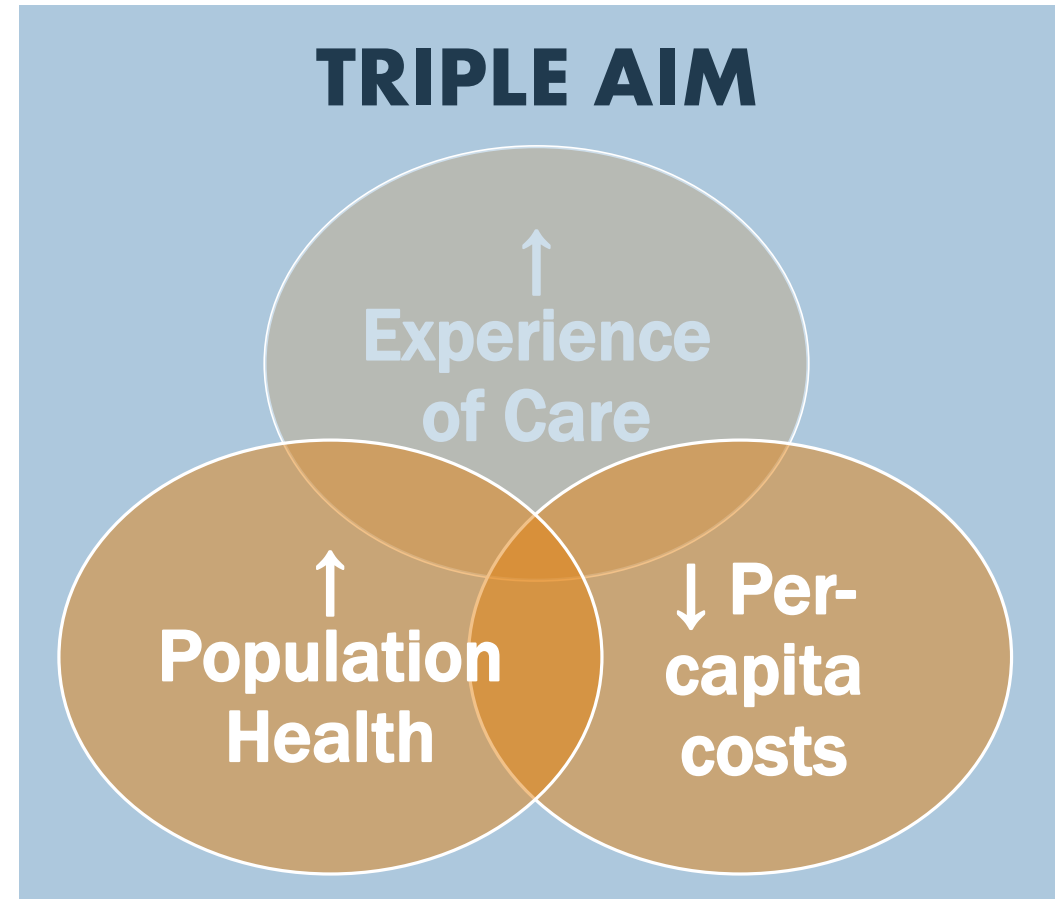


# The Medicare Access & CHIP Reauthorization Act (MACRA) and Models for Containing Costs

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ADAM S. WILK, PH.D., ROLLINS SCHOOL OF PUBLIC HEALTH  
EMORY QUALITY DAY – MAY 18, 2016

# Goals for Health Care System Improvement



Berwick, D.M., T.W. Nolan, & J. Whittington. 2008. The Triple Aim: Care, Health, And Cost. Health Affairs 27(3): 759-769.

