The Clinically Integrated Network: Helping You Navigate Medicare Quality Reporting

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Background on Current Part B Reporting Requirements

Current programs, their impacts and what it means to you – CIN membership or no

PQRS

- Required quality reporting for Medicare patients
- Options to report if individual, group or MSSP participant (GRPO if CIN member)
- **Part B impact:** potential -2%

EHR Incentive Program

- Ties a payment incentive to providers and hospitals who adopt, implement upgrade or demonstrate meaningful use of a certified EHR
- PQRS data are used as part of the program
- **Part B impact:** potential -2% and -3% in 2016, and 2017 respectively

Value Modifier

- PQRS quality submissions AND provider-level cost data = value modifier
- **Part B impact:** potential +/- 4%

↑ Existing Programs

↓ Future Programs

MACRA (MIPS or APM)

- Creates two tracks for replacing all three of the above
- All the above are rolled into the Medicare Incentive Payment System (MIPS) starting on performance year CY 2017 (impacting payment adjustment year 2019)
- **Part B impact:** potential +/- 4%, 5%, 7%, 9% (2019-2022) for MIPS and +5% (2019 and beyond) for APM

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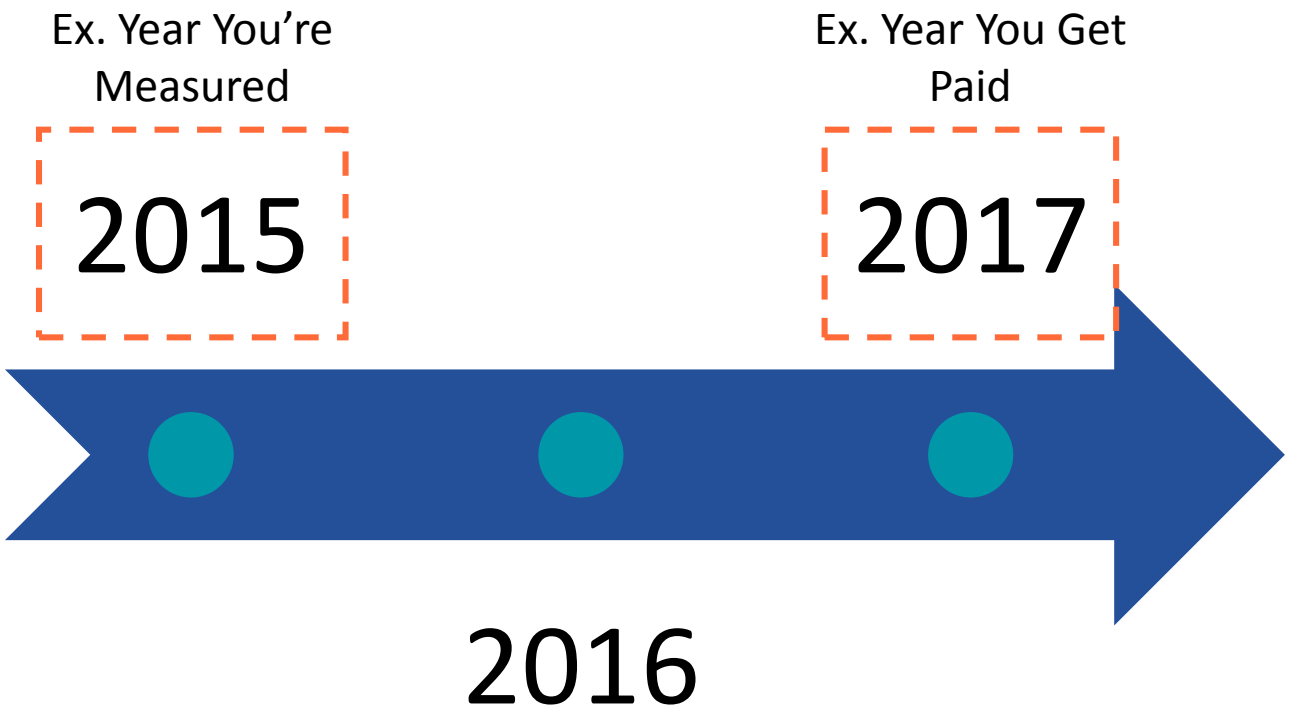
Performance vs. Payment Adjustment

