Whereas, The Medicare Quality Payment Program (QPP), authorized under the Medicare
Access and CHIP Reauthorization Act of 2015 (MACRA), was passed in bipartisan fashion; and
Whereas, Most physicians eligible for QPP initially fall under the Merit-Based Incentive Payment
System (MIPS), a competitive composite score which would adjust Medicare payments based
on calculated quality; and
Whereas, MIPS bonuses or penalties under the statute initially reflected +/- 4% of the Physician
Fee Schedule, increasing to +/- 9% in subsequent years; and
Whereas, The CMS 2018 QPP Proposed Rule subjects Medicare Part B drug reimbursement to
MIPS\(^1\) adjustments, representing a fundamental departure both from previous CMS programs
(such as the Value-Based Payment Modifier) as well as the intent of Congress; and
Whereas, Physicians largely do not control the pass-through costs associated with Part B drugs,
with inclusion of drug costs unfairly amplifying the bonus or penalty in specialties which
administer high-cost drugs; and
Whereas, The median financial impact for practices in some specialties under the proposal is
estimated to range from approximately 16% to 29%\(^2\), well beyond the Congressionally enacted
4% penalty, cuts which would bankrupt practices receiving negative adjustments; and
Whereas, The inclusion of Part B drugs unjustly punishes or rewards specialties with high
utilization of drugs critical to the treatment of their patient and exacerbates the range of
payments adjustments established in law; therefore be it
RESOLVED, That our American Medical Association continue work with impacted specialties to
actively lobby the federal government to exclude Medicare Part B drug reimbursement from the
MIPS payment adjustment as part of the Quality Payment Program (QPP). (Directive to Take
Action)

Fiscal Note: Not yet determined

Received: 10/12/17

\(^1\) Medicare Program; CY 2018 Updates to the Quality Payment Program, 82 Federal Register 125, 30010-30500 (June 30, 2017) (to
be codified at 42 CFR Part 414), 30150.
RELEVANT AMA POLICY

Preserving a Period of Stability in Implementation of the Medicare Access and Children's Health Insurance Program (CHIP) Reauthorization Act (MACRA) D-390.950

1. Our AMA will advocate that Centers for Medicare and Medicaid Services (CMS) implement the Merit-Based Payment Incentive Payment System (MIPS) and Alternative Payment Models (APMs) as is consistent with congressional intent when the Medicare Access and Children's Health Insurance Program (CHIP) Reauthorization Act (MACRA) was enacted.

2. Our AMA will advocate that CMS provide for a stable transition period for the implementation of MACRA, which includes assurances that CMS has conducted appropriate testing, including physicians' ability to participate and validation of accuracy of scores or ratings, and has necessary resources to implement provisions regarding MIPS and APMs.

3. Our AMA will advocate that CMS provide for a stable transition period for the implementation of MACRA that includes a suitable reporting period.

Citation: Res. 242, A-16;