

# Physician-Focused Payment Model Technical Advisory Committee Meeting

## PTAC Meeting Opening

Scott R. Smith

Designated Federal Official – PTAC

ASPE – Office of Health Policy

Department of Health & Human Services

# Physician-Focused Payment Model Technical Advisory Committee Meeting

## HHS Welcome

Richard G. Frank  
Assistant Secretary for Planning and Evaluation  
Department of Health & Human Services

# Physician-Focused Payment Model Technical Advisory Committee Meeting

## CMS Update

Andy Slavitt

Acting Administrator

Centers for Medicare & Medicaid Services (CMS)

# Physician-Focused Payment Model Technical Advisory Committee Meeting

## Information About NPRM MIPS/APM and Secretarial Criteria

Tim Gronniger  
Deputy Chief of Staff  
Centers for Medicare & Medicaid Services (CMS)

# QUALITY PAYMENT PROGRAM



# The Quality Payment Program is part of a broader push towards value and quality

In January 2015, the Department of Health and Human Services announced **new goals** for **value-based payments** and **APMs in Medicare**

## Medicare Fee-for-Service

### GOAL 1:

Medicare payments are tied to quality or value through **alternative payment models** (categories 3-4) by the end of 2016, and 50% by the end of 2018

**30%** 

### GOAL 2:

Medicare fee-for-service payments are **tied to quality or value** (categories 2-4) by the end of 2016, and 90% by the end of 2018

**85%** 



### STAKEHOLDERS:

Consumers | Businesses  
Payers | Providers  
State Partners



Set **internal goals** for HHS



Invite **private sector payers** to match or exceed HHS goals

# Medicare Payment Prior to MACRA

**Fee-for-service** (FFS) payment system, where clinicians are paid based on **volume** of services, not **value**.

## The Sustainable Growth Rate (SGR)

- Established in 1997 to **control the cost of Medicare payments** to physicians



Each year, Congress passed temporary **“doc fixes”** to avert cuts (no fix in 2015 would have meant a **21% cut** in Medicare payments to clinicians)

# Quality Payment Program

- ✓ **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 **Advanced Alternative Payment Models (APMs)**



**The Merit-based  
Incentive  
Payment System  
(MIPS)**

**or**

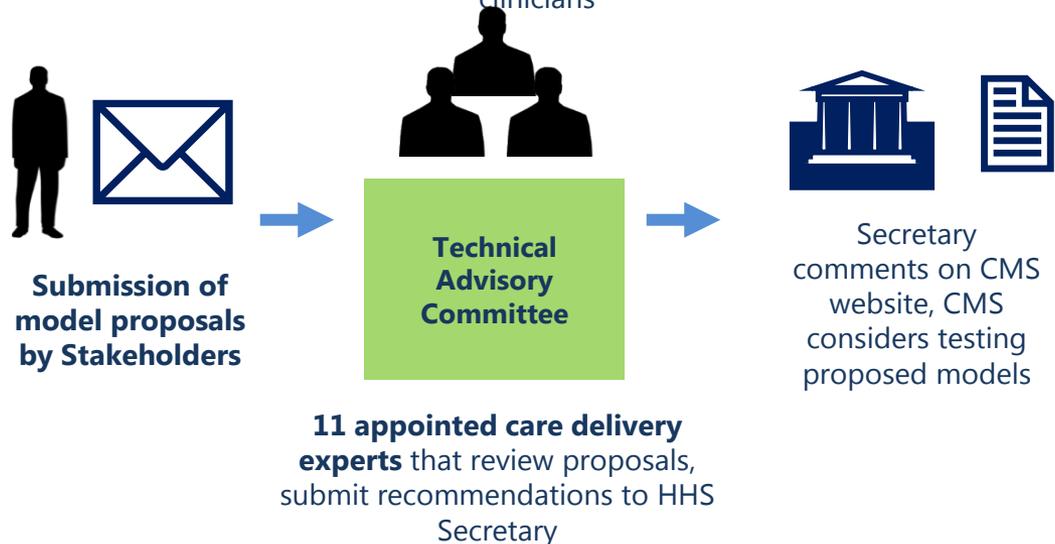
**Advanced  
Alternative  
Payment Models  
(APMs)**

- ✓ **First step to a fresh start**
- ✓ **We're listening and help is available**
- ✓ **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**

# Independent PFPM Technical Advisory Committee

PFPM = **Physician-Focused Payment Model**

Goal to encourage new **APM options** for Medicare clinicians



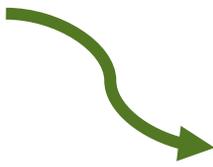
For more information on the PTAC, go to: <https://aspe.hhs.gov/ptac-physician-focused-payment-model-technical-advisory-committee>

# PROPOSED RULE

## Physician-focused Payment Model (PFPM)

Proposed definition: An Alternative Payment Model wherein Medicare is a payer, which includes physician group practices (PGPs) or individual physicians as APM Entities and targets the quality and costs of physician services.

