Background

On Oct. 14, 2016, the Centers for Medicare & Medicaid Services (CMS) released the final rule implementing the new Medicare Quality Payment Program (QPP). Mandated by the Medicare Access and CHIP Reauthorization Act (MACRA), the QPP replaces the former sustainable growth rate (SGR) payment system, under which physicians had faced nearly 14 years of significant Medicare pay cuts — passage of MACRA prevented Medicare cuts of nearly $100,000 for many neurosurgeons: $42,000 related to the SGR; $22,000 for quality programs; and $30,000 preventing the elimination of 10- and 90-day global surgery codes. The new payment system also consolidates Medicare’s separate quality-related programs — the Physician Quality Reporting System (PQRS), Electronic Health Records (EHR) Incentive Program and Value-Based Payment Modifier (VM) — and provides a new framework for rewarding the delivery of quality patient care through two pathways: the Merit-based Incentive Payment System (MIPS) or through Advanced Alternative Payment Models (Advanced APMs).

Eligible Clinicians

In general, clinicians eligible to participate in the QPP include physicians, physician assistants, nurse practitioners, clinical nurse specialists and certified registered nurse anesthetists. There are three exemptions for 2017:

- Clinicians who are new to the Medicare program in 2017;
- Clinicians who bill Medicare $30,000 or less; or
- Clinicians who provide care for 100 or fewer patients.

CMS estimated late last year that approximately 310 neurosurgeons will be new to the Medicare program and hence excluded from the QPP in 2017. Additionally, the agency estimates that 1,217 neurosurgeons will be excluded because they bill Medicare less than $30,000 or treat fewer than 100 patients. Finally, less than 50 neurosurgeons were expected to satisfy the Advanced APM requirements; thus most neurosurgeons will be subject to the requirements of MIPS.

In early May 2017, CMS sent letters in the mail notifying clinicians of their MIPS participation status. See a sample of the letter (zip), which is also posted on the QPP website. These letters were mailed to TINs and provide information on all individual NPIs within that TIN. The QPP website also now includes a Provider Look-Up Tool where clinicians can enter their NPI and check on their participation status.

1 CMS assumes that 6,081 eligible clinicians are identified as neurosurgeons. Eligible clinicians include all TIN/NPIs in a MIPS-eligible specialty with non-zero charge and beneficiary counts.
In May, CMS also announced that it had underestimated the number of Medicare providers who would be exempt from MIPS in the first year. Instead, 65 percent of providers have been notified they won’t be participating in MIPS for 2017, representing a total of 806,879 clinicians (although that still leaves some 418,489 clinicians who will have to participate in 2017 to avoid a penalty in 2019). Although CMS did not release newly revised specialty-specific qualification numbers, it is expected that its original estimates related to neurosurgery were low, as well.

Physicians are not required to participate in the QPP, but those who choose not to will receive the maximum penalty, which for 2019 (based on 2017 participation), is 4 percent. When the program is fully implemented in 2022, maximum penalties will increase to 9 percent, which is less than the combined maximum total penalty under the PQRS, VM, and EHR Incentive Program in 2018.

**Pick-Your-Pace Participation**

Recognizing that physician readiness to implement the new QPP will vary, during the 2017 transition year, CMS has established the “pick-your-pace” program for participation. Under this approach, physicians have four different participation options:

1. Physicians can choose to report to MIPS for a full 90-day period or the full year to maximize the chances to qualify for a bonus payment. In addition, MIPS eligible clinicians who are exceptional performers in MIPS, as shown by the information that they submit, are eligible for an additional bonus for each year of the first six years of the program.

2. Physicians can choose to report to MIPS for a period of time less than the full year performance period 2017, but for a full 90-day period at a minimum and report more than one quality measure, more than one improvement activity (IA), or more than the required measures in the advancing care information (ACI) performance category (i.e., EHR meaningful use) in order to avoid a penalty and to possibly receive a small bonus payment.

3. Physicians can choose to report one measure in the quality performance category; one activity in the IA performance category; or report the required “base” measures of the ACI performance category and avoid a penalty. However, if physicians choose to not report even one measure or activity, they will receive the full negative 4 percent payment penalty in 2019.

Physicians also can participate in Advanced APMs, and if they receive a sufficient portion of their Medicare payments or see a sufficient portion of their Medicare patients through the Advanced APM (known as Qualifying APM Participants or QPs), they will qualify for a 5 percent bonus incentive payment in 2019 and be exempt from MIPS. Additional information about the requirements for this track, and which models currently qualify as Advanced APMs, is available [here](ama-assn.org/qpp-reporting) and discussed below.

A survey released by the AMA, in consultation with KPMG, in late June 2017, found that a third of physicians who expect to participate in MIPS in 2017 plan to do the bare minimum required to avoid the penalty. It also found that fewer than one in four physicians feel well prepared to meet MACRA’s requirements in 2017, and that 90% of those surveyed called the requirements “very burdensome.”

As a reminder to neurosurgeons, the AANS and CNS, and our partners at the American Medical Association (AMA), sent out notices to make sure neurosurgeons know what they have to do to participate and the QPP’s “pick your pace” options for reporting. This is especially important for those physicians who have not participated in past Medicare reporting programs and may be less knowledgeable about the steps they can take to avoid being penalized under the QPP. A new short video developed by the AMA, “One patient, one measure, no penalty: How to avoid a Medicare payment penalty with basic reporting,” offers step-by-step instructions on how to report so physicians can avoid a negative 4 percent payment adjustment in 2019. On this website, [ama-assn.org/qpp-reporting](ama-assn.org/qpp-reporting), there are
also links to CMS’ quality measure tools and an example of what a completed 1500 billing form looks like.

**Merit-based Incentive Payment System (MIPS)**

CMS estimates that approximately 500,000 clinicians, including 4,508 neurosurgeons, will be eligible to participate in MIPS in the first year of the program. Physicians opting to participate in MIPS will be scored based on their performance in four categories:

- Quality;
- Resource Use/Cost;
- Advancing Care Information (ACI) — formerly known as meaningful use of electronic health records; and
- Clinical Practice Improvement Activities (IA)

A single MIPS composite performance score will factor in performance in these four weighted performance categories on a 0-100 point scale. Per the 2017 program, the category weights are as follows (note, however, that CMS is proposing to maintain the resource use/cost category at 0% for the 2020 payment year):

<table>
<thead>
<tr>
<th>Performance Category</th>
<th>2019 Payment Year</th>
<th>2020 Payment Year</th>
<th>2021 Payment Year and beyond</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality</td>
<td>60%</td>
<td>50%</td>
<td>30%</td>
</tr>
<tr>
<td>Resource Use/Cost</td>
<td>0%</td>
<td>10%</td>
<td>30%</td>
</tr>
<tr>
<td>Advancing Care Information (EHR)</td>
<td>25%</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>Clinical Practice Improvement Activities</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
</tr>
</tbody>
</table>

In some instances, CMS may reweight these categories in certain limited circumstances where physicians do not have the opportunity to meet the requirements of a particular category.

**Data Requirements**

CMS reduced the burden of reporting under the MIPS program.

