Overview of Alternative Payment Models
QPP Performance Year 2019
An Introductory Guide for CRNAs in Year 3

May 2019
Learning Objectives

• MACRA and the Quality Payment Program
• Alternative Payment Models Overview
  o Types of APMs
  o Analysis of Payment Models
• Advanced APMs
  o Advanced APMs for 2019
  o Qualifying Participant Status
  o Payment and Patient Threshold Requirements
  o Benefits
  o NEW!! All Payer Combination Option
• MIPS APMs
  o MIPS APMs for 2019
  o Partial QP Status
  o Payment and Patient Thresholds
• Putting the Pieces Together
MACRA Overview
Evolution of Medicare Payments

- Congress passed the Medicare Access and CHIP Reauthorization Act (MACRA) which was signed into law by President Obama on April 16, 2015.
- MACRA repealed the Sustainable Growth Rate (SGR) Formula which was established in 1997 to control the cost of Medicare payments to physicians.
- MACRA also authorized the establishment of the Quality Payment Program (QPP).
- The QPP transitions Medicare reimbursement away from a volume based fee-for-service payment system to a value-based payment system. This means clinicians are rewarded financially based on the quality and cost of care they provide Medicare beneficiaries.
APM Overview

• An APM is a payment approach that gives added incentive payments to eligible clinicians who provide high-quality and cost-efficient care.

• An APM can apply to a specific clinical condition, a care episode or a population.

• Examples of APMs are bundled payments, accountable care organizations (ACOs) and medical homes.

• Advanced APMS are a subset of APMs that let group practices and clinicians earn more for taking on some risk related to their patient outcomes.
Types of Alternative Payment Models

**Alternative Payment Model (APM)**

- **Advanced APM**
  - Requires participants to use certified EHR technology
  - Bases payment on quality measures comparable to those in MIPS
  - Participants bear more than nominal financial risk or is a Medical Home expanded under Innovation Center authority

- **PFPM**

**Alternative Payment Models (APM)**

- Innovation Center Models (other than a health care innovation award)
- Demonstration under the Health Care Quality Demonstration Program
- Demonstration under federal law
- E.g Medicare Shared Savings Program

**Physician-Focused Payment Model (PFPM)**

- Includes Medicare as a payer
- Physicians and other eligible clinicians play a core role in implementing the payment methodology
- Targets quality and costs of services that eligible clinicians provide, order, or significantly influence
QPP Two Paths: MIPS and Advanced APMs

Quality Payment Program

Merit-based Incentive Payment System (MIPS)

If you are a MIPS eligible clinician you will be subject to a performance based payment adjustment

Advanced Alternative Payment Models (AAPM)

If you sufficiently participate in an Advanced APM you may qualify for a Medicare incentive payment
Analysis of Payment Models

Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)

Advanced APM
- 5% bonus ends in 2024

Quality Payment Program

CMMI Medical Home
- Financial Risk Standard
- Nominal Risk Standard

plus Patient/Payment Thresholds (e.g. CPC and CPC+)

Advanced APM
- Risk
- EHR
- Quality Measures

plus Patient/Payment Thresholds (e.g. Next Generation ACO)
NEw in 2019 All Payer Combination Option

MIPS APMs
- Quality
- Cost
- Promoting Interoperability
- Improvement Activities
  utilizes APM scoring standard* (e.g. MSSP ACO Track 1)

Merit Based Incentive Payment Program (MIPS)
possible 4% in 2019 to 9% in 2022

MIPS
- Quality
- Cost
- Promoting Interoperability
- Improvement Activities
Advanced APMs
Requirements for Advanced APMs

Advanced APM must meet 3 criteria

✓ 75% of ECs in each APM entity use certified EHR

✓ Provides payment based on quality measures comparable to those in the MIPS Quality category

✓ Bears financial risk based on the revenue-based nominal standard of 8% OR is a medical home model under CMMI
Advanced APMS Performance Year 2019

- Bundled Payment for Care Improvement (BPCI Advanced)
- Vermont Medicare ACO Initiative (part of Vermont All-Payer ACO)
- Comprehensive ESRD Care (CEC and two sided risk)
- Medicare Accountable Care Organization (Track 1+)
- Comprehensive Care for Joint Replacement (CJR) Track 1 CEHRT
- Next Generation ACOs
- Comprehensive Primary Care Plus (CPC+)
- Medicare Shared Savings ACOs (Tracks 2 and 3)
- Oncology Care Model (OCM) (two-sided risk)
- Next Generation ACOs
- Maryland All Payer (Care Redesign Program)
- Maryland Total Cost of Care Model (Maryland Primary Care and Care Redesign)

Visit QPP.cms.gov for updates
Qualifying APM Participants (QP)

• Qualifying APM Participants (QPs) are clinicians who have a certain percentage of Part B payments for professional services or patients furnished Part B professional services through an Advanced APM.
• The percentages used to determine QP status were determined by MACRA.
• Starting January 2019, this threshold percentage may be reached through a combination of Medicare and non-Medicare payer arrangements, such as private payers and Medicaid.
• This is the All-Payer Combination option.
## Qualified Participant (Full QP)
### Threshold Levels for 5% Bonus Payment

<table>
<thead>
<tr>
<th>Performance Year</th>
<th>2017</th>
<th>2018</th>
<th><strong>2019</strong></th>
<th>2020</th>
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<tbody>
<tr>
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What are the benefits of being a QP in an Advanced APM?

