



MACRA: Medicare Changes to Physician Payments

Background

Starting in 2019, your Medicare physician-fee-schedule payment will vary based on performance in the Quality Payment Program (QPP) enacted by the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA). The program has two paths that link quality to payment: the advanced Alternative Payment Models (APMs) and the Merit-based Incentive Payment System (MIPS).

Your 2019 Medicare payment will be based on the care provided in **2017**.

Qualifying APM Participant	Partial Qualifying APM Participant	MIPS: General or APM Participant
<ul style="list-style-type: none"> • Providers are considered qualified participants at certain threshold levels in an advanced Alternative Payment Model (APM) • Eligible for 5% bonuses (2019–2024) on Part B payments paid in a lump sum • Starting 2026: Higher payment update (0.75%) to the Medicare physician fee schedule • Avoid Merit-based Incentive Payment System (MIPS) 	<ul style="list-style-type: none"> • Slightly lower threshold for participation • No APM incentive payments • Lower annual updates • Can avoid MIPS or choose to participate in MIPS and be subject to payment adjustment • Starting 2026: 0.25% update to the Medicare physician fee schedule 	<ul style="list-style-type: none"> • Performance will be based on four categories: quality, resource use, clinical practice improvement, and advancing care information • Exceptional performers will be eligible for bonus from annual pool of \$500M, 2019–2024 • Starting 2026: 0.25% update • In 2019, eligible clinicians can receive bonuses or penalties of up to 4% in 2019; 5% in 2020; 7% in 2021; and 9% in 2022 and beyond

Prepare Now

- Determine whether to report eligible clinicians individually, as a group practice, as a MIPS APM, or as an advanced APM.
- Check your past performance in Physician Quality Reporting System (PQRS) and the Value-based Modifier (VM) program. Review Quality and Resource Use Reports (QRURs) feedback to identify where improvements can be made.
- Consider whether you want to report through claims, electronic health records, clinical registry, qualified clinical data registry (QCDR), or GPRO (the Group Practice Reporting Option) Web Interface.
- Identify clinical practice improvement activities.
- If you participate in an advanced APM, remember that to qualify for the 5% incentive payment, you must meet the 25% Medicare Part B payment fee-for-service threshold or the 20% Medicare patient threshold.

Additional Resources

- The AAMC MACRA webpage (aamc.org/MACRA).
- The CMS webpage (qpp.cms.gov).
- Email teachingphysicians@aamc.org for further information.