



CMS Quality Payment Program: Are you ready for round two?

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2018 marks the commencement of the second performance year for the Medicare Quality Payment Program (QPP), implemented under the Medicare Access and CHIP Reauthorization Act of 2015 (otherwise known as MACRA). QPP is designed to replace Medicare's fee-for-service payment methodology for Part B providers with a reimbursement system that rewards quality outcomes and enhanced value through participation in one of two new payment systems: (1) the Merit-Based Incentive Payment System (MIPS) or (2) Advanced Alternative Payment Models (APMs).

CMS established relatively flexible and forgiving QPP participation rules and performance expectations for the initial QPP performance year in 2017 and, in many ways, continues that flexibility and forgiveness into 2018. However, there are some important changes to QPP requirements for this second performance year that providers must be aware of and prepare for.

MIPS updates:

- **Cost factors count.** Those who participate in the MIPS program receive a MIPS score based on achievements in four categories (quality, clinical improvement activities, advancing care information (*i.e.*, use of certified EHR technology) and cost). In 2017, cost measures accounted for 0 percent of a provider's score. In 2018, cost measures will account for 10 percent of your MIPS score and will be measured over the full 12-month performance period.
- **Enhanced performance threshold.** For performance year 2017, the minimum MIPS score necessary to avoid a negative adjustment in reimbursement rates for 2019 was 3 points. For 2018, the minimum score needed to avoid a negative adjustment for 2020 rates is now 15 points.
- **Full-year quality reporting.** The 2017 performance year permitted eligible providers to meet their minimum quality

reporting obligations by reporting on quality measures for a 90-day period during the performance year. In 2018, quality measures must be reported for the entire 12-month period.

- ***Virtual groups permitted.*** 2018 permits a combination of two or more TINs comprised of solo practitioners and groups of 10 or fewer eligible providers to come together “virtually” for MIPS participation and reporting.

APM updates:

- ***Making APM participation easier.*** The 2018 QPP final rule provides paths for easier participation in APMs including extending the 8 percent of revenue “at-risk” standard for two additional years through performance year 2020 and reducing barriers to qualification for participation in APMs that begin or end in the middle of a year.
- ***Reducing complexity.*** Barriers to participation in APMs have been minimized by easing pathways for providers to participate through a combination of Medicare APMs and other payer APMs.

The 2018 QPP final rule creates several opportunities for providers to transition into either the MIPS or APM component of the program and successfully position themselves for 2019 when full participation and implementation in the program is required.

Authors

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