HOW TO PREPARE FOR MIPS COST SCORING: PRACTICAL ADVICE FOR SOLO PRACTITIONERS AND SMALL GROUP PRACTICES
If you are listening to this webinar through your phone, please remember to mute your computer speakers.

For assistance, enter your issue in the chat box.

To ask a question, enter your inquiry in the chat box.
POLLING QUESTION

What is your role?

- A clinician working in a practice with 15 or fewer clinicians
- Non clinical staff from a practice with 15 or fewer clinicians
- A clinician working in a practice with more than 15 clinicians
- Non clinical staff in a practice with more than 15 clinicians
- Quality Payment Program (QPP) contractor
- Other person helping practices prepare for MIPS
- Other
POLLING QUESTION

How familiar are you with the MIPS cost category?

- Not familiar at all
- Somewhat familiar
- I understand it and think I’ll get a good cost score
- I understand it and think I’ll get an average cost score
- I understand it and think I’ll get a poor cost score
HOW TO PREPARE FOR MIPS COST SCORING

CMS WELCOME

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Division of ESRD, Population & Community Health
Centers for Medicare & Medicaid Services
QPP Surs Central Support Contractor COR
SETTING THE STAGE

- Focus: To help you understand and improve your MIPS Cost score
- Strategy: Focus on learning how cost scores are calculated, how they impact your overall MIPS score, and strategies for raising your cost score

- Topic Overview:
  - Resources for free support and answers to your questions
  - Overview of the cost category
  - How cost impacts your overall MIPS score
  - The cost measures and how they are calculated
  - What you can do to improve your score

- Using the Chat Box
Free technical assistance and advice available for small practices from CMS-funded organizations. Contact information for each organization at: https://qpp.cms.gov/docs/QPP_Support_for_Small_Practices.pdf

- General information about QPP for eligible clinicians participating in MIPS or Advanced APMs: https://qpp.cms.gov/
- Questions to CMS about Quality Payment Program: QPP@cms.hhs.gov
- Sources of support for larger practices and APM participants described in: https://qpp.cms.gov/docs/QPP_Technical_Assistance_Resource_Guide.pdf
QUESTION:
How much more work will the cost category require?

None! The cost category is based on claims data and requires no extra work by you. You don’t have to submit any data.
QUESTION:

What is the Cost Category and why has CMS made it a part of MIPS?
HOW TO PREPARE FOR MIPS COST SCORING

THE COST CATEGORY

Fourth Performance Category

Value-Based Payment Modifier Program → MIPS

- Measured through administrative claims
- No submission/reporting required
- Performance scored on 2 measures (or one if both are not available)

Quality: 50
Cost: 10
Improvement Activities: 15
Advancing Care Information: 25

= 100 Possible Final Score Points
HOW TO PREPARE FOR MIPS COST SCORING

COST MAKES A DIFFERENCE

- MIPS supports the national aims of providing Better care and better health at Lower Costs
- The problem:
  - Medicare population is growing and resources are limited
  - Re-hospitalizations are costly and often unnecessary
  - Tests and procedures are sometimes over-utilized
- CMS aims to reward clinicians that can perform efficient care at a lower cost
  - Basis for including Cost Score in MIPS
  - Reason for promoting participation in Alternative Payment Models—MIPS cost scoring helps you prepare for future APM participation
HOW TO PREPARE FOR MIPS COST SCORING

COST CATEGORY IS OFTEN MISUNDERSTOOD

- Not primarily about what you charge for your services
- Cost data is difficult to “wrap your head around”
  - What does the data mean?
  - Is it about the costs of services in my office?
  - How are patients attributed to my practice?
  - Risk adjustment….is that something you can impact?
  - What strategies can I use to address cost?
- Goal: High Quality/Low Cost
QUESTION:

How will cost impact my MIPS Score?
HOW TO PREPARE FOR MIPS COST SCORING

MIPS COST SCORE

0% of Total Score in 2017

10% of Total Score in 2018
BIPARTISAN BUDGET ACT OF 2018

1. Annual Report on Resource Use Measures
2. Slows the increase in the Cost Category’s weighting within MIPS
3. Delays the Improvement Scoring on Cost Measures
4. Slows the increase of the overall performance threshold
5. Removes payment for Part B drugs from being included in MIPS
**QUESTION:**

What are the cost measures that will be used and how are they calculated?

<table>
<thead>
<tr>
<th>Medicare Spending Per Beneficiary</th>
<th>Total Per Capita Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Episode based by Practice/Group (TIN)</td>
<td>• Practitioner Based (TIN-NPI)</td>
</tr>
<tr>
<td>• 3 days prior to admission + 30 days post admission</td>
<td>• Full Year</td>
</tr>
</tbody>
</table>
MEDICARE SPENDING PER BENEFICIARY (MSPB)

- The MSPB measure was originally used in the Value Modifier Program, and updated for MIPS.

