



Deep Dive: 2019 MSSP Final Rule

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America's Physician Groups (APG)

- Purpose of our Organization
- [Resources](#)
 - Advocacy
 - Representation on Capitol Hill
 - Washington Weekly Update
 - Federal comment letters
 - Education
 - Standards of Excellence
 - [Risk Evolution Task Force](#)
 - Regional meetings

Mission Statement

The mission of America's Physician Groups is to assist accountable physician groups to improve the quality and value of healthcare provided to patients. America's Physician Groups represents and supports physician groups that assume responsibility for clinically integrated, comprehensive, and coordinated healthcare on behalf of our patients. ***Simply, we are taking responsibility for America's health.***

Strategic Vision

America's Physician Groups and its member groups will continue to drive the evolution and transformation of healthcare delivery throughout the nation.

CMS Observations



ACOs with two sided risk lead to greater savings to trust fund and improved quality



Low Revenue ACOs generally outperform high Revenue ACOs



Participation in down sided risk contracts remain modest



Low Revenue ACOs need assistance with a pathway to transition to risk based contracts

Pathways to Success Goals



Increase Savings for
Trust Fund



Mitigate Losses



Reduce Gaming



Promote Regulatory
flexibility and free
market principles

Goal of CMS

“We believe all ACOs should transition to the level of risk and reward under the Enhanced Track.”

Major Changes in Final Rule



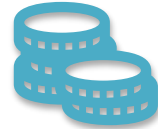
Higher Sharing Rates in the
Basic Track



Increased threshold
percentage for definition of
low/high revenue ACOs

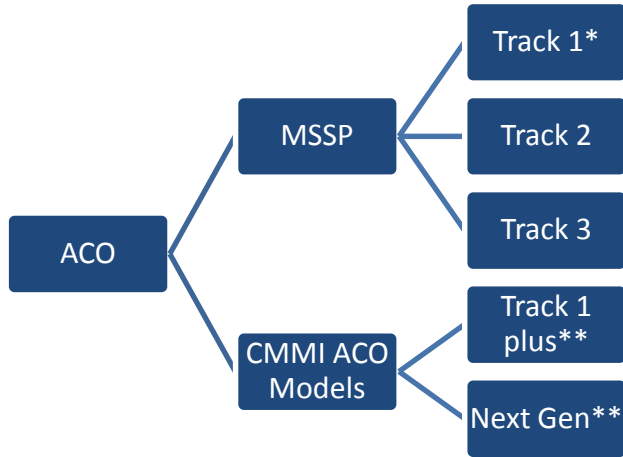


More flexibility for low
revenue ACOs and Track 1
plus



Repayment mechanism has
been lessened

Former ACO Options

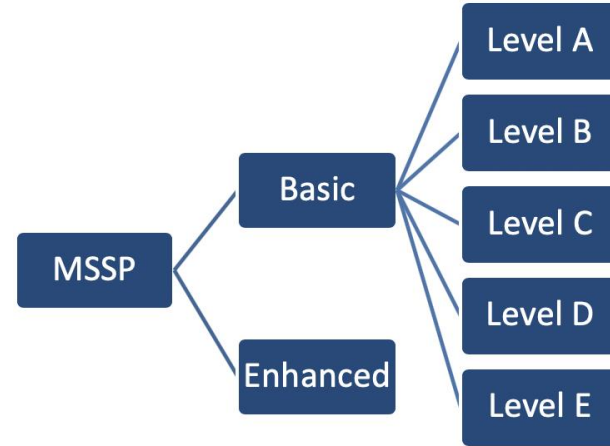


MSSP Contract terms are 3 years

- No downside risk , can renew for total of 6 years

** Sunsets in 2020

Pathways to Success Options



Contract terms are 5 years except for the July 1, 2019 start dates

MSSP Participation Definitions



New/Reentering/Renewing ACOs

If greater than 50% of same participants in past 5 performance years, ACO will be viewed as re-entering versus new

Will assess past quality **and** financial performance in order to renew or reenter.

Will be monitoring for negative financial performance outside MSL corridor for possible termination

Will be held to partial year end losses if exit early



Low/High Revenue ACOs

Total FFS revenue of ACO is at or greater than 35% Part A and B assigned beneficiaries for High Revenue

Low revenue (MD only or rural hospitals) can stay in basic for 2 agreement (non sequential) periods while high revenue (hospital partners) has to quickly move to enhanced after a single period (5 years)

