Value-Based Care on the Horizon: The Quality Payment Program and its Relevance to FQHCs

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Established in 2010
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Agenda

- MACRA/QPP Overview
- Merit-Based Incentive Payment System
- Alternative Payment Models
- Aligning QPP with FQHC
- FQHC Participation in QPP
- Takeaways, Next Steps and References
MACRA/QPP Overview
MACRA (2015)

- Medicare Access and CHIP Re-Authorization Act
- Repeals “Sustainable Growth Rate”
- Streamlines multiple CMS programs into Quality Payment Program
- Expands pathways for level of risk and reward
- Supports multi-payer initiatives

BETTER care
SMARTER spending
HEALTHIER people

Via a focus on 3 areas

- Incentives
- Care Delivery
- Information Sharing
2018 QPP Eligibility

1) Individuals or groups billing > $90,000 and treating > 200 Medicare patients per year (MIPS)

or

2) Treating 20% patients/receiving 25% of Medicare payments through an Advanced Alternative Payment Model (AAPM)
MIPS Categories
MIPS Categories

MIPS is a combination of new and existing Medicare programs designed to measure four performance categories:

1) Quality (replaces PQRS)

2) Cost (replaces Value-Based Payment Modifier)

3) Improvement Activities (new category)

4) Promoting Interoperability (replaces Meaningful Use)
Category Weights

- Each category has a different weight towards total MIPS score
- Category weights change over time

- Quality: 50
- Cost: 10
- Improvement Activities: 15
- Promoting Interoperability: 25

100 Possible Final Score Points
Quality

- Ends and replaces Physician Quality Reporting System (PQRS)

- Participants report via claims, EHR, registry, web interface:
  - Minimum 6 measures, including one “outcome” or “high priority” measure
  - All measures from a measure set (even if <6)

- Not all measures available for all submission methods

- Scored against national benchmarks from two year prior

- Example measures: diabetic foot exam, depression screening
Cost

- Ends and replaces Value-Modifier program

- Assesses two cost measures automatically via claims analysis:
  - Medicare spending per beneficiary
  - Total cost per capita

- “Episode-based” cost categories in development/testing

- 0% in 2017, 10% in 2018, must increase to 30% by 2021
Improvement Activities

- New concept; not based on existing CMS program
- Assesses participation in activities that improve clinical practice
- Drive participation in APM and Patient-Centered Medical Home
- Choose from a wide scope of activities from nine categories relevant to improving clinical practice
- Example activities: anticoagulant management improvement, care transition operational improvement
Promoting Interoperability

- Ends and replaces the Medicare* EHR Incentive Program for eligible professionals (also known as Meaningful Use)

- Promotes patient engagement and the electronic exchange of information using certified EHR technology (CEHRT)

- Greater flexibility in choosing among optional measures

- Example measures: e-prescribing, patient portal

* The Medicaid EHR Incentive Program continues through 2021. You may be eligible to report separately to both MIPS and Medicaid MU
Alternative Payment Models
Alternative Payment Models

- APM payments reward high-quality cost-efficient care
- Do not necessarily carry financial risk
- Goal: tie 50% of Medicare payments to APM in 2018

APMs are **new approaches to paying** for medical care through Medicare that incentivize quality and value.

According to MACRA law, APMs include:

- **CMS Innovation Center model** (under section 1115A, other than a Health Care Innovation Award)
- **MSSP** (Medicare Shared Savings Program)
- **Demonstration** under the Health Care Quality Demonstration Program
- **Demonstration** required by Federal Law
Advanced APM

- AAPM are a subset of APM
- Require CEHRT and similar quality/cost measures to MIPS
- More than nominal risk; greater opportunity for reward
- Examples:

  - Comprehensive ESRD Care Model (LDO arrangement)
  - CPC+
  - Medicare Shared Savings Program ACOs—Track 3
  - Oncology Care Model OCM (two-sided risk arrangement)
  - Comprehensive ESRD Care Model (non-LDO arrangement)
  - Medicare Shared Savings Program ACOs—Track 2
  - Next Generation ACO Model
Aligning QPP with FQHC
Health Center Fundamentals

“Health centers are community-based and patient-directed organizations that deliver comprehensive, culturally competent, high-quality primary health care services. Health centers also often integrate access to pharmacy, mental health, substance use disorder, and oral health services in areas where economic, geographic, or cultural barriers limit access to affordable health care services”

MIPS Improvement Activities categories:

- Beneficiary Engagement
- Behavioral and Mental Health
- Achieving Health Equity
- Expanded Practice Access
FQHC Performance Measures

- HRSA evaluates health centers on measures of value:
  - Clinical – quality of care, health outcomes and disparities
  - Financial viability/costs
  - Aligned with national standards used by Medicare/Medicaid such as those seen in the QPP

