How Does the Medicare Access & CHIP Reauthorization Act of 2015 (MACRA) Affect Future Reimbursement?

Georgia Society of Clinical Oncology 2016 Annual Spring Administrator's Association Business of Oncology Meeting

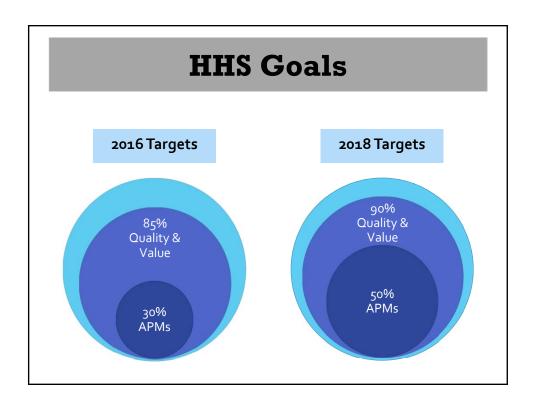
Brian R. Bourbeau, Director, OHC

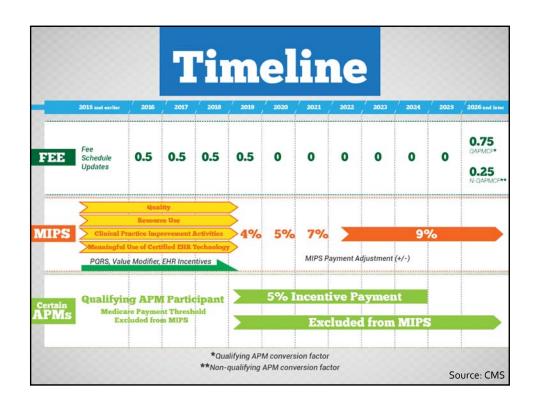
## **Learning Objectives**

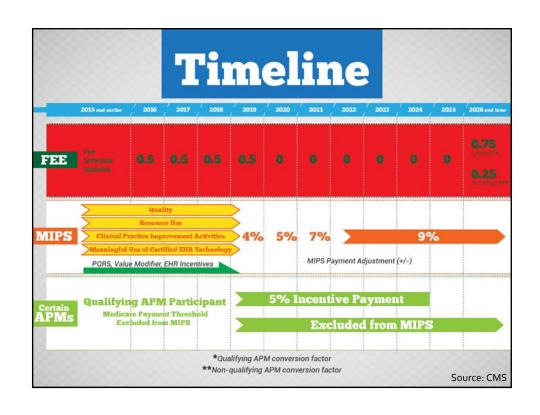
- Major provisions of MACRA
- Projecting future revenues
- MIPS vs. APMs
- Immediate steps to prepare
- Will MACRA survive?

### What is MACRA?

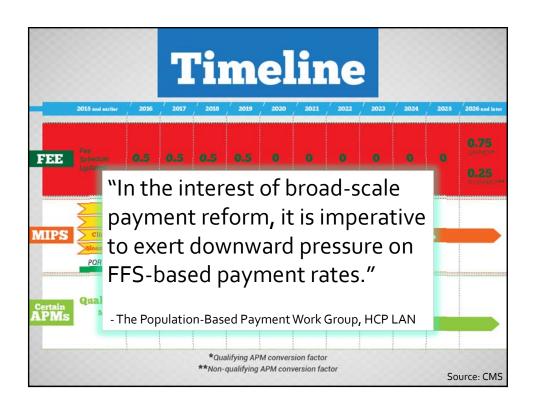
- Public law, signed April 16, 2015
- SGR "fix"
- Set MPFS updates in perpetuity
- Sunsets Meaningful Use, PQRS, and VBM
- Creates Merit-based Incentive Payment System
- Incentivizes Alternative Payment Models