Proposed  
criteria fall  
under 3  
categories



- ✓ **Payment incentives for higher-value care**
- ✓ **Care delivery improvements**
- ✓ **Information availability and enhancements**

Any PFPM that is selected for testing by CMS and meets the criteria for an Advanced APM would be an Advanced APM.

# What is an Alternative Payment Model (APM)?

APMs are **new approaches to paying** for medical care through Medicare that **incentivize quality and value**.

As defined by  
MACRA,  
**APMs**  
include:

- ✓ **CMS Innovation Center model** (under section 1115A, other than a Health Care Innovation Award)
- ✓ **MSSP** (Medicare Shared Savings Program)
- ✓ **Demonstration** under the Health Care Quality Demonstration Program
- ✓ **Demonstration** required by federal law

## Advanced APMs meet certain criteria.



As defined by MACRA, advanced APMs **must meet the following criteria:**

- ✓ The APM requires participants to use **certified EHR technology**.
- ✓ The APM **bases payment on quality** measures comparable to those in the MIPS quality performance category.
- ✓ The APM either: **(1)** requires APM Entities to bear more than nominal **financial risk** for monetary losses; **OR (2)** is a **Medical Home Model expanded** under CMMI authority.

# Proposed Rule Advanced APMs

Based on the proposed criteria, which current APMs will be Advanced APMs in 2017?

- ✓ **Shared Savings Program** (Tracks 2 and 3)
- ✓ **Next Generation ACO Model**
- ✓ **Comprehensive ESRD Care (CEC)** (large dialysis organization arrangement)
- ✓ **Comprehensive Primary Care Plus (CPC+)**
- ✓ **Oncology Care Model (OCM)** (two-sided risk track available in 2018)

# MIPS: First Step to a Fresh Start

- ✓ **MIPS is a new program**
  - **Streamlines 3 currently independent programs to work as one and to ease clinician burden.**
  - **Adds a fourth component to promote ongoing improvement and innovation to clinical activities.**



**Quality**



**Resource use**



**Clinical practice  
improvement  
activities**



**Advancing care  
information**

- ✓ **MIPS provides clinicians the flexibility to choose the activities and measures that are most meaningful to their practice to demonstrate performance.**

## When and where do I submit comments?

- The proposed rule includes proposed changes not reviewed in this presentation. We will not consider feedback during the call as formal comments on the rule. See the proposed rule for information on submitting these comments by the close of the 60-day comment period on June 27, 2016. When commenting refer to file code CMS-5517-P.
- Instructions for submitting comments can be found in the proposed rule; FAX transmissions will not be accepted. You must officially submit your comments in one of the following ways: electronically through
  - Regulations.gov
  - by regular mail
  - by express or overnight mail
  - by hand or courier
- For additional information, please go to:  
<http://go.cms.gov/QualityPaymentProgram>

# Physician-Focused Payment Model Technical Advisory Committee Meeting

## Questions From Committee Members

Dr. Jeff Bailet

Ms. Elizabeth Mitchell

# Physician-Focused Payment Model Technical Advisory Committee Meeting

## Chair and Vice-Chair Statements

Dr. Jeff Bailet

Ms. Elizabeth Mitchell

# Physician-Focused Payment Model Technical Advisory Committee Meeting

## Information About NPRM PTAC Criteria

Amy Bassano

Tim Gronniger

Centers for Medicare & Medicaid Services (CMS)

