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New Players in the Payment Process

Until recently, the major players in the process of determining payment amounts for professional medical services were the CPT® Editorial Panel (CPT), the AMA/Specialty Society Relative Value System Update Committee (RUC) and the Centers for Medicare & Medicaid Services (CMS). As we move from traditional Fee for Service (FFS) into Value Based Purchasing (VBP), new entities have come into the picture. This Timely Topic will cover three of these entities. It is important to note that these are additional players and don't replace those already in existence.

The CPT Editorial Panel maintains the CPT code set which describes the services and procedures performed by physicians and other qualified health care professionals. CPT is not involved in the valuation process but its role in describing a particular service and its rules in proper use of the codes are foundational to the valuation process. The RUC receives recommendations from specialty societies on the value that should be assigned to a service as described by a CPT code. The RUC reviews the results of surveys conducted by the interested society(ies) and then forwards its own recommendation on the value of the service to CMS. Just as the RUC may or may not agree with the recommendation it receives from the specialty, CMS may or may not agree with the recommendation it receives from the RUC. The final decision on the value of the service – as expressed by the number of relative value units (RVUs) or base units for anesthesia services – rests with CMS.

Now that alternative payment models are assuming a larger role in both the provision of and payment for healthcare, new entities have been created to help facilitate APM development and adoption.

CMMI

The Affordable Care Act (ACA) created the Center for Medicare and Medicaid Innovation (CMMI) – also known as the CMS Innovation Center – which is housed within CMS. The CMMI's purpose is to test *"innovative payment and service delivery models to reduce program expenditures…while preserving or enhancing the quality of care"*[1] to those who are Medicare, Medicaid or Children's' Health Insurance Program (CHIP) beneficiaries.

The CMMI plays an important role in the implementation of the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA). MACRA's Quality Payment Program (QPP) includes both the Merit-based Incentive Payment System (MIPS) and Alternative Payment Models (APMs). It is in the latter that CMMI is especially influential.

1 Centers for Medicare & Medicaid Services Center for Medicare and Medicaid Innovation Report to Congress, December 2016

There are close to 50 active models in the CMMI portfolio. These include:

- Bundled Payment for Care Improvement Models 1,2,3 and 4
- Comprehensive Care for Joint Replacement Model
- Million Hearts ®
- Oncology Care Model
- Pioneer and Next Generation Accountable Care Organization models

Some people have questioned what may happen to the CMMI if the ACA is repealed. Given its relevance to MACRA, which will likely not be considered for repeal since it was passed by Congress with substantial bilateral and bicameral support, some iteration of CMMI could continue without the ACA.

PTAC

The Physician Focused Technical Advisory Committee (PTAC) provides comments and recommendations to the Department of Health and Human Services (DHHS) on physician focused payment models. This PTAC was established under MACRA. It can recommend that a model be refined, subjected to further study, tested or implemented. DHHS considers the PTAC's recommendations then tasks the CMMI with carrying out its decision.

The models that come via the PTAC are not necessarily Advanced APMs under MACRA. Remember, under MACRA, an Advanced APM:

1. Requires use of a certified electronic health record (EHR),
2. Uses quality measures that are comparable to those in MIPS, and
3. Is an expanded medical home per CMMI or requires participants to assume more than nominal risk

The PTAC finalized the process it will use to review proposals in November 2016 and began accepting proposals in December 2016. ASA's comments on the review process are available here. The PTAC will forward its recommendations on the first round of proposals to DHHS this spring and we could see the first of the accepted models become active in 2018.

Please see the PTAC website to learn more about this committee and how it will work.

HCP-LAN

Because delivery and payment innovation is not limited to Medicare, Medicaid and CHIP, DHHS formed the Health Care Payment Learning and Action Network (HCP-LAN) in March 2015. HCP-LAN participants include private payers, providers, healthcare consumers and others working collaboratively to promote adoption of APMs.

The HCP-LAN uses workgroups to develop recommendations on how to move APM models forward toward adoption and practice. Thus far, there are six workgroups including one

specific to Clinical Episode Payments which is of particular interest to specialists such as physician anesthesiologists. For purposes of MACRA QPP participation, keep in mind that once a part of an Advanced APM (criteria noted above), an eligible clinician (EC) must have a specified percent of patients or payments come through the Advanced APM. Starting in 2021, these thresholds can be met through an all-payer option to include both Medicare and non-Medicare patients and payments. This adds both urgency and importance to the HCP-LAN.

You may be familiar with the saying that you can't tell the players without a scorecard. In that spirit, this Timely Topic concludes with a roster of all the players and acronyms it includes.

ACA	Affordable Care Act
APM	Alternative Payment Model
CHIP	Children's Health Insurance Program
CMMI	Center for Medicare and Medicaid Innovation
CMS	Centers for Medicare & Medicaid Services
CPT	Current Procedural Terminology
DHHS	Department of Health and Human Services
EC	Eligible Clinician
EHR	Electronic Health Record
FFS	Fee for Service
HCP-LAN	Health Care Payment and Learning Action Network
MACRA	Medicare Access and CHIP Reauthorization Act
MIPS	Merit-based Incentive Payment System
PTAC	Physician-focused Technical Advisory Committee
QPP	Quality Payment Program
RUC	AMA/Specialty Society Relative Value System Update Committee
RVU	Relative Value Unit
VBP	Value Based Purchasing