

Outpatient Facility Coding Alert

MIPS: See What's New With MIPS Performance Thresholds and More

Do your part to maximize reimbursement with positive payment adjustments.

As part of the Medicare Physician Fee Schedule (MPFS) Proposed Rule published in the Federal Register on August 14, you got a first-hand look at some big changes to the Centers for Medicare & Medicaid Services (CMS) Quality Payment Program (QPP) for 2020. These changes are sure to have an impact for physician reimbursement in most specialties.

These QPP updates include revisions to Merit-Based Incentive Payment System (MIPS) performance thresholds, category weighting, and more.

Stay ahead of the curve and see what new obstacles you'll have to overcome to continue to maximize your physicians' payment adjustments through MIPS.

See What's on the MIPS 2020 Proposal Agenda

Though the list of suggested QPP policy changes is long, "many aspects of the recent CMS proposed rule affecting 2020 MIPS are predictable," says **Mike Schmidt**, vice president of client success and regulatory affairs for Eye Care Leaders in Charlotte, North Carolina. However, the QPP proposals contained some unusual changes, too, like how CMS plans to shift and reallocate category weights in the years ahead, he explains.

Consider these five takeaways from the MIPS 2020 proposed rule:

1. Performance threshold: Remember, the performance threshold (PT) "is the minimum number of points [eligible clinicians need] to avoid a negative payment adjustment," reminds the QPP fact sheet. And CMS wants to increase that going forward to 30 points in 2019, 45 in 2020, and 60 in 2021. "By 2022, this PT will be calculated as the average of 'Final Scores' nationwide for that year. This means that the number of physicians receiving a negative payment adjustment will increase significantly each year, until approximately half of physicians will receive a negative payment adjustment by the 2022 performance year," Schmidt warns.

"The flip side of this is that the amount of money available to fund positive payment adjustments will increase significantly year after year, so that we will begin to see some significant positive financial incentive for maximizing a practice's MIPS performance," adds Schmidt.

Plus: And CMS also plans to up its additional PT for "exceptional performance," too. The new numbers are as follows: 70 for MIPS Performance Year (PY) 2019, 80 for 2020, and 85 for 2021.

"For 2022, this 'APT' will be calculated according to a formula specified by Congress in MACRA, as a function of whatever is the PT that year," Schmidt advises. "This will result in far fewer physicians receiving any level of exceptional performance payment adjustment, resulting in significantly higher positive payment adjustments for a perfect score."

Apparently, the PT increases are a "response" to 2017 and 2018 stats, the QPP fact sheet indicates.

2. Penalty increase: Past statutes require that the maximum negative payment adjustment jump from minus-7 percent in 2019 to minus-9 percent in 2020, which is a deeper cut if you don't meet your measures' mandates.

3. Category reweighting: CMS proposes the reweighting of the Cost and Quality performance categories for MIPS 2020 in the hope that they'll be truly equal in 2022. Here's the breakdown:

- Cost will increase in weight to 20 percent in 2020, 25 percent in 2021, and 30 percent in 2022.

- Quality will decrease in weight to 40 percent in 2020, 35 percent in 2021, and 30 percent in 2022.

Caveat: "Interestingly, if the group or individual does not receive a Cost performance score - e.g. an eye care practice which does not perform cataract procedures - Quality will only be reweighted to 55 percent and Promoting Interoperability [PI] to 30 percent," Schmidt explains. "In other words, 5 percent of the MIPS Cost performance category will be allocated to PI and the rest to Quality."

4. Improvement Activities: Though the basics of the Improvement Activities (IA) will remain the same, the feds want to push more MIPS-eligible clinicians (ECs) to submit IA measures. "CMS proposes to require 50 percent of MIPS ECs in a group to actively participate in 2020," indicates Schmidt. "This is sure to get a lot of pushback, since many physicians resist actively participating in what is essentially a quality improvement program for their practice."

5. MIPS Final Score analysis: In the MIPS 2020 proposed rule, CMS offers analysis for the mean Final Score data for the following Performance Years: 2017 at 74.01/ Payment Year 2019; 2018 at 80.30/Payment Year 2020; and estimates a significant drop in 2019 to 69.53/Payment Year 2021.

Why the drop? "CMS does not offer an explanation for the 'why,' but it seems clear enough that this is largely because of the entirely revised MIPS PI performance measures and scoring introduced for 2019 MIPS," Schmidt says.

"Remember how CMS promised last year that this was going to be great?" he continues. "How they said they were eliminating measures and simplifying the scoring rules? What they didn't say was that they were taking away the flexibility that was supposed to differentiate MIPS PI from its Meaningful Use predecessor program."

Resource: Review the MIPS 2020 proposal at <https://s3.amazonaws.com/public-inspection.federalregister.gov/2019-16041.pdf>.