MACRA
Quality Payment Program

AMERICAN SOCIETY OF PLASTIC SURGEONS

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MACRA FAQs

Q: What is MACRA?
A: Signed into law on April 16, 2015, the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) repealed and replaced the sustainable growth rate (often referred to as the "SGR") formula for updating Medicare reimbursements to physicians. MACRA replaced the SGR with the Quality Payment Program (QPP).

Providers must choose between the QPP's two payment tracks: the Merit-based Incentive Payment System (MIPS) and Advanced Alternative Payment Models (Advanced APMs). Through MACRA, Medicare continues toward its stated goal of basing payments on quality and cost of care, rather than simple fee-for-service. Specifically, while MIPS is a fee-for-service model, physician payments under MIPS will be increased or decreased based on participants' performance in categories that focus on quality, clinical improvement, care coordination and resource use.

The QPP began January 1, 2017, and the first payment adjustments will take effect in 2019 based on 2017 performance. Performance year 2 begins 1-1-2018, with payment adjustments going in effect in year 2020.

Q: Is it worth it?
A: The MACRA Quality Payment Program (QPP) is the latest in a long line of federal government policies geared toward rewarding low-cost, high-quality, coordinated care. You've probably been frustrated with your previous experiences in things like the Physician Quality Reporting System (PQRS), "meaningful use", and the like. You may not do a large enough Medicare volume to make the benefits of participating in this clear. These are valid reasons to question the usefulness of this program to your practice.

However, public payer policy is very often a leading indicator of private payer action. There may come a day when your non-Medicare reimbursements are subject to a set of metrics very similar to those used under the QPP. The practice skills you develop through QPP participation may be vital to your future success.

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Q: What is the difference between MACRA, MIPS, and the QPP?

A: MACRA was a piece of federal legislation. Technically speaking, you are not preparing for "MACRA" and will not be participating in "MACRA". Instead, you will be participating in the new programs that MACRA created. Those programs are part of the new Quality Payment Program (QPP), an overarching federal physician reimbursement structure created through MACRA. MIPS is a one of the new programs in the QPP, along with Advanced Alternative Payment Models. Most physicians will participate in MIPS at the start of the QPP.

Q: What is the Merit-based Incentive Payment System (MIPS)?

A: One half of the new Quality Payment Program (QPP), MIPS is a streamlined mechanism for CMS to adjust your Medicare Part B payments based on the quality and value of the care you deliver, and in doing so it provides a bridge between traditional fee-for-service reimbursement and the *other* half of the QPP, Alternative (i.e., *non*-fee-for-service) Payment Models.

MIPS accomplishes this by taking existing federal programs that measure cost and quality – the Physician Quality Reporting System (PQRS), the Value-Based Payment Modifier (VM), and Meaningful Use (MU) – and using your performance in them to give you an aggregated final performance score. MIPS also adds to these existing domains and scores you on a new performance indicator through the Clinical Practice Improvement Activity category.

Q: I keep hearing about a "transitional year" for MIPS. What exactly are the potential options and timelines for participating in MIPS in 2018?

A: In 2017, CMS made allowances for clinicians to become more familiar with the Quality Payment Program.

This has changed for Year 2 (2018) as CMS now requires a 12-month (full year) performance period for two of the four components of MIPS. (See table below)

Performance Component	Minimum Performance Threshold For 2018	Minimum Performance Threshold For 2017
Quality	12-months	90-days minimum; full year (12 months) was also an option
Cost	12-months	Not included. 12-months for feedback only.
Improvement Activities	90-days	90-days
Advancing Care Information	90-days	90-days

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Q: How does MIPS affect my Medicare payments?
A: In the 2017 transition year, the payment adjustment was set at +/- 4%. In performance Year 2, the payment adjustment has increased to +/- 5%. Adjustments will be assessed in payment year 2020.

Q: Can I get an exemption from participating in MIPS?
CMS has updated the low-volume threshold for year 2. Providers who fall into at least one of the categories below are excluded from participation in MIPS

- Providers in their first year billing Medicare
- Providers/groups who bill less than or equal to $90,000 in Part B allowed charges
- Providers who see less than or equal to 200 Part B beneficiaries.
- Providers who are part of an Advanced APM

For the second and third items (known as the low volume threshold), CMS will be basing exemptions on your Medicare Part B claims for a 2-year period prior to a reporting year. To check your participation status, see: https://qpp.cms.gov/ and enter your NPI number.

Q: What is an Advanced Alternative Payment Model (Advanced APM)?
A: The second payment track in the MIPS Quality Payment Program, Advanced Alternative Payment Models (Advanced APMs) are a subset of traditional APMs that meet certain specifications. They (1) require participants to use Certified Electronic Health Record Technology; (2) when adjusting physician payments, utilize quality measures comparable to those used in MIPS; and (3) either require participating entities to bear risk for more than a nominal financial loss or is a Patient-Centered Medical Home.

CMS estimates that very few clinicians will be paid under this model in the early years of the QPP. They anticipate only 70,000 – 120,000 *clinicians* nationwide will be paid through an Advanced APM in the first payment year, and remember – physicians, PAs, NPs, CNS, and CRNAs are all considered eligible clinicians and included in that estimate.

Q: How do I know if I'm in an Advanced APMs?
A: To be a Qualifying APM Participant, you must be part of an APM Entity that meets the requirements to be an Advanced APM, and all eligible clinicians in the APM Entity must combine to have at least 25% of their payments be for Medicare Part B services or 20% of their patients be Medicare beneficiaries. In 2019, Qualified Participants will receive a 5% positive adjustment based on the 2017 performance year.

Q: Can providers opt-out of these tracks and still receive Medicare payments?
A: If you do not participate in the Quality Payment Program, you will still receive fee-for-service Medicare Part B payments. Beginning in 2019, those payments will be reduced the maximum MIPS adjustment designated for each payment year.

Performance Year	Payment Year	Maximum Adjustment
2017	**2019**	+/- 4%
2018	**2020**	+/-5
2019	**2021**	+/- 7
2020 & onward	**2022 & onward**	+/- 9