

K&L GATES

TRIAGE: RAPID LEGAL LESSONS FOR BUSY
HEALTH CARE PROFESSIONALS



Segment 2 of 3

Holy MACRA! Advanced
Alternative Payment Models

Ryan J. Severson

WHAT IS AN ADVANCED APM?

- An Advanced APM is one that:
 - Bears financial risk that is “more than nominal”
 - Requires use of Certified EHR Technology (CEHRT)
 - Pays for services using quality measures comparable to the Merit-Based Incentive Payment System (MIPS)
- Practitioners with a specified percentage of payments through an Advanced APM can become Qualified APM Participants (QPs)
- QPs are exempt from MIPS and qualify for 5% APM incentive payments beginning in 2019 (based on Performance Year (PY) 2017 data)

FINANCIAL RISK

- What is “more than nominal” financial risk?
 - An Advanced APM must have provisions to owe CMS or forgo an amount at least equal to:
 - PY17 and PY18: 8% of average Medicare Parts A and B revenues of participating APM entities (“revenue-based standard”)
 - For all PYs, 3% of the expected expenditures for which an APM entity is responsible under the APM (“benchmark-based standard”)
 - Financial risk calculation is based only on Part B services for PY17 and PY18

FINANCIAL RISK, CONT'D

- CMS expects certain shared savings models to qualify, including, among others:
 - MSSP Tracks 2 and 3
 - Next Generation ACO Model
 - Comprehensive Joint Replacement Model
 - Comprehensive Primary Care Plus Model
 - Comprehensive ESRD Care Model
- CMS also creating MSSP Track 1+, expected to be available starting in PY18
- Medicare Advantage plans cannot be Advanced APMs, but they may qualify under the All-Payor Combination Option (available beginning in PY19)

OTHER REQUIREMENTS

- Use of CEHRT
 - At least 50% of clinicians in an Advanced APM must use CEHRT
 - Not applicable to MSSP ACOs, which may qualify by placing penalties or rewards on participants based on their use of CEHRT
- Use of quality measures comparable to MIPS
 - At least one must be an outcome measure
 - CMS notes that many MSSP quality measures satisfy this criterion

Today's Presenter



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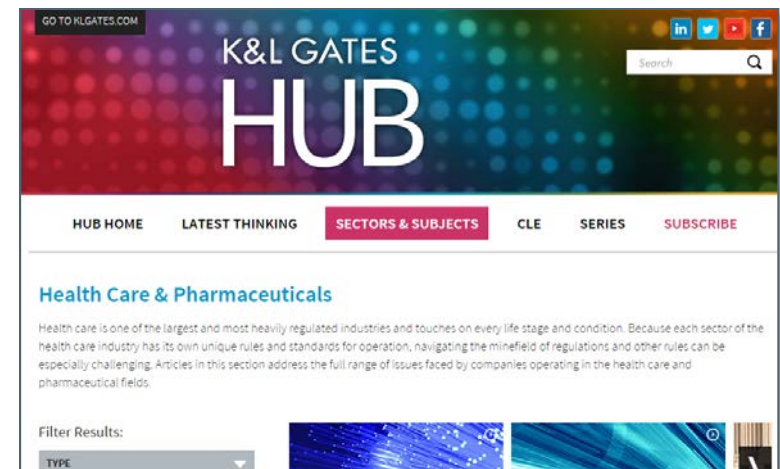
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