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# Prime Accountable Care, LLC

## Education Forum

September 13, 2017

(Starting at 7:00 PM EDT)

Speaker: John Anderson, Esq. of  
Giarmarco, Mullins & Horton, P.C.

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*MACRA/MIPS/ and the CMS Quality  
Payment Program: Immediate and  
Long-Term Implications for your Medical  
Practice*

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# PRIME ACO Education Forum/MACRA, MIPS, and the CMS Quality Payment Program

## ■ GLOSSARY OF TERMS:

- ❑ ACO: Accountable Care Organization
- ❑ MACRA: Medicare Access and CHIP Reauthorization Act (signed into law April 16, 2015 – Final Rule issued 10/14/16)
- ❑ CHIP: Children’s Health Insurance Program (covers children under age 19 whose parents earn too much for Medicaid)
- ❑ QPP: Quality Payment Program (two alternatives)
  - MIPS: Merit-based Incentive Program
  - APMs: Advanced Alternative Payment Models

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# PRIME ACO Education Forum/MACRA, MIPS, and the CMS Quality Payment Program

## ■ ACCOUNTABLE CARE ORGANIZATIONS

- ❑ Also known as the Medicare Shared Savings Program (“MSSP”)
- ❑ Established on January 1, 2012
- ❑ Created by Affordable Care Act (“ACA” – “Obama Care”)
- ❑ Is a voluntary program designed to achieve the “Triple Aim”: 1) higher quality care; 2) lower costs; 3) increased patient satisfaction
- ❑ AN ACO IS AN AMALGAMATION OF PROVIDERS AND INSTITUTIONS THAT ACCEPTS FULL RESPONSIBILITY FOR THE RISK-BASED MANAGEMENT OF A DEFINED PATIENT POPULATION

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## ■ ACCOUNTABLE CARE ORGANIZATIONS cont'd

- ❑ ACOs represent a revolutionary shift in the healthcare business model
- ❑ They are an attempt to move from emphasizing volumes (fee for service) to emphasizing outcomes (“POPULATION HEALTH”)
- ❑ Under ACOs, focus is shifted away from treating people when they get sick to keeping “groups” of people healthy – “PROACTIVE CARE”
- ❑ Applies only to MEDICARE beneficiaries
- ❑ Beneficiaries are “attributed” to ACO through PRIMARY CARE PHYSICIANS – “Plurality” of certain CPT codes

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- ACCOUNTABLE CARE ORGANIZATIONS cont'd
  - Who can form an ACO:
    - Minimum of 5,000 MEDICARE beneficiaries
    - Physician group practices
    - Networks of individual practices
    - Partnerships or joint venture agreements between hospitals
    - Physicians employed by hospitals
    - Critical Access Hospitals
    - Federally Qualified Health Centers
    - Rural Health Clinics

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- ACCOUNTABLE CARE ORGANIZATIONS cont'd
  - Since MSSP established:
    - 480 Medicare ACOs established (28 in Michigan)
    - Serving appx. 9 million Medicare beneficiaries
    - \$1.29 billion in Medicare savings generated

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- ACCOUNTABLE CARE ORGANIZATIONS cont'd
  - Payment to ACOs:
    - Fee for Service PLUS
    - Eligible to receive a portion of SAVINGS
      - Benchmark – meet or exceed “Minimum Savings Rate”
      - One-sided Risk (“Track #1”)
      - Two-sided Risk (“Tracks #2 and #3”)
        - Pay back “Shared Losses”

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## ■ ACCOUNTABLE CARE ORGANIZATIONS, cont'd

### □ How to apply:

- Centers for Medicare and Medicaid Services (“CMS”) accepts applications for the MSSP ONLY ONCE EACH YEAR
- “Performance Year” starts on January 1 each year
- Deadline for 2018 was May 31, 2017 for NOTICE OF INTENT
- Application deadline for 2018 was July 31, 2017
- GET STARTED NOW if thinking about 2019 performance year



