

# THE MERIT-BASED INCENTIVE PAYMENT SYSTEM (MIPS)





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## When and where do I submit comments?

- The proposed rule includes proposed changes not reviewed in this presentation. We will not consider feedback during the call as formal comments on the rule. See the proposed rule for information on submitting these comments by the close of the 60-day comment period on June 27, 2016. When commenting refer to file code CMS-5517-P.
- Instructions for submitting comments can be found in the proposed rule; FAX transmissions will not be accepted. You must officially submit your comments in one of the following ways: electronically through
  - [Regulations.gov](http://www.regulations.gov)
  - by regular mail
  - by express or overnight mail
  - by hand or courier
- For additional information, please go to:  
<http://go.cms.gov/QualityPaymentProgram>

# Quality Payment Program

- ✓ **Repeals** the Sustainable Growth Rate (SGR) Formula
- ✓ **Streamlines** multiple quality reporting programs into the new Merit-based Incentive Payment System (MIPS)
- ✓ **Provides incentive payments** for participation in **Advanced Alternative Payment Models (APMs)**



**The Merit-based  
Incentive  
Payment System  
(MIPS)**

**or**

**Advanced  
Alternative  
Payment Models  
(APMs)**

- ✓ **First step to a fresh start**
- ✓ **We're listening and help is available**
- ✓ **A better, smarter Medicare for healthier people**
- ✓ **Pay for what works to create a Medicare that is enduring**
- ✓ **Health information needs to be open, flexible, and user-centric**

# MIPS

# MIPS: First Step to a Fresh Start

- ✓ **MIPS is a new program**
  - **Streamlines 3 currently independent programs to work as one and to ease clinician burden.**
  - **Adds a fourth component to promote ongoing improvement and innovation to clinical activities.**



Quality



Resource use



Clinical practice  
improvement  
activities



Advancing care  
information

- ✓ **MIPS provides clinicians the flexibility to choose the activities and measures that are most meaningful to their practice to demonstrate performance.**



# Medicare Reporting Prior to MACRA

Currently there are multiple quality and value reporting programs for Medicare clinicians:

**Physician Quality  
Reporting Program  
(PQRS)**

**Value-Based Payment  
Modifier (VM)**

**Medicare Electronic  
Health Records (EHR)  
Incentive Program**

**PROPOSED RULE**  
**MIPS: Major Provisions**

- ✓ **Eligibility (participants and non-participants)**
- ✓ **Performance categories & scoring**
- ✓ **Data submission**
- ✓ **Performance period & payment adjustments**



# Who Will Participate in MIPS?

Affected clinicians are called “**MIPS eligible clinicians**” and will participate in MIPS. The types of **Medicare Part B** eligible clinicians affected by MIPS may expand in future years.

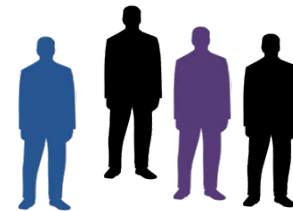
Years 1 and 2



Physicians (MD/DO and DMD/DDS),  
PAs, NPs, Clinical nurse specialists,  
Certified registered nurse  
anesthetists

Years 3+

Secretary may  
broaden Eligible  
Clinicians group to  
include others  
such as



Physical or occupational therapists,  
Speech-language pathologists,  
Audiologists, Nurse midwives,  
Clinical social workers, Clinical  
psychologists, Dietitians /  
Nutritional professionals

# Who will NOT Participate in MIPS?

There are 3 groups of clinicians who will NOT be subject to MIPS:



