

# **Speakers Disclaimer**

- D. Scott Jones, CHC and Richard E. Moses, DO, JD do not have any financial conflicts to disclose.
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#### **Overview**

- The Current State of Quality Payment Program (QPP) & Advanced Payment Models (APMs)
- Clinical Practice Guidelines (CPGs) & Quality
- Improving Quality of Care: What's Next?
- Summary & Conclusions





## 2017: The QPP

- Rulemaking enacted by CMS under MACRA
- Streamlines multiple legacy quality reporting programs into the **Merit-based Incentive Payment System (MIPS):** 
  - Physician Quality Reporting Program (PQRS)
  - Value Based Modifier (VM)
  - Medicare Electronic Health Records (EHR) Incentive Program
- Provides incentive payments for participation in Advanced Alternative
   Payment Models (APMs)

https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/Quality-Payment-Program MACRA-NPRM-Slides.pdf



#### QPP 2017 - 2018 - 2019...and

- Not participating in the QPP earns a negative payment adjustment to the Physician Fee Schedule (2017 reduction of 4% will be reflected in CY 2019 FS payments)
  - Are you reporting in an APM, such as an Accountable Care Organization (ACO), or independently through MIPS?
  - Does your EMR vendor adequately support MIPS reporting?
  - Annual Data Submission Deadline: March 31, 20\_\_\_
  - What are the 2018 Requirements?



## **QPP Training, Assistance, and Important Information**

- https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPSand-APMs/Quality-Payment-Program-Events.html
- New in 2018: "Virtual Group" status groups of solo providers or 10 or fewer providers who come together "virtually" regardless of specialty or location to participate as a group in MIPS for a minimum of one year. Note: The "election process" period has passed for 2018. Elect October-December 2017 for 2018 Virtual Group Status. MIPS VirtualGroups@cms.hhs.gov

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# CMS Review of QPP: How's it going?

- Early Implementation Review of QPP: OEI-12-16-00400, 12/16
- Follow-up Review: CMS's Management of the QPP: OEI-12-17-00350, 12/17
  - Developing IT: "CMS appears to be on track to deploy the systems needed for data submission by January 1, 2018"
  - Preparing Physicians: "CMS has conducted outreach, communicated...issued sub-regulatory guidance...and established a Service Center..."
  - Lack of assistance: "...specialized, technical assistance to address practice-specific needs....Clinician uncertainty..."
  - NO Program Integrity, limited oversight of data integrity and data submission

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## **QPP Final Rule 2018**

MIPS Categories and Scoring: Add Cost to the Mix

Quality
 Cost
 Improvement Activities
 Advancing Care Information
 Possible Final Score:
 50 Points
 15 Points
 25 Points
 100 Points

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### **QPP Final Rule 2018**

• Timelines: Longer reporting periods for Quality, Cost

Quality
 12 Months required

Cost (no submission)
 12 Months required

• Improvement Activities 90 days required

• Advancing Care Information 90 days required

• MIPS Reporting Period: January 1 – December 31, 2018

• Data Submission Deadline: March 31, 2019; may submit early

• FS Payment Adjustment: January 1, 2020 – applied

prospectively to each claim filed



# **QPP Final Rule 2018: MIPS Payment Adjustment**

- Thresholds = +5% to -5% FS Payment Adjustment in 2021
- Must exceed 15 Point Minimum Threshold. Here's how:
  - Report Improvement Activities
  - Meet Advancing Care Information by reporting 5 measures and submit one mediumweighted Improvement Activity
  - Submit 6 Quality Measures
  - Quality data is calculated by CMS based on actual beneficiary cost
- Exceptional performers: 70 points earns a bonus of 5%
- 15.01-69.99 points = 0 to 5% positive adjustment
- 15 points = 0 payment adjustment
- < 15 points = negative adjustment up to -5%</li>

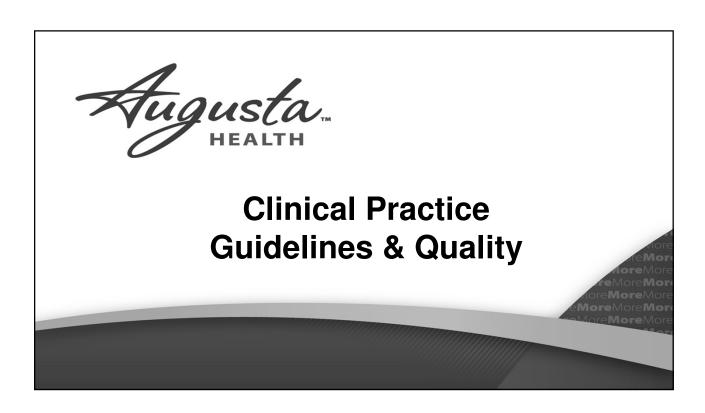
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#### What's it all about?

