**Medicare Red Tape Relief Project**

Submissions accepted by the Committee on Ways and Means, Subcommittee on Health

Date: August 25, 2017

Name of Submitting Organization: Physicians Advocacy Institute

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Statutory ✓

Regulatory

**Please describe the submitting organization’s interaction with the Medicare program:**

PAI is a not-for-profit advocacy organization focused on securing fair and transparent payment for physicians. PAI’s Board is comprised of CEOs/former CEOs of state medical associations from California, Connecticut, Georgia, Nebraska, New York, North Carolina, South Carolina, Tennessee and Texas and a Kentucky physician. A significant portion of the members of these and other states’ medical societies treat Medicare patients and submit claims to Medicare.

**Short Description:** Quality Payment Program (QPP) – Merit-based Incentive Payments System (MIPS) Scoring Methodology

**Summary:** The MIPS final score and related payment adjustment for physicians and groups is determined based on their performance compared to a MIPS performance threshold. Currently, for the 2017 MIPS performance period, the threshold is set at three points. The agency is considering increasing the threshold to 15 points for 2018. As a result, physicians are unable to anticipate their overall performance scores or payment adjustments because the scores/adjustments are prone to change each payment year and are tied to budget neutrality. This formula creates significant financial uncertainty for physicians across payment years.

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**Related Statute/Regulation**: MACRA Statute (Title 1, Section 101)

**Proposed Solution:** Amend the MACRA statutory payment adjustment formula to make penalties and bonuses more consistent and predictable across payment years by establishing a predictable threshold schedule with gradual increases at most. PAI believes that an increase from three points to 15 points is too steep at this juncture in program implementation. Instead, PAI recommends a more gradual increase over time, and is supportive of maintaining three points for the 2018 performance period, or, alternatively, increasing the threshold to six points for the 2018 MIPS performance period.