**FIRST** year of Medicare Part B participation



Below **low patient volume** threshold

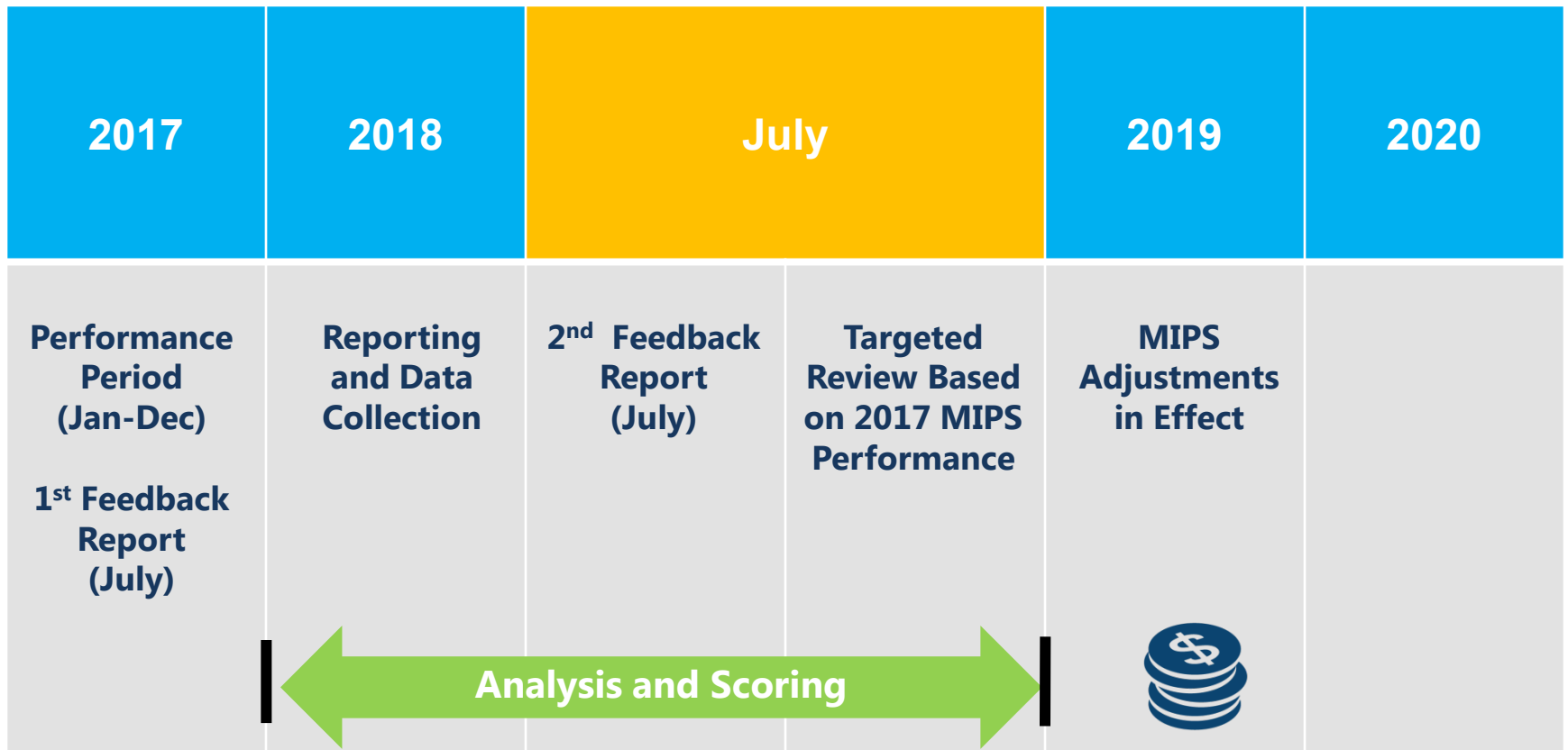


Certain participants in **ADVANCED** Alternative Payment Models

↓  
Medicare billing charges less than or equal to \$10,000 and provides care for 100 or fewer Medicare patients in one year

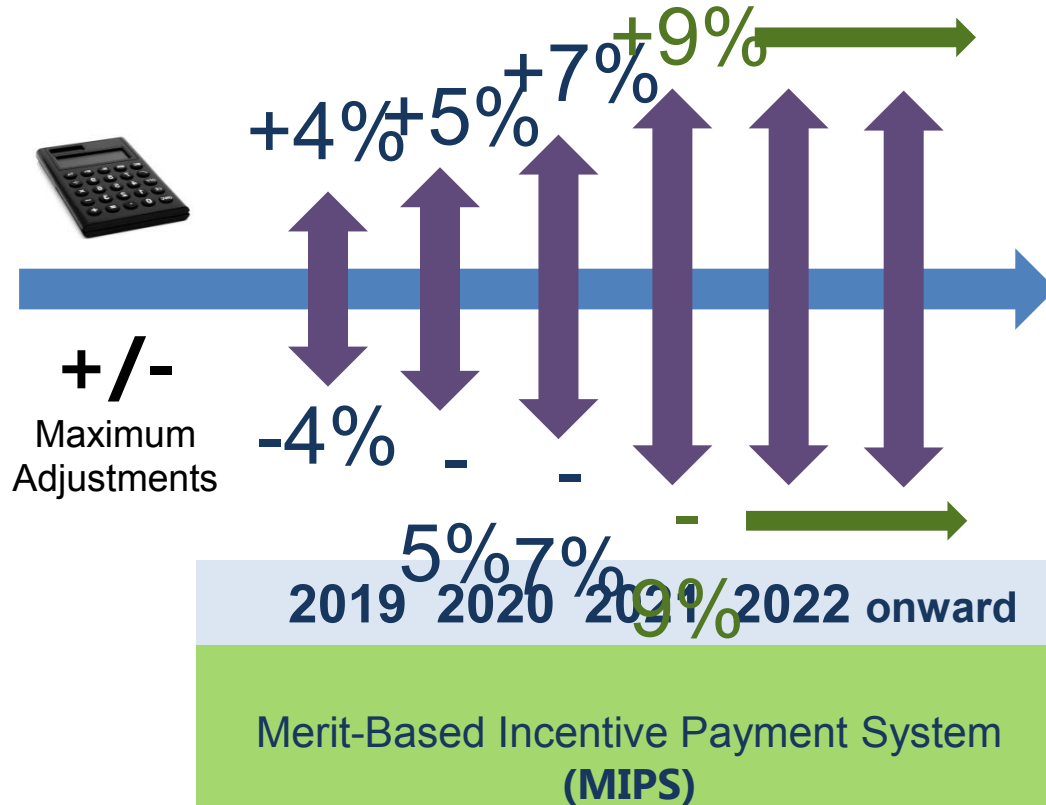
Note: MIPS **does not** apply to hospitals or facilities

# PROPOSED RULE MIPS Timeline



# How much can MIPS adjust payments?

Based on a MIPS Composite Performance Score, clinicians will receive +/- or neutral adjustments up to the percentages below.



**Adjusted Medicare Part B payment to clinician**

The potential maximum adjustment % will increase each year from 2019 to 2022

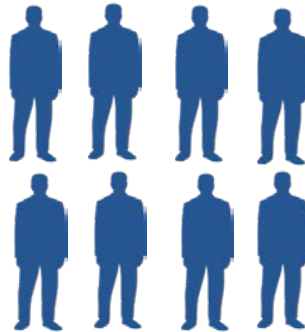
Note: Most clinicians will be subject to MIPS.

Subject to MIPS

Not in APM



In non-Advanced APM



In Advanced APM, but not a QP



QP in Advanced APM



Some people may be in Advanced APMs but not have enough payments or patients through the Advanced APM to be a QP.

Note: Figure not to scale.

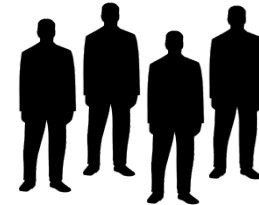
# PROPOSED RULE

## MIPS: Eligible Clinicians

**Eligible Clinicians can participate in MIPS as an:**



**Or**



**Individual**

**Group**

A group, as defined by taxpayer identification number (TIN), would be assessed as a group practice across all four MIPS performance categories.

Note: "Virtual groups" will not be implemented in Year 1 of MIPS.

