# are you ready for MACRA? How to Prepare

Robin Zon, MD, FACP, FASCO Debra A. Patt, MD, MPH, MBA

ASC



Thank you for joining today's webinar.

Webinar materials are available at <a href="http://www.asco.org/macra">http://www.asco.org/macra</a>

A recording of the webinar will be available next week.



# **Today's Speakers**

- Robin Zon, MD, FACP, FASCO
- Debra Patt, MD, MPH, MBA



#### **Questions?**

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# **Paying for Value and Quality**

ASCO, along with other medical societies, supported the repeal of the Sustainable Growth Rate (SGR) formula:

- ØImperfect fee-for-service program
- ØUnworkable adjustment formula
- **Ø**Annual uncertainty
- ØPiecemeal approach to incentives

#### The promise of MACRA aligns with ASCO's goals:

ØRewards quality and value-based careØAllows practice payment system and reporting optionsØConsolidated incentive programs



# MACRA

#### Robin Zon, MD, FACP, FASCO WHY SHOULD YOU CARE?



# 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)



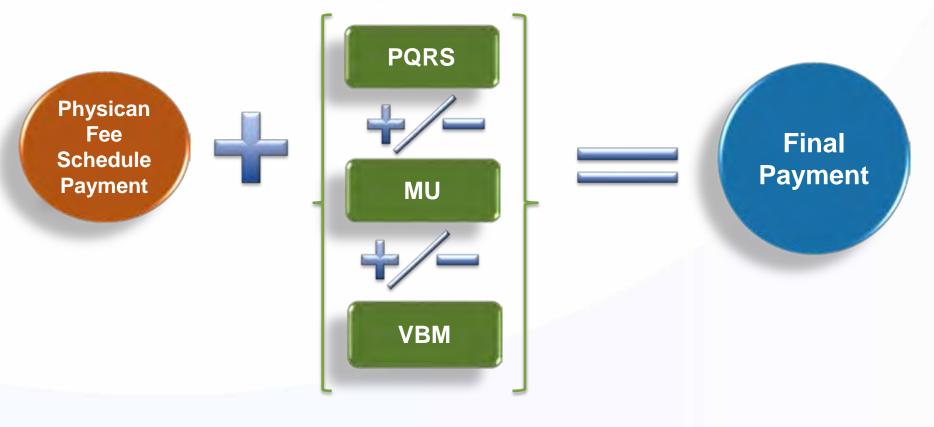
#### **How Does Medicare Pay Me Now?**





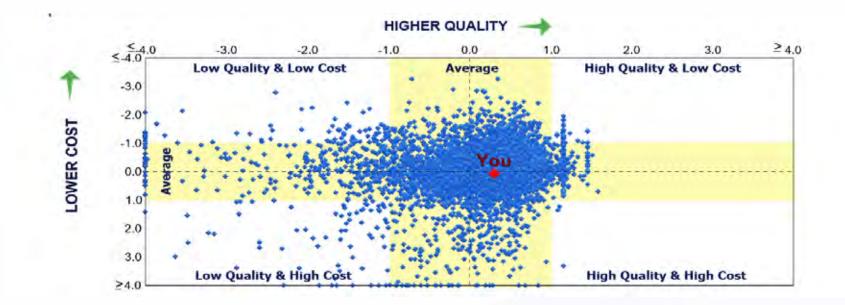
#### **How Does Medicare Pay Me Now?**

#### **Adjustments**



#### **Current VBM Calculation**

#### Value Based Modifier Scoring and Comparison

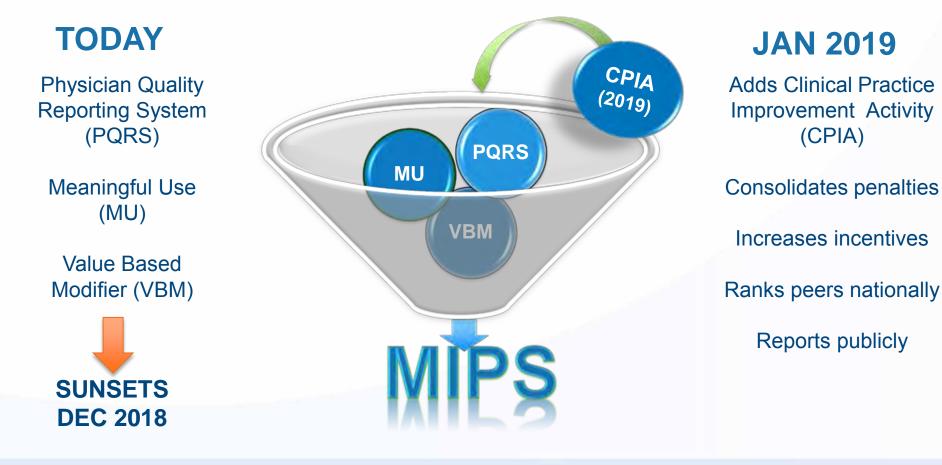


Cost are risk adjusted based on patient factors and specialty-mix of the group



## **How Will it Change?**

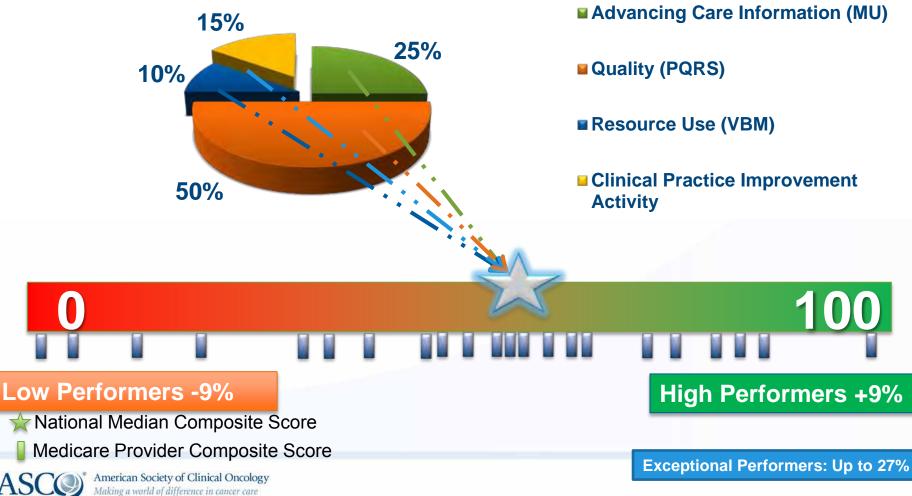
#### The Merit Based Incentive Payment System (MIPS)





### How is My Score Calculated?

#### MIPS Composite and Potential Impact



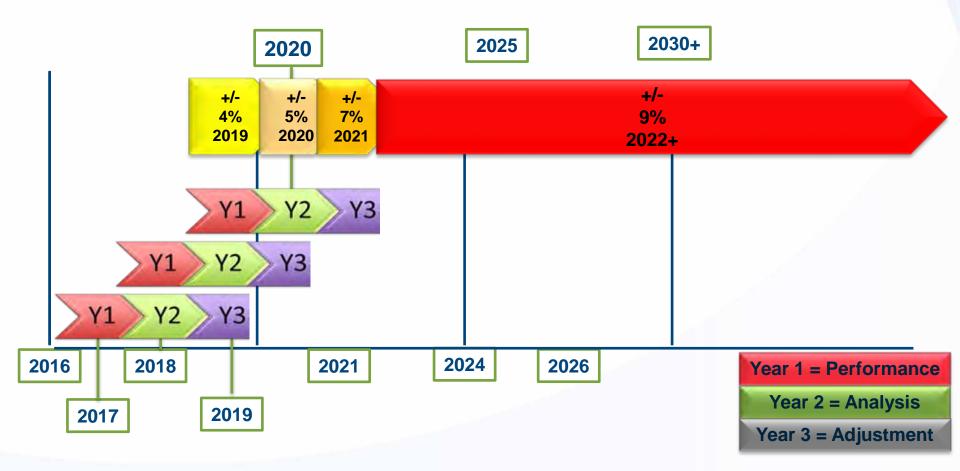
## How is My Reimbursement Adjusted?

