

MACRA

Medicare Access and Children's Health Insurance Program (CHIP) Reauthorization Act of 2015

In 2017¹, MACRA replaces the flawed Sustainable Growth Rate (SGR) formula with the Quality Payment Program (QPP). The rule shifts clinician² reimbursement from quantity- to quality-based models. It implements new ways to decrease healthcare costs. And, it seeks to improve the quality of care for Medicare beneficiaries to better ensure they are getting healthier.

Under the proposed MACRA rule, orthopaedic surgeons may participate in one of two reimbursement pathways:

Advanced Alternative Payment Models (Advanced APMs)

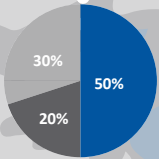
Merit-based Incentive Payment System (MIPS)



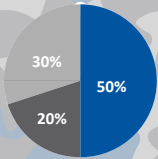
Performance Criteria



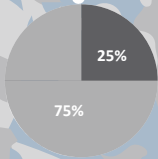
Advanced APMs offer greater potential risk and rewards than MIPS by incentivizing quality and value in medical care through Medicare Part B.



Shared Savings Program

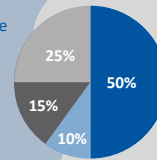


Next Generation ACO Model

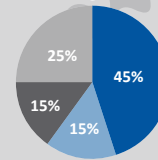


All Other APMs

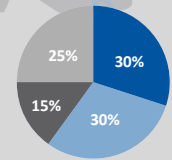
Performance Measures Legend



2019

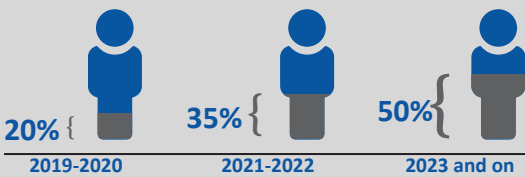
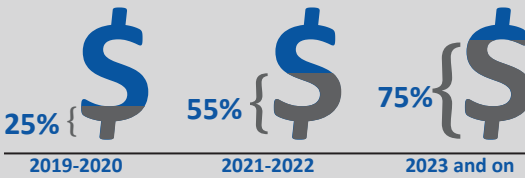


2020



2021 and on

Qualifying APM participants ("QP")—clinicians with a certain percentage of patients/payments through an eligible Advanced APM—are exempt from MIPS adjustments.

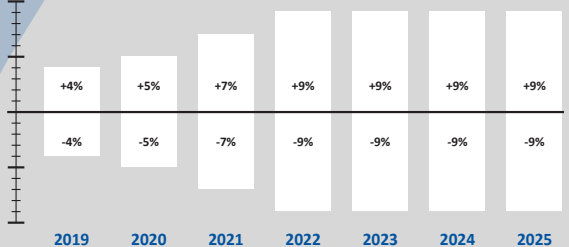
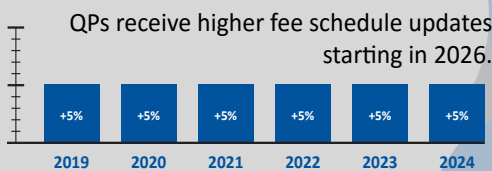


If you are an orthopaedist in one of the below three groups, you are exempt from MIPS for that year:

1. First year Medicare participants
2. QPs in Advanced APMs who qualify for bonus payments
3. Participants below the low-volume threshold of less than 100 patients/less than \$10,000 in reimbursements from Medicare Part B

Annual Payment Updates

Maximum adjustments to a clinician's base rate of Medicare Part B payments.



For more information on what the MACRA proposed rule may mean for orthopaedic surgeons/practices, visit www.aaos.org/macra.

Notes

1. On July 13, 2016, CMS indicated the MACRA rule may be delayed in order to ensure small and rural providers are adequately prepared.
2. Clinicians, as defined by CMS, is a broad term used to include physicians, physician assistants, nurse practitioners, certified nurse specialists, certified registered nurse anesthetists and groups that include such clinicians.
3. On July 25 2016, CMS announced a new set of mandatory bundled payment models (on cardiac care) and updated the existing mandatory Comprehensive Care for Joint Replacement (CJR) model by culling out a new surgical hip/femur fracture treatment (SHFFT) model. Further, CMS announced that starting in 2018, the CJR model, the SHFFT model, and a new Bundled Payments for Care Improvement (BPCI) voluntary model may qualify as Advanced APMs thereby creating new pathways for physicians to participate and receive higher reimbursements in Advanced APMs.