- **Quality Activities.** In the final rule, CMS established that for full performance, clinicians will report on six quality measures, or one specialty-specific or subspecialty-specific measure set. Reported measures must include one outcomes or high priority measure. Bonus points are available for those who report additional outcomes and high priority measures, and those who rely on end-to-end electronic reporting to submit measures (e.g., using certified HIT to capture and electronically provide to a registry clinical data for the measures). A lower threshold of one measure out of six applies for CY 2017 to simply avoid the 2019 penalty.

- **Clinical Improvement Activities.** CMS finalized that eligible clinicians may attest to having completed up to four medium-weighted or two high-weighted clinical practice improvement
activities, a reduction from the initially proposed six. Smaller practices must only attest to up to two activities to receive the maximum score in this category.

- **Advancing Care Information (EHR).** Eligible clinicians are required to report on four to five EHR use-related measures (depending on your edition of certified EHR technology), a reduction from 11 measures in the proposed rule. Additional performance points also can be earned on these and other measures. Bonus points are available for reporting on measures in the Public Health and Clinical Data Registry Reporting objective, as well as for submitting IA data using certified EHR technology. CMS notes that “based on significant feedback, this area is simplified into supporting the exchange of patient information and how technology specifically supports the quality goals selected by the practice.” CMS also expanded the definition of hospital-based clinicians to include those with 75 percent or more of professional services in the following sites of service: inpatient hospital (POS 21), on-campus outpatient hospital (POS 22), or emergency room (POS 23) setting. Those who meet this definition are exempt from the ACI category, but may voluntarily choose to submit data for credit.

- **Cost/Resource Use.** CMS simplified the cost performance category and eliminated it from the calculation of providers’ overall performance score for CY 17. Physicians will receive informational cost/resource use reports.

**Submitting MIPS Data**

Under MIPS, physicians have multiple methods for providing data to CMS, whether participating as individuals or as groups.

For physicians submitting data as an **individual**, payment adjustments will be based on individual performances. An individual is defined as a single National Provider Identifier (NPI) tied to a single Tax Identification Number. These physicians will send individual data for each of the MIPS categories through the routine Medicare claims process, a certified electronic health record, registry or a qualified clinical data registry.

If physicians submit with a **group**, the group will get one payment adjustment based on the group’s performance. A group is defined as a set of clinicians (identified by their NPIs) sharing a common Tax Identification Number, no matter the specialty or practice site. Group-level data for each of the MIPS categories will be sent to CMS through the CMS web interface or a third-party data-submission service such as a certified electronic health record, registry, or a qualified clinical data registry.

<table>
<thead>
<tr>
<th>Performance Category</th>
<th>Individual Reporting Data Submission Mechanisms</th>
<th>Group Reporting Data Submission Mechanisms</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quality</strong></td>
<td>• Claims</td>
<td>• QCDR</td>
</tr>
<tr>
<td></td>
<td>• QCDR</td>
<td>• Qualified registry</td>
</tr>
<tr>
<td></td>
<td>• Qualified registry</td>
<td>• EHR</td>
</tr>
<tr>
<td></td>
<td>• EHR</td>
<td>• CMS Web Interface (groups of 25 or more)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• CMS-approved survey vendor for CAHPS for MIPS (must be reported with another data submission mechanism)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Administrative claims (for all-cause hospital readmission measure - no submission required)</td>
</tr>
<tr>
<td><strong>Resource Use/Cost</strong></td>
<td>• Administrative claims (no submission required)</td>
<td>• Administrative claims (no submission required)</td>
</tr>
</tbody>
</table>
### Performance Category

<table>
<thead>
<tr>
<th>Advancing Care Information (EHR)</th>
<th>Individual Reporting Data Submission Mechanisms</th>
<th>Group Reporting Data Submission Mechanisms</th>
</tr>
</thead>
</table>
|                                  | • Attestation  
• QCDR  
• Qualified registry  
• EHR | • Attestation  
• QCDR  
• Qualified registry  
• EHR  
• CMS Web Interface (groups of 25 or more) |

<table>
<thead>
<tr>
<th>Clinical Practice Improvement Activities</th>
<th>Individual Reporting Data Submission Mechanisms</th>
<th>Group Reporting Data Submission Mechanisms</th>
</tr>
</thead>
</table>
|                                          | • Attestation  
• Qualified Clinical Data Registry  
• Qualified registry  
• Electronic Health Record | • Attestation  
• Qualified Clinical Data Registry  
• Qualified registry  
• Electronic Health Record  
• CMS Web Interface (groups of 25 or more) |

### MIPS Score and Payment Adjustment

The scoring system remains complex, although CMS purports to have simplified it from the original proposed scoring system. The agency estimates that nearly 94 percent of all neurosurgeons will receive a positive or neutral MIPS payment adjustment. Overall, using a “standard scoring model,” the agency estimates that neurosurgery as a whole will receive bonus payments of $6 million in 2019 (based on the 2017 performance period). The aggregate penalties will be approximately $2 million. The net impact is negligible, as Medicare payments for neurosurgery will increase by a mere 0.5 percent.

Although CMS has taken steps to minimize adverse effects on small and solo practices, practice size still matters and under the standard assumptions model physicians in larger practices will fare better — albeit slightly — than those in small or solo practices.

<table>
<thead>
<tr>
<th>Practice Size</th>
<th>Percent w/Positive or Neutral Payment Adjustment</th>
<th>Net Impact on Medicare Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-9 clinicians</td>
<td>90%</td>
<td>0.5%</td>
</tr>
<tr>
<td>10-24 clinicians</td>
<td>90%</td>
<td>0.4%</td>
</tr>
<tr>
<td>25-99 clinicians</td>
<td>92.6%</td>
<td>0.4%</td>
</tr>
<tr>
<td>100 or more clinicians</td>
<td>98.5%</td>
<td>1.1%</td>
</tr>
</tbody>
</table>

MIPS is budget neutral, similar to the value-based payment modifier (VM). The downward adjustment is capped each year and a scaling factor applied to ensure upward adjustments equal downward adjustments. Unlike the VM, clinicians with a final score at or above a set composite performance threshold will receive a zero or positive MIPS adjustment factor on a linear sliding scale such that a MIPS adjustment factor of zero percent is assigned for a final score at the threshold and an adjustment factor of the applicable percent is assigned for a final score of 100.\(^2\)

As mentioned, there is also additional funding set aside for each of the years 2019 through 2024 for clinicians with exceptional performance. Since CMS set the additional performance threshold for the 2019 MIPS payment year at 70 points, clinicians with final composite MIPS score above 70 points are eligible for the exceptional bonus. These clinicians receive an additional payment adjustment factor for

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\(^2\) Under the VM, a clinician is determined to be either a low or high performer based on whether their quality or cost scores are one standard deviation below/above the national mean. As such, only outliers are directly impacted and everyone else is considered “average” and receives no payment adjustment.
exceptional performance on a linear sliding scale such that an additional adjustment factor of 0.5 percent is assigned for a final score at the additional performance threshold (70 points) and an additional adjustment factor of 10 percent is assigned for a final score of 100, subject to the application of a separate scaling factor as determined by CMS to ensure that the estimated aggregate increase in payments resulting from the application of the additional MIPS payment adjustment factors for the MIPS payment year do not exceed the $500 million in “exceptional performance” bonus funding available for each of the MIPS payment year.