#### Adjustments



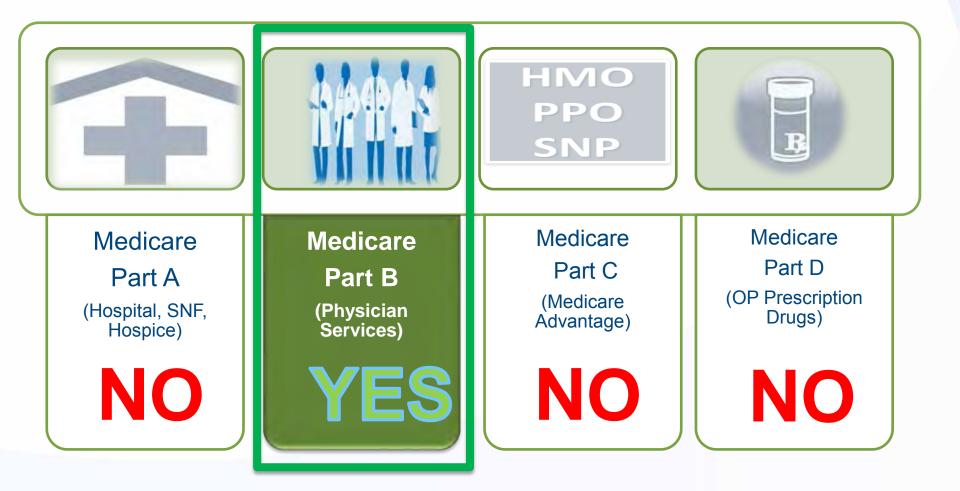


#### **Payment Adjustments Timeline**





#### Will It Affect Me?





#### Will It Affect Me?



Medicare Part B (Physician Services) 1<sup>st</sup> time Part B Participant

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

APM Qualified Participant

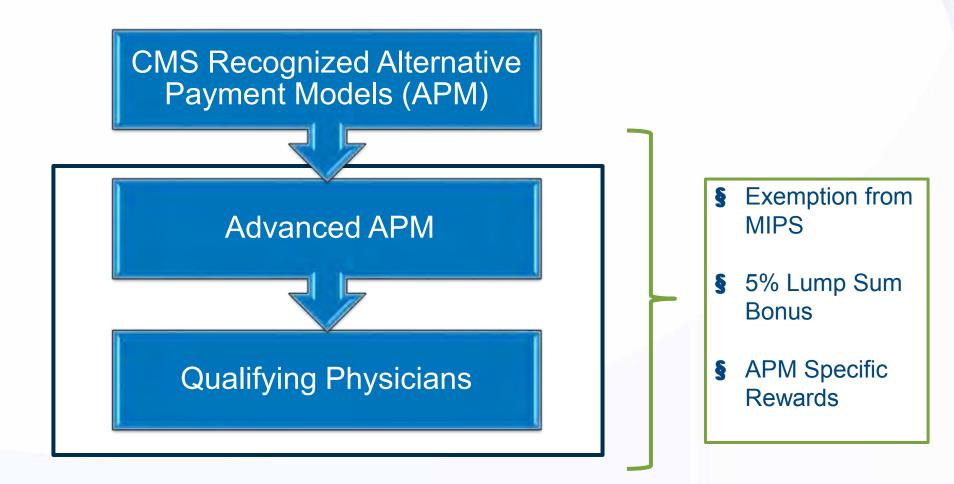


EXEMPT

EXEMPT

EXEMPT

# Is MIPS the Only Option?



#### Any Advanced APMs in 2017?

üShared Savings Program
üNext Generation ACO
üComprehensive ESRD Care
üComprehensive Primary Care Plus
üOncology Care Model (OCM) - two-sided risk track available in 2018



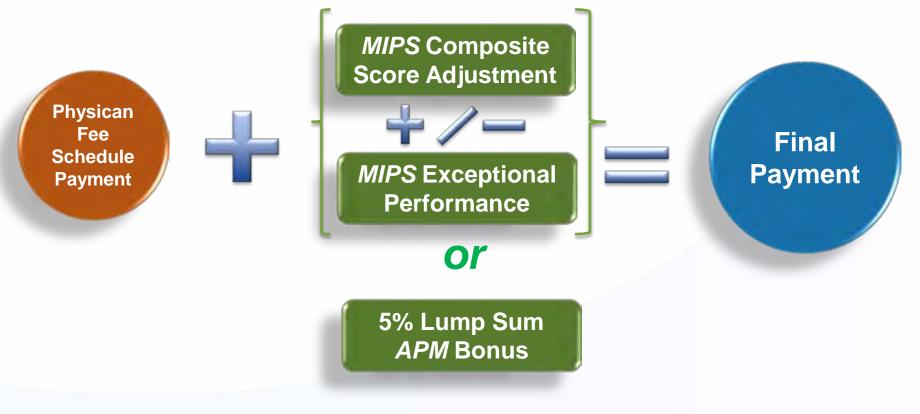
# **How do Program Adjustments Differ?**