- CMS pays health plan contractors based on quality scores, using coding condition data on each beneficiary
- CMS and commercial health plans require a variety of hospital-based quality initiatives, medical practice, and ACO initiatives to measure reimbursement against quality scores
- Healthcare reimbursement is moving at all levels to quality-based payment models, and shifting cost risk to providers
- Increasing healthcare costs and ever increasing numbers of Medicare beneficiaries are driving the risk-sharing, quality-measurement system for reimbursement

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# **Overview of QPP**

#### • MACRA

- Requires Medicare Part B payment adjustments to clinicians based on quality & value...not volume of services provided
- Required to start January 1, 2019
- Adjustments determined by clinician's performance as assessed through one of two tracks:
  - MIPS
  - Advanced APMs
- CMS refers to these 2 tracks as the QPP

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https://qpp.cms.gov

### **Overview of QPP Tracks**

Merit-Based Incentive Payment System (MIPS) Track

- Components of MIPS final score:
- o Quality
- Advancing Care Information
- Improvement Activities
- Cost (not included in 2017 MIPS score)
- Payment adjustment: MIPS must be budget neutral, so CMS may scale positive payment adjustments as needed to achieve neutrality. High performers will be eligible for additional payments for exceptional performance.

Advanced Alternative Payment Models (Advanced APMs) Track

- CMS determines which models meet criteria for Advanced APMs.
- Qualifying APM Participants have a certain proportion of their Medicare payments or patients through the Advanced APM.
- <u>Payment adjustment</u>: Qualifying APM Participants will receive an annual 5% lump-sum bonus from 2019 through 2024. Beginning in 2026, they will receive higher physician fee-schedule updates, compounded annually.

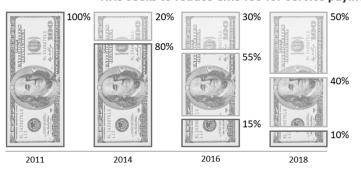
APMs use quality measures similar to those of MIPS

15 https://oig.hhs.gov/oei/reports/oei-12-17-00350.pdf



# **Quality & Reimbursement**

HHS seeks to reduce CMS fee-for-service payments to 10% by 2018<sup>1</sup>



Payments linked to quality or value through alternative payment models like ACOs or bundled payment arrangement<sup>2</sup>

Payment linked to quality or value through programs like Hospital Value Purchasing and Hospital Readmissions Reductions

Medicare fee-for-service payment tied to volume

Payment is partially linked to quality

www.hhs.gov/about/news/2015/01/26/better-smarter-healthier-in-historicannouncement-hhs-sets-clear-goals-and-timeline-for-shifting-medicarereimbursements-from-volume-to-value.html#



# **Measuring Quality**

- · How is quality measured?
  - Guidelines & measures
    - · Many guidelines developed by professional medical organizations
    - · Accepted and published by CMS
- Clinicians choose to report on 6 measures
  - Choose from > 200 measures
  - 80% measures are tailored to specialists