- This measure assesses the cost to Medicare of services performed during an MSPB episode, which comprises the period immediately prior to, during, and following a patient’s hospital stay.

- Attributed to individual clinicians, as identified by their unique Medicare Tax ID/National provider number (TIN-NPI). Though attributed at the TIN-NPI level, it may be reported at the clinician (TIN-NPI) or clinician group (TIN) level.

- Under MIPS the case minimum for reporting is 35 episodes, regardless of reporting level.
HOW TO PREPARE FOR MIPS COST SCORING

CLAIMS ATTRIBUTED TO AN EPISODE
WHY MSPB MATTERS

- It encourages improved care coordination
- It enables comparisons while accounting for patient case mix through risk adjustment.
- It encourages smarter spending
HOW TO PREPARE FOR MIPS COST SCORING

HOW MSPB EPISODE COST IS CALCULATED

Step 1
• Standardize payments included in episode costs

Step 2
• Calculate expected payment-standardized episode costs

Step 3
• Calculate risk-adjusted MSPB Amount

Step 4
• Calculate the specialty-adjusted expected cost

Step 5
• Calculate the specialty-adjusted MSPB Measure

Data sources:
Medicare Parts A & B Claims
Medicare Part B Carrier (non-institutional physician) claims
Medicare Beneficiary Enrollment Data
HOW TO PREPARE FOR MIPS COST SCORING

MSPB NUMERATOR & DENOMINATOR

TIN’s average MSPB Amount

Specialty-Adjusted MSPB Expected Cost

National Average Standardized Episode Cost

# of episodes for that TIN
The TPCC measure was originally used in the Value Modifier Program, and updated for MIPS.

This measure is a payment-standardized, annualized risk-adjusted and specialty adjusted measure that evaluates the overall cost of care provided to beneficiaries attributed to clinicians as identified by a unique Tax ID/National Provider ID (TIN/NPI).

The measure can be reported at the clinician (TIN-NPI) or clinician group (TIN) level.

Under MIPS the case minimum for reporting is 20 episodes, regardless of reporting level.
WHY TPCC MATTERS

- Provides meaningful information about the costs associated with delivering care to Medicare beneficiaries attributed to their TIN-NPIs.

- In year 2 of MIPS, the Cost category score is calculated using the MSBP and TPCC measures. It counts for 10% of your final score.
  - Easier to transition to an increased cost weighting in future years.
  - Urge you to review and understand your performance on cost measure.

- If you participate in a MIPS APM, the MIPS APM will apply a 0% weight to the Cost performance category because MIPS APMs measure cost in other ways.
HOW TO PREPARE FOR MIPS COST SCORING

HOW TPCC IS CALCULATED

Medicare Part A and Part B costs for services provided to beneficiaries are:

1. Payment
2. Standardized and Annualized
3. Risk Adjusted
4. Specialty Adjusted
HOW TO PREPARE FOR MIPS COST SCORING

TPCC NUMERATOR & DENOMINATOR

Sum of the annualized, risk-adjusted, specialty-adjusted Medicare Part A and Part B costs across all Medicare beneficiaries attributed to a TIN-NPI, within a TIN or TIN-NPI*

# of all Medicare beneficiaries who received Medicare-covered services and are attributed to a TIN-NPI, within a TIN or TIN-NPI* during the performance period

*Depends on the level of reporting
QUESTION:

- How do the two cost measures translate into a MIPS cost score?
HOW TO PREPARE FOR MIPS COST SCORING

MIPS SCORING

- Each individual MIPS eligible clinician’s and group’s cost performance will be calculated using administrative claims data if they meet the case minimum of attributed patients. No data submission needed.

- A Cost performance score is calculated if the case minimums are met. (20 cases for TPCC or 35 cases for MSPB). If not, the Quality category will be reweighted to 60% of the 2018 final score.

- 1 to 10 points are assigned to each measure. Points earned on the cost measures (either one or both) are converted to a combined percentage and then multiplied by 10 to produce the overall MIPS cost score.
MIPS SCORING

Cost Score Examples

Step 1: Get Cost Scores
TPCC Score: 8/10
MSPB Score: 6/10

Step 2: Combine Scores & Divide by Possible Pts
8 + 6 = 14 / 20 = .7 (70%)

Step 3: Convert to MIPS Points
70% x 10 = 7 MIPS Pts

Step 1: Get Cost Scores
TPCC Score: 8/10
MSPB Score: NA

Step 2: Combine Scores & Divide by Possible Pts
8 + NA = 8 / 10 = .8 (80%)

Step 3: Convert to MIPS Points
80% x 10 = 8 MIPS Pts
QUESTION:

- What can I do to understand and improve my cost score?
HOW TO PREPARE FOR MIPS COST SCORING

USING QRUR

▸ Shows how groups and solo practitioners performed on quality and cost measures
  ▸ Relative to national benchmarks
  ▸ Indicates if eligible clinician will receive an upward, neutral or downward Value Modifier adjustment to their payments for items and services rendered under the Medicare Physician Fee Schedule in 2018.
  ▸ Reports available at: https://portal.cms.gov/wps/portal/unauthportal/home/
HOW TO PREPARE FOR MIPS COST SCORING USING QRUR

2016 ANNUAL QUALITY AND RESOURCE USE REPORT AND THE 2018 VALUE-BASED PAYMENT MODIFIER
SAMPLE MEDICAL PRACTICE
LAST FOUR DIGITS OF YOUR MEDICARE ENROLLED TAXPAYER IDENTIFICATION NUMBER (TIN): 0000
PERFORMANCE PERIOD: 01/01/2016 – 12/31/2016

YOUR TIN’S 2018 VALUE MODIFIER
High Quality, Low Cost = Upward Adjustment (+2.0 x adjustment factor)

Your TIN’s overall performance was determined to be high on quality measures and low on cost measures.

This means that the Value Modifier applied to payments for items and services under the Medicare Physician Fee Schedule for clinicians subject to the Value Modifier billing under your TIN in 2018 will result in an upward adjustment equal to two (+2.0) times the adjustment factor.

The scatter plot below shows how your TIN (“You” diamond) compares to a representative sample of other TINs on the Quality and Cost Composite scores used to calculate the 2018 Value Modifier.

Note: The scatter plot shows performance among a representative sample of all TINs with Quality and Cost Composite Scores reflecting standard deviations from the mean for each Composite Score.
HOW TO PREPARE FOR MIPS COST SCORING

USING QRUR

PERFORMANCE ON COST MEASURES

Your TIN’s Cost Tier: Low

Exhibit 5. Your TIN’s Cost Composite Score

<table>
<thead>
<tr>
<th>Low Cost</th>
<th>Average Cost</th>
<th>High Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤-4.0</td>
<td>-3.5</td>
<td>-3.0</td>
</tr>
<tr>
<td>-2.5</td>
<td>-2.0</td>
<td>-1.5</td>
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<tr>
<td>-1.0</td>
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<td>2.0</td>
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<td>3.0</td>
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<tr>
<td>3.5 &gt;</td>
<td>4.0</td>
<td></td>
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</tbody>
</table>

Standard Deviations from the Peer Group Mean (Negative Scores Are Better)

What cost measures are used to calculate the Cost Composite Score?

Six cost measures are used to calculate your TIN’s Cost Composite Score based on performance in 2016:

1. Per Capita Costs for All Attributed Beneficiaries
2. Per Capita Costs for Beneficiaries with Diabetes
3. Per Capita Costs for Beneficiaries with Chronic Obstructive Pulmonary Disease (COPD)
4. Per Capita Costs for Beneficiaries with Coronary Artery Disease (CAD)
5. Per Capita Costs for Beneficiaries with Heart Failure
6. Medicare Spending per Beneficiary
**Exhibits 6-A and B. Information Used in the Calculation of Your TIN’s Cost Composite Score**

### A. Summary Cost Performance

<table>
<thead>
<tr>
<th>Your TIN</th>
<th>All TINs in Peer Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Domains Included</td>
<td>Benchmark (Peer Group Mean Summary Score)</td>
</tr>
<tr>
<td>Summary Score (Mean Domain Score)</td>
<td>Cost Composite Score (Standardized Summary Score)</td>
</tr>
<tr>
<td></td>
<td>2</td>
</tr>
</tbody>
</table>

### B. Cost Domain Scores

<table>
<thead>
<tr>
<th>Domain</th>
<th>Number of Measures Included in Domain Score</th>
<th>Domain Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costs for All Beneficiaries</td>
<td>1</td>
<td>-1.87</td>
</tr>
<tr>
<td>Costs for Beneficiaries with Specific Conditions</td>
<td>4</td>
<td>-1.80</td>
</tr>
</tbody>
</table>
The QRURs also contain important information about care delivered to Medicare beneficiaries that can be used to better understand quality and cost performance. The QRUR tables provide data on TIN’s attributed beneficiaries and their use of health care services. The information can be used to streamline resource use, identify care coordination and focus outreach efforts.

The beneficiaries’ data can also help focus care management efforts to improve outcomes and prevent hospitalization.

You can use the Hierarchical Conditions Categories (HCC) to identify beneficiaries attributed to your TIN who are at higher risk of requiring high-cost-care, compared to all Medicare beneficiaries.