**Advanced Alternative Payment Models**

Providers who receive a substantial portion of their reimbursement or see a substantial number of patients under an Advanced APMs are exempt from MIPS. They are eligible for five percent bonus payments in 2019 and, later, an accruing reimbursement differential from their non-Advanced APM colleagues. One of the key criteria by which an APM is determined to be “Advanced” is that the participating provider must bear more than nominal risk under the reimbursement model. In the final rule, CMS sets this standard for 2017 and 2018 as a potential downside of eight percent of all Medicare reimbursements or three percent of the expected expenditures for which the provider is responsible under the APM itself.

To minimize reporting burden, CMS finalized special policies that would give clinicians credit under MIPS for participating in certain APMs that hold participants accountable for cost and quality. These are referred to as MIPS APMs and participants in MIPS APMs receive special MIPS scoring under the “APM scoring standard.” Most Advanced APMs are also MIPS APMs, so that if an eligible clinician participating in the Advanced APM does not meet the threshold to become a QP for a year, the eligible clinician will be subject to MIPS, and special scoring accommodations that recognize quality improvement efforts already being performed through the APM and minimize duplication of effort. For example, participation in a MIPS-qualifying APM will automatically give a clinician full credit under the clinical practice improvement activities (IA) performance category.

A list of which APMs fit into which definition is available through a CMS [fact sheet](#).

CMS estimates that approximately 70,000 to 120,000 will participate in Advanced APMs in 2017 and up to 250,000 will do so the following year. In CY 2019, these ambitious providers will received between $333 and $571 million in APM Incentive Payments. Not many neurosurgeons are expected to participate in advanced APMs.

**New QPP Guidance Materials Posted**

CMS continues to post new guidance documents and other informational resources to the QPP Resources Library. The latest document posted include:

- Detailed specifications for the Advancing Care Information measures;
- A listing of Qualified Clinical Data Registries (QCDRs) approved for 2017, including the NeuroPoint Alliance’s Quality Outcomes Database (QOD) Registry and the AANS/AAPM&R Spine Quality Outcomes Database (SQOD);
- A guide to Group Participation in MIPS 2017; and
- A technical assistance guide

Clinicians are encouraged to regularly check the QPP Resources Library for updates.

**2018 and Beyond**

On June 20, 2017, CMS issued its 2018 Medicare Quality Payment Program (QPP) [proposed rule](#), which addresses requirements related to participation MIPS and Advanced APMs. In general, organized neurosurgery was pleased to learn that CMS will continue to treat year two of the program as another transition year and largely maintain program flexibility. [Click here](#) for a fact sheet on the proposed rule and [here](#) for a comprehensive summary of the document. Finally, [click here](#) for a slide deck prepared by CMS that provides an overview of the proposed rule.
AANS/CNS Washington Office staff continue to participate on an AMA MIPS workgroup, which was created at the direction of the AMA MACRA Task Force, of which the AANS and CNS are members. The purpose is to have an ongoing collaboration between the AMA, national specialty and state medical societies to provide input to CMS regarding the implementation of MACRA’s MIPS and APM payment programs. Earlier in the year, the workgroup provided CMS with suggested regulatory changes that could improve the QPP. The AANS and CNS were pleased to see most of its priorities reflected in the proposed rule.

Highlights from the 2018 proposed rule include the following proposals:

- Simplifying the program, especially for small, independent, and rural practices, while ensuring fiscal sustainability and high-quality care within Medicare.
- Increasing the low-volume threshold to less than or equal to $90,000 in Medicare Part B allowed charges or less than or equal to 200 Medicare Part B patients (versus $30,000/100 Medicare patients).
- Implementing virtual groups, which applies to solo practitioners and those in groups with 10 or fewer eligible clinicians.
- Maintaining the weights of each performance category, including 0% for the cost category.
- Adopting new flexibilities where facility-based clinicians (inpatient and ED) can get credit under MIPS for their facility’s total performance score under the Hospital Value-Based Purchasing (VBP) program.
- Raising the overall MIPS performance threshold from 3 points to 15 points, which means clinicians will have to do more than report a single measure or activity to avoid a penalty in 2020.
- Scoring performance on both achievement and improvement for quality and cost.
- Providing final score bonuses for small practices and for MIPS eligible clinicians that care for complex patients
- Allowing clinicians to can submit measures and improvement activities via as many mechanisms as necessary (e.g., 3 measures via claims and 3 measures via registry).
- Maintaining the requirement of reporting on 6 measures for 50% of applicable patients.
- Maintaining the 3 point floor for measures that can be reliably scored against a benchmark, maintaining the policy to assign 3 points to measures that are submitted, but do not have a benchmark or do not meet the case minimum, and lowering the number of points available for measures that do not meet the data completeness criteria (except for a measures submitted by a small practice, which it proposes to continue to assign 3 points if the measure does not meet data completeness)
- Proposing a systematic approach to address the potential removal of topped out quality measures
- Simplifying the process in which existing QCDRs or qualified registries in good standing may continue their participation in MIPS by attesting that their approved data validation plan, cost, approved QCDR measures, MIPS quality measures, activities, services, and performance categories offered in the previous year’s performance period of MIPS have no changes.
- Adding a significant hardship exception from the advancing care information performance category for MIPS eligible clinicians in small practices and permitting clinicians to continue to rely on 2014 CEHRT for 2018, rather than requiring a transition to the 2015 Edition.
- Proposing additional improvement activities, including recognition of clinicians who consult Appropriate Use Criteria when ordering advanced diagnostic imaging as a HIGH weighted activity
and completion of an accredited safety or QI program (including CME programs that address performance or QI) as a medium weighted activity. The AANS and CNS had recommended earlier in the year that CMS recognize CME. More recently, neurosurgery recommended that CMS recognize subspecialists taking emergency call and we hope to see that recommendation included in next year’s rule.

CMS also proposed a new Neurosurgical Specialty Measure set, copied below. Neurosurgeons would not be expected to report on all measures within the set; the set is simply meant to guide neurosurgeons with the selection of potentially relevant measures.

