



P A S O D E L N O R T E  
HEALTHINFORMATIONEXCHANGE

## Making Sense of MACRA

October 18, 2016

Last week the U.S. Department of Health and Human Services released a series of regulations and guidance, including one final rule focused on health information technology. Maybe you've heard of it... the Medicare Access & CHIP Reauthorization Act of 2105 (MACRA) implementation final rule which was released in the early morning hours (ironically, not a 4 PM "happy" hour release). The release was the important next step in the implementation of MACRA, a significant overhaul in how Medicare providers get reimbursed.

Before we dive in, here is a summary of what we already knew - MACRA will eliminate the much maligned sustainable growth formula and replace it with a .5% annual rate increase through 2019, after which physicians are encouraged to shift to one of two Quality Payment Programs: 1) Merit-Based Incentive Payment System (MIPS) or 2): Alternative Payment Model (APM).

MIPS, the program that best fits most practices, consolidates and packages up Meaningful Use, the Physician Quality Reporting System and the Value-Based Payment Modifier. Through these combined scores, physicians will receive payment adjustments based on quality (via evidence-based standards and practice-based improvement activities), cost and use of certified EHR technology use.

### **2017 is a Transition Year (Time to take advantage of those who want to wait)**

The October 12 "final rule" established 2017 as the performance period for the 2019 MIPS payment year, and as a transition year as part of the development of the program. What does this mean?

- Physicians reimbursement in 2019 will be affected by their performance in 2017, and
- MIPS standards will be more flexible in 2017, than they will be going forward.

CMS states, "For this transition year, for MIPS, the performance threshold will be lowered to a threshold of **3 points**. Clinicians who achieve a final score of **70 or higher** will be eligible for the exceptional performance adjustment, funded from a pool of \$500 million."

### **Help for Small Practices**

Practices with a low volume of Medicare patients will be exempt from MACRA's impact. Based on the final rule, practices with less than \$30,000 in annual Medicare Part B charges or 100 Medicare patients are exempt from the MIPS requirements. Dr. Patrick Conway, CMS' CMO, said that based on this threshold nearly 380,000 providers may be exempt from the MIPS program.

### **Pick your Path in 2017**

The agency is also allowing providers to "pick your path" in 2017 over three data submission options through MIPS or a fourth option to join an Advanced APM.

Here are the four options:

1. "Test" the program by submitting a minimum amount of data (i.e., one quality measure) to ensure physicians' systems are working and prepared for broader participation in the 2018 year.
2. Submit 90 days of 2017 data. This option allows practices to submit their first performance period sometime after Jan. 1, 2017. Through this option, practices still qualify for a small positive payment adjustment.
3. Submit a full year of 2017 data, which could result in a positive payment adjustment.
4. Join an Advanced APM. If you receive 25% of Medicare payments or see 20% of your Medicare patients through an [Advanced APM](#) in 2017, then you earn a 5% incentive payment in 2019.

As of this article, the agency expects the following to be considered advanced APMs in 2017:

- Comprehensive ESRD Care - Two-sided risk;
- Comprehensive Primary Care Plus (CPC+);
- Next Generation ACO; and
- Medicare Shared Savings Program - Tracks 2 and 3.

### **More Advanced APM participation opportunities are coming in 2018**

CMS intends to broaden APM opportunities for clinicians, including small practices and specialists. One major opportunity being considered for 2018 will be the new Accountable Care Organization Track 1+ model. The agency is also reviewing reopening some existing Advanced APMs for application.

### **Remember when CMS said Meaningful Use was going away....**

The "Advancing Care Information" section of MIPS "**replaces**" the Meaningful Use program, but is still requiring physicians to comply with a reduced set of Stage 2 requirements for MU focused on HIPPA Compliance and, of course, Interoperability (Basically the sharing of data). For more detail, read The Office of National Coordinator's (ONC) [Connecting Health and Care for the Nation: A Shared Nationwide Interoperability Roadmap](#).

Ultimately CMS decided to reduce the total number of required measures from 11 in the proposed rule to five in the final rule:

- Security risk analysis
- E-prescribing;
- Provide patient access;
- Send summary of care; and
- Request/accept summary of care.

In addition to the five required measures, there will be optional measures a provider can report to potentially allow for a higher score. The final rule states, "For the transition year, we will award a bonus score for improvement activities that utilize [certified EHR technology] and for reporting to public health or clinical data registries." My recommendation, contact your local Health Information Exchange (HIE). Yes, this is a shameless plug; the [PDN HIE](#) can help you meet the interoperability measure either through direct connection with the HIE, or with in-person consultation to maximize your current technology and ensure you are compliant.

### **The Bottom Line**

MACRA is coming. The final rule offers more flexibility, allowing greater time to adopt to these new standards. Those that adapt to the new paradigm sooner will begin to prepare themselves for the inevitable future and receive financial incentives for earlier adoption. If you are wondering how MACRA will affect your practice, please give Bruce Edmunds a call at 915-242-0674. I'd be happy to discuss this in more detail and help you consider how your practice can adapt to the changing reality.

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