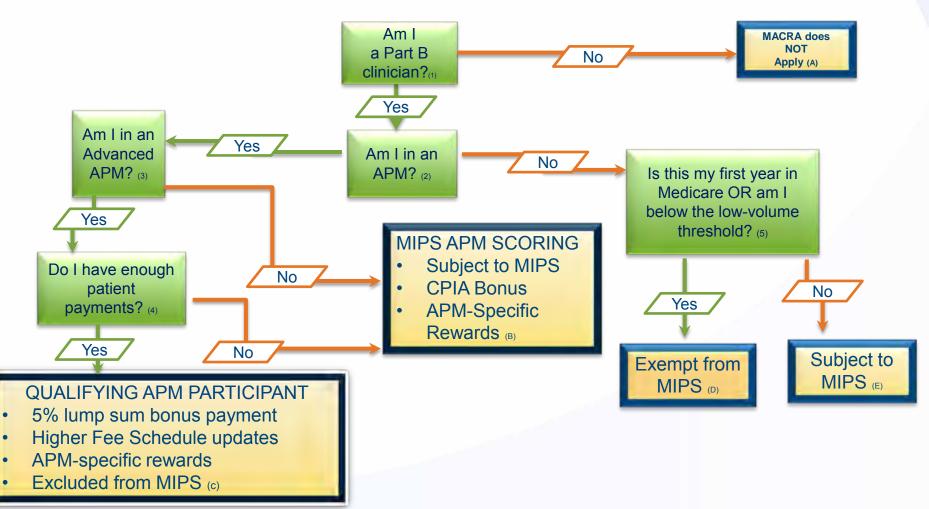
# How Will My Payment Adjustments Differ?

#### **Adjustments**





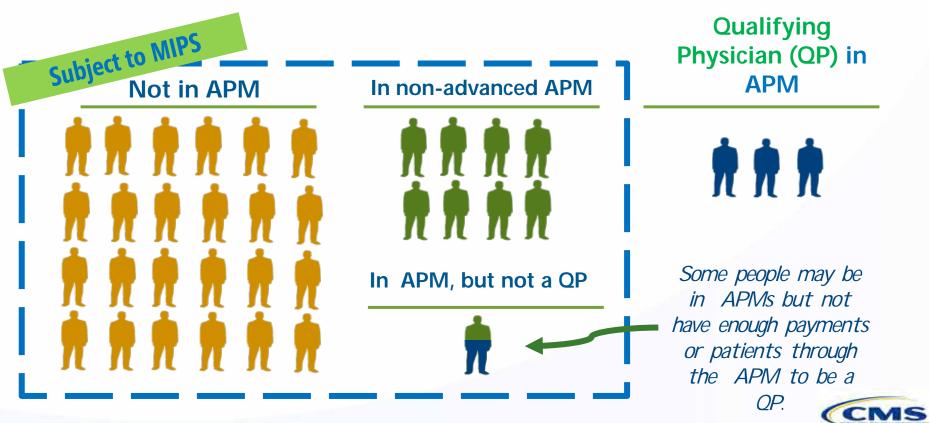
# HOW WILL MACRA AFFECT ME?





