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Medicare Advantage

Relief for Doctors Seen in Medicare Managed Care Notice

Physician groups and consultants praised a new Medicare agency move to encourage value-based care as helping doctors who work with managed care plans.

They told Bloomberg Law the Centers for Medicare & Medicaid Services' June 29 action is a step in the right direction for providers who participate in Medicare Advantage plans that require them to take on financial risk for their patients' health-care spending. The CMS notice would waive Merit-Based Incentive Payment System (MIPS) requirements for providers who participate in the Medicare Advantage plans that require them to take on risk.

"This is a great opportunity for clinicians in Medicare Advantage to have a different avenue to be successful in MACRA," a reference to a 2015 law known as the Medicare Access and CHIP Reauthorization Act, Mara McDermott, vice president at McDermott + Consulting, told Bloomberg Law June 29. That 2015 law created new payment systems for doctors including MIPS.

The notice seeking comment from the agency addresses the information collection burdens associated with the Medicare Advantage Qualifying Payment Arrangement Incentive (MAQI) Demonstration, which is under consideration for formal approval. The CMS is seeking comments on the proposal by Aug. 28.

In 2017, about one-third of Medicare beneficiaries were enrolled in a Medicare Advantage plan, with the rest in fee-for-service, according to the Kaiser Family Foundation.

Two Ways to Be Paid Providers can be paid one of the two ways now under the 2015 law, through MIPS or through advanced alternative payment models (APMs). Advanced APMs are a type of payment system where providers earn rewards for delivering high quality and cost efficient care in exchange for taking on risk.

If they are paid through MIPS, their Medicare payments are adjusted based on performance. If they are paid through advanced APMs, they receive an incentive payment for participation in certain payment arrangements and exempted from MIPS reporting requirements and payment adjustment.

"It is important to recognize the innovations that physician organizations are undertaking to provide high-quality accountable care to the patients and communities they serve. Advancing the MAQI (Medicare Advantage Qualifying Payment Arrangement Incentive) Demonstration is an important step in the right direc-

tion," Donald Crane, president and CEO of America's Physician Groups, said in a statement.

Helping Providers Some Medicare Advantage plans resemble advanced APMs, according to a statement from CMS, but the doctors are still subject to MIPS.

"It seems a bit unfair" that physicians with risk-bearing contracts in Medicare Advantage plans weren't included in the initial MIPS rule, Olga Walther, a senior legislative and policy adviser at consulting firm Gorman Health Group, told Bloomberg Law June 29.

Providers and insurance plans have been asking for this, McDermott said.

"The MAQI Demonstration aligns with the Agency's goal of moving to a value-based healthcare system, and aims to put Medicare Advantage on a more equal playing field with Fee-for-Service Medicare," CMS Administrator Seema Verma said in a statement June 29. "CMS intends to test whether MIPS exemptions provided to clinicians under MAQI will increase participation in Medicare Advantage plans that are similar to Advanced APMs, and thereby accelerate the transition to a healthcare system that pays for value and outcomes."

This proposal would be tested for up to five years and would require participants to collect information on payment arrangements with Medicare Advantage Organizations and Medicare Advantage payments and patient counts.

"Medicare Advantage has already proven to be really great at taking on risk and advancing the value based care unit," Walther said.

This gives providers who are considering getting involved in APMs an "avenue" to try and be equal with fee-for-service Medicare, Sean Creighton, vice president of policy at consulting firm Avalere Health, told Bloomberg Law June 29.

Good, but Not Enough? "We are pleased CMS is moving forward with a demonstration to exempt medical group practices in innovative, risk-based Medicare Advantage arrangements from the Merit-based Incentive Payment System—but that isn't enough," Jennifer McLaughlin, senior associate director of government affairs at the Medical Group Management Association, said in a statement. "CMS should give group practices credit for participation in these advanced alternative payment model arrangements in 2018."

To meet the requirements of this proposal, "plans would have to give CMS more information about their risk-sharing arrangements," which is not typically done and could be a potential issue, Creighton said.

McDermott is concerned about the potential exposure of having providers and plans hand over their risk-sharing arrangements to CMS.

The details of this effort by the CMS are unclear, Walther said. We don't know whether these physicians will qualify for the bonus that advanced APMs can receive, although the agency notice said it's possible.

"There are savvy plans and savvy providers who have been thinking about this for a long time who will be able to lead the way," McDermott said.

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