Use the information on hospitals that are admitting your patients to better coordinate post discharge follow-up visits.
OTHER TIPS TO IMPROVE MY SCORE

- Review 2017 MIPS Feedback Report when released and focus on weakness areas
- Awareness of patient population and their needs
- Awareness of how patients are attributed to you
- Closing the referral loop
- Other cost containment tips
- Care coordination manager
- Chronic care management practices
QUESTION:

- If I need more help, where can I go?
FREE RESOURCES FOR ASSISTANCE FROM CMS

- QPP website: https://qpp.cms.gov/ --includes information tailored for the needs of small practices

- Contact the Quality Payment Program at: QPP@cms.hhs.gov or call 1-866-288-8292

- Support and Available resources for Small, Underserved, and Rural Practices:
  https://qualitypaymentprogram.cms.gov/about/small-underserved-rural-practices

- Small Underserved Rural Support Technical Assistance Organizations (see list on slide 8)
  - Contact information is available at: https://qpp.cms.gov/docs/QPP_Support_for_Small_Practices.pdf
  - Available websites of each Technical Assistance Organization
  - Types of help: needs assessments, webinars, technical support, links to peers you can talk with, assistance getting signed up to report through an approved channel that meets your practice’s needs

- **FREE Technical Assistance funded by CMS** is also available for larger group practices and for clinicians interested in participating in an Alternative Payment Model. More information on those programs is available at: https://www.cms.gov/Medicare/Quality-Payment-Program/Resource-Library/Technical-Assistance-Resource-Guide.pdf
FREE RESOURCES FOR ASSISTANCE FROM CMS

- Year 2 Overview Fact Sheet
- Final Rule Executive Summary
- Data Submission fact sheet
- CMS Data Submission instructional videos:
  - Merit-based Incentive Payment System (MIPS) Data Submission
  - Advancing Care Information (ACI) Data Submission for Alternative Payment Models (APMs)
  - Data Submission via a Qualified Clinical Data Registry and Qualified Registry
- QRUR: https://portal.cms.gov/wps/portal/unauthportal/home/
- Other national webinars focused on small practices
- Other national events about Quality Payment Program
POLLING QUESTION

What do you think will be your biggest challenge to earning a good MIPS Cost Performance category score?
WRAP-UP ACTIVITIES

▸ Reminders:
  ▪ The deadline to submit 2017 data via the QPP portal is March 31, 2018.
  ▪ Annual Call for Measures and Activities for MIPS
    ▪ Information available here
  ▪ Study on Burdens Associated with Reporting Quality Measures to Receive Improvement Activity Credit for 2018. Apply here
  ▪ Links to the recordings of the event are available here: https://qppsurs.wordpress.com/resources/
  ▪ April: Using Improvement Activities to Enhance Performance Scores
    ▪ April 17, 2018 at 3:30pm ET: Register
    ▪ April 19, 2018 at 11:00am ET Register
  ▪ Please provide feedback on this event: Feedback Form
REFERENCES

Some of the materials contained in these slides is drawn from:


http://www.healthcarefornewengland.org/event/qpp_year2_mha/ Slide decks created by event panelists also provided information reflected in this presentation. The input from project panelists is gratefully acknowledged.

QRUR: https://portal.cms.gov/wps/portal/unauthportal/home/


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### ACRONYMS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>APM</td>
<td>Alternative Payment Model</td>
</tr>
<tr>
<td>BBA</td>
<td>Bipartisan Budget Act</td>
</tr>
<tr>
<td>CMS</td>
<td>Centers for Medicare &amp; Medicaid Services</td>
</tr>
<tr>
<td>CNS</td>
<td>Clinical Nurse Specialist</td>
</tr>
<tr>
<td>CRNA</td>
<td>Certified Registered Nurse Anesthetist</td>
</tr>
<tr>
<td>HCC</td>
<td>Hierarchical Conditions Categories</td>
</tr>
<tr>
<td>MIPS</td>
<td>Merit-based Incentives Payment System</td>
</tr>
<tr>
<td>MSPB</td>
<td>Medicare Spending Per Beneficiary</td>
</tr>
<tr>
<td>NP</td>
<td>Nurse Practitioner</td>
</tr>
<tr>
<td>NPI</td>
<td>National Provider Identifier</td>
</tr>
<tr>
<td>PA</td>
<td>Physician Assistant</td>
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<tr>
<td>QPP</td>
<td>Quality Payment Program</td>
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<td>QRUR</td>
<td>Quality and Resource Use</td>
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<td>Report</td>
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<tr>
<td>SURS</td>
<td>Small Underserved Rural Support</td>
</tr>
<tr>
<td>TIN</td>
<td>Tax Identification Number</td>
</tr>
<tr>
<td>TPCC</td>
<td>Total Per Capita Costs</td>
</tr>
<tr>
<td>VM</td>
<td>Value-Based Payment Modifier Program</td>
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