17 https://qpp.cms.gov/docs/Quality\_Payment\_Program\_Overview\_Fact\_Sheet.pdf



# **CPG Example: Quality Indicators for Colonoscopy**

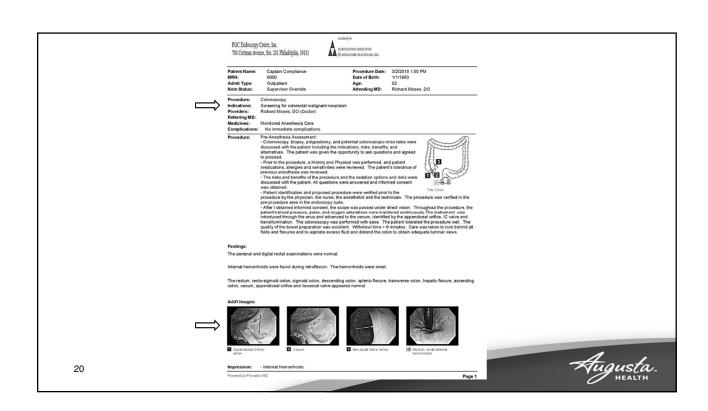
- 1. Appropriate indication
- 2. Informed consent is obtained, including specific discussion of risks associated with colonoscopy
- 3. Use of recommended post polypectomy and post cancer resection surveillance intervals
- 4. Use of recommended ulcerative colitis/Crohn's disease surveillance intervals
- 5. Documentation in the procedure note of the quality of the preparation
- 6. Cecal intubation rates (visualization of the cecum by notation of landmarks and photo documentation of landmarks should be present in every procedure)
- 7. Detection of adenomas in asymptomatic individuals (screening)
- 8. Withdrawal time: mean withdrawal time should be >6 minutes in colonoscopies with normal results performed in patients with intact anatomy
- 9. Biopsy specimens obtained in patients with chronic diarrhea
- 10. Number and distribution of biopsy samples in ulcerative colitis and Crohn's colitis surveillance.
- 11. Mucosally based pedunculated polyps and sessile polyps < 2 cm in size should be endoscopically resected or documentation of unresectability obtained
- 12. Incidence of perforation by procedure type (all indications vs screening) is measured
- 13. Incidence of post polypectomy bleeding is measured
- 14. Post polypectomy bleeding managed non-operatively
- 18 Rex DK, et al. Am J Gastroenterol 2006;101:873–885.



# **Guidelines in Gastroenterology**

Gastroenterology					
PQRS ID	CMS E- Measure ID	Measure Title	Measure Type	High Priority	
47	NA	Care Plan	Process	Yes	
128	69v5	Preventive Care and Screening: Body Mass Index (BMI) Screening and Follow-Up Plan	Process	No	
130	68v6	Documentation of Current Medications in the Medical Record	Process	Yes	
185	NA	Colonoscopy Interval for Patients with a History of Adenomatous Polyps – Avoidance of Inappropriate Use	Process	Yes	
226	138v5	Preventive Care and Screening: Tobacco Use: Screening and Cessation Intervention	Process	No	
317	22v5	Preventive Care and Screening: Screening for High Blood Pressure and Follow-Up Documented:	Process	No	
320	NA	Appropriate Follow-Up Interval for Normal Colonoscopy in Average Risk Patients	Process	Yes	
343	NA	Screening Colonoscopy Adenoma Detection Rate Measure	Outcome	Yes	
374	50v5	Closing the Referral Loop: Receipt of Specialist Report	Process	Yes	
390	NA	Hepatitis C: Discussion and Shared Decision Making Surrounding Treatment Options	Process	Yes	
401	NA	Hepatitis C: Screening for Hepatocellular Carcinoma (HCC) in Patients with Cirrhosis	Process	No	
402	NA	Tobacco Use and Help with Quitting Among Adolescents	Process	No	
431	NA	Preventive Care and Screening: Unhealthy Alcohol Use: Screening & Brief Counseling	Process	No	





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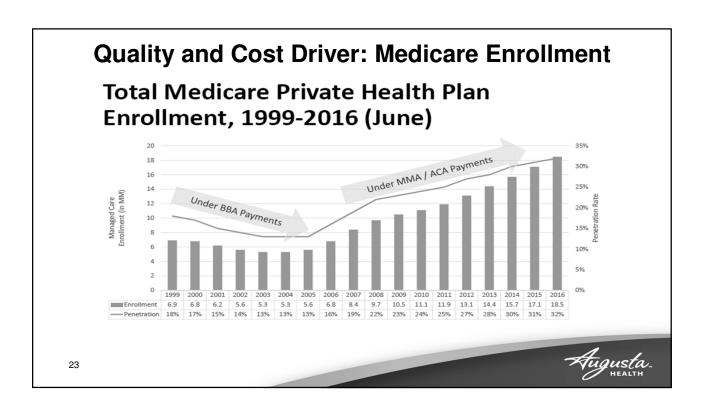
Rate of State (%) 1991

