Making Sense of MACRA

What the upcoming changes will mean to the field of radiology and its practitioners.
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Introduction

What is MACRA?

- Medicare Access and CHIP Reauthorization Act
- Signed into law on April 16, 2015.
- Repeals previous reimbursement system based on the Sustainable Growth Rate Formula for Medicare Part B.
  - Old rules favored volume.
- Reimbursement now tied to “value of care” based on quality and effectiveness.

MACRA reimbursement will contain 2 separate tracts

- Merit Based Incentive Payment System (MIPS) and Alternative Payment Models (APM)
MIPS

• Total reimbursement will be based on performance categories encompassing:
  o Quality
    • Based on 6 measures that are selected individually or from a measure set; scored 1-10
  o Resource Utilization
    • Based on Medicare claims
  o Clinical Practice
    • Based on care coordination, beneficiary engagement and patient safety
  o Advancing Care Information
    • Based on interoperability and information exchange

MIPS Performance Category Weighting

- Quality: 50%
- Advancing care information: 15%
- Clinical practice improvement activities: 25%
- Resource use: 10%
Total of 6 Measures

1 Outcome Measure (1-10)
1 Cross-cutting Measure (1-10)
4 Other applicable measures (1-10)
Bonus for reporting additional outcomes, patient experience, appropriate use and patient safety measures
Bonus for Electronic Health Record reporting

Total points = Total possible points

Quality Performance Category Score
MACRA Implementation

- Rates will incrementally adjust from 2019-2022
- Adjustment levels will then stabilize after 2022

![Timeline of MACRA Implementation](http://eptechview.ttuhsc.edu/uncategorized/health-it-letter-december-2015january-2016/)
MIPS continued

• Reimbursement will be calculated based on where each individual provider’s performance score fall within the established range of performance score of providers across the nation.

• 2017 will be a transition year
  o Providers and organizations can opt for different degrees of participation
    • No participation –
      o Will receive -4% deduction in payment if no prior exemption was documented
    • Submit partially -
      o Reporting only 1 measure will earn enough MIPS points to avoid penalty
    • Submit a partial year
      o At least 90 days of 2017, may earn positive or neutral payment adjustment
    • Submit full year
      o Submit full data for 2017, may earn positive adjustment
    • Participate in advanced APM
      o Earn 5% bonus and is exempt from MIPS
APM

- Will have more favorably weighted scores with higher reimbursement rates.
  - Eligible for 5% lump sum extending from 2019 to 2024 and higher premiums in 2026.
- To qualify for this reimbursement tract, the following requirements need to be met:
  - Be considered a part of a Medical Home Model expanded under the CMS Innovation Center model.
  - Use certified electronic health records
- Medical Home Model definition:
  - Primary care practitioners or multi-specialty practices that include primary care services
  - Empanelment of each patient to a specific primary provider
  - Meet 4 of the additional following criteria
    - Planned coordination of chronic and preventative care
    - Patient access and continuity of care
    - Risk-stratified care management
    - Coordination of care across medical neighborhood
    - Patient and caregiver engagement
    - Shared decision-making
    - Payment arrangements that is in-lieu or in-addition to fee for service style payments

- Most practicing radiologists will not qualify for this tract.
Discussion

• Radiology specific features of MACRA
  o Non-patient-facing physician category
    • Defined as an individual or group that bills 25 or fewer patient-facing encounters during one calendar year.
      o Patient-facing encounter – Services billed by physicians under the Physician Fee Schedule using specific face-to-face encounter codes.
    • The cost category (ACI) within MIPS is weighted at zero and reporting requirements for clinical improvement activities are cut in half.
    • This results in quality being a larger portion for reimbursement.
  
  • 22 performance criteria listed for Radiology.
  
• Specific performance measures important for compensation include:
  o Radiation dose management
    • i.e. Participation in radiation dose index register and other documented efforts to minimize patient radiation dose
  o Recommendation follow-up
    • i.e. Rate of follow-up for radiologist recommendations (most related to screening exams and incidental findings follow-
  o External image sharing
Discussion

• Potential positives of MACRA:
  o Incentivize greater cooperation between radiology and other healthcare providers.
  o Encourage widespread adoption of shared electronic health records.
  o Opportunity to improve patient outcomes by having a greater role in the ordering of appropriate imaging.
  o Greater emphasis on standardization of technology and healthcare procedures which will help to drive down costs

• Potential negatives of MACRA
  o New payment model based on value will require adjustment for groups used to the old fee-for-service model.
  o Radiologists and organizations will need to prove added value in the patient care delivery system.
  o Negative adjustments will punish those who are unable to gather or to submit adequate information on the different performance measures.
Available resources

• ACR Radiology Support, Communications, and Alignment Network (R-SCAN)
  o Provides various clinical decision support technology and web based tools that allow collaborative planning between radiologists and referrers in order to improve imaging appropriateness.
  o Radiologists and participating clinicians will form a collaborative group which selects one or more topics for clinical improvement.
  o The radiology team can collect cases from the participating referring physicians and reviews the appropriateness of each cases using a free, customized ACR Select® CDS tool.
  o Based on the results, the radiology team can then propose and hold educational activities that help guide clinicians and their staff towards appropriate imaging.
  o After the educational program, the radiology team can then repeat the collection and rating process to assess for improvement.
Further Resources

• Inpatient Cost Evaluation Tool (ICE-T)
  o Web based tool that aggregates multiple years of Medicare inpatient claims data involving inpatient diagnosis related group (DRG) codes.
    • DRG: Bundled payments that differ from traditional fee for service by using a single flat fee that is reimbursed by the type of episode instead of paying the cost of each individual service.
  o Information will pertain to the frequency, cost and ranks of the various DRGs.
    • Compares and Rank tools allow user to compare the value, variance and volume data for up to 4 DRGs to determine the best codes to bundle.
  o The best inpatient DRG codes can then be identified and bundled to maximize reimbursement.
Summary & Conclusions

- MACRA is primarily aimed to focus reimbursement on “value and effectiveness”.
- It will be divided into 2 tracts; most radiologists will fall under the MIPS tract.
- Most radiologists will be able to qualify under the non-patient facing physician category and reimbursement will be based on quality (most heavily weighted), resource use and clinical improvement.
- Transition year starts in 2017 and reimbursements will be adjusted per year based on where the individual provider points fall within a national average.
- Implementation of MACRA can potentially lead to further implementation of electronic health record technology and cooperation between radiologists and providers.
- Tools such as R-SCAN and ICE-T can help facilitate the transition to MACRA and maximize the potential benefits from the new changes.
References