# **Physician-Focused Payment Model Technical Advisory Committee Meeting**

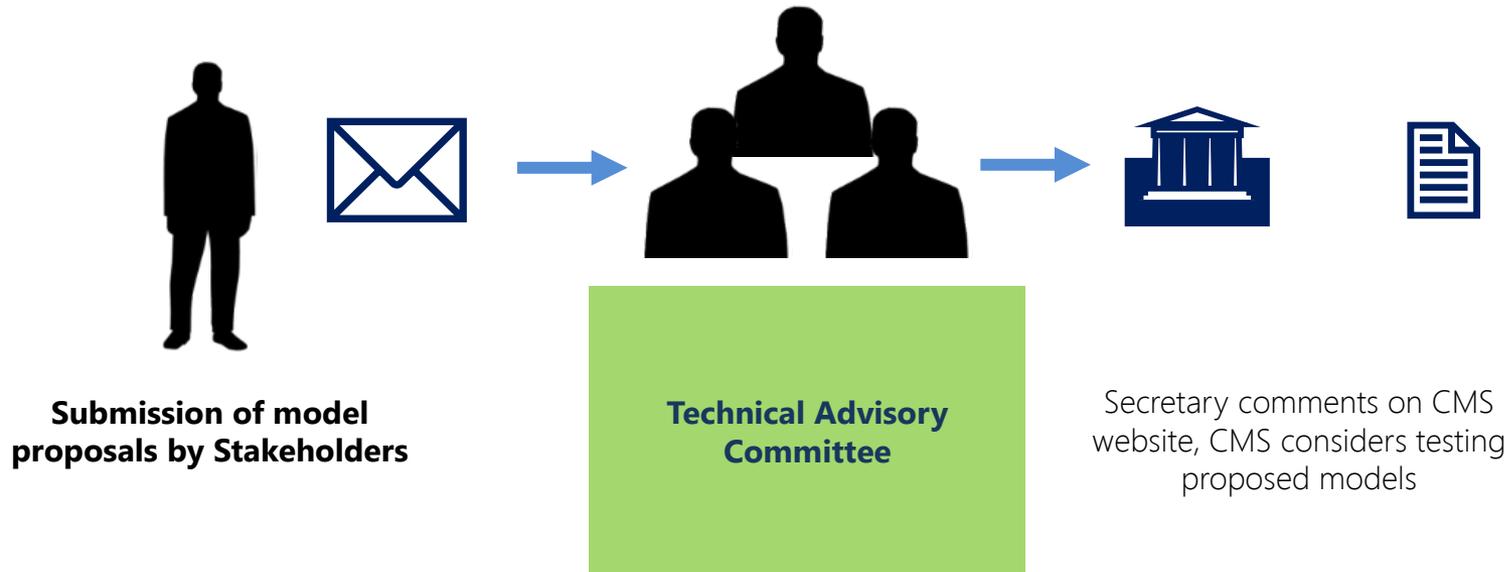
## **NPRM – Proposed PTAC Criteria**

**May 4, 2016**

# Independent PFPM Technical Advisory Committee

**PFPM = Physician-Focused Payment Model**

Goal to encourage new **APM options**  
for Medicare clinicians



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

## What is an Alternative Payment Model (APM)?

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# PROPOSED RULE PFPMs

- ✓ **Proposed definition of Physician-focused Payment Model:**
  - **An Alternative Payment Model wherein Medicare is a payer, which includes Physician Group Practices (PGPs) or individual physicians as APM Entities and**
  - **Targets the quality and costs of physician services.**
  
- ✓ **Relationship between PFPMs and Advanced APMs:**
  - **Any PFPM that is selected tested by CMS and meets the criteria for an Advanced APM would be an Advanced APM.**

# Proposed PFPM Criteria

The PTAC will use the PFPM criteria to make comments and recommendations to the Secretary on PFPMs proposed by stakeholders.

- ✓ Three categories, consistent with Administration's strategic goals for achieving better care, smarter spending, and healthier people:
  - Payment incentives
  - Care delivery
  - Information availability

# Incentives: pay for higher-value care

- ✓ Value over volume: provide incentives to practitioners to deliver high-quality health care
- ✓ Flexibility: provide the flexibility needed for practitioners to deliver high-quality health care
- ✓ Quality and Cost: are anticipated to improve health care quality at no additional cost, maintain health care quality while decreasing cost, or both improve health care quality and decrease cost

# Incentives: pay for higher-value care

- ✓ Payment methodology: pays APM Entities with a payment methodology designed to achieve the goals of the PFPM Criteria. Addresses in detail through this methodology how Medicare, and other payers if applicable, pay APM Entities, how the payment methodology differs from current payment methodologies, and why the Physician-Focused Payment Model cannot be tested under current payment methodologies.

# Incentives: pay for higher-value care

- ✓ Scope: aim to either directly address an issue in payment policy that broadens and expands the CMS APM portfolio or include APM entities whose opportunities to participate in APMs have been limited.
- ✓ Ability to be evaluated: have evaluable goals for quality of care, cost, and any other goals of the Physician-focused Payment Model.

# Care delivery improvements: Promote better care coordination, protect pt safety, and encourage pt engagement

- ✓ Integration and Care Coordination: encourage greater integration and care coordination among practitioners and across settings where multiple practitioners or settings are relevant to delivering care to the population treated under the Physician-Focused Payment Model.

