

CMS ANNOUNCES PLAN TO UTILIZE MEDICARE PART B PAYMENT ADJUSTMENT PROCESS TO PROVIDE INCENTIVES FOR PARTICIPATION IN COVID-19 RELATED RESEARCH

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THE MERIT-BASED INCENTIVE PAYMENT SYSTEM (MIPS)

Implemented in 2017, CMS's Quality Payment Program (QPP) has shifted Medicare Part B providers to a performance-based payment system. Prior to the QPP, payment increases for Medicare services were set by the Sustainable Growth Rate (SGR) which became an ineffective method for reimbursement calculation based upon Medicare population growth. Continued use of the SGR was predicted to result in unsustainable decreases in the Physician Fee Schedule. With the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA), CMS did away with the SGR, paving the way to rewarding high-value, high-quality Medicare clinician performance and reducing payments for sub-par performance.

The QPP enables providers to choose activities and measures that are most meaningful to their practices. As part of the QPP, the MIPS converges the Physician Quality Reporting System (PQRS), the Value-based Payment Modifier (VM) Program and the Medicare Electronic Health Record (EHR) Incentive Program (Meaningful Use) into one single coordinated performance-based payment system. Based upon performance in four weighted performance categories (Quality, Advancing Care Information, Improvement Activities, and Cost), a MIPS Final Score (aka MIPS Composite Performance Score) is calculated to determine Medicare Part B payment adjustments.

HARNESSING MIPS AS AN INCENTIVE PROGRAM

CMS, in coordination with the White House Coronavirus Task Force, announced yesterday that qualifying clinicians participating in the QPP may earn MIPS while also contributing to important scientific research and evidence to fight the COVID-19 pandemic. These physicians, physician assistants, nurse practitioners, and others who participate in certain clinical trials and/or clinical information reporting will not only be providing vital data to help drive improvement in patient care but will also automatically earn half of the total credit needed to earn a maximum score in the MIPS Improvement Activities performance category. The Improvement Activities category of MIPS is intended to encourage eligible clinicians to participate in activities that improve clinical practice in areas such as shared decision making, patient safety, coordinating care, and increasing access. At 15%, this category is heavily weighted in setting the clinician's MIPS Final Score.

PARTICIPATION IN THE MIPS COVID-19 CLINICAL TRIALS IMPROVEMENT ACTIVITY

To receive credit, clinicians should immediately begin identifying COVID-19 clinical trial opportunities that fit the constraints of their practices. Qualifying clinical trials may be privately or publicly funded COVID-19 studies (i.e., conducted by the National Institute of Health), with many currently listed <u>here</u>. The trials typically involve the use of a drug or biological product to treat a patient with a COVID-19 infection, with designs ranging from traditional double-blind placebo-controlled to adaptive or pragmatic designs adaptable to practice workflow. Clinicians will attest to the fact that they participate in the stud(ies) and for the duration of the research, report their findings through a clinical data repository or clinical data registry. Oracle has established one such repository, the COVID-19 Therapeutic Learning System, and has donated the system to the U.S. government for free access by clinicians.

CONCLUSION

This dual purposing of CMS's performance-based payment system is a significant and innovative action designed to help the US monitor the spread of the virus, find innovative medical solutions, and unleash scientific discovery. It complements the US Food and Drug Administration's general shift towards the use of real-world data in regulated product development, encouraging clinicians to report data that will help develop innovative best practices to manage the spread of COVID-19. Utilization of open source data tools for submitting ongoing research findings will ideally lead to faster identification of cures and improvements in COVID-19 care delivery. Like with the expansion of telehealth, we are hopeful that the data gathered during this period will form the basis for a substantiated argument for post-pandemic utilization.

If you have any questions about these pharmacy measures, please contact a member of the <u>Life Sciences</u> team. For any other concerns arising from the pandemic, please contact a member of our <u>COVID-19 Task Force</u>.

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