

# Deciphering the Alphabet Soup Essentials for Anesthesiologists

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**Although MACRA (Medicare Access & CHIP Reauthorization Act of 2015), MIPS (Merit-based Incentive Payment System) and APMs (alternative payment models) have become common acronyms heard throughout hospitals and medical offices,** the bureaucratic language and complex requirements of MACRA mystify many physicians. This article describes some of the essential elements for anesthesiologists to understand how reporting requirements will impact future Medicare payments.

## **Do I have to participate in the MACRA Quality Payment Program?**

Clinicians (physicians, physician assistants, nurse practitioners, clinical nurse specialists and CRNAs) are eligible to participate in the 2017 Quality Payment Program by MIPS if they bill Medicare more than \$30,000 per year, have greater than 100 patients per year, are not in the first year of participation in Medicare and are not in an advanced APM. Clinicians who are included in MIPS by these criteria and do not report will receive a payment penalty. You can check your eligibility by entering your National Provider Identifier to the CMS Quality Payment Program website ([qpp.cms.gov/participation-lookup](http://qpp.cms.gov/participation-lookup)).

In addition to individuals, a group practice reporting option (GPRO) is available using a single Tax Identifier Number (TIN). If the group elects to report via a GPRO, payment adjustments will be applied to all eligible clinicians. Group reporting may reduce the reporting burden and improve the likelihood of meeting the reporting requirement for reporting six quality measures. However, poor performance by some individuals can affect the entire group's income, and some measures (e.g., cardiac measures) may not be reportable by most group members, shifting the reporting burden to only a few members of a group. Each practice needs to consider unique pros and cons in deciding upon individual or group reporting.

## **How will the Quality Payment Program change my Medicare payments?**

Depending upon your 2017 reporting, your 2019 Medicare payments will be adjusted up or down or remain unchanged. 2017 is a transition year with more lenient reporting requirements than are planned for future years. If you are eligible for MIPS and fail to participate in a Quality Payment Program by not submitting in 2017, you will receive a negative 4 percent Medicare payment adjustment (e.g., penalty).



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# of MACRA, MIPS and APMs:

Submitting something is beneficial this year. If you submit performance data on one quality measure or improvement activity, you can avoid a penalty. If you submit 90 days of 2017 performance data, you may earn a neutral or small positive payment adjustment. The last day to begin collecting for the 90-day option is October 2, 2017. Submission of a full year of data may earn a moderate positive payment adjustment. The size of your payment adjustment will depend upon both how much data you submit and your performance results. Performance data for 2017 must be submitted by March 31, 2018.

## What is the best pathway for MACRA for my practice: APMs or MIPS?

If you practice in a multispecialty group, an academic health system or a managed care health system, participation in a qualified APM may be the best pathway because a 5 percent Medicare payment annual update can be earned while being exempt from MIPS reporting requirements and payment adjustments. However, only **advanced APMs** qualify, and advanced APMs currently form only a small subset of APMs. Advanced APMs must meet the following requirements: two-sided financial risk, use of certified electronic health record (HER) technology and quality reporting comparable to those in MIPS. The total financial risk must be at least 3 percent of the APM spending target with an 8 percent downside risk of all Medicare payments. In addition, clinicians must meet payment or patient requirements for participation. For 2017, 25 percent of Medicare payments or 20 percent of Medicare patients must be paid through an advanced APM. These proportions increase over time to represent 75 percent of Medicare payments or 50 percent of Medicare patients participating in advanced APMs in 2021. Therefore, most anesthesiologists will need to rely upon MIPS for quality payment reporting in 2017.

Most accountable care organizations (ACOs) do not qualify as advanced APMs but may still be “MIPS APMs.” Medicare Shared Savings Program Track 1 and Track 2 ACOs qualify as MIPS APMs. Participants in MIPS APMs are subject to scoring under the APM scoring standard instead of being scored using the MIPS reporting criteria. Anesthesiologists who are ACO participants thus may qualify for reporting as MIPS APM participants, and their MIPS scoring can be done using APM criteria with reporting from the ACO on their behalf.

