

2018 MACRA Final Rule from CMS

by Stan Hosler

On November 2, 2017 the Centers for Medicare and Medicaid Services (CMS) issued the 2018 MACRA Final Rule. This final rule includes details about how CMS is implementing the requirements of the 2015 Medicare Access and CHIP Reauthorization Act (MACRA). Highlights from the final rule are provided below.

The 2018 MACRA Final Rule retains most of the provisions put forward by CMS in their June 2017 proposed rule, along with several modifications that were not included with the previous proposal. The essence of the final rule is that CMS is treating 2018 as a transition year, so Eligible Clinicians (ECs) will benefit from some flexibility in their progress to full implementation.

Fewer clinicians will be subject to MIPS.

Required participation in the Merit-based Incentive Payment System (MIPS) has been raised from a threshold of \$30,000 in Medicare Part B billing and 100 patients to a threshold of \$90,000 in Medicare Part B billing and 200 patients. CMS estimates that this provision will exempt an additional 134,000 clinicians.

Participation in MIPS as individuals, groups or virtual groups. Solo practitioners or groups with 10 or fewer clinicians can band together as a virtual group for MIPS reporting. Timing is a critical factor for this provision, because the deadline for electing to participate as a virtual group is December 1, 2017.

Cost is included for MIPS scoring. The final rule sets weighted values for the four scoring categories at 50 percent on quality, 10 percent on cost, 15 percent on improvement activities and 25 percent on advancing care information. Quality was previously weighted at 60 percent and cost at 0 percent.

Benchmark CPS goes from 3 points to 15 points. ECs in MIPS must achieve a benchmark Composite Performance Score (CPS) of 15 points in 2018 to avoid a negative five percent adjustment to Medicare Part B payments in 2020. The benchmark score for 2017 was 3 points.

Pick Your Pace applies in 2018. ECs are not required to participate in every reporting category for the entire year to avoid negative payment adjustments. As long as ECs meet the CPS benchmark of 15 points they can avoid negative payment adjustments.

Bonus points are available for smaller practices. Groups with 15 or fewer ECs can receive 5 bonus points on their MIPS scores by submitting data for at least one performance category in 2018.

MIPS exemption available through Advanced APM. ECs that participate in Advanced Alternative Payment Models (Advanced APMs) are exempted from MIPS reporting and payment adjustments. Fully qualifying participants (QPs) can earn a five percent bonus payment in 2020 based on their 2019 Medicare Part B revenue.

Standards set for Advanced APMs. The Advanced APM option is designed to integrate three components of value-based care: individuals, organizations and payment models. In other words, to be exempt from MIPS reporting and qualify for bonus payments, participating individuals (ECs) must belong to an organization (APM entity) that follows an advanced payment model (CMS-approved). The final rule sets the Advanced APM requirements for the three components.

The 2018 MACRA Final Rule indicates the speed with which CMS is implementing provisions of the 2015 legislation. While CMS is facing some hard deadlines, they have demonstrated a willingness to reduce the administrative burden of MACRA legislation. Shelly Bangert, Hawthorn's director of revenue cycle management, commented on the implications of the final rule. "With this latest final rule, CMS is treating 2018 as a transition year," Bangert said. "That means we all need to prepare for the provisions that will be more fully implemented in 2019 and 2020."

"Healthcare is transitioning from a traditional fee-for-service model to a model that is more value-based and patient-centered," Bangert said. "This transition means more complexity, and that's where we can help. Our promise is to address complexity with certainty, and compliance is one of the fundamental planks

of our Physician Advocacy platform. Our clients can count on us to follow the guidelines defined by various oversight agencies, including CMS."

In addition to compliance, Hawthorn's services produce specific, tangible benefits, including sustained cash flow, maximized reimbursements and increased profitability.

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