

Preparing for MACRA

As the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) comes closer into view, wide and sweeping changes are expected for how Medicare will pay for healthcare services. With these anticipated changes, many questions may be raised about the impact MACRA will have on your practices.

The MaineHealth ACO is here to help you understand what MACRA is, how it may impact your work, and the role we will have in helping to prepare for these changes. In this article, we will cover some foundational information about these subjects.

What is MACRA?

MACRA is a law which was passed by broad bipartisan support of Congress in 2015 and establishes a new payment structure for providers who care for Medicare beneficiaries. Though the law provides guidance on many issues, one of significant interest is how MACRA will structure payment for physicians caring for Medicare enrollees.

MACRA's value-based payment programs will pay participating providers on the quality and effectiveness of the care they provide. These payment programs encourage medical home models and accountable care organizations, and include potential rate increases for providers working within those arrangements. MACRA is one step toward a nationwide value-based payment system and moves our country further away from a "fee-for-service" system.

How will MACRA change payments?

MACRA replaces the former Sustainable Growth Rate (SGR) Formula, which determined Medicare Part B reimbursement rates for providers, with a new payment structure.

This structure provides two different payment tracks for services provided to Medicare Part B beneficiaries. These tracks are **Merit-based Incentive Payment System (MIPS)** and **Alternative Payment Models (APMs)**. These tracks are intended to move from volume to value, or from being paid for seeing more patients to being paid based on the impact care delivery has on quality care, lower cost, and improved patient experience (also known as The Triple Aim.)

MIPS combines existing incentive initiatives—including Meaningful Use, Physician Quality Reporting System (PQRS) and the Physician Value-Based Modifier—with a new system that ties Medicare Part B reimbursements to provider performance in four separate areas:

- Quality;
- Resource Use (total medical expense);
- Advancing Care Information (formerly Meaningful Use); and
- Clinical Practice Improvement.

MIPS performance measurement will begin on 1/1/17 with incentives and penalties applied in 2019.

The table below highlights the MIPS Performance Management Structure.

Pre-MACRA Program	MIPS Program Component (% of score)	Measures
PQRS	Quality (50%)	Clinicians select six measures to report (one outcome or high-value measure; one cross-cutting measure)
Value-based Payment Modifier	Resource Use (10%)	CMS will calculate these measures based on claims; no reporting required
Meaningful Use	Advancing Care Information (25%)	Clinicians report measures of patient engagement and information exchange
None	Clinical Practice Improvement (15%)	Physicians choose from more than 90 activities. Medical homes earn full credit; APMs earn half credit

Source: Adapted from CAPG: "MACRA: A Deep Dive on the Proposed Rule." Webinar, June 7, 2016.

APMs create a new CMS model for Medicare reimbursement to providers called Advanced APMs. CMS distinguishes advanced APMs as being for providers who take additional steps toward care transformation. Under this model, providers would be exempt from MIPS payment adjustments and would qualify for a 5% Medicare Part B incentive payment beginning in 2019.

Advanced APMs are defined as the CMS Innovation Center models, Shared Savings Program downside risk tracks, or statutorily-required demonstrations where providers accept both risk and reward for providing coordinated, high-quality, and efficient care. These models must also meet criteria for payment based on quality measurement and for the use of Electronic Health Records (EHRs.)

CMS has established certain participation criteria to ensure that primary care providers have opportunities to participate in Advanced APMs through medical home models. In addition, CMS has established a list of models that would qualify as Advanced APMs, including:

- NextGeneration ACO Models
- Medicare Shared Savings Program (MSSP)—Track 2 and Track 3 participants
- Comprehensive Primary Care Plus (CPC+)
- Comprehensive ESRD Care Model
- Oncology Care Model Two Sided Risk

How will we participate?

Because the MaineHealth ACO's contract arrangement falls under the Medicare Shared Savings Program (MSSP) Track 1, we are not considered an advanced APM. Instead, MSSP Track 1 participants are considered a MIPS/APM participant. The table below highlights the MIPS/APM percentage for this track.

Pre-MACRA Program	MIPS Program Component (% of Score)	MIPS/APM Component (% of Score)	Measures
PQRS	Quality (50%)	Quality (50%)	MaineHealth ACO MSSP providers will meet this measure by virtue of the ACO successfully submitting quality measures to CMS for the MSSP program.
Value-based Payment Modifier	Resource Use (10%)	Resource Use (0%)	<i>Resource Use is not assessed for ACOs in first performance category</i>
Meaningful Use	Advancing Care Information (25%)	Advancing Care Information (30%)	Clinicians report measures of patient engagement and information exchange
None	Clinical Practice Improvement (15%)	Clinical Practice Improvement (20%) <i>* ACOs start with a base score of 50% rather than 0%</i>	Physicians choose from more than 90 activities. Medical homes earn full credit; APMs earn half credit

How will the ACO Help?

The MaineHealth ACO's role in preparing for MACRA will take form in several ways:

- Continue to track the progress of the proposed rule and educate ACO participants as information continues to unfold
- Assure strong performance on the ACO quality measures (which will satisfy the quality component of MIPS)
- Continue to support PCPs in their efforts to become PCMH recognized (which will satisfy the Clinical Practice Improvement component of MIPS)
- Continue efforts to prepare for downside risk
- Begin to assess performance to assure success

We will also be providing you with meaningful content on MACRA and update you on our process for implementing the work above through multiple communication channels.

One of these channels will be the addition of a new monthly feature in our newsletter, called "MACRA in Focus". Here we will keep you informed with specific information about MACRA, its impact on your practices and updates to our decision-making and recommendation process.

In the meantime, we encourage you to submit any specific questions you may have to our "Open Questions" feature in this newsletter by emailing mhacoinfo@mmc.org.