



YOUR GUIDE TO MACRA

and the Changes to Physician Payment



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The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) was signed into law on April 16, 2015. MACRA repealed the flawed Sustainable Growth Rate (SGR) formula and replaced it with two new programs designed to transition payment from a fee-for-service system to a quality-based payment system. Participation in these new

programs will impact providers' Medicare payment rates in years to come. Some providers will be able to participate in Alternative Payment Models (APMs), while most providers will participate in the Merit-Based Incentive Payment System (MIPS) which is described below.

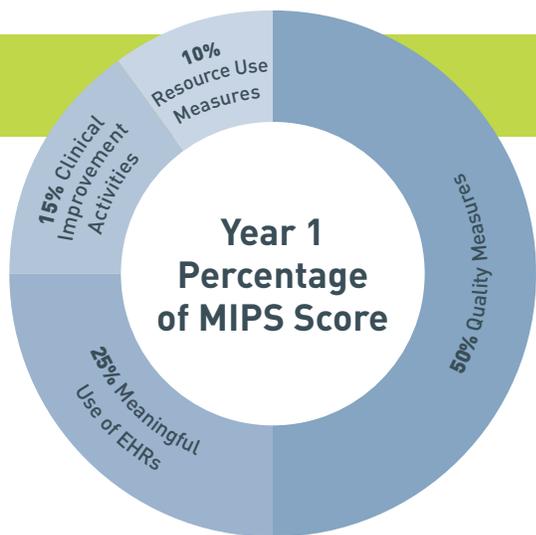
THE MERIT-BASED INCENTIVE PAYMENT SYSTEM (MIPS)

Starting in 2017, existing Medicare incentive programs including: the Physician Quality Reporting System (PQRS), the Value Based Modifier (VBM) and EHR Meaningful Use will be replaced by a new program called the Merit-Based Incentive Payment System (MIPS). 2016 is the last reporting year for PQRS, VBM and Meaningful Use.

MIPS reporting will begin in 2017 and will feature elements of the discontinued incentive programs.

Reporting requirements for each of the four performance areas are still under development. Medicare is required to publish final reporting requirements for the 2017 performance year in November 2016.

New Program (Starts 2017)	Old Program (Ends 2016)
 Quality Measures	 PQRS
 Resource Use Measures	 VBM
 Meaningful Use of EHRs	 EHR Meaningful Use
 Clinical Improvement Activities	 Not Applicable