<table>
<thead>
<tr>
<th>MIPS #</th>
<th>Title</th>
<th>High Priority</th>
<th>2017 Reporting Mechanisms</th>
</tr>
</thead>
<tbody>
<tr>
<td>21</td>
<td>Perioperative care: Selection of Prophylactic Antibiotic- First or Second Generation Cephalosporin</td>
<td>Y</td>
<td>Claims, Registry</td>
</tr>
<tr>
<td>23</td>
<td>Perioperative care: Venous Thromboembolism (VTE) Prophylaxis</td>
<td>Y</td>
<td>Claims, Registry</td>
</tr>
<tr>
<td>32</td>
<td>Stroke and stroke rehab: Discharged on Antithrombotic Therapy</td>
<td>N</td>
<td>Claims, Registry</td>
</tr>
<tr>
<td>130</td>
<td>Documentation of Current Medications in the Medical Record</td>
<td>Y</td>
<td>Claims, Registry, EHR</td>
</tr>
<tr>
<td>187</td>
<td>Stroke and Stroke Rehab: Thrombolytic Therapy</td>
<td>N</td>
<td>Registry</td>
</tr>
<tr>
<td>226</td>
<td>Preventive Care and Screening: Tobacco Use: Screening and Cessation Intervention</td>
<td>N</td>
<td>Claims, Registry, EHR</td>
</tr>
<tr>
<td>345</td>
<td>Rate of Post-op Stroke or Death in Asymptomatic Patients undergoing CAS</td>
<td>Y</td>
<td>Registry</td>
</tr>
<tr>
<td>346</td>
<td>Rate of Post-op Stroke or Death in Asymptomatic Patients undergoing CEA</td>
<td>Y</td>
<td>Registry</td>
</tr>
<tr>
<td>409</td>
<td>Clinical Outcome Post Endovascular Stroke Treatment</td>
<td>Y</td>
<td>Registry</td>
</tr>
<tr>
<td>413</td>
<td>Door to Puncture Time for Endovascular Stroke Treatment</td>
<td>Y</td>
<td>Registry</td>
</tr>
<tr>
<td>409</td>
<td>Clinical Outcome Post Endovascular Stroke Treatment (SIR)</td>
<td>Y</td>
<td>Registry</td>
</tr>
<tr>
<td>413</td>
<td>Door to Puncture Time for Endovascular Stroke Treatment (SIR)</td>
<td>Y</td>
<td>Registry</td>
</tr>
<tr>
<td>TBD</td>
<td>Average Change in Back Pain Following Lumbar Discectomy and/or Laminotomy (MN Community Measurement)</td>
<td>Y</td>
<td>Registry</td>
</tr>
<tr>
<td>TBD</td>
<td>Average Change in Back Pain Following Lumbar Fusion (MN Community Measurement)</td>
<td>Y</td>
<td>Registry</td>
</tr>
<tr>
<td>TBD</td>
<td>Average Change in Leg Pain Following Lumbar Discectomy and/or Laminotomy (MN Community Measurement)</td>
<td>Y</td>
<td>Registry</td>
</tr>
</tbody>
</table>

CMS estimates that approximately 572,000 eligible clinicians would be required to participate in MIPS in the 2018 MIPS performance period. The proposed increase in the low-volume threshold is expected to exclude 585,560 clinicians who do not exceed the low-volume threshold.

In terms of payment impact, CMS estimates that:

- Over 95% of eligible neurosurgeons will participate in MIPS in 2018;
- Almost 73% will qualify for the exceptional performance adjustment;
- Less than 5% will receive a penalty; and
- The combined impact of negative and positive adjustments (including exceptional performance payments) to make up 0.7% of estimated paid amounts to the specialty.
Disclaimers

This presentation was prepared as a tool to assist providers and is not intended to grant rights or impose obligations. Although every reasonable effort has been made to assure the accuracy of the information within these pages, the ultimate responsibility for the correct submission of claims and response to any remittance advice lies with the provider of services.

This publication is a general summary that explains certain aspects of the Medicare Program, but is not a legal document. The official Medicare Program provisions are contained in the relevant laws, regulations, and rulings. Medicare policy changes frequently, and links to the source documents have been provided within the document for your reference.

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Question & Answer (Q&A) Session

• There will be a Q&A session if time allows. However, CMS must protect the rulemaking process and comply with the Administrative Procedure Act.

• Participants are invited to share initial comments or questions, but only comments formally submitted through the process outlined by the Federal Register will be taken into consideration by CMS.

• See the proposed rule for information on how to submit a comment.
Quality Payment Program

Topics

• Overview
  - Quality Payment Program
  - Bedrock
  - How to Submit Comments

• Changes Proposed for Year Two
  - Merit-based Incentive Payment System (MIPS)
  - Alternative Payment Models (APMs)

• Resources
QUALITY PAYMENT PROGRAM
Overview
The Quality Payment Program:

- We’ve heard concerns that too many quality programs, technology requirements, and measures get between the doctor and the patient. That’s why we’re taking a hard look at reducing burdens. By proposing this rule, we aim to improve Medicare by helping doctors and clinicians concentrate on caring for their patients rather than filling out paperwork. CMS will continue to listen and take actionable steps towards alleviating burdens and improving health outcomes for all Americans that we serve.

Clinicians have two tracks to choose from:

**MIPS**

The Merit-based Incentive Payment System (MIPS)

*If you decide to participate in MIPS, you may earn a performance-based payment adjustment through MIPS.*

**Advanced APMs**

Advanced Alternative Payment Models (Advanced APMs)

*If you decide to take part in an Advanced APM, you may earn a Medicare incentive payment for sufficiently participating in an innovative payment model.*
Quality Payment Program
Bedrock

High-quality patient-centered care

Continuous improvement

Useful feedback
Quality Payment Program
Considerations

- Improve beneficiary outcomes
- Increase adoption of Advanced APMs
- Improve data and information sharing
- Reduce burden on clinicians
- Maximize participation
- Deliver IT systems capabilities that meet the needs of users
- Ensure operational excellence in program implementation

Quick Tip: For additional information on the Quality Payment Program, please visit qpp.cms.gov
Proposed Rule for Year 2
When and Where to Submit Comments

- The proposed rule includes proposed changes not reviewed in this presentation so please refer to the proposed rule for complete information.

- We will not consider feedback during the presentation as formal comments on the rule so please submit your comments in writing.

- See the proposed rule for information on submitting these comments by the close of the 60-day comment period on **August 21, 2017**. When commenting **refer to file code CMS 5522-P**.

- Instructions for submitting comments can be found in the proposed rule; FAX transmissions will not be accepted. You must officially submit your comments in one of the following ways: electronically through
  - Regulations.gov
  - by regular mail
  - by express or overnight mail
  - by hand or courier

- For additional information, please go to: [qpp.cms.gov](http://qpp.cms.gov)
PROPOSED RULE FOR YEAR 2

Merit-based Incentive Payment System
Proposed Rule for Year 2
Request for Comments: MIPS Proposals

<table>
<thead>
<tr>
<th>Proposed Rule</th>
<th>Seeking Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raising the low-volume threshold to exclude individual MIPS eligible clinicians or groups who bill ≤ $90,000 Part B billing OR provide care for ≤ 200 Part B enrolled beneficiaries</td>
<td>Opt-in option that would begin in 2019</td>
</tr>
<tr>
<td>Virtual groups</td>
<td>Definition and composition, election process, agreements, reporting requirements.</td>
</tr>
<tr>
<td>Facility-based measurement</td>
<td>Participation through opt-in or opt-out</td>
</tr>
<tr>
<td>Quality performance category</td>
<td>Increasing the data completeness threshold, process to cap and then eliminate topped out measures</td>
</tr>
<tr>
<td>Cost weight for 2018</td>
<td>Retaining it at 0% as indicated in the transition year final rule</td>
</tr>
<tr>
<td>Proposals</td>
<td>Seeking Comments</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Improvement activities</td>
<td>Future threshold for a group to get credit</td>
</tr>
<tr>
<td>Calculation for complex patient bonus</td>
<td>(using the HCC or dual eligible method).</td>
</tr>
<tr>
<td>Whether to have a bonus for practices in rural areas</td>
<td>(bonus proposed for small practices).</td>
</tr>
<tr>
<td>Whether the performance threshold should be set at a level other than 15</td>
<td>(possibly at 6 or 33 points).</td>
</tr>
<tr>
<td>points</td>
<td></td>
</tr>
</tbody>
</table>
Proposed Rule for Year 2
MIPS: Low-Volume Threshold

**Transition Year 1 Final**

Exclude individual MIPS eligible clinicians or groups who bill $30,000 in Part B allowed charges OR provide care for ≤100 Part B enrolled beneficiaries during the performance period or a prior period.