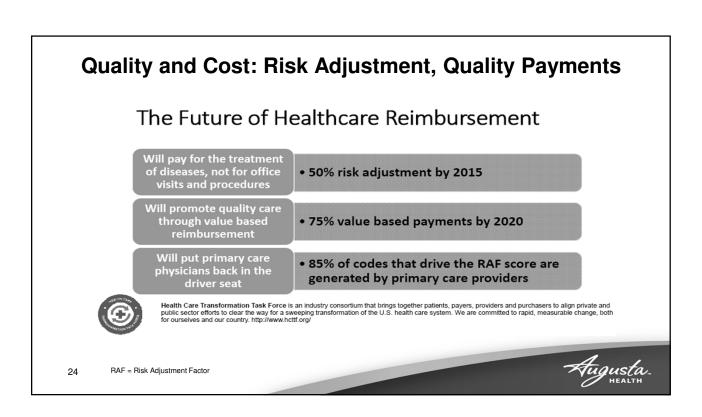
Research (%) Procedure for State (%) 1991

Research (%) Research (%) 1991

Research (%)







# **ACO Quality and Cost: Measuring HCCs & RAFs**

# **Risk Adjustment CMS - HCC:**

Hierarchical Condition Category (HCC)

- The RAF score is calculated for each member by adding Hierarchical Condition Categories (HCCs)
- There are approximately ~9500 ICD-10-CM diagnoses that map to 79 Hierarchical Condition Categories (HCC)
- A coefficient or "weight" is assigned to each category of chronic complex diagnoses as well as severe acute diagnoses

HCC Category	Description Label	Coefficient
HCC01	HIV/AIDS	0.312
HCC02	Septicemia, Sepsis, Systemic Inflammatory Response Syndrome/Shock	0.455
HCC06	Opportunistic Infections	0.435
HCC08	Metastatic Cancer and Acute Leukemia	2.625
HCC09	Lung and Other Severe Cancers	0.970
HCC10	Lymphoma and Other Cancers	0.677
HCC11	Colorectal, Bladder, and Other Cancers	0.301
HCC12	Breast, Prostate, and Other Cancers and Tumors	0.146
HCC17	Diabetes with Acute Complications	0.318
HCC18	Diabetes with Chronic Complications	0.318
HCC19	Diabetes without Complication	0.104
HCC21	Protein-Calorie Malnutrition	0.545
HCC22	Morbid Obesity	0.273

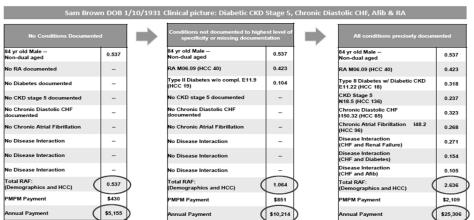
Note: Coefficients shown are based on CMS HCC Model V22 - community, non-dual, aged

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### Health Plans, ACOs Paid Based On Risk and Quality

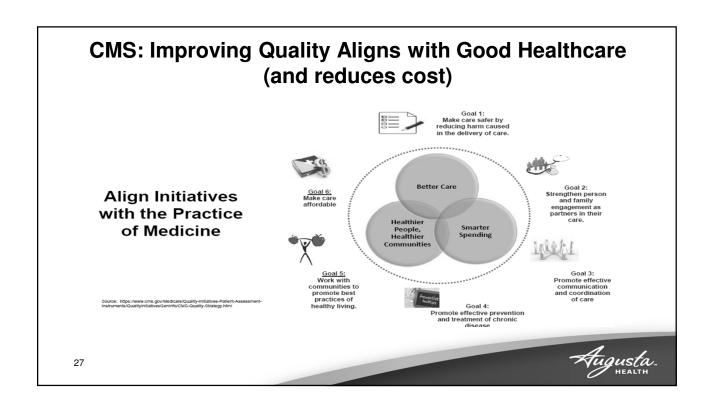
Risk Adjustment Factor (RAF) Financial Comparison

