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To: SPTA and Division Federal Advocacy Coordinators, and APAGS Coordinators

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SPTA Directors of Professional Affairs
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Re: MACRA 2018 Proposed Rule

On June 21st, the Centers for Medicare and Medicaid Services (CMS) released its proposed rule on Medicare's Quality Payment Program (QPP) for 2018. The proposed rule outlines prospective changes to two key payment programs: The Merit-Based Incentive Payment System (MIPS) and Advanced Alternative Payment Models. Created under the Medicare Access and CHIP Reauthorization Act (MACRA), the 2015 law that repealed the Sustainable Growth Rate cut, the QPP is designed to have Medicare payments reflect value rather than volume as the country's largest federal healthcare program continues to move away from a traditional fee-for-service (FFS) model. Because Advanced APMs are typically physician-based organizations, psychologists and other practitioners are more likely to fall under MIPS.

Of all the changes proposed by CMS, the one that will be of greatest interest to psychologists involves the expansion of the low volume threshold (LVT) in MIPS. The LVT, which the APA Practice Organization lobbied CMS to expand back in 2016, currently exempts eligible clinicians (ECs) with 100 or fewer Medicare patients or \$30,000 or less in Medicare charges. CMS is now proposing to exempt ECs who treat 200 or fewer Medicare patients or bill Medicare for \$90,000 or less in allowed charges. Psychologists are not yet included in MIPS but are expected to be added to the program in 2019. If CMS adopts the LVT it is now proposing, then relatively few psychologists in Medicare will need to report under MIPS even after being added in 2019.

While being excluded from MIPS may be a relief to many psychologists it is important to remember that the QPP under MACRA replaces the annual updates for Medicare payments. ECs who do not report under MIPS or through Advanced APMs will find their payment rates largely unchanged from year to year. Not

reporting under MIPS will allow psychologists to avoid possible penalties, but it also means they will not have the chance to earn bonus payments.

MIPS combines key facets of three former programs in Medicare: The Physician Quality Reporting System (PQRS), the Value-Based Payment Modifier (VM), which compares quality of care to cost, and the Electronic Health Record (EHR) incentives, often referred to as “meaningful use.” Psychologists have been eligible to participate in PQRS since its inception in 2007 but were not subject to the VM or meaningful use.

MIPS impacts Medicare payments by assessing ECs on four categories and then assigning a composite score. The composite score will be compared to a threshold score. Those falling below the threshold score will incur a payment penalty while those scoring above the threshold will receive a bonus. MIPS is designed to be budget neutral and many clinicians will see no adjustment, positive or negative, to their payments. The composite score for 2018 will be based on quality measures (60%), advancing care information (25%), and clinical practice improvement activities (15%). The fourth category, cost data, will be obtained by CMS from claims but will not be included in the MIPS composite score.

In the proposed rule the agency suggests ECs exempt under the LVT should be given the option of reporting under MIPS and being subject to the MIPS payment adjustments at some time in the future. CMS contemplates making this option available to ECs who fail to meet just one of the two determining factors (i.e., # of patients or amount in charges). APAPO has urged CMS to make MIPS reporting optional for those who are exempt but still wish to demonstrate that they provide quality services to earn bonuses for successful performance.

CMS will continue to allow those who are not ECs under MIPS to voluntarily report measures with the assurance that there will be no payment adjustment based on voluntary reporting. For 2018, there is a Mental / Behavioral Health set of 26 measures and those who voluntarily report MIPS measures will received feedback from CMS on their performance. Healthmonix, the registry vendor that created and maintained the APAPO PQRS**PRO** registry for 2014 – 2016, is now offering the APAPO MIPS**PRO** registry for psychologists who wish to voluntarily report MIPS measures. The registry can be accessed online at: <https://apapo.mipspro.com/>.

The proposed rule can be viewed at <https://s3.amazonaws.com/public-inspection.federalregister.gov/2017-13010.pdf>. Comments are due to CMS by August 21, 2017.

For more information, contact APA Practice Organization Government Relations Office at Pracgovt@apa.org or (202) 336-5889. Visit APA Practice Organization on-line at APAPracticeCentral.org/Advocacy.