## What do I need to do for participation in MIPS?

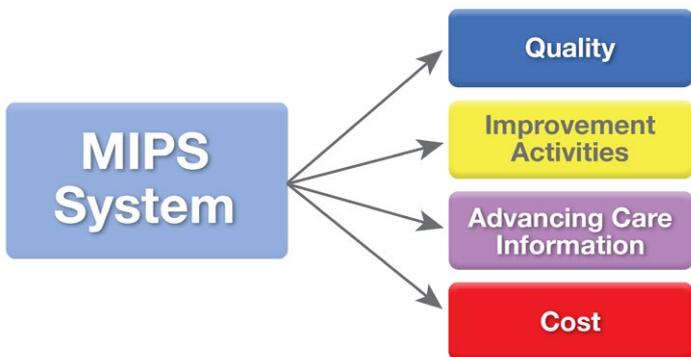
MACRA replaced three Medicare quality reporting programs (Medicare Meaningful Use, the Physician Quality Reporting System and the Value-Based Payment Modifier) with MIPS. MIPS requires reporting in four performance categories: quality, improvement activities, advancing care information (ACI, or EHR use) and cost (Figure 1, page 10).

*Continued on page 10*



For 2017, performance on quality will comprise 60 percent, improvement activities 15 percent and advancing care information (EHR use) 25 percent of the score. Cost is not part of the 2017 MIPS score, but will comprise 30 percent of the score in the 2019 performance year (Figure 2).

**Figure 1: Components of MIPS Quality Payment Program**



The quality component will account for a higher proportion of the total score for hospital-based and non-patient-facing clinicians. Quality measures that perform best for anesthesiologists are described in an accompanying article by Drs. Dutton and Martin in this edition of the *ASA Monitor*.<sup>1</sup> Hospital-based clinicians (defined as providing >75 percent of their billed services in an inpatient hospital, on-campus outpatient hospital or in an emergency room) and non-patient-facing clinicians (defined as clinicians who provide fewer than 100 patient-facing encounters per individual or groups with 75 percent of individual clinicians meeting this requirement) are not required to report ACI (EHR use) with these points shifted to the quality

component. Thus, for many anesthesiologists, the quality component will be reweighted to 85 percent in 2017. However, the codes for peripheral nerve blocks and epidural anesthesia procedures are included in those that define patient-facing encounter codes. Anesthesiologists who frequently bill for these procedures may therefore be considered patient-facing clinicians and may need to report the ACI component of MIPS.

Fifteen percent of the MIPS score is for improvement activities, which involve a broad range of patient safety and practice assessment activities, patient experience/satisfaction, care coordination and registry/Qualified Clinical Data Registry (QCDR) participation, among others. Suggestions for improvement activities for different types of practices were well described in the June *ASA Monitor*.<sup>2</sup>

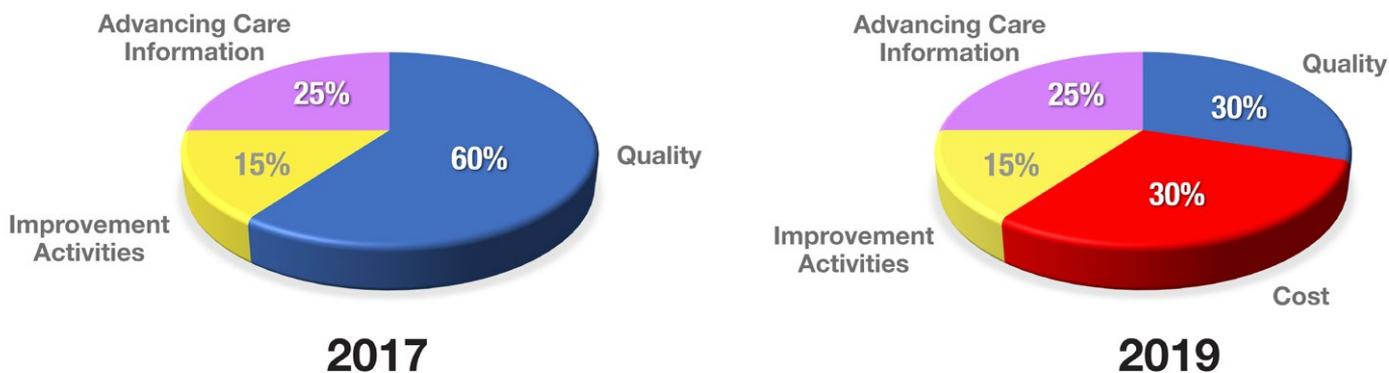
**Is the Quality Payment Program here to stay?**

