

# MACRA FINAL RULE

## SUMMARY

The **Medicare Access and CHIP Reauthorization Act of 2015** (MACRA) repeals the Medicare Sustainable Growth Rate methodology for updates to the Physician Fee Schedule and replaces it with a new approach to payment called the **Quality Payment Program**. This program rewards the delivery of high-quality patient care through two avenues:

- **Advanced Alternative Payment Models** (Advanced APMs) and
- **Merit-based Incentive Payment System** (MIPS).

## ELIGIBLE PARTICIPANTS

MIPS eligible clinicians include clinical nurse specialists, certified registered nurse anesthetists, nurse practitioners, physicians, physician assistants, and groups that include such clinicians who bill under Medicare Part B. These clinicians are eligible to participate in the MIPS track of the Quality Payment Program if they bill more than \$30,000 to Medicare, and provide care to more than 100 Medicare patients per year.

The rule finalizes definitions and requirements for groups. It also finalizes rules for the specific Medicare-enrolled clinicians who will be excluded from MIPS, including newly Medicare-enrolled MIPS eligible clinicians, Qualifying APM Participants (QPs), certain Partial QPs, and clinicians who fall under the finalized low-volume threshold. This threshold is the one about which NACNS and other nursing organizations had concerns.

## APMs, MIPS AND THE PTAC

The final rule establishes incentives for participation in certain APMs and includes the criteria for use by the **Physician-Focused Payment Model Technical Advisory Committee** (PTAC) in making comments and recommendations on physician-focused payment models.

The **PTAC** is an 11-member independent federal advisory committee reporting to the HHS Secretary. The PTAC will review stakeholders' proposed physician-focused payment models (PFPMs), and make comments and recommendations to the Secretary regarding whether the PFPMs meet criteria established by the Secretary. PTAC comments and recommendations will be reviewed by the CMS Innovation Center and the Secretary, and will be posted on the CMS website.

**Alternative Payment Models** are payment approaches, developed in partnership with the clinician community, that provide added incentives to deliver high quality and cost-efficient care. APMs can apply to a *specific clinical condition, a care episode, or a population*.

The final rule also establishes **MIPS**, a new program for certain Medicare-enrolled practitioners. MIPS will consolidate components of three existing programs:

- the Physician Quality Reporting System,
- the Physician Value-based Payment Modifier, and
- the Medicare Electronic Health Record Incentive Program for Eligible Professionals.

## **SIGNIFICANT CHANGES FROM PROPOSED RULE**

CMS made significant changes in the final rule. The major changes include:

- (1) bolstering support for small and independent practices;
- (2) strengthening the movement towards Advanced Alternative Payment Models by offering potential new opportunities such as the Medicare ACO Track 1+,
- (3) creating a flexible, pick-your-own-pace approach to the initial years of the program; and
- (4) connecting the statutory domains into one unified program that supports clinician-driven quality improvement.

Specific policy changes include:

- (1) the creation of a transition year and iterative learning and development period in the beginning of the program;
- (2) the adjustment of the MIPS low-volume threshold;
- (3) the establishment of an Advanced APM financial risk standard that promotes participation in high-quality models;
- (4) the simplification of prior “all-or-nothing” requirements in the use of certified EHR technology; and
- (5) ***the establishment of Medical Home Model standards that promote care coordination.***

## **WHEN DOES THE QUALITY PAYMENT PROGRAM START?**

If 2017 is a clinician’s first year participating in Medicare, then he/she is not required to participate in the Quality Payment Program in 2017. If a clinician is ready, he/she can begin January 1, 2017 and start collecting performance data. If they are not ready on January 1, they can choose to start anytime between January 1 and October 2, 2017. Whenever they choose to start, they will need to send in their

performance data by March 31, 2018. The first payment adjustments based on performance go into effect on January 1, 2019.

**FOR MORE INFORMATION:**

- [Final Rule](#) and [Executive Summary](#)
- [Press Release](#)
- [Fact Sheet](#)
- [Quality Payment Program](#) website

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