# Care delivery improvements: Promote better care coordination, protect pt safety, and encourage pt engagement

- ✓ Patient Choice: encourage greater attention to the health of the population served while also supporting the unique needs and preferences of individual patients.
- ✓ Patient Safety: aim to maintain or improve standards of patient safety.

# Information Enhancements: Improving the availability of information to guide decision-making.

- ✓ Health Information Technology: encourage use of health information technology to inform care.

# Supplemental Information Elements Considered Essential to CMS Consideration of New Models

- ✓ A description of the anticipated size and scope of the model in terms of eligible clinicians, beneficiaries, and services
- ✓ A description of the burden of disease, illness or disability on the target patient population
- ✓ An assessment of the financial opportunity for APM Entities, including a business case for how their participation in the model could be more beneficial to them than participation in traditional fee-for-service Medicare
- ✓ CMS also recommends stakeholders submit information about whether the PFPM would meet the criteria to be an Advanced APM

# Comments

- ✓ One of four ways to submit comments:
  - Electronically (<http://www.regulations.gov>)
  - Regular mail
  - Express or overnight mail
  - By hand or courier

# Physician-Focused Payment Model Technical Advisory Committee Meeting

## Draft Proposal Evaluation Process

Clara Filice, MD, MPH, MHS  
Medical Officer  
HHS ASPE Office of Health Policy

# MACRA Charge

“(2) Criteria and process for submission and review of physician-focused payment models.—

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“(2) Criteria and process for submission and review of physician-focused payment models.—

“(A) Criteria for assessing physician-focused payment models.--

“(i) <<NOTE: Deadline.>> Rulemaking.--Not later than November 1, 2016, the Secretary shall, through notice and comment rulemaking, following a request for information, establish criteria for physician-focused payment models, including models for specialist physicians, that could be used by the Committee for making comments and recommendations pursuant to paragraph (1)(D).

“(ii) MedPAC submission of comments.--During the comment period for the proposed rule described in clause (i), the Medicare Payment Advisory Commission may submit comments to the Secretary on the proposed criteria under such clause.

“(iii) Updating.--The Secretary may update the criteria established under this subparagraph through rulemaking.

# MACRA Charge

“(2) Criteria and process for submission and review of physician-focused payment models.—

“(A) Criteria for assessing physician-focused payment models.--

“(B) Stakeholder submission of physician-focused payment models.--On an ongoing basis, individuals and stakeholder entities may submit to the Committee proposals for physician-focused payment models that such individuals and entities believe meet the criteria described in subparagraph (A).

# MACRA Charge

“(2) Criteria and process for submission and review of physician-focused payment models.—

“(A) Criteria for assessing physician-focused payment models.--

“(B) Stakeholder submission of physician-focused payment models.--On an ongoing basis, individuals and stakeholder entities may submit to the Committee proposals for physician-focused payment models that such individuals and entities believe meet the criteria described in subparagraph (A).

“(C) Committee review of models submitted.--The Committee shall, on a periodic basis, review models submitted under subparagraph (B), prepare comments and recommendations regarding whether such models meet the criteria described in subparagraph (A), and submit such comments and recommendations to the Secretary.



# **DRAFT PROPOSAL REVIEW PROCESS**

# Basic Framework

**Phase I: Proposal Preparation  
and Submission**



**Phase II: Preliminary Review**



**Phase III: Full Committee  
Review**

# I: Request for Proposals

- Once Secretarial criteria are finalized, the PTAC will issue an RFP
  - Instructions for preparation and submission
  - Submission template
- Letter of intent not required
- Voluntary submission timelines
- Content of proposals
- General technical assistance available

# I: Proposal Submission

- Submissions will be accepted on an ongoing basis

# I: Proposal Receipt and Evaluation for Completeness

- Completeness check to be completed by PTAC staff at ASPE
  - Committee input on any incomplete proposals
- Incomplete proposals will be returned within 30 days with an opportunity to revise and resubmit
- Complete proposals will advance to preliminary review
- Conflicts of interest will be identified

## II: Preliminary reviewers assembled

- Complete proposals will be assigned to a team of 2-3 PTAC members for preliminary review
  - Distributed among all members
  - At least one physician
  - Lead reviewer and co-reviewers
  - Free to seek counsel from other PTAC members or ASPE/HHS staff with specific expertise

## II: Preliminary Review

- Internal review, with option for input from external technical experts
- Submitters may be asked to respond to questions as needed
- Standardized scoring methodology (to be developed once criteria available) will be used to inform Committee's overall evaluation