For all CMS reporting programs, there is a 2 year lag between the performance year and the payment adjustment year



PQRS Snapshot

Overview

- The Physician Quality Reporting System (PQRS) is the foundation of quality reporting obligations for Medicare Part B and is used in other existing programs like the Value Modifier (VM)
- **Impact:** potential -2% penalty only for not reporting
- **Reporting options (depending on group size, MSSP participation):**
  - Claims reporting
  - Registry reporting
  - Electronic reporting
  - Qualified Clinical Data Registry reporting
  - Group Practice Reporting Option (GPRO)
- 254 measures with options to report:
  - 17 specific measures reported for MSSP via GPRO
  - 9 measures of choice for individuals in PQRS (from 3 different quality domains)
- **Benefits of CIN membership (via MSSP):**
  - Access to **simplified GPRO reporting** for the Medicare Shared Savings Program lead with CIN guidance
  - Avoid need for outsourced reporting costs
  - **Protection** against potential 2% negative adjustment
  - Access potential **shared savings** unlocked via MSSP quality and savings performance

EHR Incentive

Overview

- The Electronic Health Records (EHR) Incentive Programs were developed to encourage eligible professionals and hospitals to adopt, implement, upgrade and demonstrate meaningful use of certified EHR technology
- Eligible professionals must report on Clinical Quality Measures (CQM) selected by CMS using certified EHR technology in order to participate in the program
- Eligible professionals must also report on Core Items and Menu Items
- **Impact:** potential -2% and -3% 2016, and 2017 respectively
- **Benefits of CIN membership (via MSSP):**
  - **Satisfy Clinical Quality Measure (CQM) component** of the program via MSSP membership
  - Simplifies **meaningful use attestation** process
  - Avoid potential penalties

Value Modifier

Overview

- The Value Modifier (VM) is a budget neutral, differential payment modifier inclusive of the quality submissions inherent to PQRS as well as Medicare cost data (no submission required)
- **Impact:** potential +/- 4%

Category 1: in general, satisfactory PQRS participants are subject to quality tiering methodology

Groups of 10 or More EPs

	Low Quality	Average Quality	High Quality
Low Cost	0.0%	+2.0x*	+4.0x*
Average Cost	-2.0%	0.0%	+2.0x*
High Cost	-4.0%	-2.0%	0.0%

Solo Practitioners and Groups of 2-9 EPs

	Low Quality	Average Quality	High Quality
Low Cost	0.0%	+1.0x*	+2.0x*
Average Cost	-1.0%	0.0%	+1.0x*
High Cost	-2.0%	-1.0%	0.0%

*Eligible for an additional +1x if average beneficiary risk score is in the top 25% of all beneficiary risk scores

Category 2: groups or individuals not in group on above

- -4% penalty for groups with 10 or more EPs
- -2% penalty for groups with two to nine EPs and physician solo practitioners

Value Modifier

Overview, Continued

- **Benefits of CIN membership (via MSSP):**
  - Automatically default to Category 1 (and **avoid automatic penalties**) via MSSP PQRS/PGRO reporting
  - Automatically **default to "average cost"** category and be measured only based on MSSP quality
  - Downside risk is **-2% instead of -4%**

Category 1: in general, satisfactory PQRS participants are subject to quality tiering methodology

Groups of 10 or More EPs

	Low MSSP Quality	Average MSSP Quality	High MSSP Quality
Average Cost	-2.0%	0.0%	+2.0x

