The Unfolding of MACRA/MIPS: Quality Measures in Oncology and Reimbursement

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WHY SHOULD YOU CARE?

MACRA

WHY SHOULD YOU CARE?
KEEP CALM AND HURRY UP AND WAIT
Why is it Important Now?

• Completely changes basis for Medicare payment

• Moves to performance based updates

• Effective date 2019 …

…but measurements will be based on 2017 performance
Overview

• How does Medicare pay me now?
• How will it change?
• When will it change?
• What should I be doing to prepare?
• Where can I get help?
MEDICARE ACCESS AND CHIP REAUTHORIZATION ACT (QUALITY PAYMENT PROGRAM) OVERVIEW
What is MACRA?

**Medicare Access and CHIP Reauthorization Act of 2015**

- Repeals the Sustainable Growth Rate (SGR) Formula
- Authorizes CMS to establish the new Quality Payment Program
- More of the payment based on value, not volume
- Streamlines reporting programs into 1 new system: Merit Based Incentive Payment System (MIPS)
- Incentivizes involvement in Alternative Payment Models (APMs)
How Does Medicare Pay Me Now?

- **Physician Quality Reporting System (PQRS)**
- **Meaningful Use Electronic Health Records Incentive Program (MU)**
- **Value Based Modifier (VBM)**
How Does Medicare Pay Me Now?

Adjustments:
- PQRS
- MU
- VBM

Final Payment

Physician Fee Schedule Payment + Adjustments = Final Payment
Current VBM Calculation

Value Based Modifier Scoring and Comparison

- Cost are risk adjusted based on patient factors and specialty-mix of the group
How Will it Change?

The Merit Based Incentive Payment System (MIPS)

**TODAY**
- Physician Quality Reporting System (PQRS)
- Meaningful Use (MU)
- Value Based Modifier (VBM)

**SUNSETS DEC 2018**

**JAN 2019**
- Adds Clinical Practice Improvement Activity (CPIA)
- Consolidates penalties
- Increases incentives
- Ranks peers nationally
- Reports publicly
How is My Score Calculated?

- Advancing Care Information (MU)
- Quality (PQRS)
- Resource Use (VBM)
- Clinical Practic Improvement Activity

- Low Performers -9%
- National Median Composite Score
- Medicare Provider Composite Score
- Top Performers +27%
- High Performers +9%

0-100 Scale
How is My Reimbursement Adjusted?

Adjustments

- MIPS Composite Score Adjustment
- MIPS Exceptional Performance

Physician Fee Schedule Payment

Final Payment
Payment Adjustments Timeline

Year 1 = Performance
Year 2 = Analysis
Year 3 = Adjustment
Will It Affect Me?

Medicare Part A (Hospital, SNF, Hospice) NO
Medicare Part B (Physician Services) YES
Medicare Part C (Medicare Advantage) NO
Medicare Part D (OP Prescription Drugs) NO
Will It Affect Me?

1st time Part B Participant: EXEMPT

Low Volume ($10K) and Low Patient Count (100 Patients): EXEMPT

APM Qualified Participant: EXEMPT
Is MIPS the Only Option?

- Exemption from MIPS
- 5% Lump Sum Bonus
- APM Specific Rewards

CMS Recognized Alternative Payment Models (APM)

Advanced APM

Qualifying Physicians
Any Advanced APMs in 2017?

✓ Shared Savings Program
✓ Next Generation ACO
✓ Comprehensive ESRD Care
✓ Comprehensive Primary Care Plus
✓ Oncology Care Model (OCM) - two-sided risk track available in 2018
How do Program Adjustments Differ?

<table>
<thead>
<tr>
<th>MIPS Only</th>
<th>APMs</th>
<th>Advanced APMs</th>
</tr>
</thead>
<tbody>
<tr>
<td>• MIPS adjustment</td>
<td>• Favorable Treatment in MIPS</td>
<td>• APM-Specific rewards</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 5% lump sum bonus</td>
</tr>
</tbody>
</table>

AMERICAN SOCIETY OF CLINICAL ONCOLOGY
Making a world of difference in cancer care
How Will My Payment Adjustments Differ?

Adjustments

- MIPS Composite Score Adjustment
- MIPS Exceptional Performance

or

5% Lump Sum
APM Bonus

Final Payment
How will MACRA affect me?

Am I a Part B clinician? (1)

Am I in an APM? (2)

Am I in an Advanced APM? (3)

Do I have enough patient payments? (4)

Is this my first year in Medicare OR am I below the low-volume threshold? (5)

MIPS APM SCORING
- Subject to MIPS
- CPIA Bonus
- APM-Specific Rewards (B)

QUALIFYING APM PARTICIPANT
- 5% lump sum bonus payment
- Higher Fee Schedule updates
- APM-specific rewards
- Excluded from MIPS (c)

Exempt from MIPS (D)

Subject to MIPS (E)

MACRA does NOT Apply (A)

Most practitioners will be subject to MIPS

Note: Figure not to scale.

