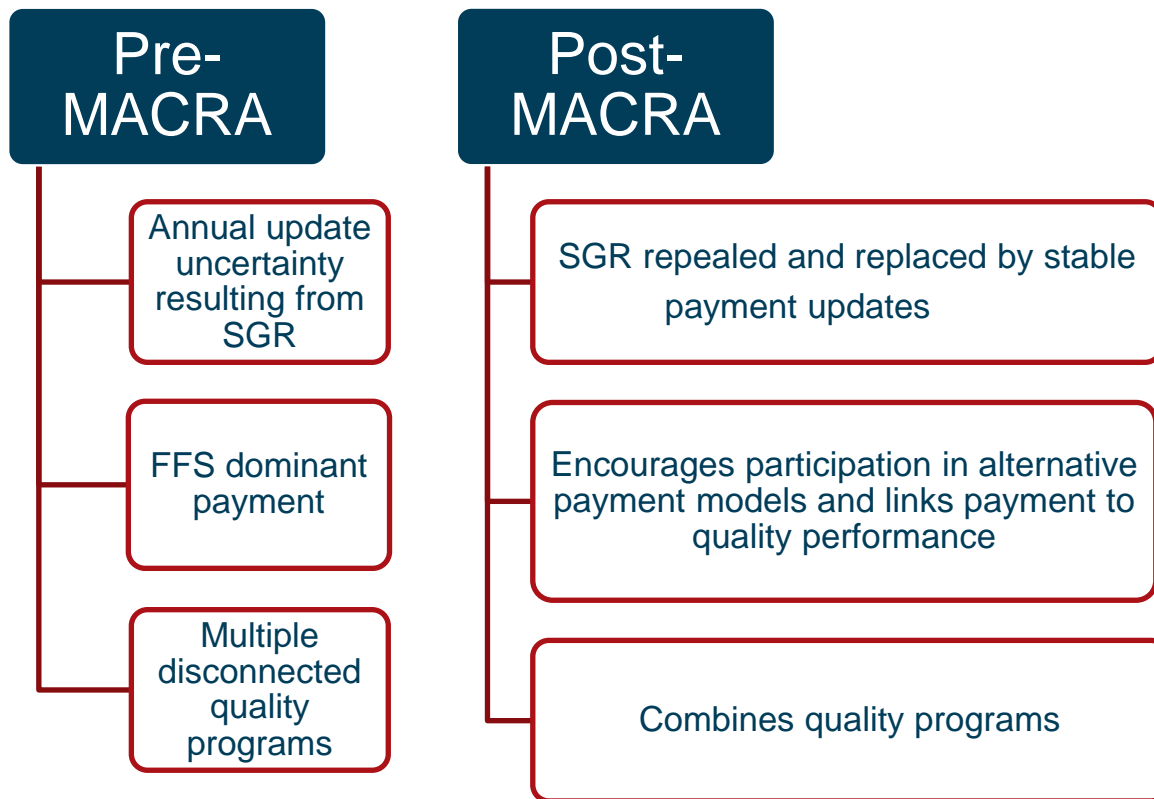


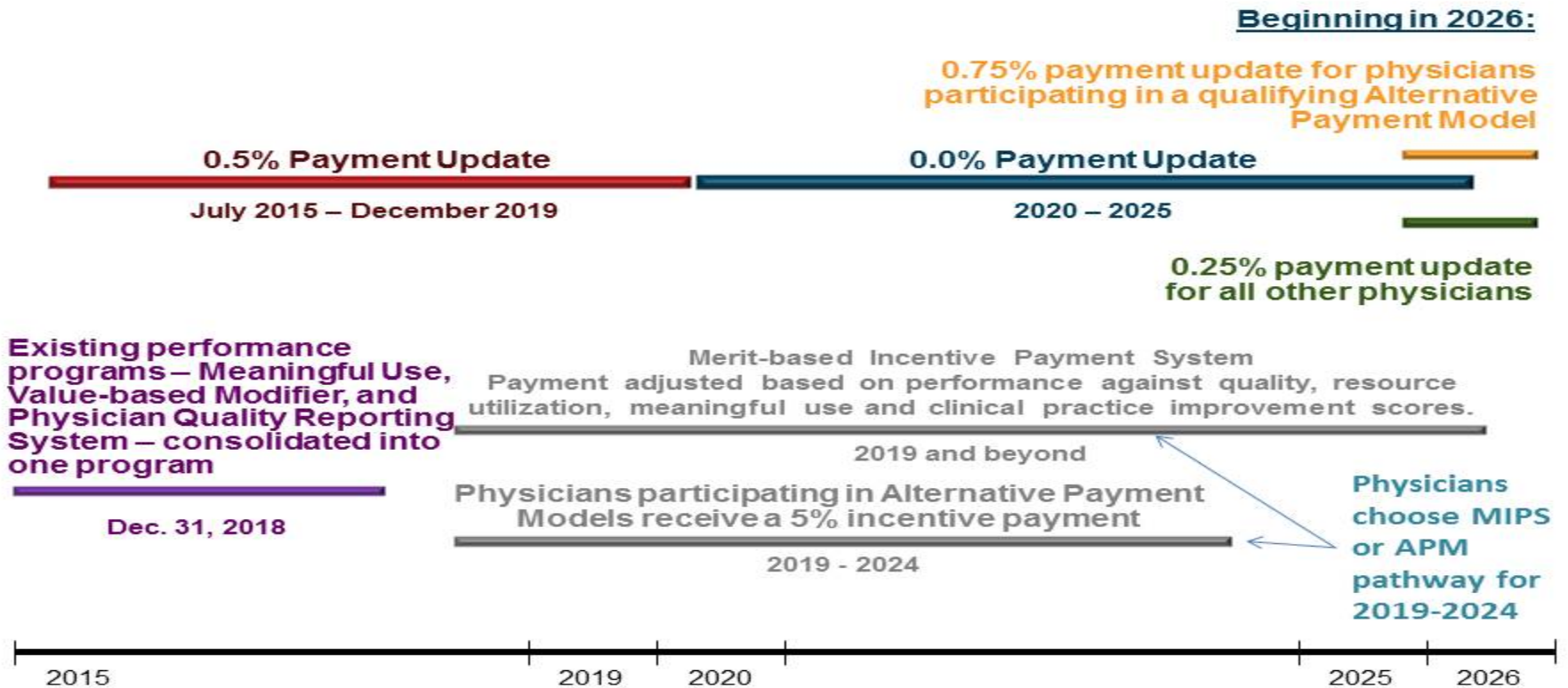
Advanced APM Pathways

October 2017

MACRA Transformed Medicare Physician Payment

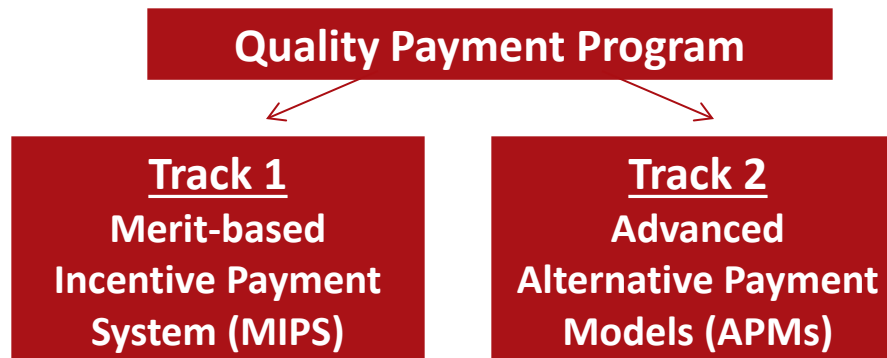


+ Medicare Physician Payment MACRA Timeline



+ Quality Payment Program Overview

Eligible Clinicians Will Choose a Pathway



Details	MIPS	Advanced APMs
<u>FFS Adjustments</u> (Adjustment to annual update)	Yes (+/- 4% beginning in 2019 Payment Year; goes up to +/- 9% by 2022)	Not Applicable
<u>Bonuses and Other Payments</u>	Bonus to Top 25% Providers in top 25% of all aggregate MIPS scores receive additional positive adjustment factor (2019 – 2024)	5% Incentive Payment (2019-2024)
<u>Annual Update</u> (Beginning in 2026)	0.25%	0.75%