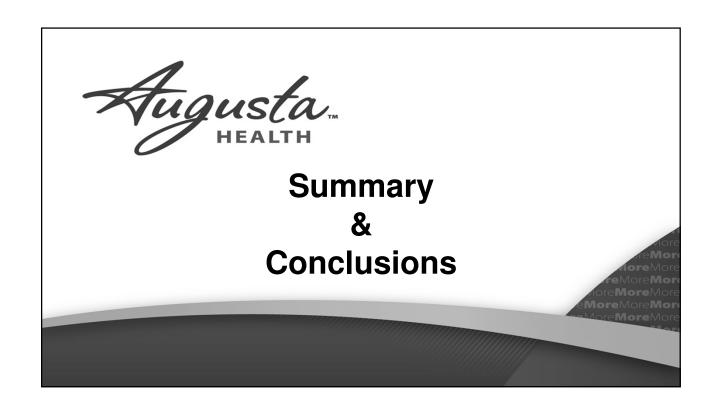


ILLUSTRATION, BASED ON FY 2017 \$800/MONTH BASE RATE,

NON-DUAL AGED BENEFICIARY







# A Brave New (Quality) World

- · The premise: Quality care is less expensive care
- CMS health plans are paid based on risk, quality, and cost
- Commercial payers are shifting to 100% risk based contracts
- Reducing clinical variability (standardization of the practice of medicine) is promoted using clinical practice guidelines
- Providers expected to measure potential beneficiary cost by capturing Hierarchial Coding Conditions which create RAFs for each beneficiary
- Health plans use HCC/RAF data to negotiate contracts/set rates for beneficiaries

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### Resources

- Quality Payment Program
  - https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/Quality-Payment-Program MACRA-NPRM-Slides.pdf
- · QPP Education and Assistance
  - https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/Quality-Payment-Program-Events.html
- QPP Final Rule 2018
  - https://www.cms.gov/Medicare/Quality-Payment-Program/resource-library/QPP-Year-2-Final-Rule-Fact-Sheet.pdf
  - https://www.cms.gov/Medicare/Quality-Payment-Program/Resource-Library/QPP-Year-2-Executive-Summary.pdf
  - https://www.cms.gov/Medicare/Quality-Payment-Program/Resource-Library/QPP-Year-2-Final-Rule-NPC-Slides.pdf

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#### Resources

- Quality Payment Program Provider Site
  - https://qpp.cms.gov/
- Hospital Readmissions Reduction Program
  - https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/Readmissions-Reduction-Program.html
- Hospital Value Based Purchasing (VBP) Program
  - https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/HVBP/Hospital-Value-Based-Purchasing.html
- Hospital Acquired Condition (HAC) Reduction Program
  - https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/HAC-Reduction-Program.html

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### Resources

Quality Payment Program: Delivery system reform, Medicare Payment Reform and MACRA. The Merit-Based Incentive Payment System (MIPS) and Alternative Payment Models (APMs)

https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/MACRA-MIPS-and-APMs.html

Centers for Medicare & Medicaid Services (CMS) Health Insurance Marketplace Quality Initiatives website:

 $\frac{\text{http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/QualityInitiativesGenInfo/Health-Insurance-Marketplace-Quality-Initiatives.html}{}$ 

CMS Qualified Health Plan (QHP) Enrollee Experience Survey (QHP Enrollee Survey) website: http://qhpcahps.cms.gov

National Committee for Quality Assurance (NCQA) Healthcare Effectiveness Data and Information Set (HEDIS®)1 Compliance AuditTM website:

 $\frac{\text{http://www.ncqa.org/HEDISQualityMeasurement/CertifiedSurveyVendorsAuditorsSoftwareVendors/HEDISComplianceAuditProgram.aspx}{\text{http://www.ncqa.org/HEDISQualityMeasurement/CertifiedSurveyVendorsAuditorsSoftwareVendorsAuditorsAu$ 



#### Resources

2008 Risk Adjustment Data Technical Assistance for Medicare Advantage Organizations Participant Guide

http://www.csscoperations.com/internet/archive/cssc3 archive.nsf/docsCat/CSSC~CSSC%20Operations~Risk%20Adjustment%20Processing%20System~Training?open&expand=1&navmenu=Risk^Adjustment^Processing^System||

ICD-10-CM The Official Guidelines for Coding and Reporting

www.cdc.gov/nchs/icd/icd10cm.htm

CMS News and Resources:

http://cms.gov/Medicare/Coding/ICD10/index.html?redirect=/ICD10

ICD-10 CME modules developed by CMS and Medscape:

http://www.cms.gov/Medicare/Coding/ICD10/Downloads/MedscapeModulesAvailableonICD10.pdf

CMS MLN Matters

http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/index.html?redirect=/MLNMattersArticles

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#### Resources

**AHA Coding Clinic** 

http://www.ahacentraloffice.org/

AAPC

https://www.aapc.com/

AHIMA

http://www.ahima.org/



