This landmark legislation changes how Medicare pays physicians & other clinicians. It makes three important changes to payments:

- Ends the Sustainable Growth Rate (SGR)
- Creates a new framework for rewarding health care providers for giving better care, not just more care
- Combines existing quality reporting programs into one new system

Physicians will need to choose between the Merit-Based Incentive Payment System (MIPS) and Alternative Payment Models (APMs). This choice and physician performance in each system will determine reimbursement rates after 2019.

CMS will pay for value rather than fee for service.

**GOAL 1:** Medicare payments tied to Alternative Payment Models (categories 3-4) by the end of 2016

**GOAL 2:** Medicare Fee for Service payments tied to quality or value (categories 2-4) by the end of 2018

**STAKEHOLDERS**

- Consumers
- Businesses
- Payers
- Providers
- State Partners

**Quality Payment Program**

- Repeals the Sustainable Growth Rate (SGR) formula
- Streamlines multiple quality reporting programs into the new Merit-based Incentive Payment System (MIPS)
- Provides incentive payments for participation in Advanced Alternative Payment Models (APMs)
Merit-based Incentive Program (MIPS)
- Streamlines PQRS, MU & VBM into one system
- Performance categories are: quality, resource use, clinical practice improvement activities and advancing care information

Physicians will participate in MIPS unless they are qualified participants in APMs

Advanced Alternative Payment Models (APMs)
- Shared Savings Program (Tracks 2 and 3)
- Next Generation ACO Model
- Comprehensive ESRD Care (CEC) (large dialysis organization arrangement)
- Comprehensive Primary Care Plus (CPC+)
- Oncology Care Model (OCM) (two-sided risk track available in 2018)

How Eligible Clinicians become Qualifying Participants (QPs)

Advanced APM

Scores above the QP threshold = QP Status
All the eligible clinicians in the Advanced APM Entity become QPs for the payment year.

Scores below the QP threshold = No QP Status

Timeline

MIPS adjustments and APM Incentive Payment will begin in 2019, using reporting data from 2017

Source: CMS