Solo Practitioners and Groups of 2-9 EPs

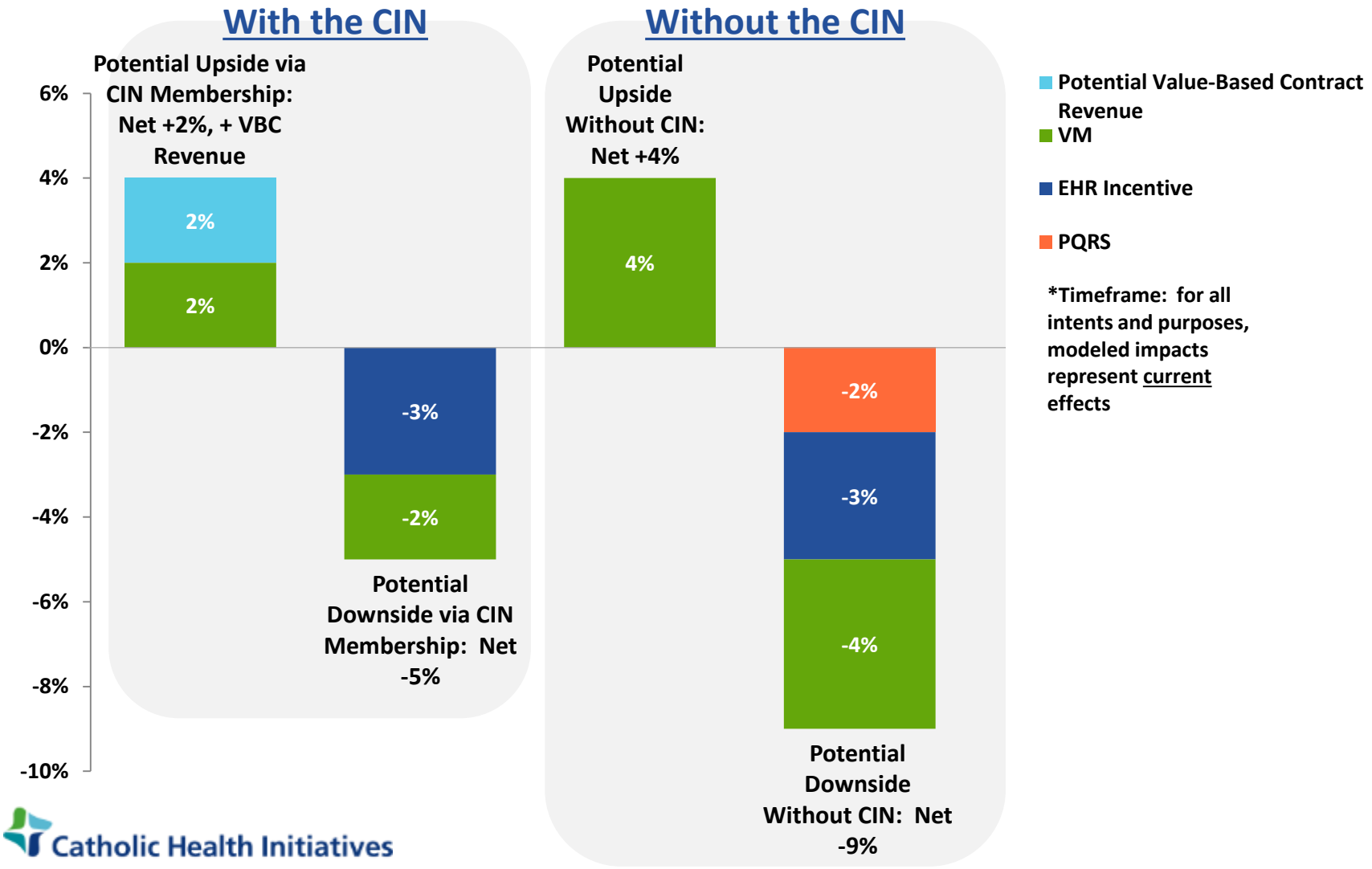
	Low MSSP Quality	Average MSSP Quality	High MSSP Quality
Average Cost	-1.0%	0.0%	+1.0x*

Category 2: groups or individuals not in group on above

- -4% penalty for groups with 10 or more EPs
- -2% penalty for groups with two to nine EPs and physician solo practitioners