- May qualify for the 5% bonus until payment year 2024 for performance in year 2022.
- Excluded from reporting MIPS and MIPS payment adjustments.
- Potential to gainshare if one’s APM Entity allows one to do so (depends on the APM model).
- After payment year 2024 PFS goes up to 0.75%.
NEW

All-Payer Combination APMs
2019 All Payer Combination Option

MACRA created two pathways for eligible clinicians to become Advanced APM Qualified Participants

Medicare Option

• Available for all performance years
• Eligible clinicians achieve Qualified Participant status based exclusively on participation in Advanced APMS with Medicare FFS

All Payer Combination Option

• Began in January 2019 Performance Year
• Eligible clinicians achieve Qualified Participant status based exclusively on participation in Advanced APMS with Medicare FFS and Other Payer Advanced APMs offered by other payers
2019 All Payer Combination Overview

• QP Determinations under the All-Payer Combination Option are based on an eligible clinicians’ participation in a combination of both Advanced (Medicare) APMs and Other Payer Advanced APMs.

• Other Payer Advanced APMs include:
  o Medicaid APMs;
  o Medicare Health Plans (including Medicare Advantage (MAs), Medicare-Medicaid Plans, 1876 Cost Plans, and Programs of all Inclusive Care for the Elderly (PACE) plans);
  o Payers with arrangements in CMS Multi-Payer 4 Models; and
  o Other commercial and private payer arrangements that meet the criteria to be an Other-Payer Advanced APM

• QP Determinations are conducted *sequentially* - the Medicare Option is always applied before the All-Payer Combination Option.

• Only clinicians who do not meet the Medicare Option patient or payment threshold to become QPs (but still meet a Medicare minimum threshold level) are able to request a QP determination under the All-Payer Combination Option.
## 2019 All-Payer Combination Payment Thresholds

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<td><strong>Total QP Payment Amount (Medicare 25% and Other Payers 25%)</strong></td>
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## 2019 All-Payer Combination Patient Thresholds

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MIPS APMS
Requirements for a MIPS APM

The APM Scoring Standard applies to APMs that meet these criteria:

- APM Entities participate in the APM under an agreement with CMS
- APM entities include one or more MIPS eligible clinicians on a participation list; and
- The MIPS APM bases performance payment incentives on quality measures and cost/utilization. (Note: CMS updated this definition for CY 2019 to clarify that a MIPS APM must be designed in a way that participating APM entities are incentivized to reduce cost of care or utilization of services, or both. This change emphasizes that the cost/utilization policy is broader than simply requiring the use of cost/utilization measures.)
2019 MIPS APMS

- Bundled Payment for Care Improvement (BPCI) Advanced
- Oncology Care Model (OCM) (all tracks)
- Independence at Home Demonstration
- Vermont Medicare ACO Initiative (Vermont All-Payer ACO)
- Medicare Shared Savings ACOs (Basic and Advanced)
- Next Generation ACOs
- Comprehensive Primary Care Plus (CPC+) (all tracks)
- Comprehensive ESRD Care (CEC) Model (all tracks)
- Maryland Total Cost of Care Model

Visit QPP.cms.gov for updates to this list
Snapshot Dates for the MIPS APM Scoring

To be included in the APM Entity group for the purposes of the MIPS APM Scoring Standard, an eligible clinician’s APM participant identifier must be present on a Participation List of a MIPS APM on one of the following dates.

The December 31 date only applies to ECs in Medicare Shared Savings ACOs to determine which ECs joined the ACO between September 1st and December 31st of that performance year.
### Partial Qualified Participant (Partial QP) Threshold Levels

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2019 MIPS APM Special Scoring Standard

General MIPS APM Scoring - In all MIPS APMs, the Cost performance category will not be counted toward one’s total composite performance score.
REVIEW

Putting the Pieces Together
How will the Quality Payment Program affect me?

Am I in an Advanced APM?
- Yes
- No

Do I have enough payments or patients through my Advanced APM?
- Yes
- No

Am I in an APM?
- Yes
- No

Is this my first year in Medicare OR am I below the low-volume threshold?
- Yes
- No

Favorable MIPS scoring & APM-specific rewards

Not subject to MIPS

Subject to MIPS

Qualifying APM Participant (QP)
- Excluded from MIPS
- 5% lump sum bonus payment (2019-2024), higher fee schedule updates (2026+)
- APM-specific rewards

Bottom line: There will be financial incentives for participating in an APM, even if you don’t become a QP.
How does a CRNA verify Qualifying Participant status in an Advanced APM?

If you meet the payment or patient thresholds to be deemed a QP you will be
- excluded from MIPS and
- receive a 5% lump sum bonus in payment years 2019-2024
AANA APM Fact Sheets and FAQs

For detailed information regarding:

- Advanced APMs
- All Payer Combination APMs
- MIPS APMs and
- Frequently Asked Questions

Please visit the AANA’s Research and Quality Webpage at https://www.aana.com/advocacy/quality-reimbursement
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