Some people may be in APMs but not have enough payments or patients through the APM to be a QP.
When is this all happening?

2015

2019

2024

2026

2020

2025

2030+

APM Adjustment

APMs 5% Payment Bonus

MIPS Max Adjustment

/+\- 4% 2019

/+\- 5% 2020

/+\- 7% 2021

/+\- 9% 2022+
MACRA Outstanding Issue

- Impact of MIPS performance year options
- Adoption of specialty-specific alternative payment models (APMs)
- Address resource use methodology in the Merit-Based Incentive Payment System (MIPS) and Advanced APMs
  - Appropriate episode groups for oncology
  - Excluding all drug costs
  - Delay application
- Support for critical access practices
- Ensure reporting of clinically relevant quality data
HOW TO PREPARE
Rulemaking and Implementation

Nearly 3,900+ stakeholders provided input on the 962 page MACRA proposed rule.

Final Rule expected November, 2016; things are still subject to change.
Holding Patterns
MACRA Update

• First Option: Test the Quality Payment Program
• Second Option: Participate for part of the calendar year
• Third Option: Participate for the full calendar year
• Fourth Option: Participate in an APM
Step 1: Participate in 2016 Quality Reporting

Avoid 2018 penalties

- PQRS
  - Successfully report to avoid negative payment adjustment
- Medicare EHR Incentive Program
  - Must successfully attest to avoid negative payment adjustment
- Value Modifier
  - Receive an upward or neutral payment adjustment and avoid downward payment adjustment

Any applicable Value Modifier payment adjustment is separate from payment adjustments made under the Physician Quality Reporting System (PQRS) or EHR Incentive Program.
Step 2: Review your QRUR

Quality and Resource Use Reports (QRUR)

- Shows how you performed on quality and cost
  - QRUR is provided for each TIN (tax I.D. number)

- Annual QRUR available in the fall after the reporting period (fall 2017 for calendar year 2016)

- One person from your TIN must register to obtain your QRUR
  - [http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Obtain-2013-QRUR.html](http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Obtain-2013-QRUR.html)
What does your QRUR show?

**Your TIN’s Quality Composite Score: Average**

The graph below displays your TIN’s standardized Quality Composite Score.

Average Range

\[ \begin{align*}
&\leq -4.0 \quad \quad -3.5 \quad \quad -3.0 \quad \quad -2.5 \quad \quad -2.0 \quad \quad -1.5 \quad \quad -1.0 \quad \quad -0.5 \quad \quad 0.0 \quad \quad 0.5 \quad \quad 1.0 \quad \quad 1.5 \quad \quad 2.0 \quad \quad 2.5 \quad \quad 3.0 \quad \quad 3.5 \quad \geq 4.0 \\
&\text{Standard Deviations from National Mean (Positive Scores Are Better)}
\end{align*} \]

**Your TIN’s Cost Composite Score: Average**

The graph below displays your TIN’s standardized Cost Composite Score.

Average Range

\[ \begin{align*}
&\leq -4.0 \quad \quad -3.5 \quad \quad -3.0 \quad \quad -2.5 \quad \quad -2.0 \quad \quad -1.5 \quad \quad -1.0 \quad \quad -0.5 \quad \quad 0.0 \quad \quad 0.5 \quad \quad 1.0 \quad \quad 1.5 \quad \quad 2.0 \quad \quad 2.5 \quad \quad 3.0 \quad \quad 3.5 \quad \geq 4.0 \\
&\text{Standard Deviations from National Mean (Negative Scores Are Better)}
\end{align*} \]
What does your QRUR show?

Your TIN’s Performance: Average Quality, Average Cost

The scatter plot below displays your TIN’s quality and cost performance (“You” diamond), relative to that of your peers.
What does your QRUR show?

High-Risk Bonus Adjustment: Not Eligible

The average beneficiary risk for your TIN is at the 77th percentile of beneficiaries nationwide.

Medicare determined your TIN’s eligibility for an additional upward adjustment for serving high-risk beneficiaries based on whether your TIN met (✓) or did not meet (✗) the following criteria in 2014:

✓ Your TIN’s average beneficiary’s risk is at or above the 75th percentile of beneficiaries nationwide.

✗ Your TIN had strong quality and cost performance.

✓ Your TIN met the criteria to avoid the PQRS payment adjustment as a group, or at least 50 percent of your TIN’s eligible professionals met the criteria to avoid the PQRS payment adjustment as individuals in 2016.
What does your QRUR show?

