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COVID-19: Value-Based Payment Arrangements

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DISCUSSED IN THIS EPISODE:

- Quality Payment Program & MIPS:
  - Impacts on 2019 Data Reporting and 2020 Measurement
- Medicare Shared Savings Program:
  - Interim Final Rule Changes for 2020 Performance Year and Elimination of Application Cycle for 2021
- Considerations for Commercial Value-Based Arrangements

QUALITY PAYMENT PROGRAM AND MIPS

- Extreme and Uncontrollable Circumstances (EUC) Policy Triggered for 2019 MIPS Reporting.
  - Clinicians reporting individually under MIPS that do not submit data will have the EUC Policy automatically apply for the 2019 performance year.
    - Resulting in a neutral payment adjustment in 2021.
  - Groups will be scored on partial or fully submitted data, unless they applied and certified as to the presence of an EUC before April 30, 2020.

QUALITY PAYMENT PROGRAM AND MIPS

- For 2020 Performance Year Scoring:
  - CMS is following impacts COVID-19 will have on QPP participation and scoring for the 2020 performance period, but has yet to issue guidance.
  - CMS has introduced a new 'Improvement Activity' measure – *COVID-19 clinical trials* – which is available to clinicians that attest to participation in qualifying COVID-19 clinical trials and report findings through a clinical data repository/registry.

MEDICARE SHARED SAVINGS PROGRAM

- CMS has eliminated the 2021 application cycle.
  - Existing ACOs with an agreement term set to expire at the end of 2020 can voluntarily elect to a one-year participation extension through 2021.
    - 2020 will be excluded from benchmarking.
    - ACOs should review agreements with ACO Participants to see whether amendments are necessary to account for a one-year extension.
  - CMS is also freezing the “glide path” for one year.
    - E.g., ACOs in the Level B of the BASIC track will stay in Level B for 2021 (unless they elect to advance), but then will jump to Level D in 2022.

MEDICARE SHARED SAVINGS PROGRAM

- For 2019 scoring, ACOs will be scored at the higher of their reported quality score or the mean quality score.
- Changes to financial reconciliation 2020 and beyond:
  - Shared losses will be reduced based on the total months affected by the EUC due to the public health emergency.
  - Part A and Part B payments for episodes of care related to COVID-19 treatment will be removed from revenue and expenditure calculations. These episodes of care will also be removed from benchmarking moving forward.
- New telehealth codes are added as part of beneficiary assignment to ACOs.

COMMERCIAL ACO/CIN CONSIDERATIONS

- Commercial contracts containing value-based payment arrangements, including downside risk to providers, are becoming more customary.
- As services are limited and otherwise affected by COVID-19, providers are not providing services with the same expectation of financial risk that was set forth at the time contracts were negotiated.
- Our expectation is further conversations among payers, providers, and insurance commissioners will be needed, along with review of commercial terms (e.g. related to stop-loss provisions), so that the value-based arrangements reflect the realities on the ground.

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