**PROPOSED RULE  
MIPS: PERFORMANCE  
CATEGORIES & SCORING**

# MIPS Performance Categories

A single MIPS composite performance score will factor in performance in 4 weighted performance categories on a 0-100 point scale:



**Quality**



**Resource  
use**



**Clinical  
practice  
improvement  
activities**



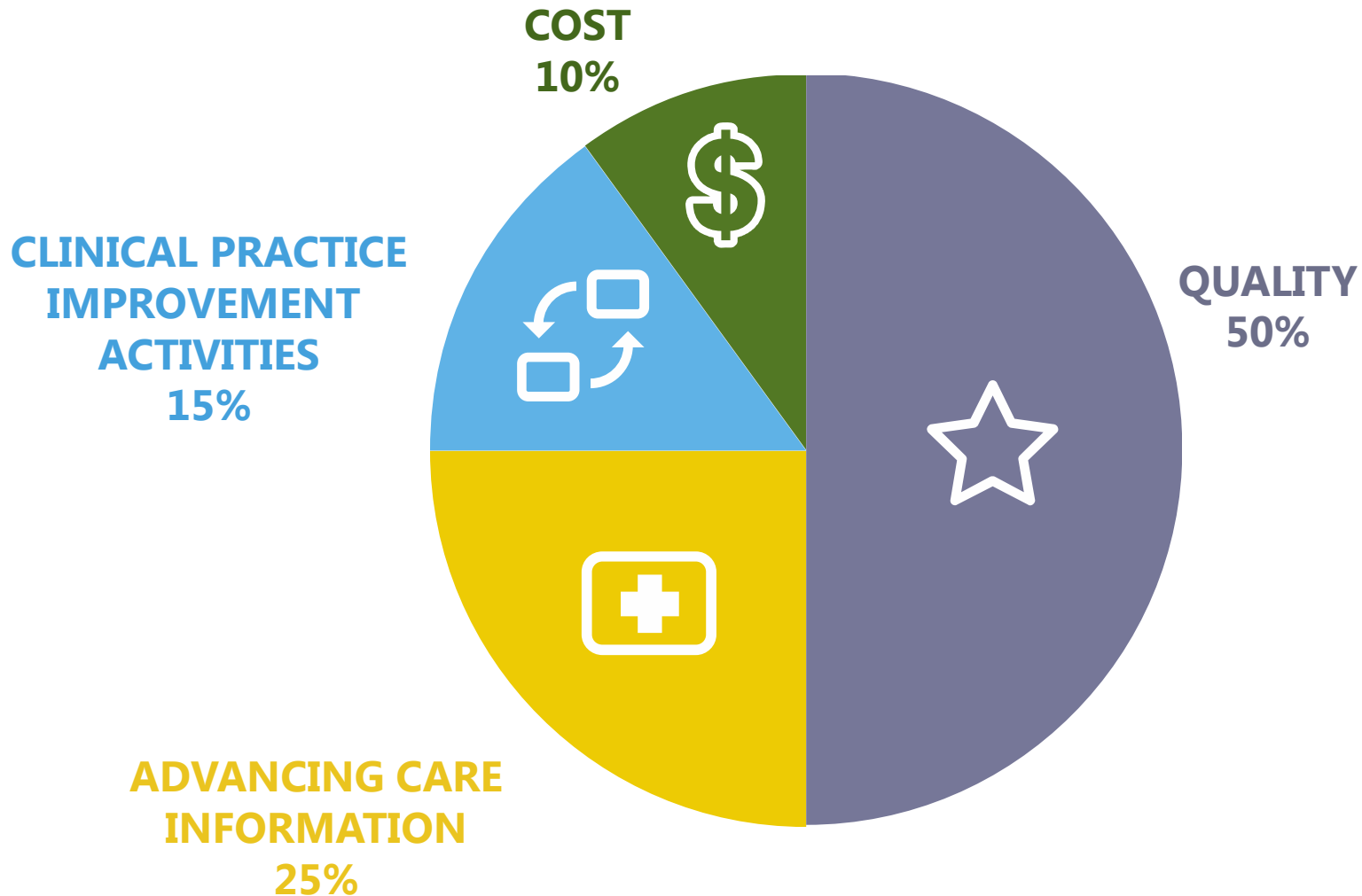
**Advancing  
care  
information**



**MIPS  
Composite  
Performance  
Score (CPS)**

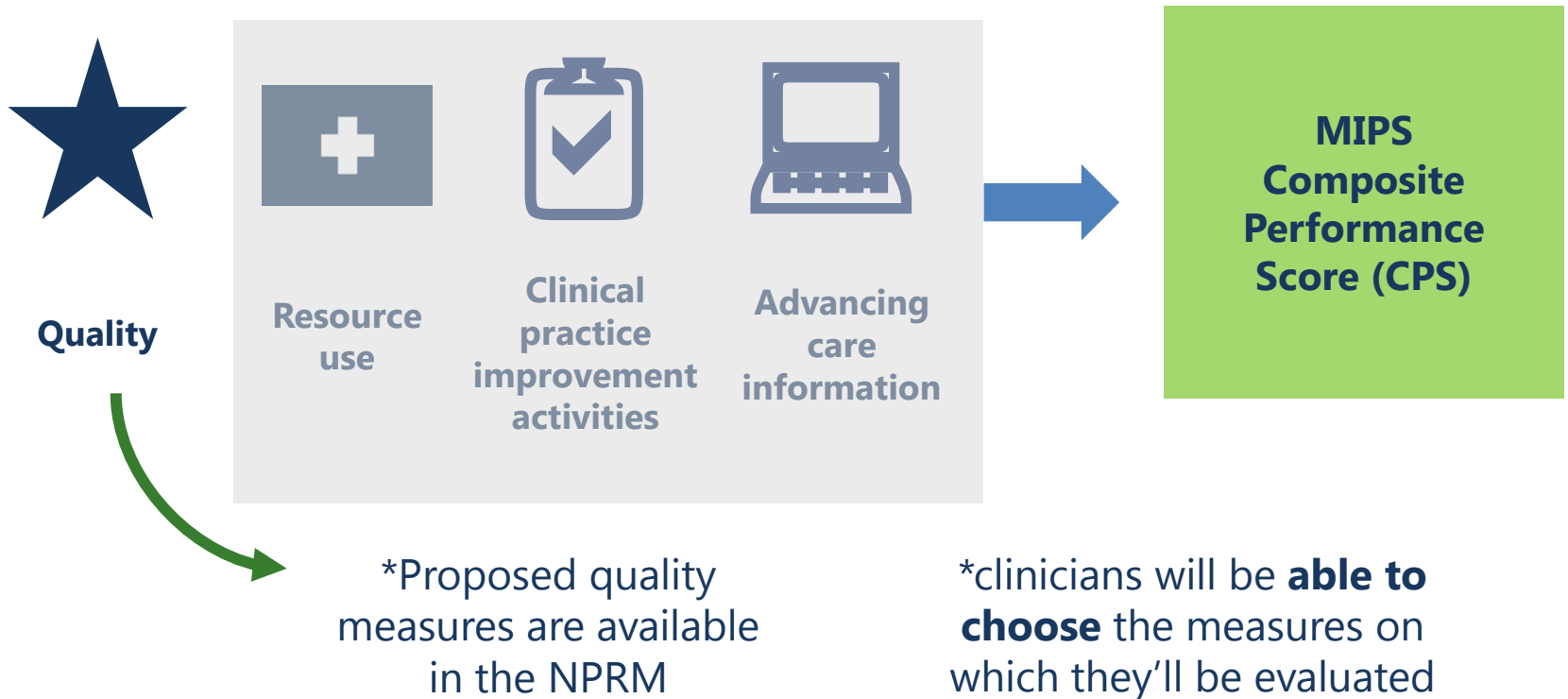


# Year 1 Performance Category Weights for MIPS



# What will determine my MIPS score?

The MIPS composite performance score will factor in performance in 4 weighted performance categories on a 0-100 point scale :



## PROPOSED RULE

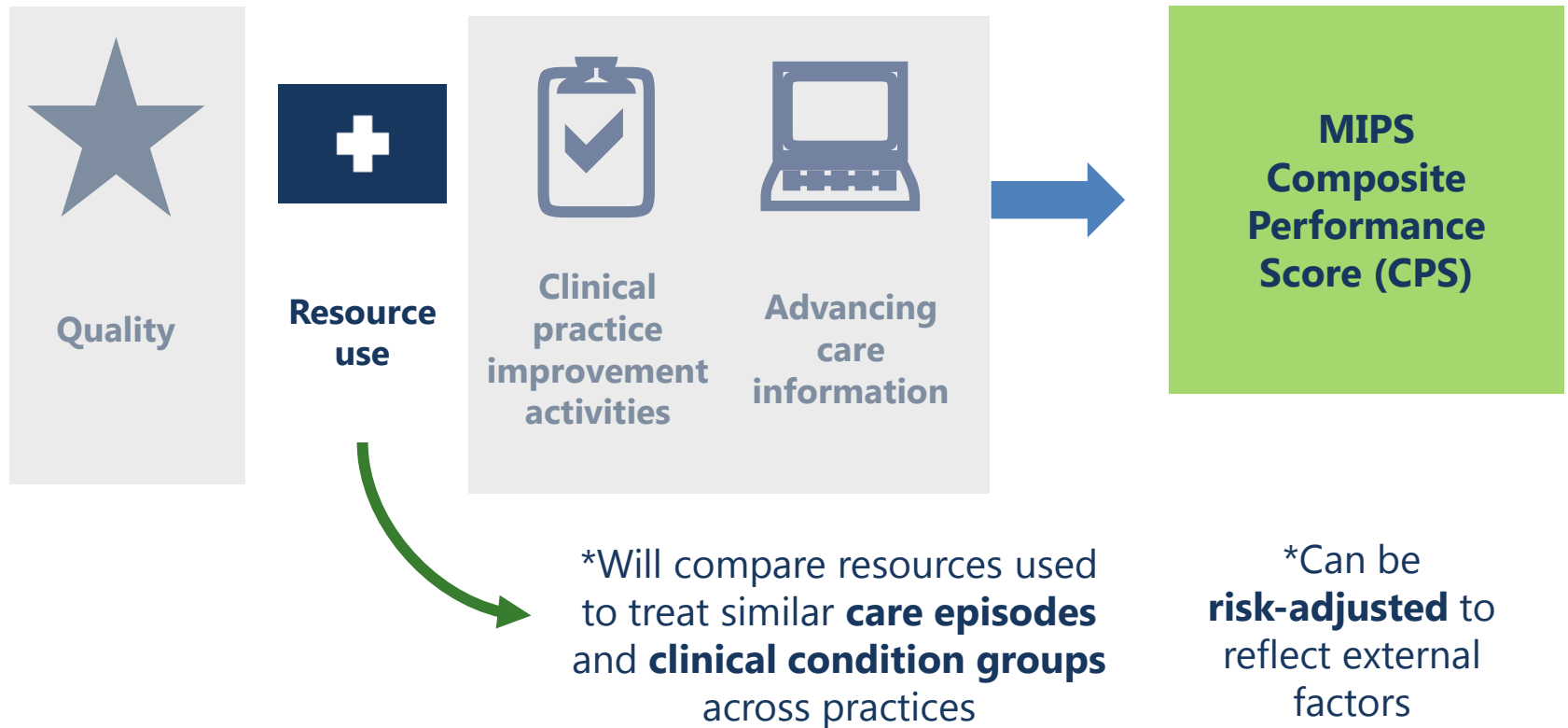
# MIPS: Quality Performance Category

### Summary:

- ✓ **Selection of 6 measures**
- ✓ **1 cross-cutting measure and 1 outcome measure, or another high priority measure if outcome is unavailable**
- ✓ **Select from individual measures or a specialty measure set**
- ✓ **Population measures automatically calculated**
- ✓ **Key Changes from Current Program (PQRS):**
  - **Reduced from 9 measures to 6 measures with no domain requirement**
  - **Emphasis on outcome measurement**
  - **Year 1 Weight: 50%**

# What will determine my MIPS score?

The MIPS composite performance score will factor in performance in 4 weighted performance categories on a 0-100 point scale :



## PROPOSED RULE

# MIPS: Resource Use Performance Category

### Summary:

- ✓ **Assessment under all available resource use measures, as applicable to the clinician**
- ✓ **CMS calculates based on claims so there are no reporting requirements for clinicians**
- ✓ **Key Changes from Current Program (Value Modifier):**
  - **Adding 40+ episode specific measures to address specialty concerns**
  - **Year 1 Weight: 10%**

# What will determine my MIPS score?

The MIPS composite performance score will factor in performance in 4 weighted performance categories on a 0-100 point scale :



\*Examples include care coordination, shared decision-making, safety checklists, expanding practice access

