



Statement of the Medical Group Management Association before the Committee on Energy and Commerce Subcommittee on Health

April 18, 2016

The Medical Group Management Association (MGMA) applauds the Committee on Energy and Commerce Subcommittee on Health (Subcommittee) for continuing to show leadership on the implementation of the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA).

MGMA supported MACRA and the repeal of the failed sustainable growth rate (SGR) formula, which enabled group practices to begin to innovate and participate in new Medicare delivery models. With the passage of MACRA, Congress recognized the significant regulatory burdens placed on physicians and group practices under Medicare's increasingly complex quality reporting programs, which were consolidated into the new Merit-Based Incentive Payment System (MIPS). In addition, MACRA supports participation in alternative payment models (APMs), which have the potential to reduce waste in the Medicare system while improving patient outcomes. This is a critical juncture in MACRA implementation. Despite our optimism with the prospect of creating a new payment system without the SGR, there is growing concern in the physician community that the Centers for Medicare & Medicaid (CMS) may be straying from Congress' intent in MACRA to simplify the reporting burdens on physician groups while rewarding the move from fee-for-service to value-based payment and delivery models. MGMA is pleased to have the opportunity to offer this statement and continue to work with the Committee, Congress, and the Administration to ensure the successful implementation of MACRA.

MGMA helps create successful medical practices that deliver the highest-quality patient care. As the leading association for medical practice administrators and executives since 1926, MGMA helps improve members' practices and produces some of the most credible and robust medical practice economic data and data solutions in the industry. Through its national membership and 50 state affiliates, MGMA represents more than 33,000 medical practice administrators and executives in practices of all sizes, types, structures and specialties in which more than 280,000 physicians practice.

In principle, MGMA believes the MIPS and APM programs should meet a standard of core objectives in order to move the new payment system forward and empower groups and providers to innovate new processes of care. MGMA worked closely with the

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physician community to develop consensus on a core set of principles, and ultimately believes the framework of MIPS and APMs should:

- **Support delivery system improvements.** Constraints and limitations of current payment systems that only obstruct physician-identified care improvements must be eliminated. In addition, requirements for new models should be flexible enough to support different organizational arrangements and patient population needs so that innovation can truly flourish.
- **Reduce administrative burdens for physician practices.** Administrative burdens must be limited and reporting tasks streamlined so the delivery of patient-centered care is the principal focus in all clinical settings.
- **Improve current quality measurement and reporting systems.** Medicare's existing quality measurement and reporting programs cannot and should not simply be combined to form the MIPS program. These currently separate programs must be carefully assessed, revised, aligned, and streamlined into a coherent, flexible system that is truly relevant to high-value care. In particular, the regulatory framework for EHR systems under the Meaningful Use program must be revised to eliminate obstacles to technological innovation, enable interoperability and improve usability to meet the needs of patient care and reduce the burden of excessive data collection requirements on physician practices.
- **Provide a choice of payment models.** Physicians in all specialties, practice settings, and geographic areas should have the opportunity to choose from the payment models available, based on what best accommodates their practice and the needs of their patients.
- **Be relevant and actionable.** Physicians should be held accountable only for the aspects of cost and quality that they can reasonably influence or control. Patient attribution methods must reflect these concerns. Timelines and deadlines must be realistic, significant policy changes should be phased-in, and feedback on individual performance and benchmarks must be accurate, timely and actionable.
- **Be transparent.** Performance expectations and assessment methodologies must be valid, clinically relevant, scientifically tested, and transparent so physicians have access to timely, accurate and actionable data for managing patient care. Medicare must provide claims and other performance data to physicians on the patient population covered by the delivery and payment model used in their practice.

MGMA Efforts to Support MACRA Implementation

MACRA represents a significant legislative and policy achievement and MGMA is working to educate physician group practice leaders about the potential benefits of the law, such as up-front payments to make the necessary investments to move to a qualifying APM. Last month, MGMA and the American Medical Association partnered to

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offer the Collaborate in Practice Conference, an event focusing on how practice administrators and physicians can join together to effectively lead the transition to a patient-centric, value-based environment while avoiding undue burden on physician practices. One of the highlights of the Conference was a detailed panel discussion on MACRA, emerging payment models, and the impact on the future of medicine.

