







Medicare's Doc Fix Act

How does the Medicare Access and CHIP Reauthorization Act (MACRA) affect you? For starters, it is the largest reform on the American health care system since the Affordable Care Act. It is commonly referred to as the "Permanent Doc Fix" Act and was signed into law in 2015.

esigned to fix the way Medicare pays providers, it permanently assures providers about their reimbursements and puts an end to the annual congressional ritual of "fixing" a Medicare law from 1997 with a patch that expired the following year.

It began in January 2015 with a historic announcement made by Health and Human Services (HHS) Secretary Sylvia M. Burwell. In a meeting with consumers, insurers, providers and business leaders, Burwell stated her goal and timeline for shifting Medicare reimbursements from volume to value. For the first time, HHS had set specific goals for an alternative payment model and a timeline to get it done. Then in April 2015, what is known as the "doc fix" bill was signed into law.

According to *CMS.gov*, "the MACRA makes three important changes to how Medicare pays those who give care to Medicare beneficiaries. These changes include: ending the Sustainable Growth Rate (SGR) formula for determining Medicare payments for health care providers' services, making a new framework for rewarding health care providers for giving better care, not just more care, and combining our existing quality reporting programs into one new system."

Ending SGR

This new law, at least in part, is designed to minimize Medicare expenses through a new payment model. MACRA replaces the old, ineffective SGR payment model with small annual raises through 2019. Beginning in 2016 and continuing

through the end of 2019, Medicare providers will receive a 0.5 percent increase in fee-for-service (FFS) reimbursements. Then, starting Jan. 1, 2020, through 2025, all reimbursements will essentially be frozen. For 2026 and beyond, doctors who remain in the FFS model will receive an annual payment increase of 0.25 percent. However, doctors who participate in the alternative payment model (APM) receive a 0.75 percent payment increase.

New Framework for Rewarding Providers

Under the new Merit-based Incentive Payment System (MIPS), providers have the opportunity to earn positive payment adjustments for scoring well during the previous year. Providers will be assessed in four categories and receive a composite score. The categories are: Quality, Resource Use, Clinical Practice Improvement and Meaningful Use of Certified EHR Technology. The maximum payment adjustment amount starts at 4 percent in 2019 and incrementally

increases to 9 percent starting 2022 and onward. However, the payment adjustments also can be negative if the provider scores badly or doesn't report. It is possible to have a zeropercent adjustment; if the provider scores in the average compared to the rest of reporting providers, there is no payment adjustment up or down. There are three ways to be exempt from the MIPS payment adjustments: Be a first-year Medicare participant, meet the low-volume threshold or qualify for the bonus payment under the APM.

If the added administrative burden of the MIPS model does not appeal, then the APM may be the right choice for the provider. Under the APM, providers are rewarded with a monetary incentive payment for performance. According to a recent presentation delivered by CMS, "APMs are new approaches to paying for medical care through Medicare that incentivize quality and value." Those who qualify to be APM participants may not be subject to the MIPS reporting



requirements, receive 5-percent lump sum bonus payments for years 2019-2024 and receive a higher fee schedule (FFS) update (0.75) for 2026 and onward. As an added bonus, providers who score exceptionally well may be eligible for additional payments.

Combining of Reporting Systems

Advocates of MACRA state that not only did the new law eliminate the congressional headache of trying to keep doctors paid each year, but it also reduces the administrative burden by combining several Medicare reporting programs into one. MACRA will allow Medicare to combine parts of the Physician Quality Reporting System (PQRS), the Value Modifier (VM or Value-based Payment Modifier) and the Medicare Electronic Health Record (EHR) incentive program into one single program. These reporting programs are now encompassed in either the MIPS or the APM, as

previously discussed. This "new" merit-based incentive payment system helps to link fee-for-service payments to quality and value. All of this helps to reach Secretary Burwell's goal of tying Medicare payments to value, not volume.

What Needs to Be Done Now

For providers, this quagmire of acronyms and percentages can be quite confusing. However, the best way to ensure adequate reimbursement and possibly an increase in payment is to first educate yourself on the alternative payment system. Next, ascertain your willingness or ability to incorporate these changes into your practice. The choices are: Remain uninformed and watch your Medicare reimbursements dwindle or become educated and start reporting. As an alternative, providers can hire an expert to coach them or help them implement these new changes. For additional information on MACRA, go to CMS.gov. @



Kelli Moore is the founder and president of The Collection Coach, Compliance Advisor for SilkOne EHR and Parker Seminars' Chiropractic Assistant of the Year in 2014. As a Medical Compliance Specialist-Physician (MCS-P) and an avid researcher, Moore recognized the need for chiropractors to understand exactly how insurance works. Moore is a "by-the-book" chiropractic business advisor who works tirelessly to help chiropractors make more money while reducing the risk of audits through compliant coding, documenting and office systems. The Collection Coach continues to reach out to the chiropractic community through educational seminars, in-house training/coaching and compliant paper and EHR documentation systems. Visit thecollectioncoach.com for more.

