

MACRA Implementation

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Disclosures

I have or have had:

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Consulted to Blue Cross and Blue Shield on issues related to the FEHB Plan

Received compensation from the Partnership to Fight Chronic Disease for public lectures related to healthcare finance

Consulted for Novasano Health and Science, which assists hospital systems w/ IT and population health services management

Overview

- History of payment system
- Basic description of MACRA
- What's the risk?
- Anticipating policy implementation

MACRA: a new weapon in the medical inflation war

CMS has always faced the challenge of how to keep Medicare spending from growing faster than the economy

Prospective payment did not fix this

Multiple attempts since to address cost of physician services

- 1992 Medicare Volume Payment Standard (MVPS)

- 1997 Sustainable Growth Rate (SGR) in the BBA

- 2015 Medicare Access and Reauthorization Act (MACRA)

MACRA

Forces physician (groups) into **one** of two models

-Merit Based Incentive Payment System

Consolidates the PQR, VBM and Meaningful Programs

Adds Clinical Practice Improvement Activities

Examples: care coordination, shared decision-making, safety checklists, expanding practice access

Allocation of total score:

Quality (50%), Advancing Care (25%), CPIA (15%), Resource Use (10%)

MACRA: Implications for the registry

Adds Clinical Practice Improvement Activities One of which is:

Participation in a QCDR, clinical data registries, or other registries Medium Management run by other government agencies such as FDA, or private entities such as a hospital or medical or surgical society. Activity must include use of QCDR data for quality improvement (e.g., comparative analysis across specific patient populations for adverse outcomes after an outpatient surgical procedure and corrective steps to address adverse outcome).

<https://www.gpo.gov/fdsys/pkg/FR-2016-05-09/pdf/2016-10032.pdf>

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MACRA: Implications for the registry

The breakdown is Quality (50%)-Advancing Care (25%)-CPIA (15%)-Resource Use (10%)

CPIA is 60 points, and registry participation is only a medium weight criterion

But there are other salient criterion that are high weight

Use of a QCDR to generate regular feedback reports that summarize High Management local practice patterns and treatment outcomes, including for vulnerable populations.



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MACRA

Forces physician (groups) into one of **two** models

- Alternate Payment Models

 - *Exempt* from MIPS requirements

 - Some ACO participants already qualify

- Physician Focused APMs?

What about surgeons?

From ACS:

- **What are the benefits of participating in an APM?**

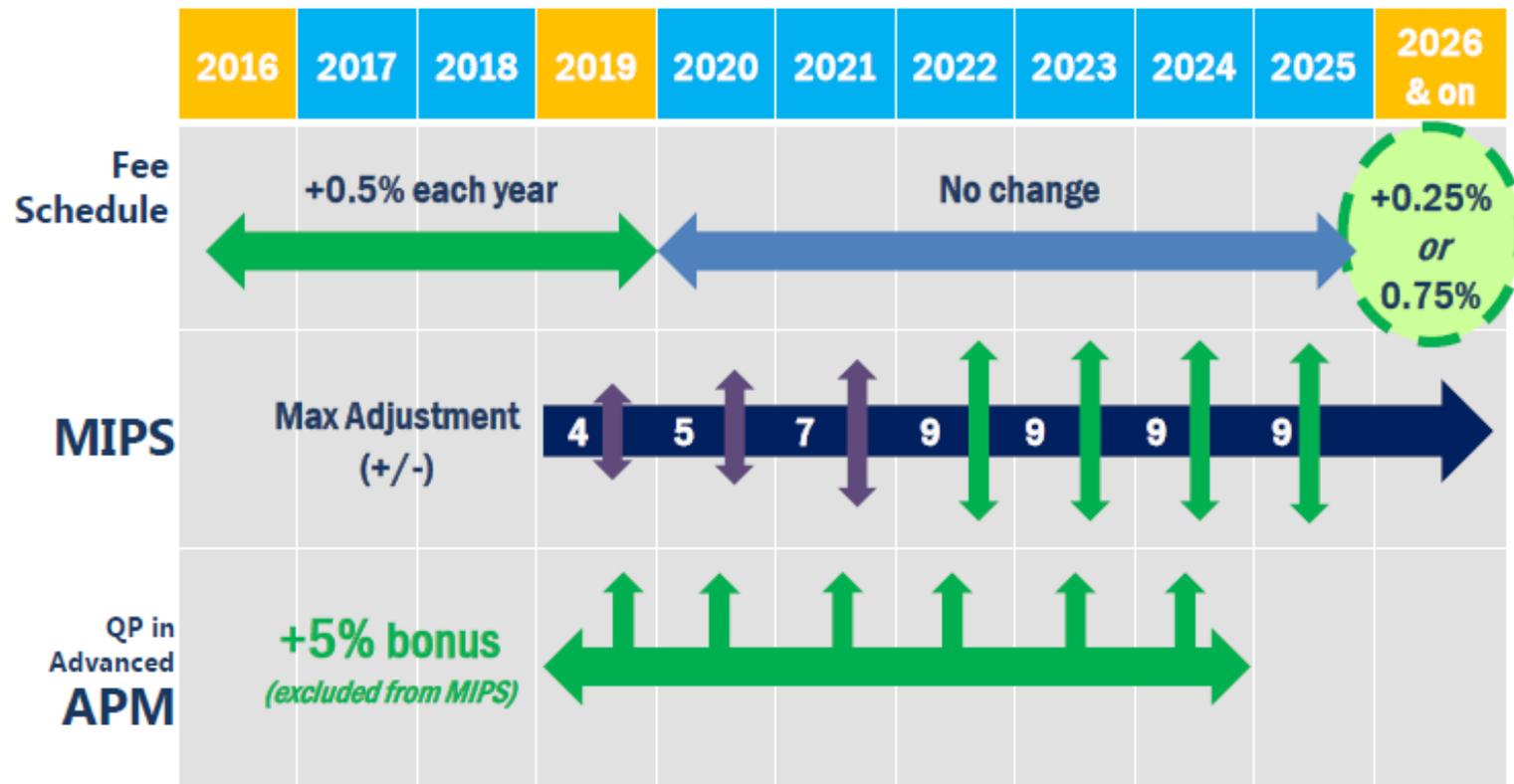
MACRA calls for the creation of new physician-focused APMs and incentivizes APM participation in a number of ways. You do not need to see patients exclusively through an Accountable Care Organization or other model to see benefits. For practices that are unable to receive a high portion of their payments through these models, participation even at very low levels may provide credit in the CPIA portion of MIPS and could lead to higher updates. **Those physicians who are able to receive 25 percent of payments through a qualified APM will receive a 5 percent lump sum incentive and will be exempt from many MIPS requirements. Surgeons who try to meet this threshold but fall short may be considered partially qualifying and will be exempt from MIPS without receiving the incentive.** These targets grow to 50 percent, and eventually 75 percent, of payments. Finally, starting in 2026, the law institutes small annual payment increases with updates growing faster for qualified APM participants than for those providers participating in MIPS.

SVS lobbying details:

<https://vascular.org/news-advocacy/svs-goes-bat-surgeons-macra-changes>

What's the risk?

Putting it all together:



Forecasting Policy

Two things I am sure of:

1. This is not the end of the tinkering
2. Until the view that the answer to everything is bigger data changes, the reporting requirements will get more onerous

What is not certain:

If and *how long* MACRA will survive

Questions?

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