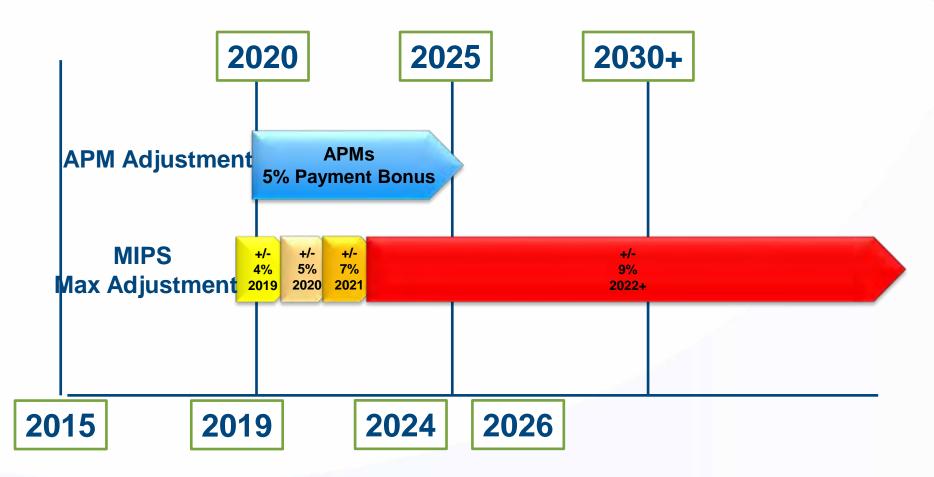
American Society of Clinical Oncology Making a world of difference in cancer care Adapted from: CMS "THE MEDICARE ACCESS & CHIP REAUTHORIZATION ACT OF 2015 Path to Value", <u>https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/MACRA-LAN-PPT.pdf</u>

# Most practitioners will be subject to MIPS



Note: Figure not to scale.

# When is this all happening?

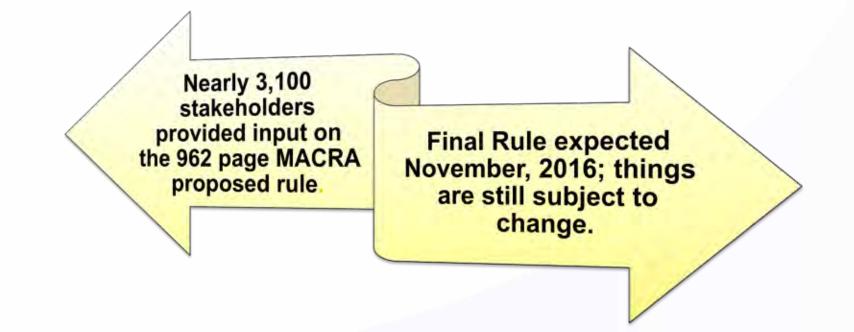




#### Debra A. Patt, MD, MPH, MBA HOW TO PREPARE



#### **Rulemaking and Implementation**



# 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.

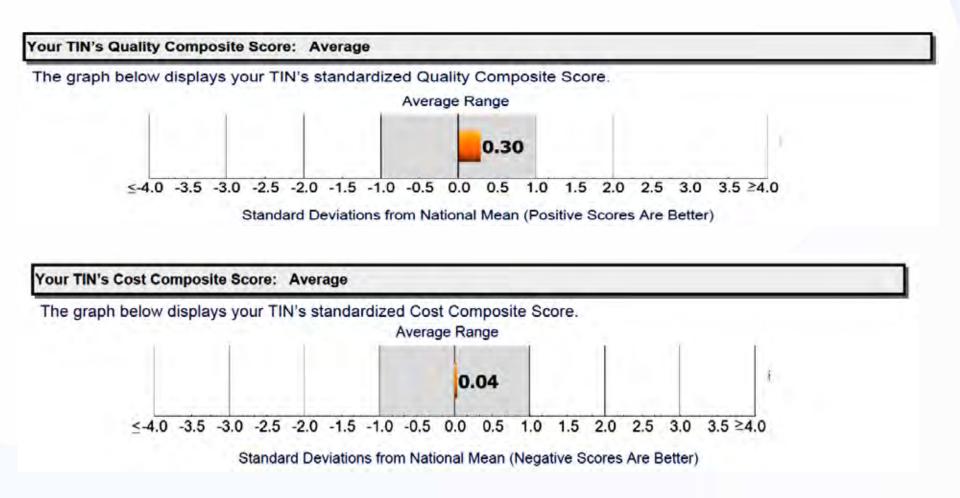


# **Step 2: Review your QRUR**

#### 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
  - <u>http://www.cms.gov/Medicare/Medicare-Fee-for-Service-</u>
     <u>Payment/PhysicianFeedbackProgram/Obtain-2013-QRUR.html</u>

