



# Proposed MACRA participation threshold gets mixed reviews

BY GREGORY TWACHTMAN

**P**roposed changes to the Quality Payment Program (QPP) – the value-based payment program established by the Medicare Access and CHIP Reauthorization Act (MACRA) – are drawing mixed reactions from physicians.

A key component of the proposed update to the QPP is an expansion of the exemption threshold for the Merit-Based Incentive Payment System (MIPS). Currently, physicians are exempt from MIPS if they bill \$30,000 or less in Medicare Part B charges or have 100 or fewer Medicare patients. The proposal would increase the number of exempt physicians by raising the threshold to \$90,000 or less in Part B charges or 200 or fewer Medicare patients. Eligible clinicians and group practices that fall below the threshold can still voluntarily submit data, but they will not be scored for their participation in MIPS and will not be eligible for bonuses or face penalties for not meeting goals.

The expanded threshold proposal drew praise from the American Medical Association for exempting many small and rural practices from the requirements, but they also called on the agency to move more quickly in notifying physicians if they fall into the exempt category.

“By raising the low-volume threshold and not offering an opt-in ability, CMS is further and needlessly delaying practices from payment based on value over volume, as well as the intent behind the establishment of virtual groups,” the American Academy of Family Physicians wrote in com-

ments to the Centers for Medicare & Medicaid Services.

The Association of American Physicians & Surgeons suggested the volume threshold didn’t go far enough. “We ask that CMS consider a further widening of the threshold to all practices with 18 or fewer clinicians,” the group said in its comments on the proposal. “A threshold in terms of billing amounts and the number of patients creates an unhelpful incentive for physicians to turn away Medicare patients in order to qualify for the exemption.”

The group argued that larger practices can better absorb the cost of complying with MACRA regulations and basing participation on billing could create uncertainty due to fluctuations in billing from year-to-year.

## Opt-in option?

Several other groups sought a pathway for exempt physicians to opt into the program and take advantage of bonuses, especially those who had already prepared for the program based on the lower initial threshold.

The Endocrine Society supports the expansion of the threshold, but called on the CMS to provide a pathway for those who want to participate if they are otherwise excluded.

The American Osteopathic Association also called for a pathway for exempted physicians to opt in. And they cited two negative effects of expanding the threshold to a wider group of physicians. “First, it will result in wasted resources from practices that prepared for MIPS participation and

are now unable to participate,” the association said in comments to the CMS. “Second, it will have the effect of dividing all practices into two levels: those that are incentivized to provide value-based care, and a significant number that are not eligible for such incentives.”

### **Expansion goes too far**

But the AMGA, which represents group practices, called the new threshold “counterproductive” in its comment letter and suggested that the CMS should be lowering the threshold, not raising it.

AMGA noted that eligible clinicians who do not meet the threshold, but

who are providing high-value care as defined by the QPP, are “forced to leave higher reimbursement rates on the table; these could be considerable over time.” Expanding the exemption decreases the money available for those who are required to participate. The CMS estimates in the proposed rule that in payment year 2019, \$1.333 billion would be paid to top performers (including \$500 million in exceptional performance bonus payments), but under the newest proposal, that number drops to \$673 million (including \$500 million in exceptional performance bonus payments). This will translate to a 0.3% pay bump in 2020.

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