PROPOSED RULE

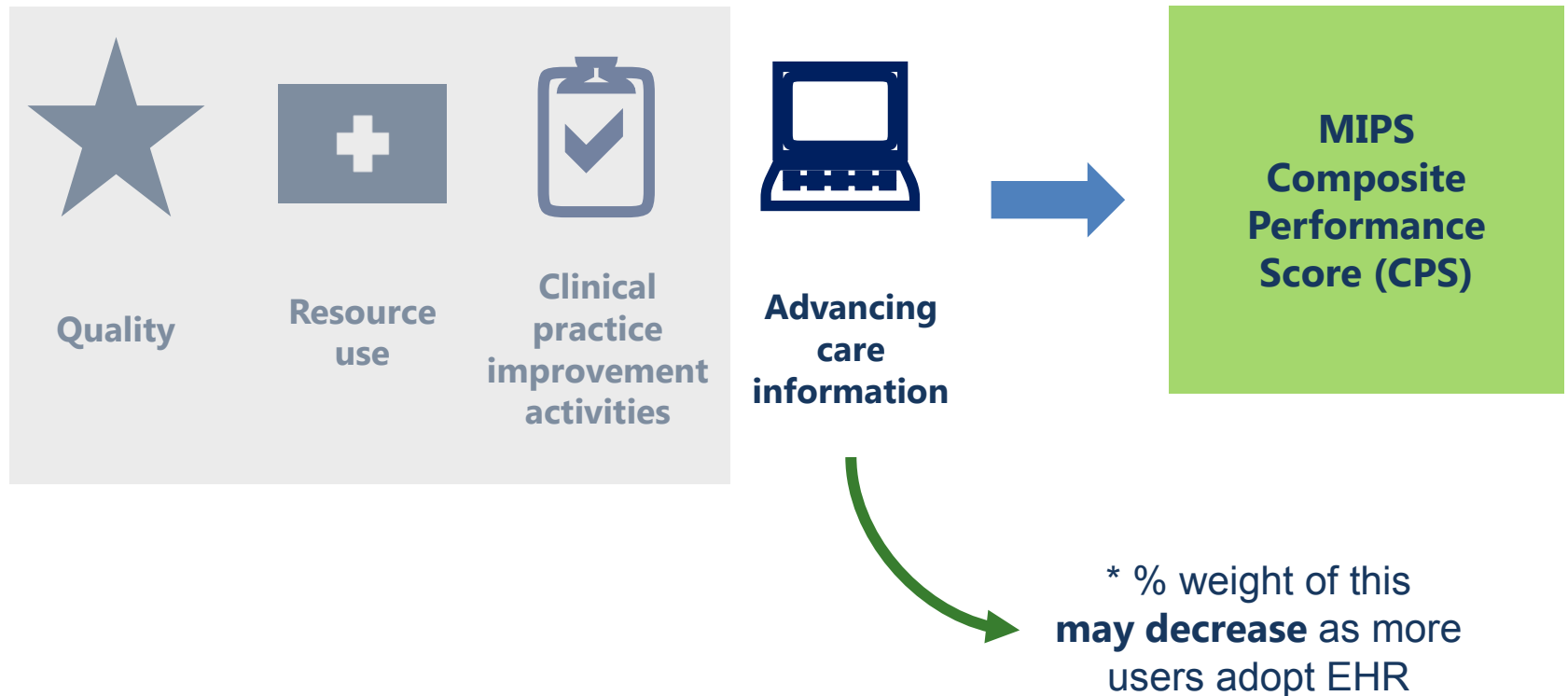
# MIPS: Clinical Practice Improvement Activity Performance Category

## Summary:

- ✓ **To not receive a zero score, a minimum selection of one CPIA activity (from 90+ proposed activities) with additional credit for more activities**
- ✓ **Full credit for patient-centered medical home**
- ✓ **Minimum of half credit for APM participation**
- ✓ **Key Changes from Current Program:**
  - **Not applicable (new category)**
  - **Year 1 Weight: 15%**

# What will determine my MIPS score?

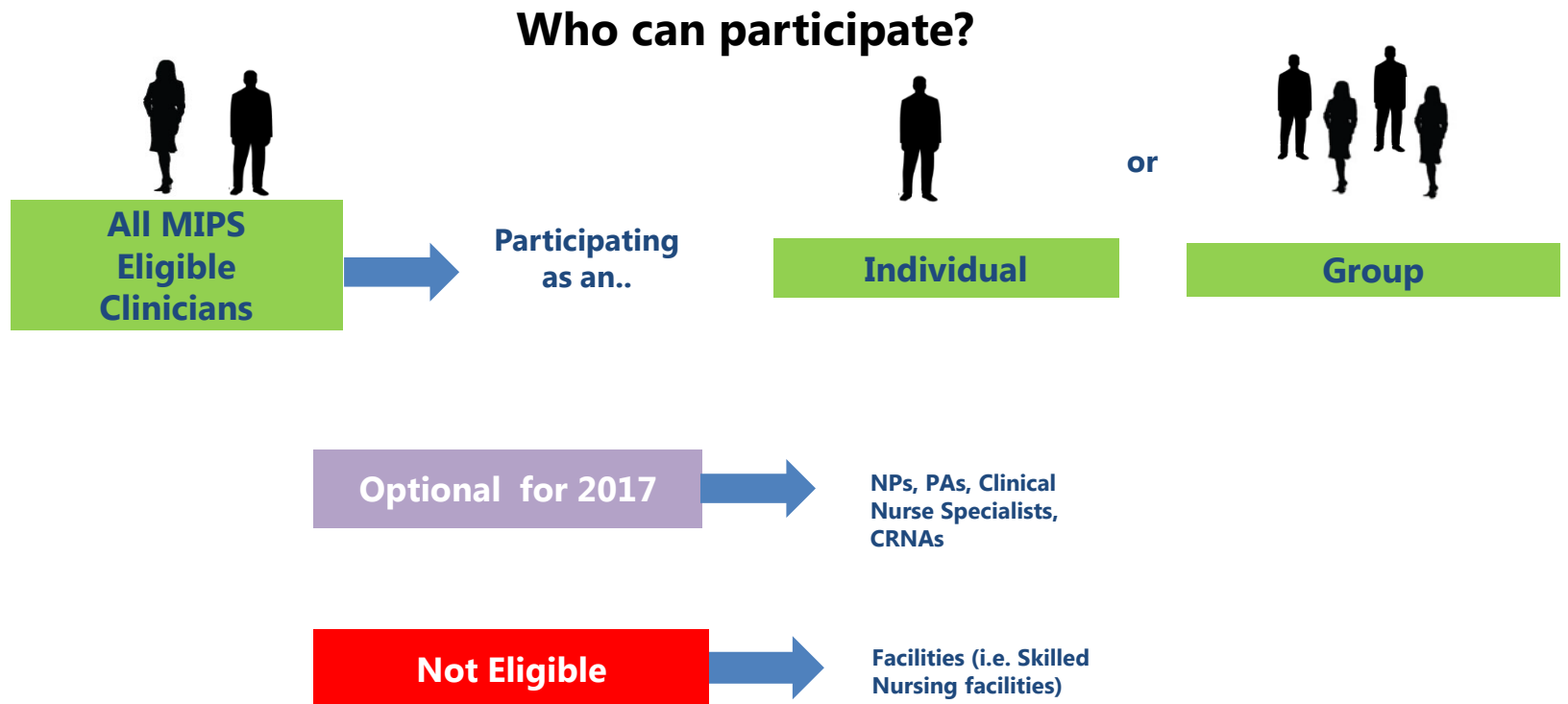
The MIPS composite performance score will factor in performance in 4 weighted performance categories on a 0-100 point scale :