MGMA created a resource center on MACRA where group practices can access information on implementation, including an hour-long webinar. Additionally, MGMA created an easy-to-digest slide deck and accompanying presenter notes that medical practice leaders can use to educate their physicians and staff on the MACRA basics, what we know about MIPS and APMs, and action steps to take today in order to prepare for the new Medicare payment model. MGMA staff travel across the country and update medical practice executives on key federal regulatory and legislative issues, including what we know about MACRA and what remains unknown as we await the proposed rule. MGMA staff also speak on a regular basis with medical group practices about what changes are on the horizon and how they can position their practices for success.

In addition to these educational and outreach initiatives, MGMA is actively engaged in multiple industry stakeholder work groups to develop consensus principles to assist CMS and the Administration in implementing MACRA in a manner that supports physician group practices as they transform their payment and delivery approaches from fee-for-service toward value-based models.

MGMA's Concerns

Among the physician community, however, there is growing concern that CMS is straying from congressional intent and developing regulations behind closed doors with limited input from stakeholders. For example, physicians and physician specialty organizations were not adequately consulted for their clinical expertise by the developers of the CMS episode groups. The episode groups are expected to play a vital role in measuring practices' efficient use of resources in both the MIPS and APM tracks. While MGMA is willing to participate in a productive dialogue with CMS about the significant reforms underway, many of our conversations to date have been one-sided. Moving forward, CMS should fulfill MACRA's instruction that the agency work closely with physician organizations, not only to ensure the clinical relevance of the new Medicare payment tracks, but also to foster physician trust and buy-in for the program.

MGMA is also concerned about the mixed messages received from the Centers for Medicare & Medicaid Innovation (CMMI). Last week, CMMI announced it was expanding the Comprehensive Primary Care Initiative (CPCI) through the Comprehensive Primary Care Plus (CPC+), set to begin in January 2017. CMMI

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designates CPC+ as an alternative payment model that rewards value and quality through an innovative payment structure to support comprehensive primary care. Two days after the CPC+ announcement, it was announced that CPCI has not yet generated savings in Medicare that are sufficient to cover care-management fees and the data show only modest improvements in quality metrics. The fact that these programs are not achieving the government's stated intention of saving the Medicare program money and improving patient outcomes creates uncertainty about the longevity of these initiatives and raises doubt for physician group practices that may otherwise invest time and resources in participating in new payment models.

Similarly, the Medicare Shared Savings Program (MSSP) accountable care organization (ACOs)s have not yet produced savings for the Medicare program, and the majority of MSSP ACOs have either missed their own savings targets or failed to reach the necessary benchmark to earn a cut of the program savings. While CMS continues to tweak the program and most recently adopted a long-time recommendation of MGMA to incorporate regional cost data into the risk-sharing formula, CMS must address other design flaws, such as increasing participant flexibility, to ensure the relevance of this program under MACRA.

In addition to producing only modest results, there is a confusing overlap between CMMI's mission and MACRA implementation. As noted in the CPC+ model, CMMI refers to this as an APM, while the proposed rule for MACRA implementation has yet to be released. Therefore, the public has not had the opportunity to comment on CMS' definition of APM. CMMI continues to move forward with new initiatives without taking into account the proposed rule definition of an APM.

Conclusion

We appreciate the opportunity to submit these comments to the Subcommittee. MGMA remains committed to helping group practices and CMS understand the best way to implement MACRA in order to streamline and harmonize quality reporting programs into MIPS and develop meaningful APMs. We look forward to continuing to work with the Committee, Congress and the Administration as we begin the implementation of the new MIPS and APM programs. We've attached our comments to CMS' Request for Information and would be happy to provide you with any additional resources.