

# 5 things doctors need to know about 2020 Medicare fee schedule

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The 2020 Medicare physician payment schedule contains news about coding revisions for outpatient evaluation and management (E/M) services that promise to greatly reduce administrative burdens for physicians in 2021. But the 2,475-page document also contains information on a multitude of tweaks to the Medicare Quality Payment Program (QPP) and a plethora of other details affecting how physicians will be paid by Medicare starting Jan. 1.

The AMA's experts have prepared a summary of the 2020 changes to QPP and Medicare physician payment. Here are five things physicians need to know.

**A heavier lift will be required to avoid a MIPS penalty.** The Centers for Medicare & Medicaid Services (CMS) raised the minimum score needed to avoid a penalty for physicians participating in the QPP's Merit-based Incentive Payment System (MIPS) to 45 points from 30. The maximum penalty, which would affect 2022 payment, will be raised to 9% from 7%. In addition, CMS set the minimum score for 2021 at 60.

Raising the performance threshold is expected to lead to corresponding growth in the cost of MIPS compliance, but statistics also show that more clinicians are scoring at the high end of the scale than at the low end. For calendar year 2018, which will determine payment levels for 2020, CMS said the average score was 86.9 and 99.6 was the median. This far exceeded CMS projections of 80.3 and 90.9.

**MIPS high-performer threshold goes up.** Clinicians deemed "high performers" are eligible to split an additional \$500 million in available bonus money. CMS proposed setting the 2020 high-performer threshold at 80 points but raised it in the final rule to 85.

"We believe it is important to incentivize exceptional performance in MIPS," the final rule states. "This adjustment would raise the bar on exceptional performance and provide an appropriate financial

incentive for high performers.”

CMS estimates 92.5% of the 880,000 MIPS-eligible clinicians will avoid a penalty or earn an incentive payment, with 45% eligible for the exceptional performance bonus.

**No change to MIPS cost and quality weights.** CMS had proposed lowering the weight of quality measures in MIPS scoring from 45% to 40% while raising the weight of cost measures from 15% to 20%. The final rule states that those weights will remain the same.

In the final rule, CMS said it agreed with the AMA concern about the lack of detailed, timely and actionable feedback on cost measures.

“We are committed to improving the feedback experience, including aiming to provide more granular and real-time data, for clinicians to better understand how they can improve their performance on these measures and in turn reduce the cost of care for Medicare beneficiaries,” the rule states. “Once clinicians better understand and are more accustomed to reviewing the performance feedback reports on these episode-based and global cost measures, we would then expect to increase the cost performance category weight.”

The AMA also remains concerned about Medicare Spending Per Beneficiary and Total Per Capita Cost measures as they hold physicians responsible for costs that they have little control over. CMS said this approach “helps to align incentives across care settings through the patient care continuum, which encourages care coordination.”

Bonus points for are still available for small practices and for those serving “complex patients,” defined as those with high medical risk or with dual Medicare-Medicaid eligibility.

**Framework to cut MIPS burdens.** CMS is moving ahead with MIPS Value Pathways, which—starting in 2021—will create a framework to reduce the complexity and administrative burdens associated with MIPS.

CMS is looking to eliminate the reality that the four MIPS reporting categories seem like four different programs and replace it with a pathway that:

- | Is more aligned with a physician’s specialty.
- | Includes fewer reporting measures.
- | Facilitates movement toward advanced alternative payment models (APMs).

The AMA is committed to working with CMS and specialty societies to shape the pathways with the goal of making MIPS less complex and burdensome and more clinically relevant.

**APM 2022 payments estimated, 2019 payments paid.** CMS estimates that between 210,000 and



270,000 clinicians will be eligible Qualifying APM Participants in 2020 and exempt from MIPS reporting requirements. It also estimates that APM incentive payments will total between \$535 million and \$685 million.

Five percent APM incentive payments earned in 2017 have only recently been paid. The AMA joined eight other organizations in a September letter to CMS protesting the delay in payment.