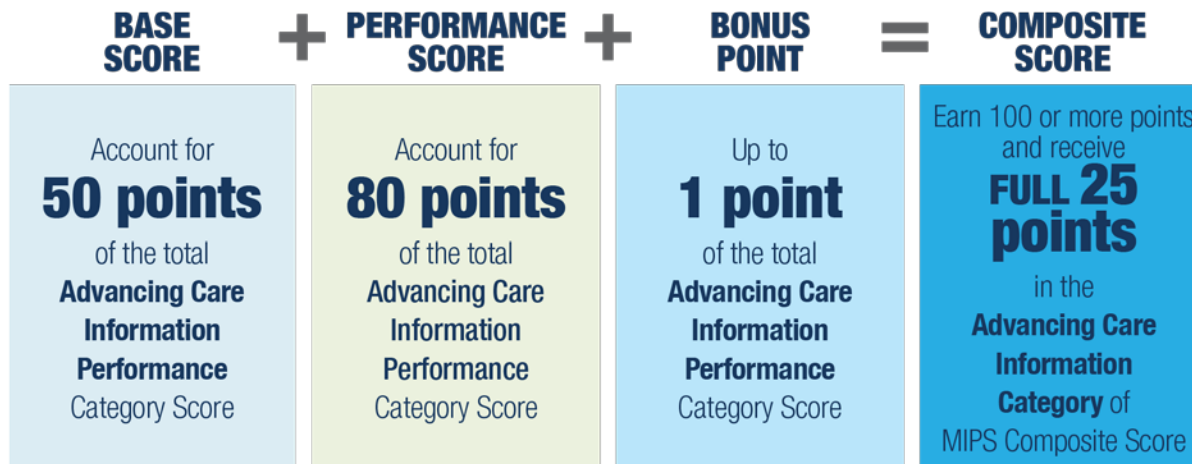
# PROPOSED RULE

## MIPS: Advancing Care Information Performance Category



# PROPOSED RULE

## MIPS: Advancing Care Information Performance Category



**The overall Advancing Care Information score would be made up of a base score and a performance score for a maximum score of 100 points**

PROPOSED RULE  
MIPS: Advancing Care Information  
Performance Category

**BASE SCORE**

**Accounts for  
50  
Percentage  
Points  
of the total  
Advancing Care  
Information  
category score.**

To receive the base score, physicians and other clinicians must simply provide the numerator/denominator or yes/no for each objective and measure

# PROPOSED RULE

## MIPS: Advancing Care Information Performance Category

CMS proposes six objectives and their measures that would require reporting for the base score:



**Protect Patient Health  
Information**  
(yes required)



**Electronic  
Prescribing**  
(numerator/denominator)



**Patient Electronic  
Access**  
(numerator/denominator)



**Coordination of Care Through  
Patient Engagement**  
(numerator/denominator)



**Health Information  
Exchange**  
(numerator/denominator)



**Public Health and Clinical Data  
Registry Reporting**  
(yes required)

PROPOSED RULE

# MIPS: Advancing Care Information Performance Category

## The Performance Score

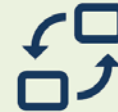
The performance score accounts for up to 80 percentage points towards the total Advancing Care Information category score



**Patient Electronic  
Access**



**Coordination of Care Through  
Patient Engagement**



**Health Information  
Exchange**

**Physicians and other clinicians select the measures that best fit their practice from the following objectives, which emphasize patient care and information access:**

# PROPOSED RULE

## MIPS: Advancing Care Information Performance Category





### Summary:

- ✓ **Scoring based on key measures of patient engagement and information exchange.**
- ✓ **Flexible scoring for all measures to promote care coordination for better patient outcomes**
- ✓ **Key Changes from Current Program (EHR Incentive):**
  - **Dropped “all or nothing” threshold for measurement**
  - **Removed redundant measures to alleviate reporting burden**
  - **Eliminated Clinical Provider Order Entry and Clinical Decision Support objectives**
  - **Reduced the number of required public health registries to which clinicians must report**
  - **Year 1 Weight: 25%**

