

Web Seminar

# Big data and healthcare: Implications for use and privacy

SPONSORED BY



HOSTED BY



The Resource for HIT Leaders

[Login](#)[Register](#)

## HIT Think How MACRA will shift providers' IT efforts

By **Barry P. Chaiken**

Published July 19 2016, 4:36pm EDT

More in [Primary care physicians](#), [SGR Repeal](#), [Meaningful use](#), [CMS](#) [Print](#) [Email](#) [Reprints](#) [Share](#)

The 2015 Medicare Access and CHIP Reauthorization Act (MACRA) opened the way for the Department of Health and Human Services to streamline the quality improvement and healthcare information technology programs built over the past several years.

In addition, the proposed rules released last April signaled a significant shift in the focus of the Meaningful Use program, moving from tactical implementation to strategic goal setting heavily focused on quality of care.

Since the passage of the 2009 HITECH Act, the quality reporting and meaningful use criteria grew in complexity and breadth, making it difficult for providers to follow the program guidelines. The proposed MACRA rule attempts to lessen the burden for physicians—a rule for provider organizations is under development—while working to better achieve goals of improved quality of care and effective use of information technology.

Currently, Medicare physicians submit data to a variety of uncoordinated quality reporting programs, such as accountable care organizations, the Comprehensive Primary Care Initiative, Medicare Shared Savings Program, the Physician Quality Reporting System, the Value Modifier Program and the EHR Incentive Program, widely known as the meaningful use program.

# The new face of physician payment

MIPS includes four weighted components for reimbursement

- Quality, 50%
- Advancing Care Information, 25%
- Clinical Practice Improvement, 15%
- Cost, 10%



Source: HHS

The proposed MACRA rule attempts to aggregate the current reporting programs into a more manageable form by offering two distinct reporting options and reducing the number of metrics required overall. The new Quality Payment Program offers two paths: the Merit-Based Incentive Payment System or MIPS, and the advanced Alternative Payment Models or APMs.

The proposed rule targets only eligible clinicians who receive payment from CMS and includes a long list of providers in addition to physicians. The quality reporting period begins in calendar year 2017 with the results impacting CMS payments in calendar year 2019.

HHS expects most program clinicians to participate in the MIPS program. As outlined, the MIPS program adjusts reimbursement based on four areas:

**Quality.** From a broader list, clinicians choose six key measures whose results account for 50 percent of the overall incentive score.

**Cost.** Using claims, HHS assigns a value equal to 10 percent of the overall incentive score.

**Advancing Care Information.** With an emphasis on interoperability and information exchange, clinicians choose to report on their use of information technology with this measure impacting 25 percent of the overall incentive score.

**Clinical Practice Improvement Activities.** From a list of 90 options, clinicians choose activities that match their practice, with results impacting 15 percent of the overall incentive score.

HHS expects to distribute \$500 million in incentive payments in 2019 to eligible clinicians as a consequence of the MIPS program. In addition, the agency estimates the APM incentive program to disburse \$200 million in incentive payments.

The MACRA program reorients Medicare reimbursement towards quality measures through the application of bonus payments tied to specific metrics. By taking this step, CMS further advances the focus on reimbursement tied to value rather than volume.

For the MACRA program to be effective, patient data from numerous points of care must be collected to generate the appropriate metrics used by the incentive system. The current lack of effective interoperability presents a substantial barrier to producing these quality metrics.

By allocating 25 percent of the incentive score to Advancing Care Information, CMS morphs the Meaningful Use program into a goal-oriented effort focused on interoperability. Rather than be prescriptive on what to achieve and how to achieve it, CMS leaves vendors and providers to figure out how to exchange information to generate the necessary quality reports required to receive incentive payments. It is hoped that this new incentive will correct the problems of interoperability not solved during the original Meaningful Use programs delivered under the 2009 HITECH act.

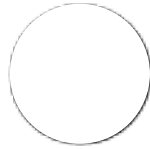
It is unclear whether the MACRA rule and its incentives offer enough of a push to vendors to remove the existing barriers to interoperability inherent in their software. Similarly, provider organizations may not have enough of an incentive to correct their own problems of data blocking, whether intentional or not.

Nevertheless, this effort by CMS continues a focus on pay for value rather than pay for volume, tied to open and flexible metrics that accommodate differences in practice type and medical

discipline.

Historically, CMS has led the way in many types of reimbursement schemes with private payers following close behind. It will be interesting to see what programs private payers roll out and how they overlap the effort put forward in the MACRA rule by CMS. Corporations and patients, who ultimately foot the bill for healthcare, will be watching.

---



## **Barry P. Chaiken**

Barry Chaiken is the president of DocsNetwork Ltd. and has more than 25 years of experience in medical research, epidemiology, clinical information technology, and patient safety. He is board certified in general preventive medicine and public health and is a fellow, former board member, and chair of HIMSS.

### **More from this Author**

**[Why the explosion of IoMT exposes providers' security weaknesses](#)**

**[EHR vendors raise provider expectations for other IT vendors](#)**

**[New standard can 'FHIR up' precision medicine](#)**

---

## **Comments**

**[Login](#) or [Register](#)**