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- Merit-based Incentive Payment System – “MIPS”
  - MIPS is part of the QUALITY PAYMENT PROGRAM – “QPP”
  - QPP was established by MACRA legislation signed into law April 16, 2015
  - MACRA repealed the Sustainable Growth Rate payment formula for Medicare payments to physicians (no more annual “DOC FIX”) and put Medicare physician payments on NEW PATH
  - TWO MAIN PATHS for Medicare payment:
    - Alternative Payment Models (“APMs”)
    - Merit-based Incentive Payment System (“MIPS”)

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# PRIME ACO Education Forum/MACRA, MIPS, and the CMS Quality Payment Program

## ■ QUALITY PAYMENT PROGRAM

- ❑ Physician can choose which path to participate in
- ❑ MIPS applies to providers who: 1) bill MORE THAN \$30,000 a year in Medicare Part B charges AND; 2) who care for MORE THAN 100 Medicare patients per year
  - If your practice falls UNDER those thresholds, you are EXEMPT from QPP
- ❑ APM applies where physician participates in an APM ENTITY:
  - MSSP Track #1 is a MIPS APM
  - MSSP Tracks #2 and #3 are ADVANCED APMs

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# PRIME ACO Education Forum/MACRA, MIPS, and the CMS Quality Payment Program

## ■ QUALITY PAYMENT PROGRAM

- BOTH MIPS and APM require reporting of data
- Reimbursement will be adjusted based on data reported
- Data Categories:
  - Quality= 60%
  - Improvement Activities= 15%
  - Advancing Care Information= 25%

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# PRIME ACO Education Forum/MACRA, MIPS, and the CMS Quality Payment Program

## ■ QUALITY PAYMENT PROGRAM

### □ PERFORMANCE REPORTING

- First Performance Year is 2017 (NOW!!) – 1/1/17 through 12/31/17
- Data must be submitted by **March 31, 2018**
- PAYMENT ADJUSTMENTS begin JANUARY 1, 2019
- **IF NO 2017 DATA IS SUBMITTED, PROVIDER WILL RECEIVE A NEGATIVE 4% ADJUSTMENT TO MEDICARE REIMBURSEMENTS**
- If MINIMAL DATE is submitted (e.g., 1 quality measure or 1 improvement activity for any point in 2017) Provider can avoid a DOWNGWARD PAYMENT ADJUSTMENT
- If 90 DAYS of 2017 data is submitted, Provider may earn a NEUTRAL OR POSITIVE PAYMENT ADJUSTMENT
- If FULL YEAR 2017 data is submitted, Provider may earn a POSITIVE PAYMENT ADJUSTMENT

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# PRIME ACO Education Forum/MACRA, MIPS, and the CMS Quality Payment Program

## ■ QUALITY PAYMENT PROGRAM

### □ PAYMENT CYCLE

- 2017: No adjustment in reimbursement from QPP
- 2018: No adjustment in reimbursement from QPP
- 2019: PLUS OR MINUS 4% BASED ON 2017 DATA
- 2020: Plus or minus 5% based on 2018 data
- 2021: Plus or minus 7% based on 2019 data
- 2022: Plus or minus 9% based on 2020 data

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# PRIME ACO Education Forum/MACRA, MIPS, and the CMS Quality Payment Program

## ■ QUALITY PAYMENT PROGRAM

- ❑ If Provider is in an Advanced APM, a 5% INCENTIVE PAYMENT will be paid to Provider in 2019 IF: 1) Provider receives 25% of his Medicare Part B payment through the Advanced APM and; 2) if Provider sees 20% of his patients through the Advanced APM
- ❑ Quality data for the Provider will be submitted through the Advanced APM
- ❑ Providers who participate in Advanced APM (MSSP Tracks #2 and #3) are EXEMPT from MIPS reporting
- ❑ Providers in MIPS APM (i.e., MSSP Track #1) are considered a GROUP and ALL WILL RECEIVE THE SAME MIPS SCORE

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# PRIME ACO Education Forum/MACRA, MIPS, and the CMS Quality Payment Program

## ■ QUESTIONS?

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