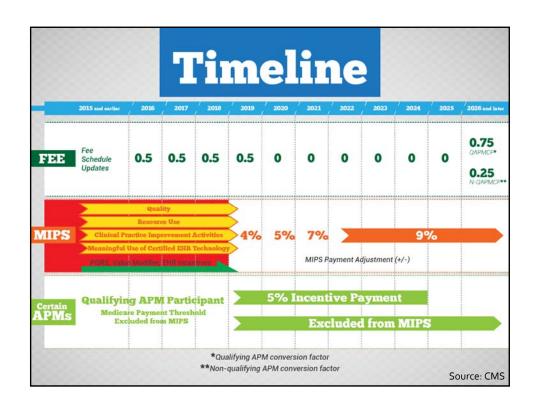






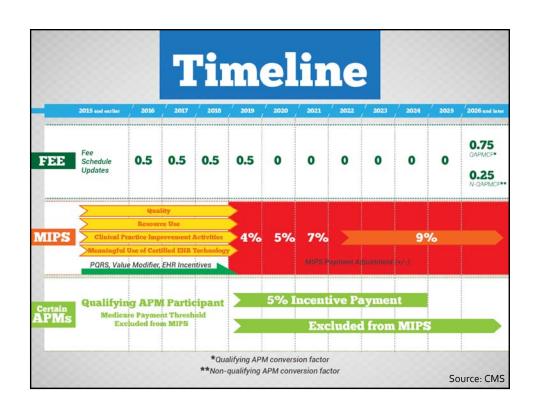
Conversion Factor									
		2016	2017	2018	2019	2020	2021		
Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)	Conversion Factor Update	+0.5%	+0.5%	+0.5%	+0.5%	0%	ο%		
Protecting Access to Medicare Act of 2014 (PAMA)	Misvalued Codes		-0.5%	-0.5%	-0.5%	-0.5%	ο%		
Achieving a Better Life Experience Act of 2014 (ABLE)	Misvalued Codes	-1.0%							
Actual		-0.3%							

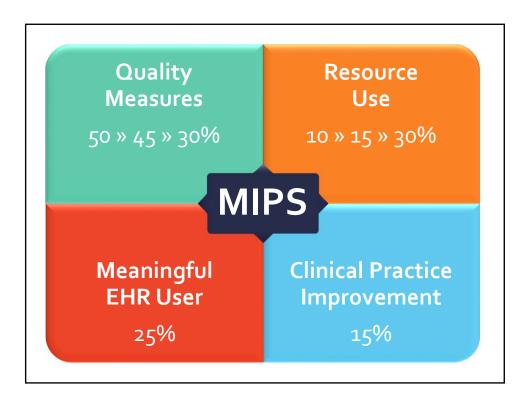


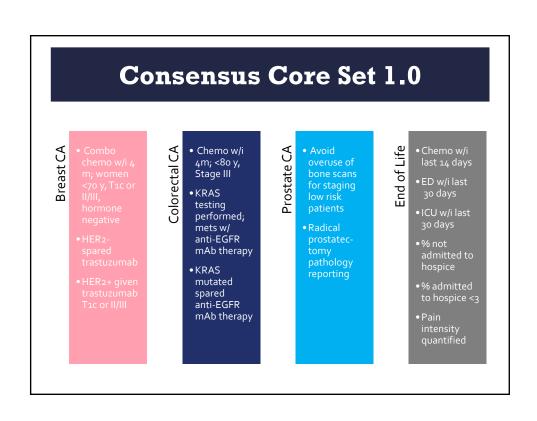


Existing Programs							
	2016	2017	2018				
Meaningful Use	-2% Penalty	-3% Penalty	-3% Penalty				
PQRS	-2% Penalty + VBM Penalty	-2% Penalty + VBM Penalty	-2% Penalty + VBM Penalty				
Value-Based Modifier	2014 Performance  PORS Reporters:  100+: -2% to 2x*  10-99: -0% to 2x*	2015 Performance  PORS Reporters:  10+: -4% to 4x*  1-9: -0% to 2x*	2016 Performance  PORS Reporters:  10+: -4% to 4x*  1-9: -2% to 2x*				
	Non-Reporters: 100+: -2% 10-99: -2%	Non-Reporters: 10+: -4% 1-9: -2%	Non-Reporters: 100: -4% 1-9: -2%				

	2016 Value Modifier (2014 Performance)									
		Low Quality	Average Quality	High Quality	+15.9 <del>-</del> +31.8%					
	Low Cost	6	73	0	79					
	Average Cost	644	7,351	55	8,090					
	High Cost	39	226	1	266					
		689	7,650	56						
5,418 did not report PQRS! Groups with 10 or more eligible professionals										