Summary of Existing Quality Programs' Impact

The CIN shields providers from aggressive potential downside, while offering upside opportunities not available without the CIN



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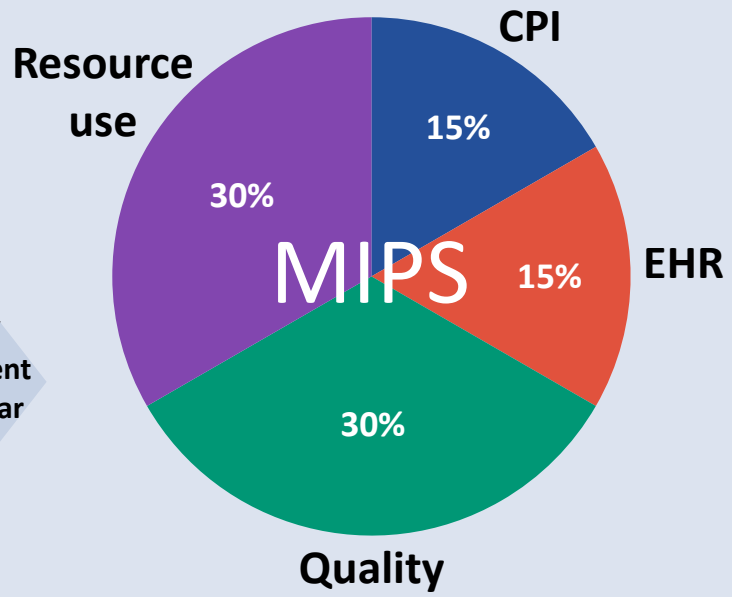
*Note: assumes EHR Incentive Program downside in 2017 of -3%

Existing Medicare Part B Quality Reporting Programs…

- PQRS
- Value Modifier
- EHR Incentive Program

Beginning CY 2017 for Payment Adjustment Year CY 2019

…Will Transition into a Newer, Simpler Methodology



OR opt out into…

Advanced Payment Models Offered by the CIN (ex. MSSP)

*Lowest Risk to Providers

The Future: MACRA Snapshot

The Medicare Access and CHIP Reauthorization Act (MACRA) creates two paths and replaces PQRS, VM and the EHR Incentive program

Path 1: the Medicare Incentive Payment System (MIPS)

- Fee for service plus quality link
- All providers default to this path
- Payment impact depends on: CPI, MU, Quality and Resource use submission
- Budget neutral impact
- All CIN members will be in MIPS, and some will opt out into APM
- **Value of the CIN:**
  - Competitive edge by aiding in MIPS reporting