## II: Preliminary Review

- Proposals with technical deficiencies will be returned for revision and resubmission
- Targeted TA may include:
  - Summary of deficiencies and/or weaknesses
  - Assignment to a PTAC staff program officer
  - Guidance on correcting deficiencies
- Proposals with no technical deficiencies will be advanced to the full Committee

## II: Preliminary Review

- Public comment will be invited on proposals that will be considered by the full Committee
- Preliminary reviewers will synthesize all information and develop a decision memo for full Committee review

# III: Full Committee Review

- Each PTAC member will review the proposal and results from the preliminary review
  - Submitters will be invited to respond to questions as needed

# III: Full Committee Review

- Complete proposals without technical deficiencies will be presented to the full Committee during a public meeting
  - Order of consideration
  - Presentation by lead reviewer
  - Period of deliberation
  - Decision on proposal
- Comments & Recommendations
  - Majority and minority opinion(s) as applicable



# DISCUSSION

# Anticipated Challenges

- Unknown criteria
- Unknown volume
- Unknown content

# Public Comment

- Content of proposals
  - What should stakeholders be expected to include in PFPM proposals? What information would be burdensome for stakeholders to produce?
- Technical assistance
  - What types of TA would be most useful to stakeholders in preparing and submitting PFPM proposals?
- Timeline for review
  - What expectations do stakeholders have regarding the timeline for the review process?

# How to Submit Public Comments

- Public comments may be submitted to the Committee by:
  - Sending an email message to the Committee at [PTAC@hhs.gov](mailto:PTAC@hhs.gov)
  - Registering to speak during the public comment meeting at this or future public meetings
  - Sending written mail to the Committee's DFO
    - Scott R. Smith, Office of Health Policy, Assistant Secretary for Planning and Evaluation, DHHS, 200 Independence Ave SW, Washington, DC 20201)
- Deadline: Noon (EDT), May 13, 2016

# Physician-Focused Payment Model Technical Advisory Committee Meeting

**Committee Break**

# Physician-Focused Payment Model Technical Advisory Committee Meeting

## PUBLIC COMMENT

# Public Comment #1

- Please limit your remarks to no more than **3 minutes** during today's session.
- We will have a timekeeper and you will that the screen will turn yellow when you have one minute left.
  - When you see the screen turn yellow, please wrap up your comments
  - When you see the screen turn red, please stop commenting.
- If your comments are more extensive, submit them to us in writing so they can be carefully considered.

# Procedures

- We will alternate taking comments from those in the audience and on the phone until we are out of time.
- We will start with those who registered to comment and were given a number at check-in. Please line up according to the number.
- Today is just the first of many opportunities to share your thoughts with us.

# Instructions for Public Comment

- **In-Person Participants Rooms 4&5**
  - Participants will come up to the podium to speak. Each person received a number when they checked-in and will be called in that order.
- **Conference Call Participants on Phone**
  - During the Public Comment period, conference call participants that signed up to give a public comment will be queued when his/her turn comes up by the operator.

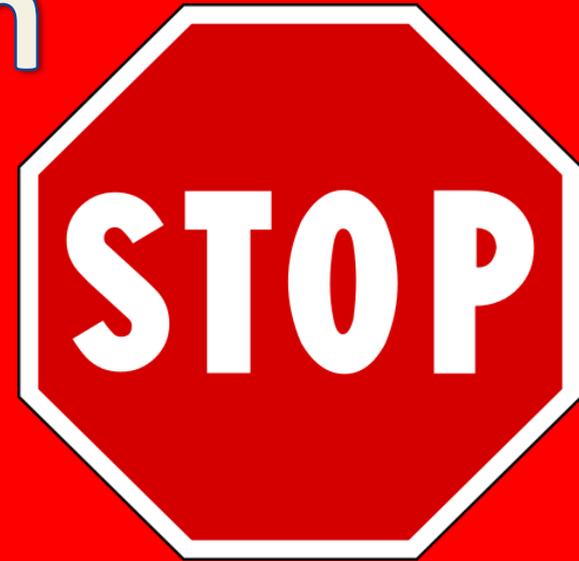
**GO**

**3:00 Minutes**

**Wrap Up Now**  
**1:00 Minute**

# Stop

Next person



# THANK YOU!

For more information

<https://aspe.hhs.gov/>

- Meeting Transcript
- Slide presentations
- FAQ's
- Sign up for listserv
- Email address for questions (ptac@hhs.gov)

**Adjournment**