The Physicians Advocacy Institute’s Medicare Quality Payment Program (QPP) Physician Education Initiative

2017 Merit-Based Incentive Payment System (MIPS) Overview
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Under MACRA’s Quality Payment Program (QPP), physicians may choose to participate in an Advanced Alternative Payment Model (APM) or submit data to the Merit-Based Incentive Payment System (MIPS).

MIPS is a new program that consolidates and sunsets the previous quality reporting programs, including the Physician Quality Reporting System (PQRS), Value-based Payment Modifier (VM), and the Electronic Health Records (EHR) Incentive program (Meaningful Use), into one program. In 2017, MIPS has four weighted performance categories: quality (60%), based on PQRS; cost (0%), based on VM; advancing care information (25%), based on Meaningful Use; and improvement activities (15%), a new category not based on a previous program.

Physicians’ total combined scores (final score) in all four categories will determine whether they receive a positive, neutral, or negative adjustment of their Medicare Part B payments. There is a two-year gap between the participation year and the payment adjustment year, so 2017 participation and performance will be used to assess the 2019 payment adjustment.
Who participates in MIPS

The Centers for Medicare and Medicaid Services (CMS) has defined a list of “eligible clinicians” who are subject to participation in the MIPS program. Providers not included in this list are not subject to participation at this time.¹

**Eligible Clinicians Subject to MIPS in 2017**

- Physicians
- Physician Assistants
- Nurse Practitioners
- Clinical Nurse Specialists
- Certified Nurse Anesthetists

Physicians include doctors of medicine, doctors of osteopathy, osteopathic practitioners, doctors of dental surgery, doctors of dental medicine, doctors of podiatric medicine, doctors of optometry, and chiropractors.

Additionally, CMS has defined a list of “eligible clinicians” who may be exempt from MIPS participation.

1 However, CMS has stated that they may expand the list of eligible clinicians in the future, and this may include: physical or occupational therapists, speech language pathologists, audiologists, nurse midwives, clinical social workers, clinical psychologists, and dieticians or nutrition professionals.
Use the CMS lookup tool to determine if you are exempt from MIPS participation due to the low-volume threshold. The lookup tool is available at: https://qpp.cms.gov/learn/eligibility. To use the tool, you will need to know your 10-digit national provider identification (NPI) number. Learn more about MIPS eligibility on the CMS QPP website at: https://qpp.cms.gov/learn/about-eligibility.

**CMS offers flexibility for 2017 participation**

Calendar year 2017 serves as a transition year for the QPP, during which physicians participating in MIPS have the flexibility to select the level of participation that best suits their practices. By selecting the test, partial, or full year participation option in 2017, physicians can avoid a -4% payment adjustment of their Medicare Part B fee-for-service (FFS) payments in 2019. However, only those physicians who participate using the partial or full year options will be eligible to receive a positive payment adjustment of their Medicare Part B FFS payments in 2019.

<table>
<thead>
<tr>
<th>Don’t Participate</th>
<th>Test Participation submit something and avoid a negative payment adjustment</th>
<th>Partial Year Participation submit for partial year</th>
<th>Full Year Participation submit data for the full year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submit no data Automatic -4% payment adjustment in 2019</td>
<td>Submit data for at least 1 measure on 1 patient for the quality category; OR</td>
<td>Submit 90-days worth of data Avoid a negative payment adjustment Eligible for maximum positive payment adjustment</td>
<td>Submit data for the 2017 calendar year, from January 1, 2017 - December 31, 2017 Avoid a negative payment adjustment Eligible for maximum positive payment adjustment</td>
</tr>
</tbody>
</table>
MIPS participation can be at the individual or group level

Physicians can participate either as individuals or as a group, but they must participate the same way across all four categories.

- Physician would report under an NPI number and the tax identification number (TIN) of the practice to which they reassign their benefits
- 2 or more eligible clinicians (2 or more NPIs) who are part of the same practice with the same TIN
- Specific reporting requirements and certain reporting options are available for groups of 25 or more physicians and other eligible clinicians
- All eligible clinicians in the group would receive the same aggregated scoring and corresponding payment adjustment across the group

Additionally, all physicians in a practice must participate the same way – either individually, or as a group. For example, in a practice of 10 physicians all under the same TIN, the practice can elect to participate at the group level (the group of 10 physicians would collectively have to meet the specific requirements for each category) or decide that each of the 10 physicians would report as individual physicians (each physician would have to meet the specific requirements for each category). The practice cannot split the physicians with 5 physicians participating collectively as a group, and the other 5 participating individually.

Data can be submitted using various reporting mechanisms

The reporting mechanisms that can be used to submit your data for MIPS depends on the category, as well as whether you participate individually or as a group. The chart below outlines the options for each category for both individual and group reporting.

Practice Tip: You can report different categories using different reporting mechanisms; you are not required to submit MIPS data using one reporting mechanism for all four categories.
How are MIPS scores determined?

Physicians’ MIPS scores are determined on their overall performance in each of the four MIPS categories compared to the CMS performance threshold score for a given year. Physicians will receive a score in each category, and their MIPS final score will be the sum of the weighted score of each category. For the transition year, CMS set the performance threshold at 3 points. If the final score is below the threshold, physicians will receive a negative adjustment of their Medicare Part B payments; if the final score is equal to the threshold, physicians will receive no adjustment of their Medicare Part B payments; and if the final score is above the threshold, physicians will receive a positive adjustment of their Medicare Part B payments.

\[(\text{Quality score} \times 60\%) (100) + (\text{Improvement Activities score} \times 15\%) (100) + (\text{ACI score} \times 25\%) (100) = \text{2017 MIPS final score}\]

To avoid a negative payment adjustment, the 2017 MIPS final score must be > 3

<table>
<thead>
<tr>
<th>Category</th>
<th>Reporting Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality</td>
<td></td>
</tr>
<tr>
<td>Individual</td>
<td>Claims, QCDR, Qualified Registry, EHR</td>
</tr>
<tr>
<td>Group</td>
<td>QCDR, Qualified Registry, EHR, CMS Web Interface (groups of 25 or more eligible clinicians), CMS-approved survey vendor for CAHPS (used in conjunction with another reporting mechanism), Administrative Claims (no reporting required and only for all-cause hospital readmission measure for groups of 16 or more eligible clinicians)</td>
</tr>
<tr>
<td>Improvement Activities &amp; Advancing Care Information</td>
<td></td>
</tr>
<tr>
<td>Individual</td>
<td>Attestation, QCDR, Qualified Registry, EHR</td>
</tr>
<tr>
<td>Group</td>
<td>Attestation, QCDR, Qualified Registry, EHR, CMS Web Interface (groups of 25 or more eligible clinicians)</td>
</tr>
<tr>
<td>Cost</td>
<td></td>
</tr>
<tr>
<td>Individual</td>
<td>No submission required. CMS will use administrative claims data.</td>
</tr>
<tr>
<td>Group</td>
<td></td>
</tr>
</tbody>
</table>
Additionally, physicians whose performance meets or exceeds a final score of 70, will be eligible for an additional positive payment adjustment of their Medicare Part B payments for exceptional performance.

**Where can I go for more information?**

Please see the 2017 MIPS Scoring Overview resource available on [PAI’s website](https://www.physiciansadvocacyinsitute.org) for additional details.

Additional information on each of the MIPS categories is available on PAI’s QPP website, as well as the CMS QPP website at: [https://qpp.cms.gov/](https://qpp.cms.gov/).