

# 10 THINGS ACOs NEED TO KNOW TO BE SUCCESSFUL UNDER MACRA

MACRA is the largest change in Medicare in over a decade. This new law focuses on linking clinician reimbursements to the value of care provided. Healthcare organizations and providers must be prepared for this transition beginning January 1<sup>st</sup>, or there will be significant financial implications.

1.

## VALUE BASED CARE

WHY ARE THE OLD PROGRAMS CHANGING?



MACRA was passed to require healthcare providers to shift completely to a value based care model. To maximize reimbursements under this model, providers must focus on what CMS views as critical for success: improved overall quality of care, leveraging data and technology, and lowering overall costs.

2.

## MIPS

MIPS REPLACES PQRS, VBM, AND MEANINGFUL USE

MIPS replaces three previous CMS programs: PQRS, VBM, and Meaningful Use. While it may combine the programs into one single program, there are many new requirements, making compliance significantly more complicated. For example, ACOs will be required to track and report all 18 ACO eQMs.



3.

## ACO VOLATILITY

95% OF CURRENT ACOs WON'T QUALIFY FOR ADVANCED APM STATUS



Unless a health system is part of a Track 2 or Track 3 ACO, they will not qualify for Advanced APM Status. Even those organizations who are Track 2 or Track 3 may not meet the requirements. Therefore, the best chance organizations have to earn positive payment adjustments is to maximize their MIPS CPS score, regardless of their ACO status.

4.

## MIPS vs. APM

REGARDLESS OF YOUR ULTIMATE DESIGNATION, EVERYONE REPORTS THROUGH MIPS IN 2017

Even with two tracks for compliance, MIPS and APM, all Medicare Part B clinicians will report under MIPS in 2017, with extremely rare exceptions. Further, ACOs won't know their status until after they apply. That means it is critical to maximize their MIPS score, even if they apply for Advanced APM status.



5.

## MIPS SCORING

MIPS SCORING IS MORE COMPLICATED THAN PREVIOUS PROGRAMS



For 2017, your MIPS Composite Score is broken down into 3 Categories: Quality (60%), Advancing Care Initiatives (25%), and Improvement Activities (15%). Maximizing this score means putting an increased emphasis on how a provider benchmarks against peers and adjusting where an organization might be falling short throughout the year.

6.

## CEHRT

LEVERAGING TECHNOLOGY IS A CRITICAL PIECE OF MIPS

Leveraging technology is a critical element of MIPS. APMs are required to use a CEHRT to qualify, and for those applying through the standard MIPS process, significant bonuses are available just for using one.



7.

## REPORTING YEAR

THE REPORTING YEAR STARTS JANUARY 1, 2017



Although CMS has given the option for providers to "pick your own pace," providers who choose not to report or report for only part of the year will have a significant financial disadvantage. The only way to maximize positive payment adjustments is to report for the full calendar year.

8.

## PAYMENT ADJUSTMENTS

MOST PROVIDERS WILL SEE A PAYMENT ADJUSTMENT UNDER MIPS

Previously, ACOs had some protection from CMS payment adjustments. Without knowing whether an ACO will achieve Advanced APM status until after they've applied, this will not be the case with MIPS. MIPS will have a significant impact on CMS reimbursements - as much as 26% for some providers.



9.

## EXCEPTIONAL PERFORMANCE

THERE IS A BONUS POOL OF \$500 MILLION



Providers who benchmark well above their peers, generally scoring a MIPS CPS score of 70 points or higher, will be eligible for an additional bonus on up to 10% of annual billings. \$500 million will be awarded per year for the next six years of the program.

10.

## DATA IS PUBLIC

YOUR CPS SCORES WILL BE PUBLISHED

MACRA makes each physician's Composite Performance Score publicly available on the Physician Compare Website. For the first time, potential patients will be able to see where their provider scores on a scale of 0 to 100 compared to their peers on a national scale.



To Learn More about MACRA and how it can impact an ACO visit us at: [healthfilings.com/knowledge-center](http://healthfilings.com/knowledge-center)