

REVENUE AND THE VALUE-BASED MODIFIER

The Value-Based Payment Modifier Program adjusts Medicare Physician Fee Schedule (PFS) payments to a physician or group of physicians (as identified by their Taxpayer Identification Number), based on the quality and cost of care furnished to their Medicare Fee-for-Service beneficiaries.

Beginning January 1, 2016, the Value Modifier will be applied to physician payments under the Medicare PFS for physicians in TINs with 10 or more eligible professionals, provided that at least one physician submitted a Medicare claim during 2014 under the TIN. CY 2014 is the performance period for the Value Modifier that will be applied in 2016. Starting January 1, 2017, the Value Modifier will be applied to physician payments under the Medicare PFS for physician solo practitioners and physicians in groups with two or more eligible professionals, as identified by their TIN. CY 2015 is the performance period for the Value Modifier that will be applied in 2017.

The Bottom Line

To promote participation in the incentive programs, CMS is making penalties for those who do not participate "too big to ignore." As the implementation of the VBPM continues, penalties will increase because any reductions for value-based payment modifiers will be in addition to penalties for failing to participate in PQRS and Meaningful Use.

SUBMIT HARDSHIP EXCEPTION TO AVOID 2017 MEANINGFUL USE PENALTY

MGMA wants all eligible professionals (EPs) subject to the 2017 Medicare Meaningful Use penalty to apply for the hardship exception. To assist those applying, MGMA updated its *Overview of the Final Requirements for Meaningful Use - 2015 through 2017* member-benefit resource. In direct response to MGMA, CMS is formally reaffirming that an eligible professional may submit a hardship exception application, while still remaining eligible for an incentive payment if they successfully attest 2015 Meaningful Use. CMS also stated that it will broadly accept hardship exceptions due to its delayed publication of program regulations. Supporting documentation will not be required if the application is submitted by March 15, 2016. One hardship exception application will be permitted by CMS for group practices.

Important Dates to Remember:

- March 11, 2016 - 2015 Meaningful Use **attestation** deadline
- March 15, 2016 - 2015 Meaningful Use hardship exception **application** deadline

You can find the Medicare EHR Hardship Exception Instructions and Hardship Exception Application forms at https://www.cms.gov/regulations-and-guidance/legislation/ehrincentiveprograms/paymentadj_hardship.html

1. *Value-Based Payment Modifier*. (2015, September). Retrieved January 28, 2016, from CMS.gov: <https://cms.gov/medicare/medicare-fee-for-service-payment/physicianfeedbackprogram/valuebasedpaymentmodifier.html>
2. *Overview of the Final Requirements for Meaningful Use 2015 through 2017*. (2016, February 3). Retrieved February 4, 2016, from MGMA: <http://www.mgma.com/government-affairs/tools/overview-of-the-final-requirements-for-meaningful-use-2015-through-2017>