

## 2018 Advanced APM Participation

### **What is an APM?**

An alternative payment model (APM) is a payment approach that rewards providers for delivering high-quality and cost-efficient care. These payment models can apply to health care populations, episodes of care, or specific clinical conditions. APMs include bundled payments models, Accountable Care Organizations (ACOs), and Patient-Centered Medical Homes (PCMHs), and others. APMs that do not qualify as Advanced APMs are required to participate in the Merit-based Incentive Payment System (MIPS). For a full list of APMs in the Quality Payment Program (QPP) for 2018 click [here](#).

### **What is an Advanced APM?**

An Advanced Alternative Payment Model (APM) is one of two pathways physicians can choose under the Quality Payment Program (QPP), which was established as part of the Medicare Access and CHIP Reauthorization Act (MACRA). Under the Advanced APM pathway, physicians may be exempt from participation in the Merit-based Incentive Payment System (MIPS) and be eligible to receive a 5% bonus payment.

Advanced APMs under the QPP must:

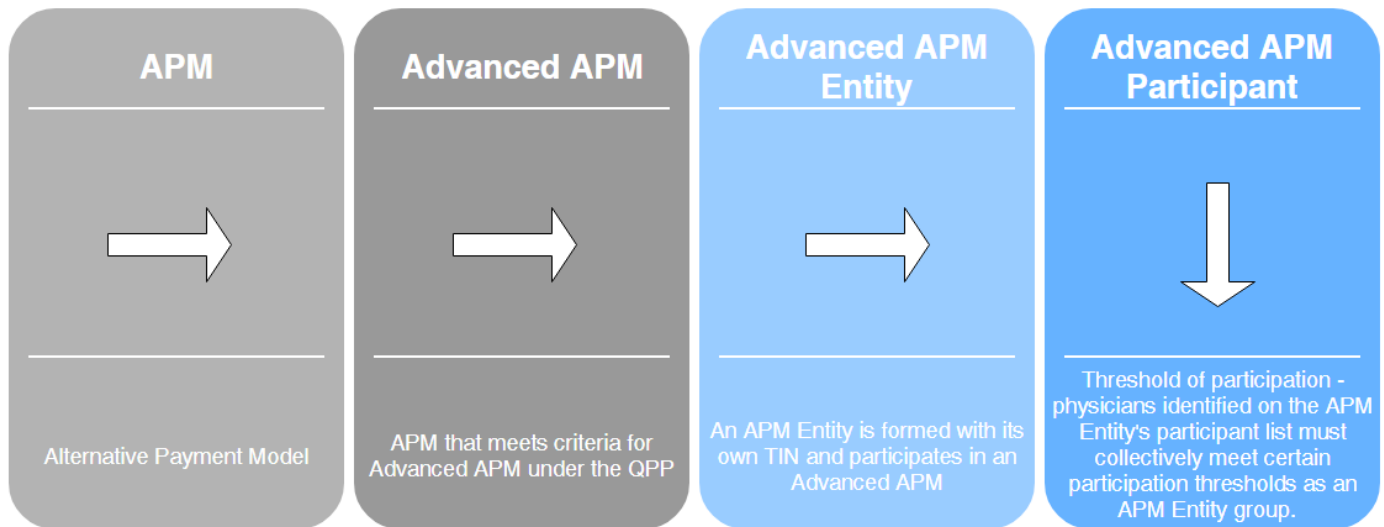
- Be a certain Center for Medicare & Medicaid Innovation Model (CMMI), Shared Savings Program track, or certain federal demonstration program;
- Require participants to use certified electronic health record technology (CEHRT);
- Base payments for services on quality measures comparable to those in MIPS; and
- Is a Medical Home Model expanded under CMMI; or
- Requires the APM Entity to bear more than nominal financial risk for losses.
  - While the specific risk arrangement is determined under each specific APM, generally, the risk is determined by identifying a target for expected expenditures (costs) that the APM Entity is responsible for if its actual expenditures exceed that target. Generally, if the APM Entity's actual costs come in below that benchmark, it will be able to share in the savings ("shared savings"); if the APM Entity's actual costs come in above that benchmark, it may be responsible for some or all the excess costs ("shared losses").

Note: each APM will have its own participation requirements that specify the level of CEHRT use, risk arrangement under that APM, shared savings/losses under that model, etc.

### **What is an Advanced APM Entity?**

An Advanced APM Entity is an entity that is formed to participate in an Advanced APM with CMS through a direct agreement. Physicians would participate in an Advanced APM by forming an APM Entity. Each APM Entity has its own TIN for participating in a specific Advanced APM.

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### Am I in an Advanced APM?

Listed are the Advanced APMs that HCMS is aware of in the Houston area. If you are participating with any of these entities, please see below on steps to take to determine participation status. Please note this is not a comprehensive list. Please contact your ACO or IPA to check on your APM or MIPS participation status.

