

Clinical Integration Educational Series

Deep Dive into the Cost Category of MIPS



Introduction

Over the last few months, this educational series has been focused on MACRA (the Medicare Access and CHIP Reauthorization Act), a law passed by Congress in 2015 that changes how the Medicare program reimburses providers and aims to move providers toward more value-based care. The law discontinues the use of the Sustainable Growth Rate formula for determining Medicare payments to providers, and creates a new quality measurement and reimbursement framework.

To recap, MACRA's new reimbursement framework creates two payment tracks:

1. Merit-Based Incentive Payment System (MIPS) and
2. Advanced Alternative Payment Models (APMs)

Most of the clinicians in SRQCN will be reimbursed under the MIPS track. Starting in 2019, Medicare payment adjustments to clinicians will vary up to 4% based on MIPS performance in 2017.

As a reminder, MIPS adjusts clinician payments based on their performance across four categories: Quality, Improvement Activities, Advancing Care Information, and Cost. This week, we will go into detail about the Cost category, which measures the value or efficiency of care provided by clinicians.



Cost Category Weighting under MIPS

In Performance Year 2017, the Cost category does not count toward your overall MIPS score. However, because the Cost category will begin to count toward your overall MIPS score in Performance Year 2018 and beyond, it will impact your payment beginning in 2020.

The Cost category does not count toward a clinician's overall MIPS performance score for the first year of MIPS.

Cost Category Measures and Reporting

In Performance Year 2018 and beyond, clinicians will be scored on 2 measures that capture spending on primary care services: Medicare Spending per Beneficiary and Total per Capita Costs, as well as 10 episode-based payment measures:

1. Mastectomy
2. Aortic/Mitral Valve Surgery
3. Coronary Artery Bypass Graft (CABG)
4. Hip/Femur Fracture or Dislocation Treatment
5. Cholecystectomy and Common Duct Exploration
6. Colonoscopy and Biopsy
7. Transurethral Resection of the Prostate for Benign Prostatic Hyperplasia
8. Lens and Cataract Procedures
9. Hip Replacement or Repair
10. Knee Arthroplasty

These measures can be updated by the Secretary of the Department of Health and Human Services. All measures will be calculated by CMS using Part B claims. **No clinician data submission will be required.**

Overall MIPS Category Weighting

Now that we have introduced the four categories that contribute to your overall MIPS performance score, below is a table that explains how the categories will be weighted over time.

	Performance Year 2017	Performance Year 2018	Performance Year 2019
QUALITY	60%	50%	30%
IMPROVEMENT ACTIVITIES	15%	15%	15%
ADVANCING CARE INFORMATION	25%	25%	25%
COST	0%	10%	30%

This informational series will be distributed on an ad-hoc basis to help clinicians stay updated on MACRA and other initiatives. SRQCN will be publishing a MIPS Playbook in January 2017 which will outline the network's MIPS strategy and will facilitate strong performance under MIPS. In the meantime, for more details on MACRA and to explore measures please contact your Physician Practice Liaison or visit <https://qpp.cms.gov>.