**Note:** For the 2017 and 2018 MIPS performance periods, individual MIPS eligible clinicians and groups who are excluded may voluntarily participate in MIPS, but would not subject to the MIPS payment adjustments.

**Year 2 Proposed**

Exclude MIPS eligible clinicians or groups who bill $90,000 in Part B allowed charges OR provide care for ≤200 Part B enrolled beneficiaries during the performance period or a prior period.

**Note:** Starting with the 2019 performance period, individual MIPS eligible clinicians and groups who are excluded, but exceed one of the low-volume thresholds, would be able to opt-in to MIPS and be subject to the MIPS payment adjustments.
Proposed Rule for Year 2
Who Participates in MIPS?

- No change in the types of clinicians eligible to participate in 2018.
- Other types may be added for the 2019 MIPS performance period.
- The same exclusions will remain in the 2018 MIPS performance period:
  - Eligible clinicians new to Medicare.
  - Clinicians below the low-volume threshold.
  - Clinicians significantly participating in Advanced APMs.

Quick Tip:
Physician means doctor of medicine, doctor of osteopathy (including osteopathic practitioner), doctor of dental surgery, doctor of dental medicine, doctor of podiatric medicine, or doctor of optometry, and, with respect to certain specified treatment, a doctor of chiropractic legally authorized to practice by a State in which he/she performs this function.

MIPS eligible clinicians include:

- Physicians
- Physician Assistants
- Nurse Practitioners
- Clinical Nurse Specialists
- Certified Registered Nurse Anesthetists
Proposed Rule for Year 2
MIPS: Virtual Groups

- Definition: A combination of two or more Taxpayer Identification Numbers (TINs) composed of a solo practitioner (individual MIPS eligible clinician who bills under a TIN with no other NPIs billing under such TIN), or a group with 10 or fewer eligible clinicians under the TIN that elects to form a virtual group with at least one other such solo practitioner or group for a performance period for a year.
- All MIPS eligible clinicians within a TIN must participate in the virtual group.
- Virtual groups must elect to participate in MIPS as a virtual group prior to the beginning of the performance period and such election cannot be changed once the performance period starts. If TIN/NPIs move to an APM, we propose to use waiver authority to use the APM score over the virtual group score.
Proposed Rule for Year 2
MIPS: Virtual Groups

• Generally, policies that apply to groups would apply to virtual groups with a few exceptions such as the definition of a non-patient facing MIPS eligible clinician; and small practice, rural area, and Health Professional Shortage Area (HPSA) designations.
  - Virtual groups use same submission mechanisms as groups.
• Virtual groups may determine their own composition without restrictions based on geographic area or specialty.
• Initially, there will be no restriction on overall virtual group size.
• CMS will define a “Model Agreement” and will provide a template through additional communications guidance for virtual groups that choose to use it.
Proposed Rule for Year 2
MIPS: Non-patient Facing

• Non patient-facing:
  - Individuals ≤100 patient facing encounters.
  - Groups: >75% of NPIs billing under the group’s TIN during a performance period are labeled as non-patient facing.
  - Virtual Groups: >75% of NPIs within a virtual group during a performance period are labeled as non-patient facing.

• To reduce burden, non-patient facing MIPS eligible clinicians, groups, and virtual groups would have reduced requirements for two performance categories in the 2018 MIPS performance period.

For **improvement activities**, non-patient facing MIPS eligible clinicians, groups, and virtual groups can report fewer activities (2 medium or 1 high activity) and achieve a maximum improvement activities performance score.

For **advancing care information**, non-patient facing MIPS eligible clinicians, groups, and virtual groups qualify for the reweighting policy, which sets the performance category weight to zero and reallocates the points to other performance categories.
Proposed Rule for Year 2

MIPS: Performance Period

**Transition Year 1 Final**
- Minimum 90-day performance period for quality, advancing care information, and improvement activities. Exception: measures through CMS Web Interface, CAHPS, and the readmission measures are 12 months.
- Cost (which is not included in Year 1) is based on 12 months of data for feedback purposes only.

**Year 2 Proposed**
- 12-month calendar year for quality and cost performance categories.
- 90-days for advancing care information and improvement activities.
- Although the cost category will still be weighted at 0% for next year and clinicians don’t need to report on this category, we will still provide feedback to clinicians on cost and we believe a 12-month period will provide more reliable measures.

Need to submit MIPS performance data by March 31, 2019
### Proposed Rule for Year 2
MIPS: Performance Threshold

**Transition Year 1 Final**
- 3 points
- Additional performance threshold set at 70 points for exceptional performance.
- Payment adjustment for the 2019 MIPS payment year ranges from -4% to +(4% x 3 scaling factor).

**Year 2 Proposed**
- 15 points
- Additional performance threshold remains at 70 points for exceptional performance.
- Payment adjustment for the 2020 MIPS payment year ranges from -5% to + (5% x 3 scaling factor).

Some examples of how to achieve 15 points:
- Report all required improvement activities.
- Meet the advancing care information base score and submit 1 quality measure that meets data completeness.
- Meet the advancing care information base score, by reporting the 5 base measures, and submit one medium weighted improvement activity.
- Submit 6 quality measures that meet data completeness criteria.
### Proposed Rule for Year 2

#### MIPS: Performance Threshold

<table>
<thead>
<tr>
<th>Final Score (Transition Year)</th>
<th>Transition Year Payment Adjustment</th>
<th>Final Score (Year 2)</th>
<th>Year 2 Proposed Payment Adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;70 points</td>
<td>Positive adjustment</td>
<td>&gt;70 points</td>
<td>Positive adjustment</td>
</tr>
<tr>
<td></td>
<td>Eligible for exceptional</td>
<td></td>
<td>Eligible for exceptional</td>
</tr>
<tr>
<td></td>
<td>performance bonus—minimum</td>
<td></td>
<td>performance bonus—minimum</td>
</tr>
<tr>
<td></td>
<td>of additional 0.5%</td>
<td></td>
<td>of additional 0.5%</td>
</tr>
<tr>
<td>4-69 points</td>
<td>Positive adjustment</td>
<td>16-69 points</td>
<td>Positive adjustment</td>
</tr>
<tr>
<td></td>
<td>Not eligible for exceptional</td>
<td></td>
<td>Not eligible for exceptional</td>
</tr>
<tr>
<td></td>
<td>performance bonus</td>
<td></td>
<td>performance bonus</td>
</tr>
<tr>
<td>3 points</td>
<td>Neutral payment adjustment</td>
<td>15 points</td>
<td>Neutral payment adjustment</td>
</tr>
<tr>
<td>0 points</td>
<td>Negative payment adjustment of</td>
<td>0 points</td>
<td>Negative payment adjustment of</td>
</tr>
<tr>
<td></td>
<td>-4%</td>
<td></td>
<td>-5%</td>
</tr>
<tr>
<td></td>
<td>0 points = does not participate</td>
<td></td>
<td>0 points = does not participate</td>
</tr>
</tbody>
</table>
### Submission Mechanisms