- Grantees establish goals and assess progress, include results in grant opportunities

- Reported in the Uniform Data System (UDS)
Quality of Care

- Thirteen quality of care measures
- Ten have same measure specification used by CMS for MIPS Quality category
- Most MIPS Quality measures are these type of “process” measure
Health Outcomes and Disparities v. MIPS Quality

- Three health outcomes and disparities measures
- Two have same measure specification used by CMS for MIPS Quality category
- MIPS Quality requires at least one “outcome” measure
Financial Viability/Costs

- Three financial viability/costs measures, two of which mirror the two measures from MIPS Cost category

- Both programs use claims data in effort to lower spending

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**Total Cost Per Total Patient**

- Total cost per patient serviced in the measurement calendar year
- **Numerator**: Total accrued cost before donations and after allocation of overhead
- **Denominator**: Total number of patients
- **UDS Lines**: T8A_L17_CC/T4_L6_CA for existing health centers

**Medical Cost Per Medical Visit**

- Total medical cost per medical visit in the measurement calendar year
- **Numerator**: Total accrued medical staff and other medical costs after allocation of overhead, excluding medical lab and x-ray costs
- **Denominator**: Medical visits, excluding nurse visits
- **UDS Lines**: (T8A_L1_CC + T8A_L3_CC)/(T5_L15_CB - T5_L11_CB) for existing health centers

Similar to MIPS Total Per Capita Cost (TPCC)

Similar to MIPS Medicare Spending Per Beneficiary (MSPB)
Promoting Interoperability

- Medicaid Promoting Interoperability Program (formerly “Meaningful Use”) running 2011-2021 for providers with 30% Medicaid population

- Virtually guaranteed eligibility for FQHC

- Nearly 30k providers at health centers participated with REC through Jan 2016

- MIPS has Promoting Interoperability category measuring EHR use
FQHC Payment and APMs

- FQHC Prospective Payment System (PPS) differs from traditional fee-for-service:
  - Uses encounter-based payments
  - Designed to reflect the full cost associated with comprehensive primary care visit, even if services occur on different days

- States also can create alternative payment methodologies (FQHC APM), which can be similar to QPP APMs:
  - Capitated per member per month (PMPM) payments
  - Pay-for-performance, including for participation in PCMH
  - Participation in ACOs with shared savings
  - Massachusetts Primary Care Payment Reform Initiative (PCPRI) has some FQHC transitioning to downside risk like Advanced APM
FQHC Participation in QPP
MIPS

- FQHCs are generally exempt from MIPS; QPP implementation will not impact your Medicare FQHC PPS payments

- FQHC clinicians/groups who bill Medicare outside of FQHC benefit may be included in MIPS and receive Part B adjustments

- FQHC participating in Medicare ACO report data for MIPS:
  - Quality measure data directly to ACO
  - Promoting Interoperability data directly to CMS via QPP website
  - Failure to submit data may negatively impact MIPS score and Medicare Part B adjustments for other ACO participants
AAPM

- FQHC may participate in arrangements that meet definition of Advanced APM (use of CEHRT, downside risk)

- Patients with services at FQHC that participate in Advanced APM can count towards minimum count for AAPM qualification

- Payments for services at FQHC that participate in Advanced APM do not count towards minimum count for AAPM qualification

- If provider meets criteria for AAPM qualification, 5% bonus will only be applied to Part B payments
Voluntary Reporting

- FQHC clinicians/groups billing exclusively under FQHC PPS are not required to report under QPP

- CMS encourages voluntary reporting of MIPS data with no incentive or penalty to Medicare payments of any type

- Potential benefits of voluntary reporting:
  - Public reputation – MIPS scores may be posted on Physician Compare or other consumer facing websites
  - Provider education – clinicians who change organizations to non-FQHC institutions may be subject to MIPS in the future
  - Value-based payment preparation – MIPS represents foundational elements of any contract paying for high quality, cost efficient care
Takeaways, Next Steps and References
Takeaways

- QPP signals a shift away from fee-for-service and rapid expansion of CMS pathways for risk and reward

- Most FQHCs will not participate in QPP; FQHC payments will not be adjusted due to QPP

- Value-based principles of QPP are embedded in FQHC model:
  - FQHC reporting requirements mirror MIPS categories
  - FQHC alternative payment methodologies mirror APM

- Medicaid agencies likely to follow CMS lead and continue advancing value-based payment, including downside risk
Next Steps

- If billing Medicare under Part B, check participation status at https://qpp.cms.gov/participation-lookup

- If participating in APM, reach out to leadership to discuss actions they may request for successful participation

- Convene stakeholders to discuss costs and benefits of voluntary reporting of data you probably already have

- Engage Primary Care Association about state Medicaid plans for QPP (or QPP-like) models that may offer FQHC rewards
References


Thank You!

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