Emergency Services Forum
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Riverside

Taking Health Care Reform to the Next Level: ACA and MACRA Impact on Emergency Care Delivery

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Taking Health Care Reform to the Next Level: ACA and MACRA Impact on Emergency Care Delivery

- The ACA has increased ED volumes and reimbursements and accelerated value-based care delivery systems
- The MACRA further expands value-based care delivery and will affect 9% of Medicare physician reimbursement
- Trump’s election brings new uncertainties to the future of health policy and emergency care

Contents

- ACA
- MACRA
- Trump’s First 100 Days
The ACA used Several Mechanisms to Change Health Care Delivery

**Decrease Uninsured Rate**
- Medicaid expansion
- Individual and Employer mandates
- Subsidies for Marketplaces
- Young adults remain on their parents’ healthcare until age 26
  - 10.8 million
  - 9.6 million
  - 6.1 million
  - 3.4 million

**Focus on Preventative Care**
- No copay for preventative care visits
- No copay for contraceptives
- Public health funding

**Transition to Value-Based Care**
- CMMI: Center for Medicare & Medicaid Innovation
- MSSP: Medicare Shared Savings Program ACO
- Public reporting of physician performance

The Uninsured Rate has Decreased by 6 Percentage Points, Increasing Total ED Profit Margins by 4.4%

<table>
<thead>
<tr>
<th>Uninsured &lt;138% FPL</th>
<th>Medicaid</th>
<th>Uninsured &gt;138% FPL</th>
<th>Private</th>
</tr>
</thead>
<tbody>
<tr>
<td>528</td>
<td>562</td>
<td>744</td>
<td>956</td>
</tr>
<tr>
<td>▲ +6%</td>
<td></td>
<td>▲ +28%</td>
<td></td>
</tr>
</tbody>
</table>

However out-of-network visits have increased
Collections from high-deductible plans have decreased

Despite Expanded Insurance Access, ED Visits have Increased by 5.5%

Some Factors May Increase Illness Severity Presenting to the ED, While Others May Decrease It

Increase Severity
- Pent up demand in previously uninsured population enrolling in health insurance
- Delayed care due to high-deductible health plans

Decrease Severity
- Increased access to primary and preventative care
- Primary Care Medical Homes, Accountable Care Organizations, and other payment models that are penalized for patients’ total costs of care
- Increased utilization by Medicaid patients
The ACA Spearheaded a Transition to Value-Based Alternative Payment Models (APMs)

MSSP ACOs → CMMI

- Bundled Payments
  - BPCI
  - CCJR
  - Oncology Care

- ACOs
  - Pioneer
  - Next Generation
  - CEC

- PCMH
  - CPC
  - CPC+
  - Independence at Home

- SIM
  - Coordinated Care (OR)
  - Multipayer Episodes (TN)
  - Multipayer ACOs (ME)

SOURCE: http://innovation.cms.gov

Contents

ACA

MACRA

Trump’s First 100 Days
MACRA Replaced the SGR with the Quality Payment Program Which Has Two Tracks for Physician Payment Increases: MIPS or APMs

<table>
<thead>
<tr>
<th>Year</th>
<th>MIPS Bonuses/Penalties</th>
<th>APM Bonuses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan-Jun 2015</td>
<td>0.0%</td>
<td></td>
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<tr>
<td>July-Dec 2015</td>
<td>0.5%</td>
<td></td>
</tr>
<tr>
<td>2016-2018</td>
<td>0.5%</td>
<td></td>
</tr>
<tr>
<td>2019-2025</td>
<td>0.0%</td>
<td>0.25% MIPS</td>
</tr>
<tr>
<td>2026+</td>
<td></td>
<td>0.75% APMs</td>
</tr>
</tbody>
</table>

Continue PQRS, Physician Value-Based Modifier, Meaningful Use

Qualifying APM Participants Receive 5% Increased Medicare Payments from 2019-2025

Most Emergency Physicians will not be QPs
- 2019-2021: 25% Medicare payments
- 2021-2023: 50% Medicare or All-payer payments
- 2023-2025: 75% Medicare or All-payer payments

But the PTAC provides opportunity to create emergency-specific APMs
MIPS Replaces PQRS, VBM, and EHR-MU with a Single Program

Applies to all physicians billing >$30,000 AND seeing >100 Medicare patients per year

<table>
<thead>
<tr>
<th>Quality</th>
<th>Resource Use (Cost)</th>
<th>Clinical Practice Improvement</th>
<th>Advancing Care Information*</th>
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</thead>
<tbody>
<tr>
<td>60%</td>
<td>50%</td>
<td>10%</td>
<td>30%</td>
</tr>
<tr>
<td>15%</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>25%</td>
<td>25%</td>
<td>25%</td>
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2019 2020 2021

Emergency Medicine Quality Measures

1. Advance Care Plan
2. Appropriate testing and treatment of children ages 3-18y with pharyngitis
3. Topical rather than systemic antibiotics for acute otitis externa
4. Avoidance of antibiotics for acute bronchitis in adults
5. Documentation of current medications
6. Tobacco use screening and cessation (adolescents and adults)
7. Ultrasound for pregnant women with abdominal pain
8. Blood typing for pregnant women with vaginal bleeding
9. Screening and follow-up for high blood pressure
10. Receipt of specialist report
11. CT utilization for minor head trauma (children and adults)
12. Unhealthy alcohol use screening and counseling

SOURCE: MACRA Final Rule

MIPS Payment Adjustments will Increase from 4% to 9% between 2019-2022

<table>
<thead>
<tr>
<th>Year</th>
<th>Negative payment adjustments</th>
<th>Positive payment adjustments</th>
<th>Up to 3X increase in positive adjustments to maintain budget neutrality</th>
<th>10% bonus for performers in top 25th %ile</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>-4</td>
<td>4</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>2020</td>
<td>-5</td>
<td>5</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>2021</td>
<td>-7</td>
<td>7</td>
<td>14</td>
<td>10</td>
</tr>
<tr>
<td>2022+</td>
<td>-9</td>
<td>9</td>
<td>18</td>
<td>10</td>
</tr>
</tbody>
</table>

SOURCE: MACRA Final Rule
Several Provisions of the ACA Have an Uncertain Future with the New Administration

- Medicaid/CHIP
- Medicare
- Marketplaces
- Value-Based Care
- Cadillac Tax
- Individual/Employer Mandates
Summary

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- The **MACRA** further expands value-based care delivery and will affect 9% of Medicare physician reimbursement
- Trump’s election brings new uncertainties to the future of health policy and emergency care

Questions
Thank You

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