

United States Senate

WASHINGTON, DC 20510

September 30, 2016

The Honorable Sylvia Mathews Burwell
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Burwell:

In April 2015, Congress passed, and the president signed into law, the Medicare Access and CHIP Reauthorization Act (P.L. 114-10). MACRA replaced the flawed sustainable growth rate (SGR) formula with the Quality Payment Program (QPP), which represents a new approach to paying providers based on the value and quality of their care through the Merit-based Incentive Payment System (MIPS) and other alternative payment models (APMs). On April 27, 2016, the Centers for Medicare & Medicaid Services (CMS) issued a proposed rule implementing the QPP. The final rule is expected to be published by November 1, 2016 for implementation on January 1, 2017.

I have heard from numerous constituents regarding concerns with the implementation of MACRA. Given those concerns, I am writing to request that CMS: (1) modify the initial start date of MIPS so physicians and practices have adequate time to prepare for the new program; (2) minimize the reporting burden, particularly during the initial transition period; (3) provide more flexibility for small and solo practices; and (4) encourage parity in the Physician-Focused Payment Model Technical Advisory Committee (PTAC) review process to promote specialty-focused models. For each of these key requests, additional information is provided below.

MIPS Performance Period. CMS should modify the start date of the initial MIPS transition performance period from January 1, 2017 to no earlier than July 1, 2017, allowing CMS to establish a shorter performance period in the first year of the QPP program (such as a 6-month performance period — with an optional “look-back” to January 1 in 2017) for the first MIPS payment adjustment that will occur in 2019. Given the complexity of the proposed program, the time between when the final rule will be released and when physicians must begin reporting is simply too short. It is critical that physicians and practices have adequate time to familiarize themselves with the new program requirements and adjust administrative processes and clinical work-flows. CMS has significantly underestimated the time and resources required for physicians to engage in Medicare’s quality reporting programs, and the agency must provide robust education through a wide-variety of informational tools.

Reporting Burden. The proposed reporting requirements for the quality performance category, particularly the reporting thresholds, must be reduced to minimize the reporting burden. I recommend CMS maintain the current Physician Quality Reporting System (PQRS) reporting threshold of 50% of Part B patients, rather than the proposed quality reporting thresholds of 90% of all patients reported through a registry or 80% of Medicare Part B patients reported via claims. Since MIPS represents a major overhaul of the current programs, CMS must not increase the reporting requirements while clinicians transition to the MIPS.

Provide Flexibility for Small Practices. CMS estimates that the majority of physicians in small or solo practices will be penalized under the QPP. CMS must take steps to ensure that all physicians, regardless of their specialty or practice size, have an equal opportunity to succeed in this new program. A positive step in this direction would be for CMS to raise the MIPS low-volume exclusion threshold to \$75,000 in Medicare allowed charges or fewer than 100 Medicare patients seen by the physician. Additionally, CMS should provide guidance for the establishment of “virtual groups” as quickly as possible.

Specialty PFPMs. MACRA encourages the development of specialty-specific Physician-Focused Payment Models (PFPMs). However, the review criteria that will be employed by the PTAC does not facilitate a high degree of engagement with specialty medicine providers on specialty-focused models. Therefore, I urge the agency to develop review criteria that is inclusive of all practice types, including specialty practices.

I look forward to continuing to work with you and others at HHS to ensure the appropriate implementation of MACRA and to generally improve health and health care for our seniors.

Sincerely,



Sen. Rand Paul