# PROPOSED RULE

## MIPS: Performance Category Scoring

### Summary of MIPS Performance Categories

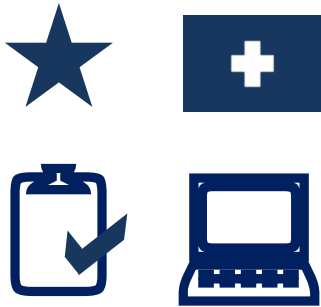
Performance Category	Maximum Possible Points per Performance Category	Percentage of Overall MIPS Score (Performance Year 1 - 2017)
 <p><b>Quality:</b> Clinicians choose six measures to report to CMS that best reflect their practice. One of these measures must be an outcome measure or a high-value measure and one must be a crosscutting measure. Clinicians also can choose to report a specialty measure set.</p>	80 to 90 points depending on group size	50 percent
 <p><b>Advancing Care Information:</b> Clinicians will report key measures of patient engagement and information exchange. Clinicians are rewarded for their performance on measures that matter most to them.</p>	100 points	25 percent
 <p><b>Clinical Practice Improvement Activities:</b> Clinicians can choose the activities best suited for their practice; the rule proposes over 90 activities from which to choose. Clinicians participating in medical homes earn “full credit” in this category, and those participating in Advanced APMs will earn at least half credit.</p>	60 points	15 percent
 <p><b>Cost:</b> CMS will calculate these measures based on claims and availability of sufficient volume. Clinicians do not need to report anything.</p>	Average score of all cost measures that can be attributed	10 percent

**PROPOSED RULE  
MIPS PERFORMANCE  
PERIOD & PAYMENT  
ADJUSTMENT**




# PROPOSED RULE

## MIPS Performance Period



**MIPS Performance  
Period  
(Begins 2017)**

- ✓ All MIPS performance categories are aligned to a performance period of one full calendar year.
- ✓ Goes into effect in first year  
(2017 performance period, 2019 payment year).

	2017	2018	2019	2020	2021	2022	2023	2024	2025
									
<b>Performance Period</b>			<b>Payment Year</b>						

## PROPOSED RULE

# MIPS: Payment Adjustment

- ✓ A MIPS eligible clinician's payment adjustment percentage is based on the relationship between their CPS and the MIPS performance threshold.
- ✓ A CPS below the performance threshold will yield a negative payment adjustment; a CPS above the performance threshold will yield a neutral or positive payment adjustment.
- ✓ A CPS less than or equal to 25% of the threshold will yield the maximum negative adjustment of -4%.



Quality



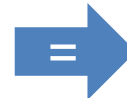
Resource  
use



Clinical  
practice  
improvement  
activities



Advancing  
care  
information



MIPS  
Composite  
Performance  
Score (CPS)



## PROPOSED RULE

# MIPS: Payment Adjustment

- ✓ A CPS that falls at or above the threshold will yield payment adjustment of 0 to +12%, based on the degree to which the CPS exceeds the threshold and the overall CPS distribution.
- ✓ An additional bonus (not to exceed 10%) will be applied to payments to eligible clinicians with exceptional performance where CPS is equal to or greater than an “additional performance threshold,” defined as the 25th percentile of possible values above the CPS performance threshold.



Quality



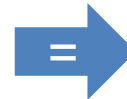
Resource  
use



Clinical  
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Advancing  
care  
information

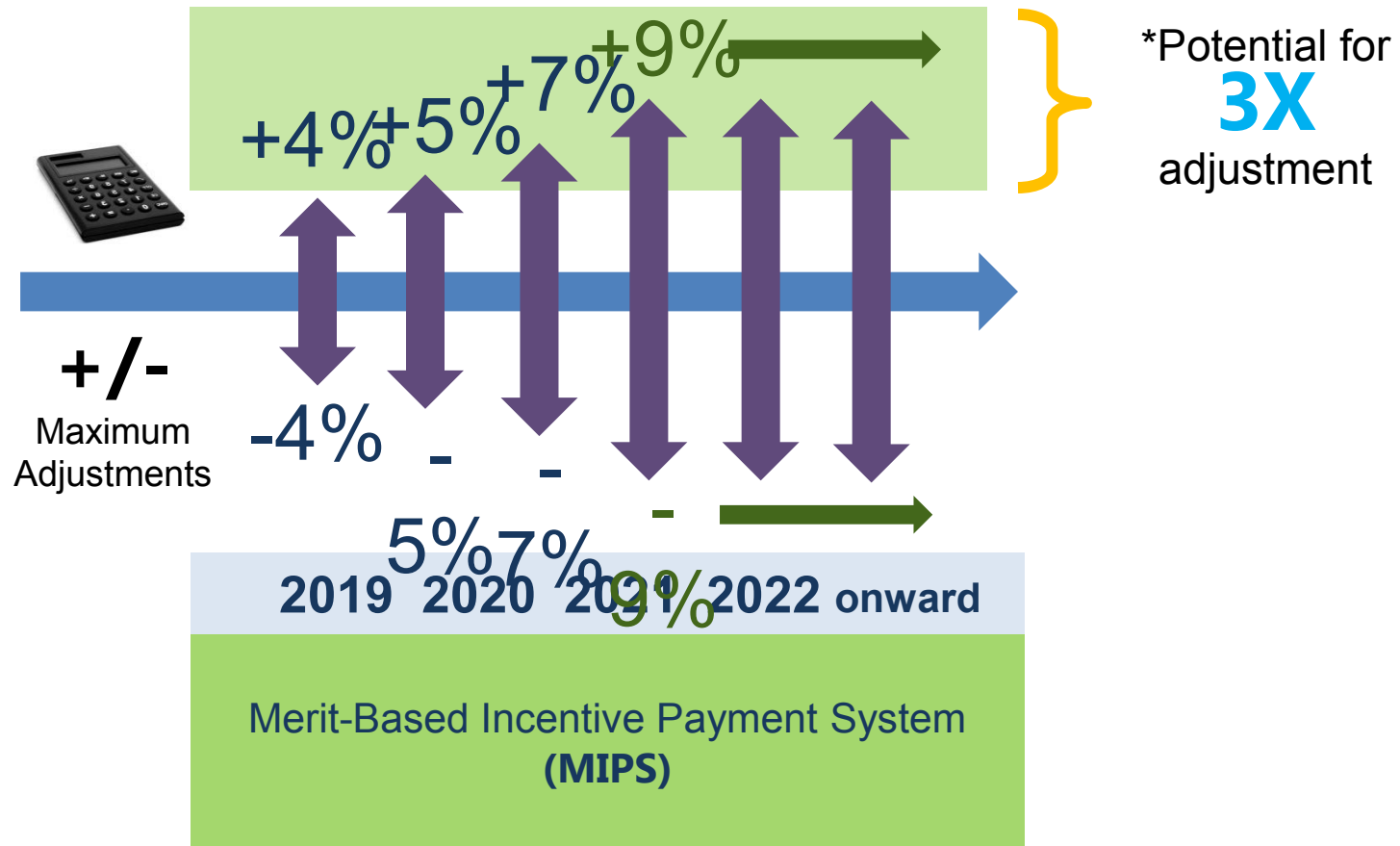


MIPS  
Composite  
Performance  
Score (CPS)

