

MEMBER BULLETIN NO. 2

MEDICARE ACCESS & CHIP REAUTHORIZATION ACT (MACRA) 2016: A GOLDEN OPPORTUNITY FOR TELEHEALTH EXPANSION

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What is MACRA?

MACRA (Medicare Access and CHIP Reauthorization Act 2015) is bi-partisan legislation that will transform the current fee-for-service payment system for doctors and other healthcare providers to a value-based system. Starting in 2019, payment incentives for healthcare providers will shift efforts away from treating sickness to keeping the population healthy. This is likely to drive new investments in telehealth technologies that enable healthcare providers to meet MACRA requirements, including improving access to care, improving care team communication and coordination, and reducing healthcare utilization and costs.

How is MACRA structured?

Physicians and other applicable providers will join one of two payment tracks depending on their eligibility. While most physicians will initially be on the Merit Based Incentive (MIPS) track, the Advanced Payment Models (APM) track is expected to grow overtime. The MACRA proposed

Merit Based Incentive Program (MIPS)	Advanced Payment Models (APM)
<i>The majority of providers are expected to join this track initially.</i>	<i>Providers who qualify for this track will be exempt from MIPS.</i>
Quality	Next Generation ACOs
Resource Use	Comprehensive ESRD Care Model
Clinical Practice Improvement Activities	Comprehensive Primary Care Plus (CPC+)
Advancing Information (formerly Meaningful Use of Certified EHR)	Medicare Shared Savings Program (Tracks 2 & 3)
	Oncology Care Model (2 sided risk arrangements)

rule assigns points in each track to activities that improve quality (including patient experience) and reduce cost and resource utilization. Physicians will receive bonus payments (or penalties) depending on their performance. Expanding the use of telehealth will be an important way for physicians to meet many of the requirements in both the MIPS and APM tracks.

How is MACRA expected to impact healthcare providers?

Under MACRA healthcare providers will be subject to strong incentives to:

- Expand their practice access to include 24/7 services
- Focus on the whole patient
- Track and reduce use of healthcare resources, such as emergent and urgent care visits
- Manage population health

MACRA is also expected to result in pressures on smaller physician practices to consolidate into larger practices. This is because larger physician practices will likely be better able to invest

in the kinds of practice technologies, like telehealth, that will help them to score highly within the MIPS or APS frameworks and so receive higher payments.

How will MACRA create opportunities for telehealth expansion?

- Telehealth could be seen as just an additional cost under the old fee-for-service environment. In MACRA's new, value-based environment telehealth is an obvious way to achieve the access, cost, and quality goals that will lead to higher provider payments. So providers are now more likely to be interested in telehealth. Also, as physician practices consolidate, they are more likely to have the kinds of staff who understand and are supportive of sophisticated technologies like telehealth.
- MACRA places a clear focus on treating the whole person. Patients will be attributed to providers, thus creating a strong incentive for providers to communicate more effectively with each other and to engage with patients more effectively between office visits. Telehealth modalities, including remote home monitoring, will be key to these efforts.
- Resource utilization will be tracked much more closely under MACRA which will be a driver for seeking greater cost effectiveness. Telehealth is a proven way of reducing emergent and urgent care use through remote home monitoring, and is also a more cost effective way of providing visits when patients do need to see a provider.
- Expanding practice access to patients is a heavily weighted points category under MACRA. Physicians who use telehealth will have greater opportunities to achieve this goal and thus to receive higher scores leading to higher payments.
- Telehealth will be able to make contributions to managing population health, particularly through the use of remote home monitoring.
- In the CPC+ track the Centers for Medicare and Medicaid Services (CMS) are not only allowing but are *encouraging* the use of telehealth. Physicians will be able to pay for telemedicine investments to their practices using CMS dollars in order to provide 24/7 access and e-visits.

What is the timeline for implementing MACRA?

MACRA was passed by congress in 2015. A proposed rule was issued in April 2016. Comments were due June 27th 2016. The final rule will be issued in November 2016 and measurement for physician offices will begin on January 1, 2017. Physicians will begin receiving payments (or penalties) under the new system in 2019 based on the two years of data that will be collected starting in January 2017.

How can I learn more?

The CMS website contains detailed information about MACRA with additional links to other sites with detailed information about specific parts of the process:

<https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/MACRA-MIPS-and-APMs.html>

You may also want to watch this webinar that explains MACRA in simple terms and outlines the opportunities for expanding telehealth: <https://www.avizia.com/webinar-macra-telehealth-reimbursement/>

The proposed rule can be accessed at: <https://s3.amazonaws.com/public-inspection.federalregister.gov/2016-10032.pdf>