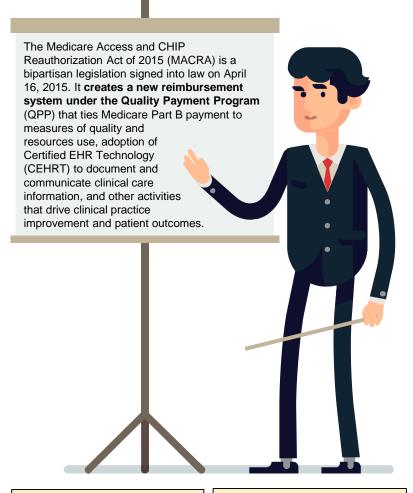
MACRA 101



An overview of the Medicare Access and CHIP Reauthorization Act

New York State Department of Health – VBP U Semester 1



3. MIPS creates a streamlined incentive program.

MIPS combines the value based physician modifier, physician quality reporting system, and the EHR incentive program (Meaningful Use). The 4th is a clinical improvement activities component which forms a single program.

All eligible clinicians are subject to reporting under MIPS unless they qualify to participate in the advanced APM track or are a low volume Part B provider.

4. Advanced APMs enable clinicians to earn greater rewards.

By taking on some risk related to their patient outcomes, eligible clinicians can benefit from:

- Exclusion from MIPS reporting requirements
- 5% lump sum bonus on Medicare Part B services through 2025
- **Higher** physician fee schedule beginning 2026.

1. MACRA includes several important provisions that affect federal health care policy.

- 1. Repeals the Sustainable Growth Rate (SGR) formula for calculating updates to the Medicare payment rates to physicians (Part B) (including changes to quality incentives)
- 2. Extends several expiring provisions in the Medicare and Medicaid programs
- 3. Extends funding for Children's Health Insurance Program (CHIP)
- 4. Includes Medicare program changes to offset the cost of repealing the SGR mechanism
- 5. Includes provisions related to program integrity

2. MACRA requires the Centers for Medicare and Medicaid Services (CMS) to implement an incentive program, the Medicare QPP, to reform Medicare Part B payments.

Under the Medicare QPP, eligible clinicians can participate via one of two tracks:



1. Merit-based Incentive Payment System (MIPS) Simplifies several existing programs

2. Advanced Alternative Payment Models (APM) Incentivizes risk-based contracting

5. Why is This Important?

- Under MACRA, a NYS Medicaid VBP riskbearing arrangements could potentially qualify as an Advanced APM.
- Being designated an Advanced APM results in providers recognizing additional bonuses from CMS.
- Providers should also be aware of QPP requirements as they negotiate Medicaid contracts in order to align quality and payment terms to reduce burdensome reporting requirements.