**MIPS**

<table>
<thead>
<tr>
<th>Performance Category</th>
<th>Submission Mechanisms for Individuals</th>
<th>Submission Mechanisms for Groups</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quality</strong></td>
<td>Claims, QCDR, Qualified registry, EHR</td>
<td>QCDR, Qualified registry EHR</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CMS Web Interface (groups of 25 or more)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CMS-approved survey vendor for CAHPS for MIPS (must be reported in conjunction with another data submission mechanism.)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Administrative claims (for readmission measure – no submission required)</td>
</tr>
<tr>
<td><strong>Cost</strong></td>
<td>Administrative claims (no submission required)</td>
<td>Administrative claims (no submission required)</td>
</tr>
<tr>
<td><strong>Advancing Care Information</strong></td>
<td>Attestation, QCDR, Qualified registry, EHR</td>
<td>Attestation, QCDR, Qualified registry, EHR</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CMS Web Interface (groups of 25 or more)</td>
</tr>
<tr>
<td><strong>Improvement Activities</strong></td>
<td>Attestation, QCDR, Qualified registry, EHR</td>
<td>Attestation, QCDR, Qualified registry, EHR</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CMS Web Interface (groups of 25 or more)</td>
</tr>
</tbody>
</table>
Proposed Rule for Year 2
MIPS: Submission Mechanisms

Transition Year 1 Final

Only one submission mechanism is allowed per performance category.

Year 2 Proposed

• No change in the types of submission mechanisms available in each performance category.

• Virtual groups would have the same submission mechanisms available to groups.

• Multiple submission mechanisms would be allowed (except for CMS Web Interface) as necessary to meet the requirements of the quality, improvement activities, or advancing care information performance categories.
Year 2 Proposed

- Facility-based measurement assesses clinicians in the context of the facilities at which they work to better measure their quality.
- Facility-based scoring will be implemented in a limited fashion in the first year for the quality and cost performance categories.
- This voluntary facility-based scoring mechanism will be aligned with the Hospital Value Based Purchasing Program (Hospital VBP) to help reduce burden for clinicians.
- Eligible as individual: You must have 75% of services in the inpatient hospital or emergency room.
- Eligible as group: 75% of eligible clinicians must meet eligibility criteria as individuals.
- We propose for the 2020 MIPS payment year to include all the measures adopted for the FY 2019 Hospital VBP Program on the MIPS list of quality and cost measures.
- Scores are derived using the data at the facility where the clinician treats the highest number of Medicare beneficiaries.
- The facility-based measurement option converts a hospital Total Performance Score into a MIPS quality performance category and cost performance category score.
- Facility-based measurement (participation through opt-in or opt-out).
Proposed Rule for Year 2
MIPS: Quality

Weight to final score:
• Retain 60% in 2020 payment year
• Maintain 30% in 2021 payment year and beyond

Data completeness:
• No change, but we intend to increase the data completeness threshold to 60% for the 2019 MIPS performance period.
• Measures that fail data completeness will receive 1 point instead of 3 points, except that small practices will continue to receive 3 points

Scoring:
• Maintain 3-point floor for measures scored against a benchmark.
• Maintain 3 points for measures that do not have a benchmark or do not meet case minimum.
• No change to bonuses.
• Proposed changes to CAHPS survey collection and scoring.
Proposed Rule for Year 2
MIPS: Quality Topped Out Measures

• Starting with the 2018 MIPS performance period, in the second consecutive year, or beyond, we will apply a cap of 6 points for a select set of 6 topped out measures.

• We propose after three years to consider removal of the topped out measures through notice and comment rulemaking for the fourth year.

• This policy would not apply to CMS Web Interface measures.
Proposed Rule for Year 2

MIPS: Cost

Weight to final score:
- Propose 0% in 2020 MIPS payment year but seek comment on a 10% weight.
- Maintain 30% in 2021 MIPS payment year and beyond.

Measures:
- Even though we are proposing that the cost performance category be weighted at 0, we are proposing to calculate measures for feedback purposes.
- Include only the Medicare Spending Per Beneficiary (MSPB) and total per capita cost measures in calculating cost performance category score.
- Did not include previous episode-based measures as we continue to develop new episode-based measures in collaboration with expert clinicians.
- We’ll continue to offer feedback on episode-based measures prior to potential inclusion of these measures in MIPS to increase clinician familiarity with these measures.

Scoring:
- Cost improvement scoring is proposed, but will not contribute to the 2018 final score.
Proposed Rule for Year 2
MIPS: Improvement Activities

Weight to final score:
- No change.
- Remains at 15%.

Number of activities:
- No change in the number of activities that MIPS eligible clinicians must report to achieve a total of 40 points.
- MIPS eligible clinicians in small practices and practices in a rural areas will continue to report on no more than 2 activities to achieve the highest score.
- We are proposing additional activities, and changes to existing activities for the Improvement Activities Inventory including credit for using Appropriate Use Criteria (AUC).

- We expand the definition of certified patient centered medical home, to include the CPC+ model, and clarify that the term “recognized” is equivalent to the term “certified” as a patient centered medical home or comparable specialty practice.
- For the number of practice sites within a TIN that need to be recognized as patient-centered medical homes for the TIN to receive the full credit for improvement activities, we propose a threshold of 50% for 2018.
Proposed Rule for Year 2
MIPS: Improvement Activities

Scoring:
- Continue to designate activities within the performance category that also qualify for an advancing care information bonus.

- For group reporting, only one MIPS eligible clinician in a TIN must perform the improvement activity for the TIN to receive credit. We recommend no change to this policy for 2018, but seek comment on a threshold for the future.

- Continue to allow simple attestation of improvement activities.
Proposed Rule for Year 2
MIPS: Advancing Care Information

- Allow clinicians to use either the 2014 or 2015 CEHRT Edition in 2018 and provide a bonus for use of 2015 CEHRT edition.
- Add more improvement activities to the list eligible for an advancing care information bonus.
- Expand options beyond the one immunization registry reporting measure for 10% toward the performance score and allow reporting on a combination of other public health registry measures that may be more readily available for 5% each toward the performance score (up to 10%).
- For the 5% bonus, must report to a different public health agency or registry than those used to earn the performance score.
- Add a decertification hardship for eligible clinicians whose EHR was decertified.
- Change the deadline for the significant hardship application for 2017 and going forward to be December 31 of the performance period.
- Add new category of exception for MIPS eligible clinicians in small practices to reweight advancing care information category to zero and reallocating the 25% to the quality performance category.
Enacted in 2016, the 21st Century Cures Act contains provisions affecting how CEHRT impacts the Quality Payment Program’s current transition year and future years.

