Physician-Focused Payment Model
Technical Advisory Committee (PTAC)

Dr. Jeff Bailet- PTAC Chair
Elizabeth Mitchell- PTAC Vice Chair
November 2, 2016
The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)

- Bipartisan legislation **repealing** the Medicare Sustainable Growth Rate (SGR) Formula
- Changes how Medicare **rewards** clinicians for **value** over **volume**
- Created **Merit-Based Incentive Payments System (MIPS)** that streamlines three previously separate payment programs:
  - **Physician Quality Reporting Program (PQRS)**
  - **Value-Based Payment Modifier**
  - **Medicare EHR Incentive Program**

- Provides **bonus payments** for participation in **eligible alternative payment models (APMs)**
- Section 101 (e)(1) **creates** the Physician-Focused Payment Model Technical Advisory Committee
Highlights of MACRA

- Repeals the Sustainable Growth Rate (SGR) Formula
- Streamlines multiple quality reporting programs into the new Merit-based Incentive Payment System (MIPS)
- Provides incentive payments for participation in Alternative Payment Models (APMs)

The Merit-based Incentive Payment System (MIPS) or Advanced Alternative Payment Models (APMs)

✓ A better, smarter Medicare for healthier people
✓ Pay for what works to create a Medicare that is enduring
✓ Health information needs to be open, flexible, and user-centric
How does MACRA provide additional rewards for participation in APMs?

- Most physicians and practitioners who participate in APMs will be subject to MIPS and will receive favorable scoring under the MIPS clinical practice improvement activities performance category.
- Those who participate in the most advanced APMs may be designated as qualifying APM participants (“QPs”). As a result QPs:
  1. Are not subject to MIPS
  2. Receive 5% lump sum bonus payments for years 2019-2024
  3. Receive a higher fee schedule update for 2026 and onward
PTAC’s Statutory Charge

• The Physician-Focused Payment Model Technical Advisory Committee (PTAC) was created under the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)

• The purpose of PTAC is to:
  – Review proposals submitted by individuals and stakeholder entities for physician-focused payment models (PFPMs); and
  – Provide comments and recommendations to the Secretary of Health and Human Services (the Secretary) regarding whether each proposal meets criteria for PFPMs established by the Secretary
Criteria for Evaluating Models

- Scope of proposed payment model (high priority)
- Promoting quality and value (high priority)
- Flexibility for practitioners
- Payment methodology (high priority)
- Evaluation goals
- Integration and care coordination
- Patient choice
- Patient safety
- Health information technology
Secretarial Response

• By statute, the Secretary of HHS must review the comments and recommendations of PTAC and post a detailed response on the website of the Centers for Medicare & Medicaid Services (CMS)
PTAC Composition

- Eleven members appointed by the GAO
- Have national recognition for their expertise in physician-focused payment models and delivery of care
- No more than five are providers or representatives of providers
  - The terms of the committee members are intended to be staggered, with the first set of appointments for terms of 1, 2, or 3 years.
  - Committee members may be appointed for subsequent 3-year terms.
- For a full list of all PTAC members, visit PTAC’s website at https://aspe.hhs.gov/members-physician-focused-payment-model-technical-advisory-committee
What is a Physician-Focused Payment Model?

- A physician-focused payment model (PFPM) is an Alternative Payment Model:
  1. In which Medicare is a payer;
  2. In which eligible clinicians that are eligible professionals as defined in section 1848(k)(3)(B) of the Act are participants and play a core role in implementing the APM’s payment methodology, and
  3. Which targets the quality and costs of services that eligible professionals participating in the Alternative Payment Model provide, order, or can significantly influence.
PFPM = Physician-Focused Payment Model

Goal: to encourage new APM options for Medicare clinicians

11 GAO appointed care delivery experts that review proposals, submit recommendations to the HHS Secretary

Secretary comments on CMS website, CMS considers testing proposed models
Stakeholder model submissions

• PTAC began receiving letters of intent (LOI) on October 1, 2016
  – LOIs must be submitted at least 30 days prior to full proposals
  – LOIs can be sent to PTAC@hhs.gov
• Full proposals will be accepted starting on December 1, 2016 and submitted through ScholarOne for review
PTAC is attempting to balance several principles in its request for model submissions:

- Giving succinct instructions.
- Providing ample information so the submission is complete.
- Making submission easy.
- Requesting sufficient details from submitters.
- Facilitating efficient evaluation.
Overall Proposal Submission Timeline

- **Letter of Intent**: 30 Days
- **PTAC Proposal Review & Recommendation**: 16 Weeks
- **HHS Decision**:
  - **Not Recommended**
  - **Not Approved by HHS for Testing or Implementation**
- **CMS Actions to Enable Physicians to Be Paid Under PFPM**: ?

Flowchart:

1. Letter of Intent
2. PTAC Proposal Review & Recommendation
3. HHS Decision
   - Not Recommended
   - Not Approved by HHS for Testing or Implementation
4. CMS Actions to Enable Physicians to Be Paid Under PFPM
Proposal Review and Recommendation Process

**PTAC Proposal Review & Recommendation**

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Activity</th>
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<tbody>
<tr>
<td>2 Weeks</td>
<td>Ensure Proposal is Complete</td>
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<tr>
<td>1 Week</td>
<td>Appoint Prelim. Review Team</td>
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<tr>
<td>3 Weeks</td>
<td>Review Team Identifies Questions and Concerns Regarding Proposal</td>
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<tr>
<td>3 Weeks</td>
<td>Revised Application Needed</td>
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<td>Public Comment Period</td>
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<tr>
<td>?</td>
<td>Responses to Questions &amp; Concerns from Applicant</td>
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<tr>
<td>Within 30 Days</td>
<td>Discussion and Decision on Recommendation by PTAC</td>
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<tr>
<td>2 Weeks</td>
<td>Report to HHS Sec.</td>
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<tr>
<td>2 Weeks</td>
<td>Public Report</td>
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Overall PTAC Timeline

9/15/16

- Comments Accepted on Draft Process, Proposal Information Requirements, and Basis for Recommendation

10/14/16

- Final HHS Criteria for PFPMs
- Proposal RFP Issued

12/1/16

- PTAC Begins Accepting PFPM Proposals

Spring 2017

- Recommendations Made on Initial Proposal Submissions

TBD

- HHS and CMS Decisions and Actions
- Physicians Being Paid Under Initial PFPMs

PFPM = Physician-Focused Payment Model
PTAC Priorities

• Preparation for proposal submissions on December 1, 2016
• Public data availability
• Finalizing analysis plan and scoring methodologies
Opportunities for public participation

• At least quarterly public meetings
• Public comments are invited at all public meetings and on all key documents
• We invite you to visit PTAC’s website, https://aspe.hhs.gov/ptac-physician-focused-payment-model-technical-advisory-committee
• Email us at PTAC@hhs.gov with questions and join our listserv (https://list.nih.gov/cgi-bin/wa.exe?A0=PTAC) to stay updated on all PTAC activities
• Questions?