# Timeline

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1997 – Sustainable Growth Rate (SGR) Formula

2007 – Physician Quality Reporting System (PQRS)

2009 – Medicare EHR Incentive Program

2013 – Value-based Payment Modifier (VM)

2015 (Jan.) – Goals for Value-based Payment →

2015 (Apr.) – Medicare Access & CHIP Reauthorization Act

2016 (Apr.) – MACRA Prop. Rule: Quality Payment Program

# Timeline

- 1997 – Sustainable Growth Act
- 2007 – Physician Quality Incentives Program
- 2009 – Medicare EHR Incentive Program
- 2013 – Value-based Payment Model
- 2015 (Jan.) – Goals for Improving Medicare Benefit
- 2015 (Apr.) – Medicare Access and CHIP Reauthorization Act
- 2016 (Apr.) – MACRA

## Medicare Fee-for-Service

### GOAL 1:

**30%** 

Medicare payments are tied to quality or value through **alternative payment models** (categories 3-4) by the end of 2016, and 50% by the end of 2018

### GOAL 2:

**85%**   


Medicare fee-for-service payments are **tied to quality or value** (categories 2-4) by the end of 2016, and 90% by the end of 2018

# Timeline

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1997 – Sustainable Growth Rate (SGR) Formula

2007 – Physician Quality Reporting System (PQRS)

2009 – Medicare EHR Incentive Program (EHRIP)

2013 – Value-based Payment Modifier (VM)

2015 (Jan.) – Goals for Value-based Payment

2015 (Apr.) – Medicare Access & CHIP Reauthorization Act

2016 (Apr.) – MACRA Prop. Rule: Quality Payment Program

# MACRA

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- Repeals the Sustainable Growth Rate Formula
- Changes the way that Medicare rewards clinicians for value over volume
- Streamlines multiple quality programs under the new Merit-Based Incentive Payment System (MIPS)
- Provides bonus payments for participation in eligible alternative payment models (APMs)

Source: “The Medicare Access & CHIP Reauthorization Act of 2015: Path to Value.” CMS. <https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/MACRA-LAN-PPT.pdf>

# Merit-Based Incentive Payment System (MIPS)

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➤ **Single composite score** for adjusting payments (streamlining PQRS, EHRIP, VM)

➤ Quality



➤ Cost



➤ Clinical Practice Improvement Activities

➤ Advancing Care Information (meaningful use of EHRs)

➤ **Large adjustments:**

2019	2020	2021	2022
±4%	±5%	±7%	±9%

# MIPS: Cost

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Average resource use score across 40+ episode-specific measures

Medicare claims-based

10% of composite score

- Practices will use tools for monitoring resource use within episodes
  - Benchmarking
  - Incentives



# MIPS: Clinical Practice Improvement Activities

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Implement and report on CPIA activities from a list of 90+ (choose 5-6 for 100%)

Examples:

- Pop. needs assessments, IDing vulnerable pts
- Glycemic treatment goal documentation
- Timely communication of abn. test results
- Condition-specific self-management support

# Advanced Alternative Payment Models (APMs)

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Stringent reqs. for moving beyond MIPS:

- Financial risk-bearing (4%+ of benchmarks)
- Payment tied to quality measures
- Certified EHR technology use

OR: ACOs, Comprehensive Primary Care (CPC+), Oncology Care Model, etc.

➤ Likely relatively few will qualify

# Summary

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MACRA marks how cost containment now means emphasizing population health, quality and value

- Value-based payment becoming the new normal
- Identifying and meeting needs of vulnerable patients
- Innovative, inexpensive clinical and non-clinical interventions

# Questions / Comments?

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“See the [MACRA] proposed rule for information on submitting ...comments by the close of the 60-day comment period on June 27, 2016. When commenting refer to file code CMS-5517-P.”

Adam S. Wilk

Dept. of Health Policy and Management

Rollins School of Public Health

[adam.s.wilk@emory.edu](mailto:adam.s.wilk@emory.edu)

[@adamswilk](#)

# Resources

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## The Medicare Access & Chip Reauthorization Act of 2015 Quality Payment Program

- <https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/Quality-Payment-Program-MACRA-NPRM-Slides.pdf>

## MACRA text

- <https://s3.amazonaws.com/public-inspection.federalregister.gov/2016-10032.pdf>