<table>
<thead>
<tr>
<th></th>
<th>Low Quality</th>
<th>Average Quality</th>
<th>High Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Cost</td>
<td>+0.0%</td>
<td>+1.0 x AF</td>
<td>+2.0 x AF</td>
</tr>
<tr>
<td>Average Cost</td>
<td>-1.0%</td>
<td><strong>0.0%</strong></td>
<td>+1.0 x AF</td>
</tr>
<tr>
<td>High Cost</td>
<td>-2.0%</td>
<td>-1.0%</td>
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The highlighted payment adjustment will be applied to payments under the Medicare Physician Fee Schedule for physicians billing under in your TIN in 2016.
Step 3: Focus on Performance

- Review quality measure benchmarks and understand what is required for above average performance
- Implement practice strategies and clinical workflows to help meet your chosen quality measures for PQRS and the quality and cost measures used under the VM program
Performance Improvement Examples

• EHR Use
  – Implement workflows to introduce patients to patient portal and encourage utilization

• Cost measures
  – Establish processes to monitor hospitalizations and measure length of stay
  – Consider medical home-type services to reduce hospitalizations
Step 4: Ensure Data Accuracy

• Accuracy of comparison group critical: your performance is compared to others like you

• Check the NPI for each physician in practice
  – Is the specialty correct?
  – Is the address correct?
  – Is the group affiliation correct?

• Review your own information in Physician Compare
Step 5: ICD-10 Coding

• As we move to a risk-adjusted world, co-morbidities and other conditions become increasingly important.

• Are you coding to the highest level of specificity?

• Are you coding all co-morbidities and other pertinent conditions for your patients?
Physicians Practicing in Hospital Groups

- Physicians practicing in hospital groups
  - All Medicare Part B physicians are subject to MACRA
  - Use hospital’s quality reporting system and pay for performance programs to measure participation in MIPS

- Hospitals that employ physicians
  - Will directly bear the cost of implementation and ongoing compliance
  - Will bear the risk of MIPS and adjustments
  - Will be called upon to participate in APMs in order for physicians to qualify from exemption
Essential to Practice Survival

- Practice Leadership
- Communication & training – organizational cultural readiness for value-based practice
- Payer Relationships
Additional Considerations

• What is the impact of value-based payment on
  – physician compensation
  – contracts, professional services agreements with hospitals
  – commercial payer contracts

• Does your EHR support quality reporting, practice improvement?
  – Patient Portal
  – e-prescribing capability
  – Health Information Exchange (HIE) capability
MACRA Success for Oncologists

- More detailed practice data
- Compliance with Pathways as a quality measure
- Fully integrated tools to collect and monitor quality measures
- Support for practice transformation and expense
- Real time data acquisition
- Tools to help nurses proactively manage patients to decrease hospitalizations and costs
- Options and experience with two-sided risk options for hospitals and POs
- More resources in private, underserved and rural practices there are no resources available
ASCO’s Three-Pronged Strategy

VOLUNTEER TASKFORCE

- Multi-committee task force leading key areas, including:
  - Focus on QOPI & performance measures
  - Alternative payment model strategy (PCOP)
  - Practice tools

EDUCATION AND RESOURCES

- Readiness assessment
- Webinars
- Workshops
- ASCO Oncology Practice Conference: The Business of Cancer Care launching in March 2, 2017

INFLUENCING POLICYMAKERS

- Filing Extensive Comments
- Meetings with CMS and Policymakers
- Congressional education, outreach and testimony
Patient Centered Oncology Payment Model (PCOP)

STATUS Update:

• Pursuing designation as “advanced payment model” that will qualify under MACRA

• Active dialogue with several practices and commercial payers

• One pilot underway
Quality Oncology Practice Initiative (QOPI)

- CMS deemed Qualified Clinical Data Registry (QCDR)
  - Includes Oncology Specific Measures
- Included measures may be used by QOPI users for reporting
- eQOPI will allow for easier reporting of quality measures
- Measures Task Force routinely updates and develops new measures
Education & Resources

MACRA: Learn the basics, get ready for a post-SGR world
- Webinar slides and recording available at www.asco.org/macra

MACRA Town Hall at Best of ASCO
- Chicago
- Washington
- San Diego

New webinar series “Are You Ready for MACRA?”
- How to prepare for MACRA
- Quality Reporting: PQRS and the VBM
- Meaningful Use and Clinical Practice Improvement Activities
- Alternative Payment Models and New Care Delivery Systems, TBD

REGISTER HERE
Education & Resources

MACRA Workshop
- Are you ready for MACRA? Tools and resources to help you prepare

Practice transformation tools for MACRA
- Available Q3 2016

Webinar
- The MACRA Final Rule: What’s next?
The Bottom Line

Prepare NOW

Affects most practices

ASCO will HELP
Questions?

For additional Information:

Visit [www.asco.org/macra](http://www.asco.org/macra) for more information