- [Houston Methodist Coordinated Care](#) – Shared Savings Program (MSSP) Track 3
- [Physicians ACO](#) – MSSP Track 1+
- [Accountable Care Coalition of Southeast Texas, Inc.](#) – Next Generation ACO Model
- [Fresenius Seamless Care of Houston, LLC](#) – Comprehensive ESRD Care Model

### What do I do now?

1. **Determine participation status:** Physicians who participate in Advanced APMs are either determined to be Qualifying Advanced APM Participants (QPs) or Partial QPs (PQs) and will be exempt from MIPS. Only those determined to be QPs will receive the 5% bonus payment, PQs are not eligible for this bonus.

	<b>Medicare Payment Count Method</b>	<b>Medicare Patient Count Method</b>
<b>QP</b>	25% of Medicare Part B payments are received through an Advanced APM	20% of Medicare Part B patients are seen through an Advanced APM
<b>PQ</b>	20% of Medicare Part B payments are received through an Advanced APM	10% of Medicare Part B patients are seen through an Advanced APM

However, PQs, although exempt from MIPS, may choose to participate in MIPS using a special [MIPS APM scoring standard](#) allowing them to be eligible for the MIPS positive payment adjustment (not the same as the 5% Advanced APM bonus payment). Although, if the PQ chooses not to participate, they will receive neither a MIPS adjustments (positive or negative) or the Advanced APM bonus.

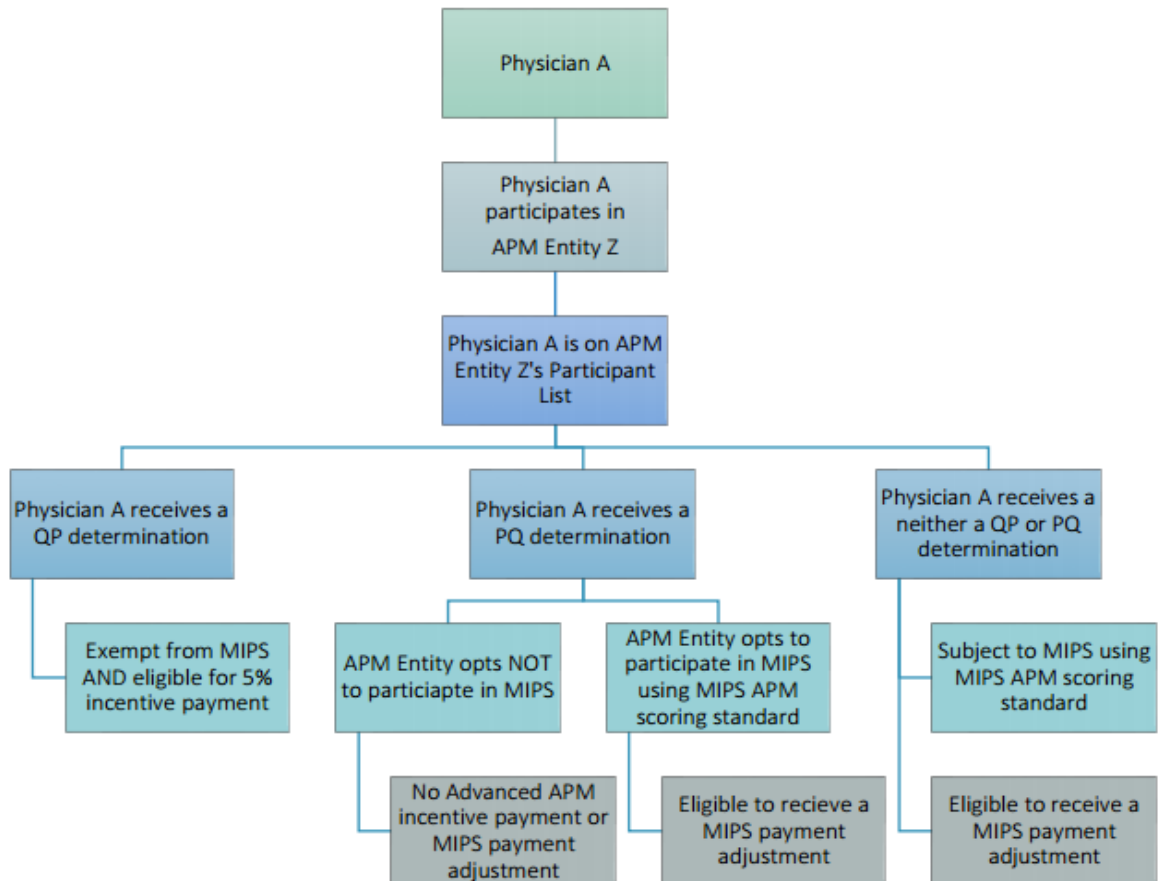
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If physicians do not meet either the QP or PQ thresholds, then they are subject to the full MIPS program and related reporting requirements.

[Contact your APM/ACO administrator to find out your determination status.](#)

- Determine course of action based on QP or PQ status:** see example of “Physician A” in the chart below

### Advanced APM Participation Outcomes



### How do I join an Advanced APM?

- Learn about [specific Advanced APMs](#) in your area and how to apply.
- Apply to an Advanced APM that fits your practice and is currently accepting applications.
- If you are already involved in an APM that is not considered Advanced, contact your administrators to discuss future opportunities for the entity to become Advanced.