Definitely! The Quality Payment Program was established by MACRA in 2015, which had and still has broad bipartisan support. Efforts by Congress on health care reform focus upon the Affordable Care Act, not MACRA. In addition to the federal government, commercial insurers and the public are increasingly demanding performance metrics to demonstrate improved quality and reduced cost of care. We all need to adapt to this changing practice landscape if we are to successfully compete in the future.

**What changes are expected in 2018?**

We expect the Final Rule for 2018 Updates to the Quality Payment Program to be released by the end of October. We anticipate a few significant changes to MIPS next year, including the discontinuation of Pick-Your-Pace options for reporting. Based on the proposed rule, ASA is also glad to see that CMS is delaying the implementation of the cost

**Figure 2: MIPS Performance Category Weights**



component in 2018. In addition, the proposed rule would increase the low-volume threshold to exclude individual MIPS-eligible clinicians or groups with  $\leq$ \$90,000 in Part B allowed charges or  $\leq$ 200 Part B beneficiaries. The ASA MACRA website will be updated to reflect 2018 requirements following the release of the Final Rule.

### What resources are available to help me navigate the MACRA maze?

**CMS:** CMS has a website devoted to the Quality Payment Program ([qpp.cms.gov](http://qpp.cms.gov)). A useful fact sheet is available for those interested in an introductory overview at [qpp.cms.gov/docs/Quality\\_Payment\\_Program\\_Overview\\_Fact\\_Sheet.pdf](http://qpp.cms.gov/docs/Quality_Payment_Program_Overview_Fact_Sheet.pdf).

**ASA:** There are many excellent resources concerning MACRA available on the ASA website at [www.asahq.org/quality-and-practice-management/macra](http://www.asahq.org/quality-and-practice-management/macra). Links to CMS are also available on this website.

**AQI:** The AQI maintains the National Anesthesia Clinical Outcome Registry<sup>®</sup> (NACOR<sup>®</sup>), which is the Qualified Clinical Data Registry (QCDR) that submits performance measures to Medicare for MIPS reporting. For practices struggling to submit measures, the AQI has partnered with ePreop (Seal

Beach, California) to offer a Quality Concierge<sup>™</sup> to assist with measure selection, reporting options, extraction and merging of data.<sup>3</sup> Details (including deadlines) are available on the AQI website at [www.aqihq.org/MACRAOverview.aspx](http://www.aqihq.org/MACRAOverview.aspx).

**Other QCDRs:** There are seven other anesthesia QCDRs.<sup>1</sup> Most of these QCDRs have measures similar to the AQI NACOR QCDR. The Multicenter Perioperative Outcomes Group QCDR (ASPIRE) is based solely on data from anesthesia information management systems ([www.aspirecqi.org](http://www.aspirecqi.org)).

In summary, anesthesiologists who qualify for MIPS should try to make some effort at reporting performance measures and improvement activities in 2017 to avoid Medicare penalties. Numerous resources are available to help practitioners successfully adapt to Medicare payment reform.

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1. Dutton RP, Martin DP. Which performance measures perform best for anesthesiologists? *ASA Monitor*. 2017;81(10):12-15.
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3. Domino KB, Simon MB, Schmitz D. MACRA reporting: how to succeed. *ASA Monitor*. 2017;81(6):8-10.

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