

# Things everyone

### should know about

## MACRA

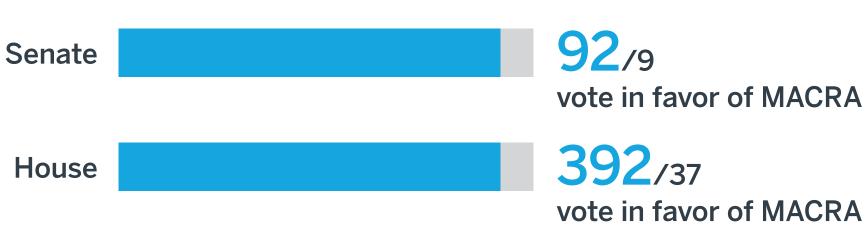
In 2015, Congress passed the Medicare Access and CHIP Reauthorization Act (MACRA), which changed the way that Medicare pays clinicians by establishing two new payment "tracks"—the Merit-Based Incentive Payment System (MIPS) and the Advanced Alternative Payment Model (APM) track. Initially, most clinicians will be paid under the MIPS track, which will adjust clinicians' Medicare payments up or down based on performance metrics. Payment adjustments started in 2019, based on performance measurement two years prior. To help you succeed under MIPS, we highlight below five things that health care leaders and clinicians need to know.



#### MACRA is here to stay

Partisan battles continue to be fought over many aspects of health policy. But MACRA legislation enjoys broad support from both sides of the aisle.





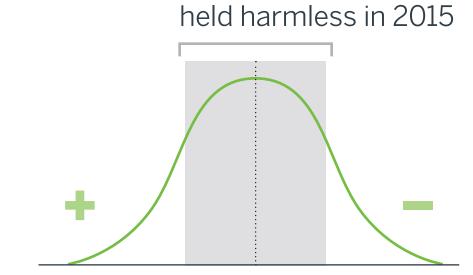


#### MIPS Ups the Ante on Pay for Performance

Prior to MACRA, group performance standards under the Value-Based Payment Modifier were fairly forgiving. Average performance resulted in no payment adjustment. However, under MIPS, a single point above or below the performance threshold will result in a payment adjustment. By 2022, nine percent of clinicians' Medicare payment will be at risk, based on performance measurement in 2020.

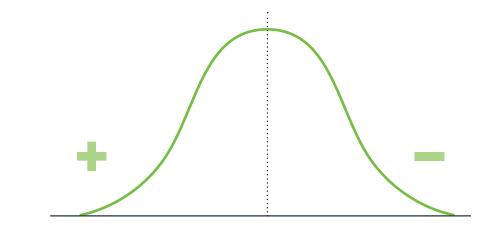
#### Average performance no longer enough

**87%** of groups that met reporting requirements



#### Group performance under MIPS A II groups subject to

groups subject to payment adjustment





#### Population health is no longer optional

In the past, only providers participating in risk-based payment models faced meaningful incentives tied to cost and quality outcomes. However the MIPS track also emphasizes quality and cost metrics—which will increasingly factor in to clinicians' pay. Overall, the QPP is designed to be a stepping-stone to downside risk—making population health a goal for everyone.

#### MIPS performance category weights PY 2019–2020



60%
of MIPS score based
on quality and cost
performance

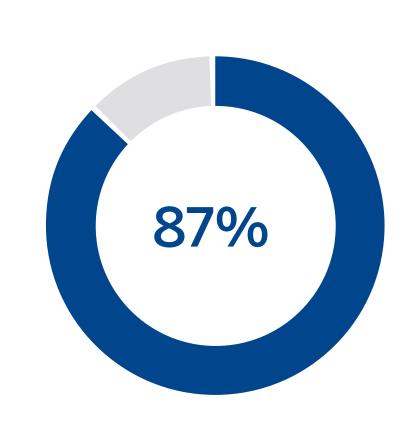
MIPS final score contribution



#### You succeed or fail as a team

Within MIPS, most clinicians report as a group. All providers in the group receive the same score, so everyone is collectively pulled down by low performers or pulled up by high performers. This encourages providers and other internal stakeholders to work as a team to achieve ongoing performance improvement. This push for clinicians to take a team-based approach to care and collaboration is also good preparation for participation in alternative payment models—the ultimate goal of the Quality Payment Program.

#### Group reporting favored in year one of MIPS



In 2017, 87% of clinicians received a MIPS score as part of a group (including those who participated in MIPS APMs)



#### Practice like everyone is watching

The data reported under MIPS is available to the public on the Physician Compare website. With the rise of consumerism, you can expect patients to use these standardized quality metrics to choose their physicians. This level of transparency will also affect partnerships as hospitals seek out physicians with demonstrated success in MIPS. To continue to win patients and partners based on performance, groups must adapt to changing expectations year-over-year.

The future of Physician Compare Potential impacts of transparency



#### Health system scrutiny

Hospitals on the hook for group physician performance will only partner with physicians demonstrating success in MIPS.



#### Customer shopping

Patients able to compare standardized quality metrics will select highest performing physicians.

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