The 21st Century Cures Act was enacted after the publication of the Quality Payment Program Year 1 Final Rule. In the Year 2 proposed rule, CMS is proposing to implement the provisions in the 21st Century Cures Act, some of which will apply to the MIPS transition year:

- Reweighting the Advancing Care Information performance category to 0% of the final score for ambulatory surgical center (ASC)-based MIPS eligible clinicians.

- Using the authority for significant hardship exceptions and hospital-based MIPS eligible clinicians for the Advancing Care Information performance category the 21st Century Cures Act grants CMS.
Rewards improvement in performance for a MIPS eligible clinician or group for a current performance period compared to the prior performance period

- **For quality:**
  - Improvement scoring will be based on the rate of improvement such that higher improvement results in more points for those who have not previously performed well.
  - Improvement is measured at the performance category level.
  - Up to 10 percentage points available in the performance category.

- **For cost:**
  - Improvement scoring will be based on statistically significant changes at the measure level.
  - Although, we propose an improvement scoring methodology for cost, it would not affect the MIPS final score for the 2020 MIPS payment year.
  - No improvement percentage points available for the cost category for the 2020 payment year. (The weight for the cost category is proposed to be 0 in 2020.)

In 2020, Improvement percentage points will be added to the quality performance category, but the performance category scores cannot exceed 100%.
Proposed Rule for Year 2
MIPS Scoring: Complex Patient Bonus

- Apply an adjustment of 1 to 3 bonus points to the final score by adding the average Hierarchical Conditions Category (HCC) risk score to the final score.
- Generally, this will award between 1 to 3 points to clinicians based on the medical complexity for the patients treated.
Proposed Rule for Year 2
MIPS Scoring: Small Practice Bonus

• Adjust the final score of any MIPS eligible clinician or group who is in a small practice (15 or fewer clinicians) by adding 5 points, so long as the MIPS eligible clinician or group submits data on at least 1 performance category in an applicable performance period.

• Seek comment on whether the small practice bonus should be extended to those who practice in rural areas as well.

• Add **5 additional points** for small practices to the final score.

We recognize the challenges of small practices and will provide a 5 point bonus to help them successfully meet MIPS requirements to incentivize their participation.
Proposed Rule for Year 2

MIPS Scoring: 2018 MIPS Performance Year Final Score

- Quality 60%, Cost 0%, Improvement Activities 15%, and Advancing Care Information 25%.
- Add 5 bonus points for small practices.
- Add 1 to 3 points to the final score for caring for complex patients.
- Add a 10-point bonus for those clinicians who use 2015 CEHRT exclusively (ACI only).
- Seek comment on adding bonus points for practices in rural areas.

- Continue to allow reweighting of the advancing care information performance category to the quality performance category (for hardships, and other specified situations).
- Proposed Propose new extenuating circumstances for quality, cost, and improvement activities performance categories.
PROPOSED RULE FOR YEAR 2
Alternative Payment Models (APMs)
What are Alternative Payment Models (APMs)?

- APMs are approaches to paying for health care that incentivize quality and value.
- As defined by MACRA, APMs include CMS Innovation Center models (under section 1115A, other than a Health Care Innovation Award), MSSP (Medicare Shared Savings Program), demonstrations under the Health Care Quality Demonstration Program, and demonstrations required by federal law.
- To be an Advanced APM, a model must meet the following three requirements:
  - Requires participants to use certified EHR technology;
  - Provides payment for covered professional services based on quality measures comparable to those used in the MIPS quality performance category; and
  - Either: (1) is a Medical Home Model expanded under CMS Innovation Center authority OR (2) requires participants to bear a more than nominal amount of financial risk.
- In order to qualify for a 5% APM incentive payment, model participants must receive a certain percentage of payments for covered professional services or see a certain percentage of patients through an Advanced APM during the associated performance year.
## Transition Year 1 Final

- Total potential risk under the APM must be equal to at least either:
  - 8% of the average estimated Parts A and B revenue of the participating APM Entities for the QP performance period in 2017 and 2018, or
  - 3% of the expected expenditures an APM Entity is responsible for under the APM for all performance years.

## Year 2 Proposed

- The 8% revenue-based standard is extended for two additional years, through performance year 2020.
Medical Home Model

A Medical Home Model is an APM that has the following features:

- Participants include primary care practices or multispecialty practices that include primary care physicians and practitioners and offer primary care services.

- Empanelment of each patient to a primary clinician; and

At least four of the following additional elements:

- Planned coordination of chronic and preventive care.
- Patient access and continuity of care.
- Risk-stratified care management.
- Coordination of care across the medical neighborhood.
- Patient and caregiver engagement.
- Shared decision-making.
- Payment arrangements in addition to, or substituting for, fee-for-service payments.

Medical Home models are subject to different (more flexible) standards in order to meet the financial risk criterion to become an Advanced APM.
Proposed Rule for Year 2
Advanced APMs: Medical Home Model 50 Clinician Cap

Transition Year 1 Final
• For performance year 2018 and thereafter, the medical home standard applies only to APM Entities with fewer than 50 clinicians in their parent organization.

Year 2 Proposed
• Exempts Round 1 participants in the Comprehensive Primary Care Plus Model (CPC+) from the requirement that medical home standard applies only to APM Entities with fewer than 50 clinicians in their parent organization.
Proposed Rule for Year 2
Advanced APMs: Medical Home Model Nominal Amount Standard

Transition Year 1 Final
Total potential risk for an APM Entity must be equal to at least:

- 2.5% of the estimated average total Parts A and B revenue of participating APM Entities for performance year 2017.
- 3% of the estimated average total Parts A and B revenue of participating APM Entities for performance year 2018.
- 4% of the estimated average total Parts A and B revenue of participating APM Entities for performance year 2019.
- 5% of the estimated average total Parts A and B revenue of participating APM Entities for performance year 2020.

Year 2 Proposed
Total potential risk for an APM Entity is adjusted, so that it must be equal to at least:

- 2% of the estimated average total Parts A and B revenue of participating APM Entities for performance year 2018.
- 3% of the estimated average total Parts A and B revenue of participating APM Entities for performance year 2019.
- 4% of the estimated average total Parts A and B revenue of participating APM Entities for performance year 2020.
- 5% of the estimated average total Parts A and B revenue of participating APM Entities for performance year 2021 and after.
Proposed Rule for Year 2

All-Payer Combination Option: Summary

• The All-Payer Combination Option is, along with the Medicare Option, one of two pathways through which eligible clinicians can become a QP or Partial QP.

• QP Determinations under the All-Payer Combination Option will be based on an eligible clinicians’ participation in a combination of both Advanced (Medicare) APMs and Other Payer Advanced APMs.