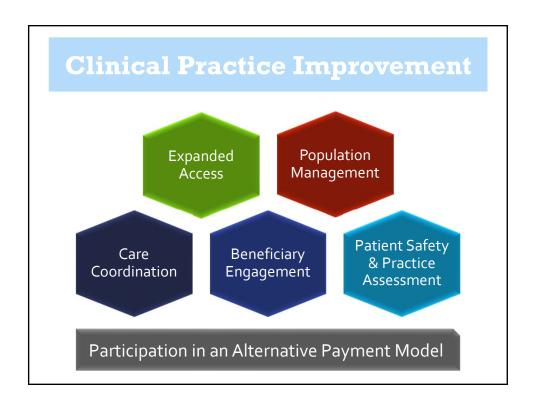
#### **Resource Use**

#### **Population Health**

- All beneficiaries
- Per capita measurements
- Prospective risk adjustment
- PCP attribution
- Specialty-adjusted

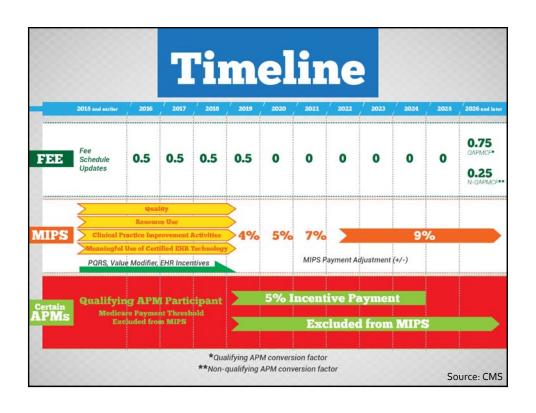
### **Clinical Episodes**

- Mastectomy in breast cancer
- Prostatectomy
- Condition or treatment triggers
- Acute and chronic conditions
- Varying duration
- Multiple physician relationships



### MIPS: What we Know

- "Incentive to Report"
  - i.e. lowest potential score for not reporting.
- EHR meaningful use will be incorporated.
- Value-based payment modifier will be incorporated.
- Rewards certification as a medical home.
- Encourages participation in an alternative payment model.
- Scaling factor capped at 3 times that of negative adjustments.
- Exceptional performance, 2019-2024: up to +10% / \$500 m
- Public reporting.

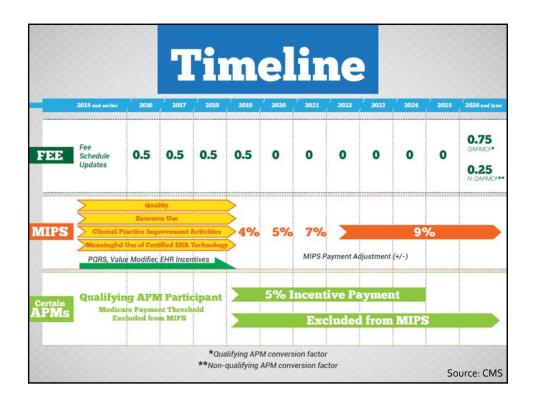


# **Alternative Payment Models**

- Section 1899 shared savings program.
- Section 1115A: OCM? Yes Innovation Award? No
- 1866C and other demonstration projects.



#### **Alternative Payment Models** Next Oncology **MSSP ACO** Generation Care Model **ACO** Oncology Specific Different Participation Levels **Greatest Chance** to Achieve Split-TIN **Qualifying Status** Multiple • Administrative Payment Models Burden Limits on Accepting New Applications in **Business** Spring 2016 Opportunities



### **Immediate Steps to Prepare**

- Avoid 2018 penalties PQRS, MU, VBM.
- Invest in an EHR that supports your quality & practice improvement efforts.
- Investigate quality reporting options.
- Review your Quality & Resource Use Report.
- Explore ACO opportunities.
- Follow the HCP LAN (Health Care Payment Learning & Action Network).
- Comment on RFIs & proposed rules.