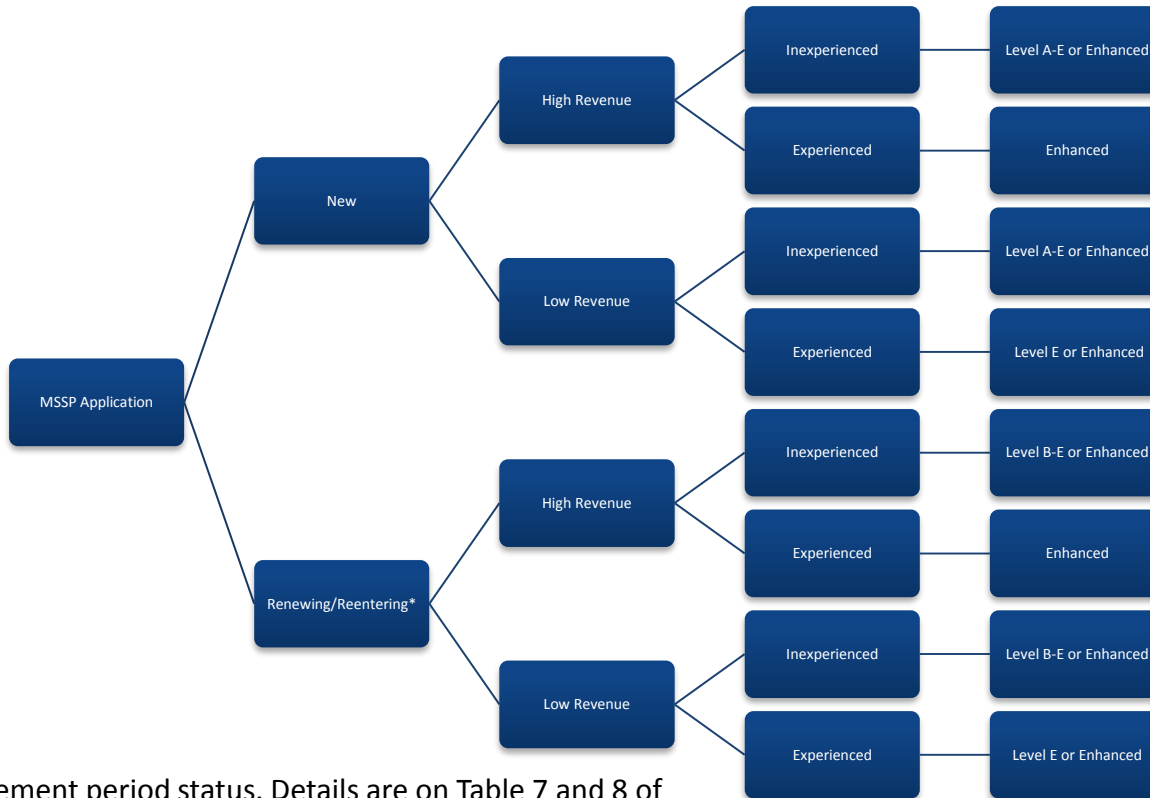


Experienced/Inexperienced ACOs

Experienced is greater than 40% participants had prior participation under two-sided risk (participated in Track 2,3, Next Gen, Pioneer, or 1 plus)

Use 5 year lookback timeframe.

Decision Tree



*Depends on agreement period status. Details are on Table 7 and 8 of Final Rule

Track 1 Plus Options



Existing Track 1+ Model ACOs can complete the remainder of their current agreement period in the Track 1 plus model



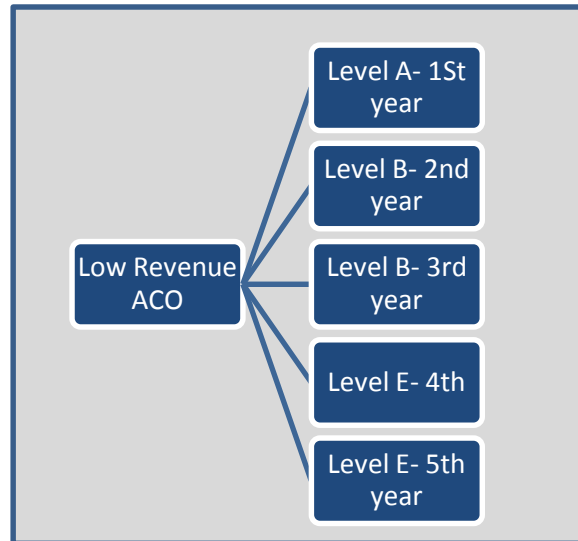
High Revenue Track 1 Plus ACOs with a first or second agreement period starting in 2016 or 2017 can terminate their current participation agreements and apply to enter a new Shared Savings Program agreement period under the BASIC track (Level E)



Low Revenue Track 1 Plus ACO can terminate their agreement and apply to Level E

Low Revenue ACOs Options

They may elect an additional year in no downside risk if they agree to move to Level E in 4th year.



Risk Comparison

	Basic				Enhanced
	Level A and B	Level C	Level D	Level E	ENHANCED track
Shared Saving* based upon quality	up to 40%, not to exceed 10% of benchmark	up to 50%, not to exceed 10% of benchmark	up to 50%, not to exceed 10% of benchmark	up to 50%, not to exceed 10% of benchmark	up to 75%, not to exceed 20% of benchmark
Shared Losses*	N/A	30%, capped at 1% of benchmark.**	30%, capped at 2% of benchmark	30%, capped at 4% of benchmark	Between 40%-75%, not to excess 15% of benchmark. 1 minus final shared savings percent.