MIPS INCENTIVES AND PENALTIES

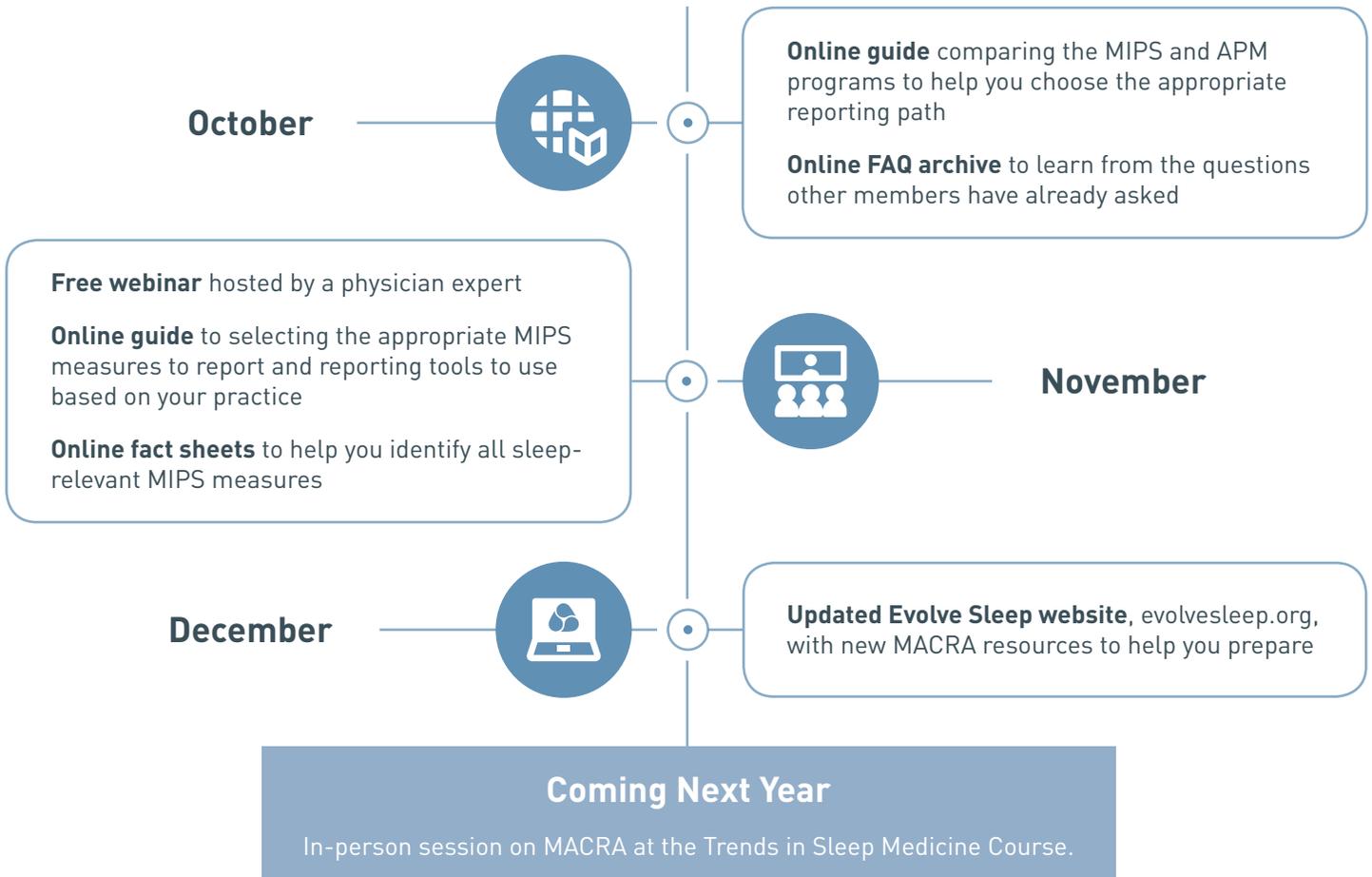
Based on calculated performance across the four MIPS performance areas, each provider will be assigned a composite score on a scale of 0-100. Based on comparison of national performance, Medicare will establish an acceptable composite score for each year which is then used to calculate the provider's payment adjustment (incentive or penalty). Providers performing above that score will receive an incentive and providers performing below the acceptable score will receive a penalty. The potential incentives and penalties under MIPS are described in the timeline below. Incentives begin in 2019 based on 2017 performance

Physicians will be required to participate in four components of MIPS. Each component will be weighted to help Medicare calculate a score for each participating physician. This score will impact physician payment.



MACRA EDUCATION TIMELINE

The Centers for Medicare and Medicaid Services (CMS) will finalize its reporting requirements for MIPS and APMs this fall. Once the programs are finalized, the AASM will be able to provide detailed instructions and examples for how our members can participate in these programs successfully. The AASM plans to make a number of educational resources available to its members in the coming months to help you prepare for the new program requirements.



MACRA RESOURCES

As we prepare these new resources, you may have a number of questions about MACRA and what it will mean for you.

Medicare has a website dedicated to payment reform and the changes brought about by MACRA: qpp.cms.gov

The American Medical Association has information about how MACRA will impact physician payment as well as facts about the benefits of repealing the Sustainable Growth Rate (SGR):

www.ama-assn.org/ama/pub/advocacy/topics/medicare-physician-payment-reform.page



STILL HAVE QUESTIONS?

Email us at coding@asmnet.org