<u>Criteria for Participation</u>	Evaluation in Four Performance Categories	Participation Thresholds

+ Advanced APM Criteria

Criteria Defined by CMS*

Financial Risk

- *Total Risk*: at least 4%
- *Marginal Risk*: at least 30%
- *Minimal Loss Ratio*: no greater than 4%

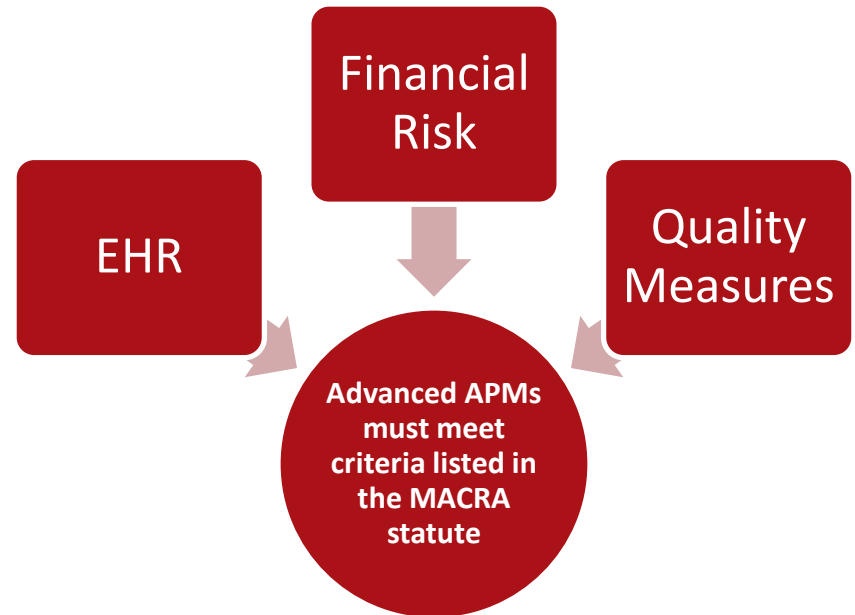
Quality Measures

- Comparable to those used in MIPS

EHR

- *1st Performance Year*: utilized by 50% of clinicians
- *2nd Performance Year*: utilized by 75% of clinicians

* As Proposed in the 2018 QPP Proposed Rule



Eligibility Requirements for Advanced APM Incentive Payments

Clinicians must meet payment or patient thresholds to be eligible for incentive payments. For the 2019 Payment Year, the threshold is 25% of FFS Medicare payments or 20% of patients.