*Once MSR/MLR is met

Each year, the ACO is advanced up one level with ability to skip levels as requested. The Contract term is for 5 years so, if they start at Level B then they will spend the last 2 years at Level E. Low Revenue can stay in 2 non sequential contract terms which means they can return to basic for their 2 contract if enhanced track is too much of a risk

**\$10,000 benchmark for 7800 beneficiaries is \$780,000 total max risk at Level C

Other Key Differences

	Level A &B	Level C	Level D	Level E	Enhanced
MACRA	MIPS APM	MIPS APM	MIPS APM	Advanced APM	Advanced APM
Beneficiary Incentive	No	Yes	Yes	Yes	yes
Telehealth	No	Yes if Prospective	Yes if Prospective	Yes if Prospective	Yes if prospective
3 Day SNF	No	Yes	Yes	Yes	Yes

New Benchmarking Methodology



Annual Attribution
Selection



Regional



Risk Adjustment



Trend factors

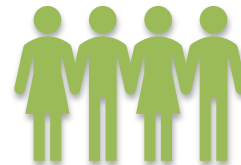
Attribution Options



Claims

Annual selection option

- Preliminary prospective with retrospective reconciliation
- Prospective



Non Claims

Voluntary PCP selection by beneficiary

Regional Adjustments

	1 st Agreement Period	2nd Agreement Period	3 rd Agreement Period	4th Agreement Period
Regionally Efficient	35% Regional/ 65% Historical	50% Regional/ 50% Historical	50% Regional/ 50% Historical	50 % Regional/ 50% historical
Regionally Inefficient	15% Regional/ 85% Historical	25% Regional/ 75% Historical	35% Regional/ 65% Historical	50% Regional/ 50% Historical

First Agreement Period Benchmark year weights: 10/30/60%

Second (and any subsequent) Agreement Benchmark Year weights: equally weighted

Risk Adjustment



Both Newly and Continuously
Assigned beneficiaries of all 4
types (ESRD, Disabled, Duals, and
Aged non Duals)



Asymmetrical cap- 3% upside cap
but no cap on downside



Third Benchmark (BY3) year to
Performance year(PY)

Trend Factors



Blend of regional and national cost growth



Weights are based upon percent of ACO in regional expenditures



Majority of ACOs will have a heavier weight on regional

Repayment Mechanism



1% of expenditures or 2% of revenue. Can wait until entering performance year Level C and above



3 types (Not Reinsurance)
Escrow
Surety bond
Line of credit



Length of time is agreement period plus 12 months



CMS will recalculate repayment amount before each year and if change is greater than 50% or 1 million (whichever is lesser) then an increase in repayment must be submitted to CMS.

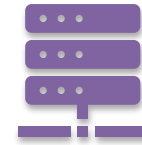
Minimum Savings Rate (MSR)/ Minimum Loss Rate (MLR)



MSR for Level A and B will be based upon number of beneficiaries



MSR/MLR will be selected at start of performance year in two sided risk (Level C, D, or E) or at application in Enhanced. Selection is binding and can't be changed.



Options for MSR/MSL

Fixed Zero percent

Fixed Symmetrical MSR/MLR in .5 percent ranging from .5-2.0 percent

Variable Symmetrical based upon number of assigned beneficiaries

Beneficiary Notification



Must be notified in writing by ACO or provider prior to or at first PCP visit



Template is being developed by CMS prior to July 1, 2019

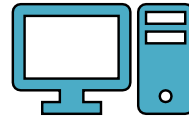


Beneficiaries must be informed of incentive payment program prior to or at first PCP visit

Waivers



3 Day SNF for two sided risk Tracks
(C-E and Enhanced)
July 1, 2019



Telehealth for two-sided risk levels
(C-E and Enhanced) with
prospective assignment.
Jan 1, 2020



Beneficiary Incentives :
In-kind services like vouchers for
transportation or
Payment Program for up to 20
dollars per primary care service.
Must be furnished by ACO and
records maintained
July 1, 2019

Application Deadlines



July 1, 2019 start date for both BASIC and ENHANCED. Their agreement will be 5 years and 6 months. Next Start Date will be Jan 1, 2020.



Non-binding Notice of Intent must be completed by January 18, 2019



Application Deadline
The application submission period for a July 1, 2019, start date will be open from January 22nd to February 19th



3 Day SNF
Application for C, D, E, ENHANCED, Track 3, or Track 1 Plus



Beneficiary Incentive Waiver application for Levels C, D, E, ENHANCED, Track 2, or 3.

What Infrastructure/Competencies do you need to implement each of these?



ASSUMING MORE RISK



BENCHMARKING
CHANGES FROM
HISTORICAL TO
REGIONAL



BENEFICIARY
INCENTIVES



WAIVERS (TELEHEALTH
AND 3 DAY SNF)



BENEFICIARY ACTIVE
ENROLLMENT

5 Takeaways for Practices



Complete NOIA by January 18 and Application by February 19



Model options including MACRA impact



Assess Infrastructure Needs



Benchmark Cost Savings Opportunities using both FFS and MA data



Join Learning Collaboratives – APG Risk Evolution Task Force

Questions?



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Save the Date

ANNUAL
Conference 2019

Quality and Efficiency: How to Succeed in Risk-Based Models

April 11-13, 2019 | Manchester Grand Hyatt, San Diego, CA