



MGMA supports expanding opportunities for group practices to participate in voluntary alternative payment models (APMs) as well as providing appropriate incentives for participation in value-based payment arrangements.

PROGRESS REPORT: VALUE-BASED PAYMENT REFORM

The Medicare Access and CHIP Reauthorization Act (MACRA) created the two-track Quality Payment Program and took the first steps in moving the volume-based fee-for-service payment system toward one that rewards value.

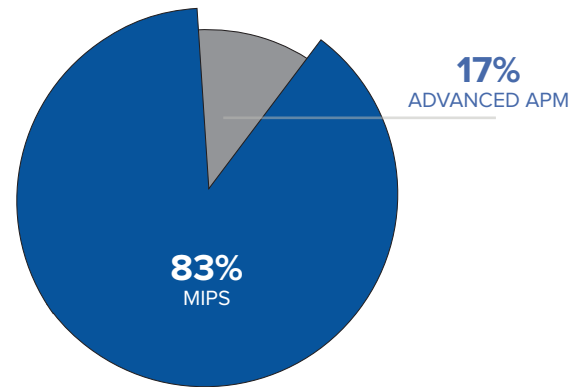
As the healthcare delivery system shifts toward value-based care, it is paramount that those at the forefront of care have practical payment models that are flexible, transparent, and clinically relevant.

Under MACRA, qualifying participants in eligible APMs:

- are **exempt from the Merit-based Incentive Payment System (MIPS)**;
- receive annual 5% lump sum **bonus payments** from 2019-2024; and
- receive a **higher fee schedule update** for 2026 and onward.

Despite progress to date, the healthcare system is still learning how to effectively transform care delivery. Four years into MACRA implementation, there are still limited opportunities for group practices to participate in an APM. The Centers for Medicare & Medicaid Services (CMS) estimates that between 210,000-270,000 clinicians will participate in APMs in 2020 compared to the 880,000 expected to participate in MIPS. Many practices are interested in joining an APM, but are unable to do so because there are not viable options for practices of their size, specialty, or location.

AMONG QUALITY PAYMENT PROGRAM PARTICIPANTS, ONLY 17% ARE IN ADVANCED APMs.



Source: CMS 2018 Quality Payment Program Performance Year Data

MACRA'S PAYMENT TRACKS

- MIPS** ▶ A portion of physician payment is based on performance in four categories: quality, cost, clinical improvement activities, and promoting interoperability.
- APMs** ▶ Physicians must assume financial risk for the cost of care in exchange for incentive payments for high-quality, cost-efficient care. An APM can be based on a specific clinical condition, episode of care, or patient population.

ADVOCACY PRIORITIES

- ▶ **Support the development of new, voluntary APMs** that meet the needs of practices of varying types, sizes, and specialties to inherently drive more widespread participation
- ▶ Encourage CMS to **implement more multi-payer models** in a collaborative fashion
- ▶ **Extend the 5% payment bonus** for advanced APM participation beyond 2024, when it is currently set to expire
- ▶ Urge CMS and the Office of the Inspector General's use of existing authority to **modernize fraud and abuse and payment regulations** to support the adoption of value-based arrangements