighted performance categories:

<table>
<thead>
<tr>
<th>Year 1 or 2019</th>
<th>Quality</th>
<th>Advancing Care Information</th>
<th>Clinical practice improvement activities</th>
<th>Cost</th>
<th>MIPS Composite Performance score</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>50%</td>
<td>25%</td>
<td>15%</td>
<td>10%</td>
<td></td>
</tr>
</tbody>
</table>

Based on the MIPS composite score, clinicians will receive positive, negative or neutral adjustments.

Those who score in the top 25% are eligible for an additional annual adjustment of up to 10%.

APM

Advanced Alternative Payment Model

- CPC+, MSSP Tracks 2 & 3, Next Gen ACO, OCM (2-sided risk), & CEC Model (LDO arrangement)
- 5% annual bonus FFS payments
- Potential expansion of CPCI PCMH model

Initial definitions from MACRA law, APMs include:

- CMS Innovation Center models (under section 1115A, other than a Health Care Innovation Award)
- MSSP (Medicare Shared Savings Program)
- Demonstration under the Health Care Quality Demonstration Program
- Demonstration required by Federal Law

The MIPS score will account for performance in 4 weighted performance categories:

- Adjusts payments up or down based on new reporting system
- Consolidates PQRS, MU, and value-based modifier

Most clinicians who participate in APMs will be subject to MIPS and will receive favorable scoring under the MIPS clinical practice improvement activities performance category.

Those who participate in Advanced APMs may be determined (based on % of revenue from or patient count in the APM) to be qualifying APM participants ("QPs"). As a result, QPs:

1. Are not subject to MIPS
2. Receive 5% lump sum bonus payments for years 2019-2024
3. Receive a higher fee schedule update for 2025 and onward
What can I do to position my practice to succeed under MACRA?

1. Understand MACRA
2. Attest to MU
3. Participate in PQRS in 2016
4. Implement process to improve PQRS and MU quality measures
5. Review your QRUR
6. Use a CMS certified vendor to collect Consumer Assessment of Healthcare Providers & Systems (CAHPS) survey data
7. Understand and begin implementing PCMH
8. Participate in a medical neighborhood and provide care coordination
9. Risk stratify your patients and implement care management for high risk patients
10. Implement ACP’s High Value Care recommendations in your practice

Key Acronyms

<table>
<thead>
<tr>
<th>ACO</th>
<th>CPC+</th>
<th>MIPS</th>
<th>OCM</th>
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</thead>
<tbody>
<tr>
<td>Accountable Care Organization</td>
<td>Comprehensive Primary Care Plus</td>
<td>Merit-based Incentive Payment System</td>
<td>Oncology Care Model</td>
</tr>
<tr>
<td>CEC (LDO)</td>
<td>CPCI</td>
<td>MU</td>
<td>PQRS</td>
</tr>
<tr>
<td>Comprehensive ESRD Care Model Large Dialysis Organization</td>
<td>Comprehensive Primary Care Initiative</td>
<td>Meaningful Use (now Advancing Care Information)</td>
<td>Physician Quality Reporting System</td>
</tr>
<tr>
<td>APM</td>
<td>CMMI</td>
<td>MSSP</td>
<td>QP</td>
</tr>
<tr>
<td>Alternative Payment Model</td>
<td>Center for Medicare and Medicaid Innovation</td>
<td>Medicare Shared Savings Program</td>
<td>Qualified Professional</td>
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How can I learn more about MACRA and the new proposed Medicare Quality Payment Program?

- For MACRA information and resources: [www.acponline.org/macra](http://www.acponline.org/macra)
- Email ACP: [macra@acponline.org](mailto:macra@acponline.org)
- For deadlines: [https://www.acponline.org/timeline](https://www.acponline.org/timeline)