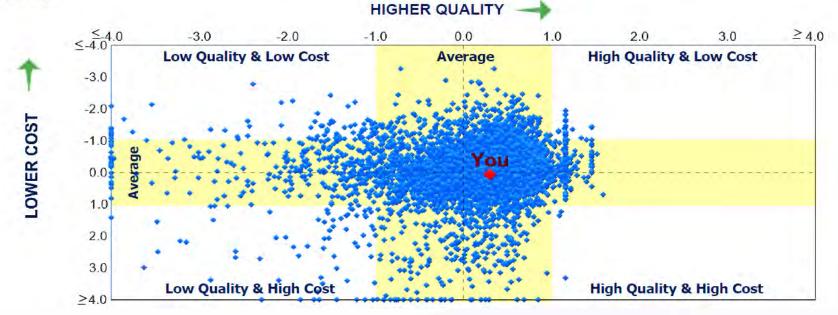






#### Your TIN's Performance: Average Quality, Average Cost

The scatter plot below displays your TIN's quality and cost performance ("You" diamond), relative to that of your peers.



#### 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.



#### Your TIN's Value Modifier: Neutral Adjustment

The highlighted payment adjustment will be applied to payments under the Medicare Physician Fee Schedule for physicians billing under in your TIN in 2016.

	Low Quality	Average Quality	High Quality
Low Cost	+0.0%	+1.0 x AF	+2.0 x AF
Average Cost	-1.0%	0.0%	+1.0 x AF
High Cost	-2.0%	-1.0%	0.0%



#### **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**



#### Payer Relationships

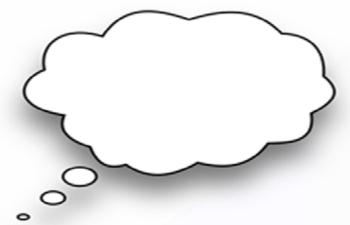
Communication & training – organizational cultural readiness for value-based practice



American Society of Clinical Oncology Making a world of difference in cancer care

#### **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



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#### **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** 

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



RESOURCES

**EDUCATION AND** 

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



POLICYMAKERS

**NFLUENCING** 

- 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

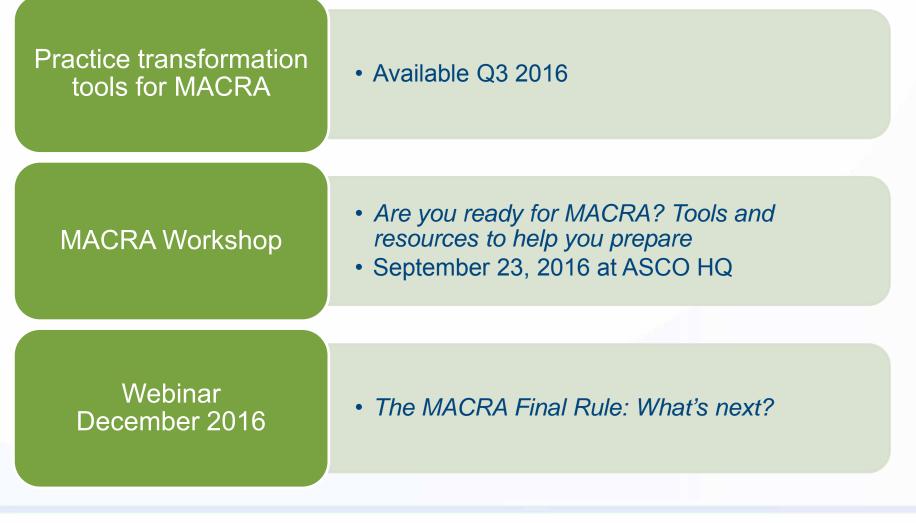


#### **Education & Resources**

MACRA: Learn the basics, get ready for a post-SGR world	<ul> <li>Webinar slides and recording available at www.asco.org/macra</li> </ul>
MACRA Town Hall at Best of ASCO	<ul> <li>Chicago, June 24-25, 2016</li> <li>Washington, July 15-16, 2016</li> <li>San Diego, August 12-13, 2016</li> </ul>
New webinar series "Are You Ready for MACRA? " REGISTER <u>HERE</u>	<ul> <li>How to prepare for MACRA, July 19, 2016</li> <li>Quality Reporting: PQRS and the VBM, August 16, 2016</li> <li>Meaningful Use and Clinical Practice Improvement Activities, August 30, 2016</li> <li>Alternative Payment Models and New Care Delivery Systems, TBD</li> </ul>



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