• QP Determinations are conducted sequentially so that the Medicare Option is applied before the All-Payer Combination Option. Only clinicians who fail to become QPs under the Medicare Option will need to participate in the All-Payer Combination Option.

• The All-Payer Combination Option is available beginning in the 2019 QP Performance Period.
What are Other Payer Advanced APM Criteria?

- The criteria for determining whether a payment arrangement qualifies as an Other Payer Advanced APM are similar, but not identical, to the comparable criteria used within Medicare:
  - Requires at least 50 percent of eligible clinicians to use certified EHR technology to document and communicate clinical care information.
  - Base payments for covered professional services on quality measures that are comparable to those used in the MIPS quality performance category.
  - Either: (1) is a Medicaid Medical Home Model that meets criteria that is comparable to a Medical Home Model expanded under CMS Innovation Center authority, OR (2) Require participants to bear a more than nominal amount of financial risk.
Proposed Rule for Year 2

All-Payer Combination Option: Generally Applicable Nominal Amount Standard

**Transition Year 1 Final**

- Nominal amount of risk must be:
  - Marginal Risk of at least 30%;
  - Minimum Loss Rate of no more than 4%; and
  - Total Risk of at least 3% of the expected expenditures the APM Entity is responsible for under the APM.

**Year 2 Proposed**

- Maintain the Marginal Risk and Minimum Loss Rate requirements.
- Add a revenue-based nominal amount standard for total risk of 8%. This standard would be an additional option (in addition to the previously finalized expenditure-based standard) and would only apply to models in which risk for APM Entities is expressly defined in terms of revenue.
Proposed Rule for Year 2
All-Payer Combination Option: QP Determinations

Transition Year 1 Final

- QP determinations under the All-Payer Combination Option would be made at either the APM Entity or individual eligible clinician level, depending on the circumstances.

Year 2 Proposed

- QP determinations would be made at the individual eligible clinician level only.

We are proposing to calculate QP determinations under the All-Payer Combination Option at the individual eligible clinician level only. This proposal aims to account for the fact that participation in APMs will vary across payer; the eligible clinicians participating in an APM in Medicare may not be identical to eligible clinicians who participate in an APM in a commercial payer or Medicaid.
**Proposed Rule for Year 2**

**All-Payer Combination Option: Determination of Other Payer Advanced APMs**

<table>
<thead>
<tr>
<th>Transition Year 1 Final</th>
<th>Year 2 Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Eligible Clinicians (or APM entities on their behalf) would report information about the payment arrangements they participate in after the 2019 QP Performance Period.</td>
<td>• Would establish:</td>
</tr>
<tr>
<td></td>
<td>- A voluntary Payer-Initiated Process that would allow payers to report payment arrangements and request that CMS can determine whether they qualify as Other Payer Advanced APMs.</td>
</tr>
<tr>
<td></td>
<td>- An Eligible Clinician-Initiated Process in which eligible clinicians would report payment arrangements that had not previously been reported by payers.</td>
</tr>
</tbody>
</table>
Proposed Rule for Year 2

All-Payer Combination Option: Determination of Other Payer Advanced APMs

• Prior to each All-Payer QP Performance Period, CMS would make Other Payer Advanced APM determinations based on information voluntarily submitted by payers.

• This payer-initiated process would be available for Medicaid, Medicare Advantage, and CMMI multi-payer models for performance year 2019. We intend to add remaining payer types in future years.

• APM Entities and eligible clinicians would also have the opportunity to submit information regarding the payment arrangements in which they were participating in the event that the payer had not already done so.

• Guidance and submission forms for both payers and clinicians would be made available for each other payer type early in the calendar year prior to each All-Payer QP Performance Period.

• Note, that the specific deadlines and processes for submitting payment arrangements will vary by payer type (Medicaid, Medicare Advantage, etc.) in order to align with pre-existing processes and meet statutory requirements.
APM SCORING STANDARD
What is the APM scoring standard?

The APM scoring standard offers a special, minimally-burdensome way of participating in MIPS for eligible clinicians in APMs who do not meet the requirements to become QPs and are therefore subject to MIPS, or eligible clinicians who meet the requirements to become a Partial QP and therefore able to choose whether to participate in MIPS. The APM scoring standard applies to APMs that meet the following criteria:

- APM Entities participate in the APM under an agreement with CMS;
- APM Entities include one or more MIPS eligible clinicians on a Participation List; and
- APM bases payment incentives on performance (either at the APM Entity or eligible clinician level) on cost/utilization and quality.
Proposed Rule for Year 2
Category Weighting for MIPS APMs

- In the 2017 rule, we finalized different scoring weights for ACO models (including the Medicare Shared Savings Program and the Next Generation ACO model) which were assessed on quality, and other MIPS APMs, which had quality weighted to zero. For 2018 we are proposing to align weighting across all MIPS APMs, and assess all MIPS APMs on quality.

<table>
<thead>
<tr>
<th>Domain</th>
<th>Transition Year</th>
<th>Year 2 Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SSP &amp; Next Generation ACOs</td>
<td>Other MIPS APMs</td>
</tr>
<tr>
<td>Quality</td>
<td>50%</td>
<td>0%</td>
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<tr>
<td>Cost</td>
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<td>0%</td>
</tr>
<tr>
<td>Improvement Activities</td>
<td>20%</td>
<td>25%</td>
</tr>
<tr>
<td>Advancing Care Information</td>
<td>30%</td>
<td>75%</td>
</tr>
</tbody>
</table>
Proposed Rule for Year 2
MIPS APMs: Additional Changes for Year 2

• We are proposing additional details on how the quality performance category will be scored under the APM scoring standard for non-ACO models, who had quality weighted to zero in 2017. In 2018, participants in these models will be scored under MIPS using the quality measures that they are already required to report on as a condition of their participation in their APM.

• A fourth snapshot date of December 31st would be added for full TIN APMs for determining which eligible clinicians are participating in a MIPS APM for purposes of the APM scoring standard. This would allow participants who joined certain APMs between September 1st and December 31st of the performance year to benefit from the APM scoring standard.
QUALITY PAYMENT PROGRAM

Resources
Technical Assistance

Available Resources

CMS has free resources and organizations on the ground to provide help to clinicians who are participating in the Quality Payment Program:

To learn more, view the Technical Assistance Resource Guide: https://qpp.cms.gov/resources/education
• See the proposed rule for information on submitting these comments by the close of the 60-day comment period on **August 21, 2017**. When commenting refer to file code CMS 5522-P.

• Instructions for submitting comments can be found in the proposed rule; FAX transmissions will not be accepted. You must officially submit your comments in one of the following ways: electronically through
  - Regulations.gov
  - by regular mail
  - by express or overnight mail
  - by hand or courier

• For additional information, please go to: [qpp.cms.gov](https://qpp.cms.gov)
Q&A Session

• CMS must protect the rulemaking process and comply with the Administrative Procedure Act.

• Participants are invited to share initial comments or questions, but only comments formally submitted through the process outlined by the Federal Register will be taken into consideration by CMS.

• See the proposed rule for information on how to submit a comment.