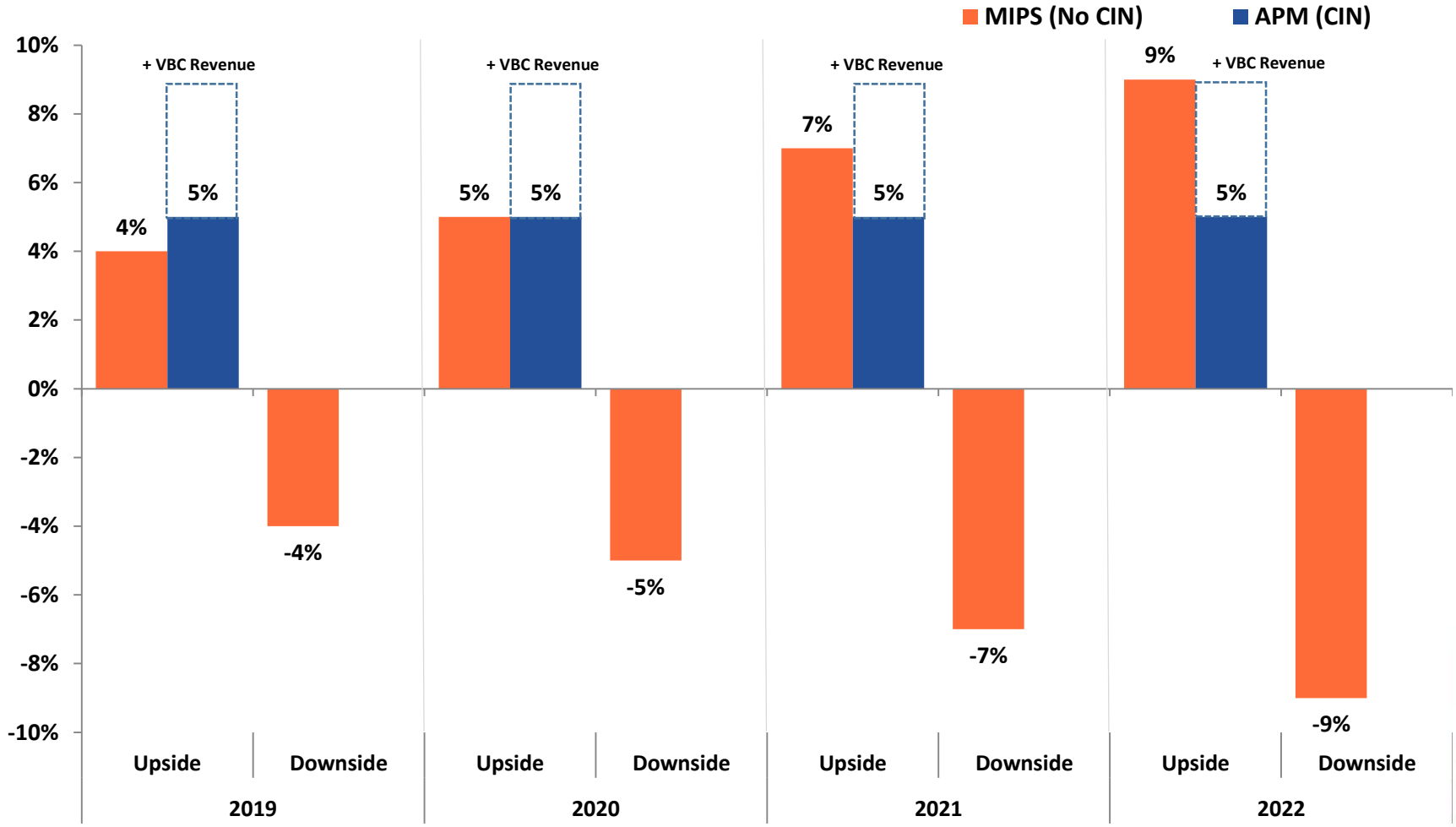
Pmt. Adjustment Year	MIPS	APM
2019	+/-4%	+5%
2020	+/-5%	+5%
2021	+/-7%	+5%
2022	+/-9%	+5%

Path 2: Advanced Payment Models (APM)

- Risk-bearing accountable care organization path
- Providers must opt-out of MIPS and into the APM path
- Programs offered by the CIN with tbd "nominal downside risk"
- APM must represent a certain % of a provider's total Part B revenue
- **Value of the CIN:**
  - Offer APMs to CIN members
  - Lower risk alternative to MIPS: **guaranteed upside only**
  - **Access to APM revenue**

Summary of MACRA Impact

The CIN can guarantee an APM track for CIN providers and shield them from significant downside risk – and opens the door to potential VBC revenue in addition



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The Value of CIN Membership

Medicare Part B is changing in significant ways

For programs today: PQRS, VM, EHR

- **Simplified reporting** via GRPO for all programs
- **Shielded** from much higher downside risk
- Access to **value-based contract revenue**

For programs tomorrow: MACRA

- **Simplified reporting** whether you stay in MIPS as a CIN member, or you opt-into a CIN-offered APM
- MIPS track and CIN membership benefits you:
  - CIN can assist in meeting your **MIPS reporting obligations**, simplifying reporting
- APM track via CIN benefits you by:
  - Shielding you from more aggressive MIPS downside risk
  - Allowing you to access **VBC revenue** via qualified APMs (like track 2/3 MSSP, Next Gen)