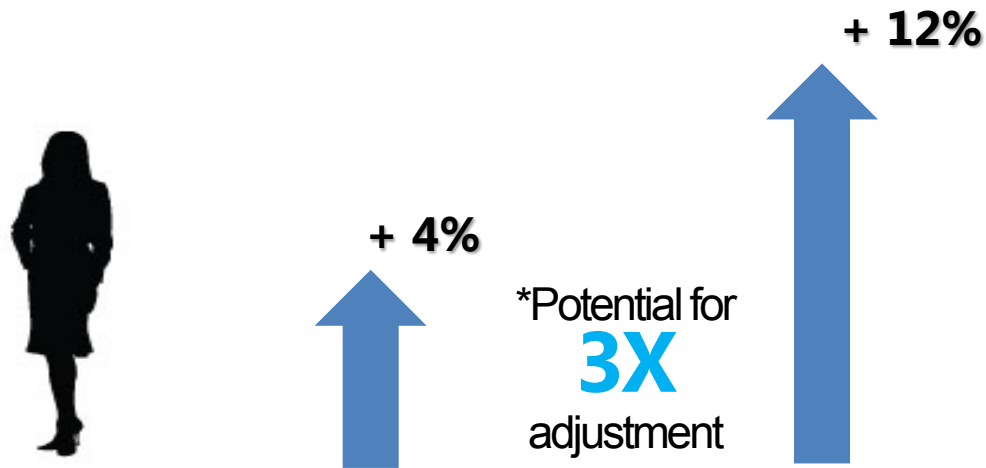


# How much can MIPS adjust payments?

Note: MIPS will be a budget-neutral program. Total upward and downward adjustments will be balanced so that the average change is 0%.



# MIPS: Scaling Factor Example

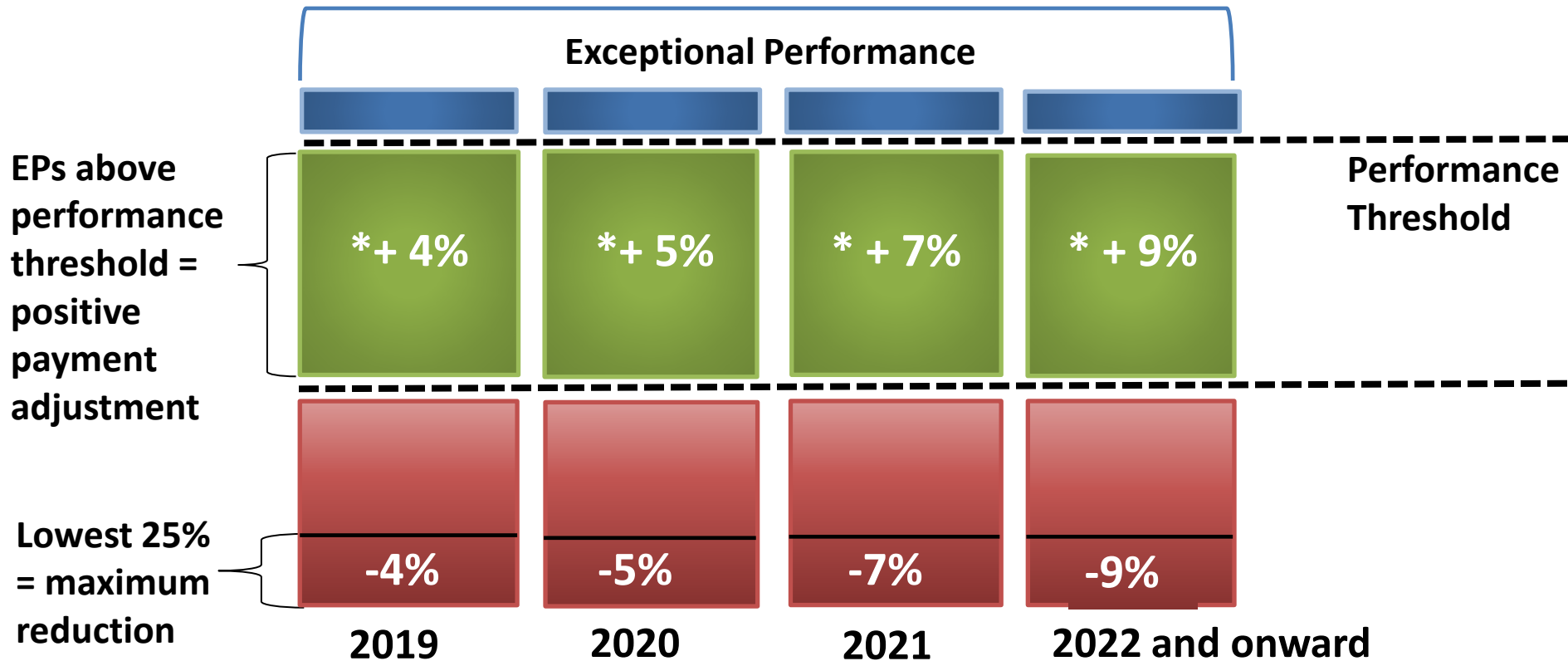


Dr. Joy Smith, who receives the +4% adjustment for MIPS, could receive up to +12% in 2019. For exceptional performance she could earn an additional adjustment factor of up to +10%.

**Note:** This scaling process will only apply to positive adjustments, not negative ones.

# MIPS Incentive Payment Formula

Exceptional performers receive additional positive adjustment factor – up to \$500M available each year from 2019 to 2024



*\*MACRA allows potential 3x upward adjustment BUT unlikely*



# THANK YOU!

More Ways to Learn To learn more about the Quality Payment Programs including MIPS program information, watch the <http://go.cms.gov/QualityPaymentProgram> to learn of Open Door Forums, webinars, and more.