+ 2017 Advanced APM Models

Comprehensive ESRD Care Model
(Two-Sided Risk)

Comprehensive Primary Care Plus
(CPC+)

Medicare Shared Savings Program Tracks 2 and 3

Oncology Care Model
(Two-Sided Risk)

Next Generation ACO Model

Comprehensive Care for Joint Replacement (CJR) Payment Model
(Track 1 – CEHRT)

+ CMS Innovation Center

Mission

Established by the Affordable Care Act, the Innovation Center supports the development and testing of innovative healthcare payment and service delivery models

Focus

Established to test models that generate cost savings

Scope of Work

- Implement models to test new payment and service delivery models
- Conduct Congressionally mandated or authorized demonstrations and related activities
- Evaluate results and advance best practices

The Innovation Center plays a critical role in implementing the QPP.

+ Establishment of New Advanced APMs

CMS/
Innovation Center

Physician Focused
Technical Advisory
Committee (PTAC)

CMS/Innovation Center: Through the Innovation Center CMS supports the development and testing of innovative health care payment and service delivery models. Stakeholders can reach out to CMS/Innovation Center staff to discuss modifications to existing models or the development of new models.

PTAC: Stakeholders can submit proposals for payment models directly to PTAC. PTAC was created by the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) to make recommendations to the Secretary of the Department of Health and Human Services (HHS) on proposals for Physician-Focused Payment Models (PFPs) submitted by individuals and stakeholder entities.

+ RFI on Future of Innovation Center

On September 20, 2017, the CMS Innovation Center issued a Request for Information (RFI) seeking feedback on the future direction for the Center's efforts.

- + Guiding principles:
 - In the RFI CMS indicates that they will approach new model design through the following guiding principles:
 - Choice and competition in the market
 - Provider Choice and Incentives
 - Patient-centered care
 - Benefit design and price transparency
 - Transparent model design and evaluation
 - Small Scale Testing

- + Innovation Center Focus Areas
 - The Innovation Center is interested in testing models in the following eight focus areas:
 - Increased participation in Advanced Alternative Payment Models (APMs)
 - Consumer-Directed Care & Market-Based Innovation Models
 - Physician Specialty Models
 - Prescription Drug Models
 - Medicare Advantage (MA) Innovation Models
 - State-Based and Local Innovation, including Medicaid-focused Models
 - Mental and Behavioral Health Models
 - Program Integrity

+ Current Status of Proposals Received by PTAC

Proposal	Submitter	PTAC Recommendation	Response from HHS Secretary
The ACS-Brandeis Advanced APM	American College of Surgeons	Recommend Limited-Scale Testing	<ul style="list-style-type: none"> • Holds promise • Design concerns need to be addressed • Directed CMS staff to contact submitter about addressing design concerns
The COPD and Asthma Monitoring Project	Pulmonary Medicine, Infectious Disease and Critical Care Consultants Medical Group Inc. of Sacramento, California	Does NOT Recommend	<ul style="list-style-type: none"> • Agreed with PTAC that it should not be tested • Does not plan on pursuing models that require the use of proprietary technology
Project Sonar	Illinois Gastroenterology Group and Sonar MD, LLC	Recommend Limited-Scale Testing	<ul style="list-style-type: none"> • Proposed model has promise • Not interested in implementing model that requires the use of proprietary technology or can only be implemented by submitter • Directed CMS to involve submitter in development of specialty models in the future
Hospital at Home Plus	Icahn School of Medicine at Mount Sinai	Recommend for Implementation	TBD
Advanced Care Model (ACM) Service Delivery and Advanced Alternative Payment Model	Coalition to Transform Advanced Care	No Vote Recommend Revise and Resubmit	N/A
Oncology Bundled Payment Program Using CNA-Guided Care	Hackensack Meridian Health and COTA	Recommend Limited-Scale Testing	TBD

+ Issues to Consider

Uncertainty around the plans and goals of the current Administration around the establishment of new Advanced APMs

- + While CMS/Innovation Center has released a set of principles and focus areas, how they are prioritizing the development of new Advanced APM models is unclear
- + They have indicated a clear preference for voluntary versus mandatory and small-scale testing versus large-scale testing
- + The role and influence that PTAC will play in the development of new models is also unclear
- + The resources to implement a completely new model is significant, identifying ways to enhance or expand existing models (“plug & play”) may provide a shorter and less costly pathway to Advanced APM implementation