

## Key changes the new Medicare payment system needs

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Physicians have submitted comments to the Centers for Medicare & Medicaid Services (CMS), detailing the changes that need to be made to the draft rule for the new Medicare payment system so it works for physicians and their patients.

The AMA is urging changes across the reformed program as well as revisions that are specific to the Merit-based Incentive Performance System (MIPS) and the alternative payment model (APM) option.

Three of the overarching program recommendations call on CMS to:

- Create a transitional reporting period in the first year, beginning July 1, to allow sufficient time to prepare physicians and have a successful launch of the new payment system.
- Provide more flexibility for solo physicians and small group practices, such as modifying the low volume threshold, lowering reporting burdens, comparing practices to their peers, and providing education, training and technical assistance to these practices.
- Provide physicians with more timely and actionable feedback in a more usable and clear format.

## Changes needed to improve the MIPS

The comments outline several key recommendations regarding the MIPS, which currently is separated into four components. The comments ask CMS to:

- Align the different components so the MIPS operates as a single program, rather than four separate parts.
- Further simplify reporting burdens by creating more opportunities for partial credit and reducing the number of required measures.
- Maintain the thresholds for reporting on quality measures at 50 percent.

- Replace current cost-of-care measures that were developed for hospital-level measurement and refine new episode-of-care measures prior to widespread adoption.
- Remove the pass-fail component of the Advancing Care Information score and restructure the electronic health record performance measures rather than folding the current Meaningful Use Stage 3 requirements into the MIPS.
- Improve risk adjustment and attribution methods before moving forward with the resource use category, and reduce the number of required Clinical Practice Improvement Activities.

## Changes needed to improve the advanced APMs option

The MIPS is a revised fee-for-service model that most physicians will participate in initially. But the program allows for an alternative course through APMs that may work better for some practice types.

Physicians detailed several ways the APM option could be improved, including:

- Simplify and lower financial risk standards for advanced APMs, and base the risk requirements on physicians' Medicare revenues instead of total Medicare expenditures.
- Provide more opportunities for APM participation.

## Physician organizations submit collective recommendations

More than 110 state medical associations and national medical specialty societies joined the AMA in a sign-on letter to CMS that called for simplification, an easier APM pathway, and accommodations for physicians in small and rural practices.

“The overall goal in MIPS should be to create a more unified reporting program with greater choice and fewer requirements,” the letter said. “While we see several positive changes in the proposed rule, our main concern is that CMS continues to view the four components as separate programs, each with distinct measures, scoring methodologies and requirements.”

Physicians identified in the letter several of the positive MIPS proposals that should be finalized, including reporting quality information through a variety of methods, such as electronic health records (EHR), clinical registry, qualified clinical data registry (QCDR) and group practice reporting.

## Resources to prepare for the new Medicare payment systems



The AMA offers an action kit and other resources to help your practice get ready for the upcoming transition and learn more about the new Medicare payment system.

The AMA's STEPS Forward™ collection of practice improvement initiatives provides a step-by-step process to help you prepare your practice for value-based care.

Also, read what CMS Acting Administrator Andy Slavitt had to say in his address at the 2016 AMA Annual Meeting, and listen to a ReachMD podcast interview with Slavitt on how physician input is driving the new Medicare payment system.