

Medicare payment reform: Answering your QPP FAQs

SEP 11, 2018

Andis Robeznieks

Senior News Writer

What does MACRA stand for? What does MIPS stand for? And what does it all mean for your practice and your Medicare payment?

Keeping track of all the developments can be a strain for even the most well-oiled and organized practices. Fortunately, the AMA offers a host of resources to help physicians understand the basics of Medicare payment and delivery changes while also offering strategic insights on the newest opportunities and tools to navigate the system.

You can also get a look deep “Inside Medicare’s New Payment System” with a series of ReachMD podcast interviews with experts from the AMA and elsewhere.

Below are some of the most frequently asked questions on QPP and links to the AMA resources that provide the answers.

What is MACRA?

MACRA refers to the Medicare Access and CHIP Reauthorization Act of 2015, the legislation that repealed the Medicare sustainable-growth rate (SGR) physician payment formula. By ending SGR, MACRA also required the implementation of the Quality Payment Program (QPP) geared toward transforming the Medicare payment system from one focused on volume to one focused on value.

QPP includes two payment tracks: Alternative Payment Models (APMs) and the Merit-based Incentive Payment System (MIPS), which are intended to reward physicians for the value of their work rather than for the volume of their work.

APMs offer a mechanism to provide added incentives to participating physicians who provide high-quality and cost-efficient care—often for a specific clinical condition, care episode or population.

MIPS also aligned three previously independent quality-improvement programs—the Physician

Quality Reporting System, Value-Based Modifier, and Meaningful Use (now called Promoting Interoperability)—to create three performance categories and added a fourth: Improvement Activities.

Who is exempt from MIPS?

Practices with 200 or fewer Medicare patients or \$90,000 or less of allowed charges are exempt from MIPS. This is an increase from the 2017 thresholds of 100 patients and \$30,000. Physicians are encouraged to use the Centers for Medicare & Medicaid Services' lookup tool to check their QPP participation status by entering their 10-digit National Provider Identifier number.

Small practices that are not exempt are given a boost in the MIPS scoring system. Practices with 15 or fewer eligible clinicians can receive five bonus points for operating as a small practice. This is fairly significant since only fifteen points are required to avoid a Medicare payment penalty in 2020.

Do hospital-employed physicians need to be concerned with the QPP?

Yes. The payment the hospital receives in the future for professional services that a physician delivers will be adjusted based on their performance under the QPP.

As such, it is reasonable to anticipate that this will also impact their compensation. Therefore, it should not be assumed that becoming a hospital employee will protect a physician from QPP impacting their employment agreement and compensation.

Learn more from the AMA's resource, "Medicare Quality Payment Program: Deep Dive FAQs for 2018 Performance Year Hospital-Employed Physicians."

What is a virtual group?

The MIPS Virtual Group Option is available to practices with 10 or fewer clinicians, or solo practitioners. There is no limit on the number of solo practitioners or groups that can form a virtual group, so virtual groups can be as large as the participating physicians want and there are not restrictions on the formation of virtual groups based on location or specialty.

“The real benefit of forming a virtual group is that it allows a physician to combine with other physicians or groups to aggregate their data,” said Ashley McGlone, AMA Washington Counsel Ashley McGlone in a ReachMD podcast interview explaining virtual groups.

CMS has also posted a comprehensive overview of what is needed to form and report as a virtual group.

What’s a Qualified Clinical Data Registry (QCDR) and how can it be used for MIPS reporting?

QCDRs are formally defined as a CMS-approved entity that collects clinical data on behalf of clinicians for data submission. There are now 150 QCDRs in operation—triple the number in existence three years ago. Of these, 31 are sponsored by a medical society.

Many QCDRs can report across all MIPS performance categories—quality, improvement activities, and promoting interoperability—and can collect and aggregate local data from a variety of sources—such as claims data, electronic health records, and other quality-reporting systems—and submit it to CMS.

Using QCDRs also facilitates continuous improvement powered by timely and actionable feedback reports. Practices can then act on these reports to get credit for a MIPS improvement activity while driving better performance on quality measures.

An AMA webinar, “Finding a QCDR,” goes into further detail on the purpose and uses for QCDRs, including how to complete MIPS reporting using a QCDR partner.