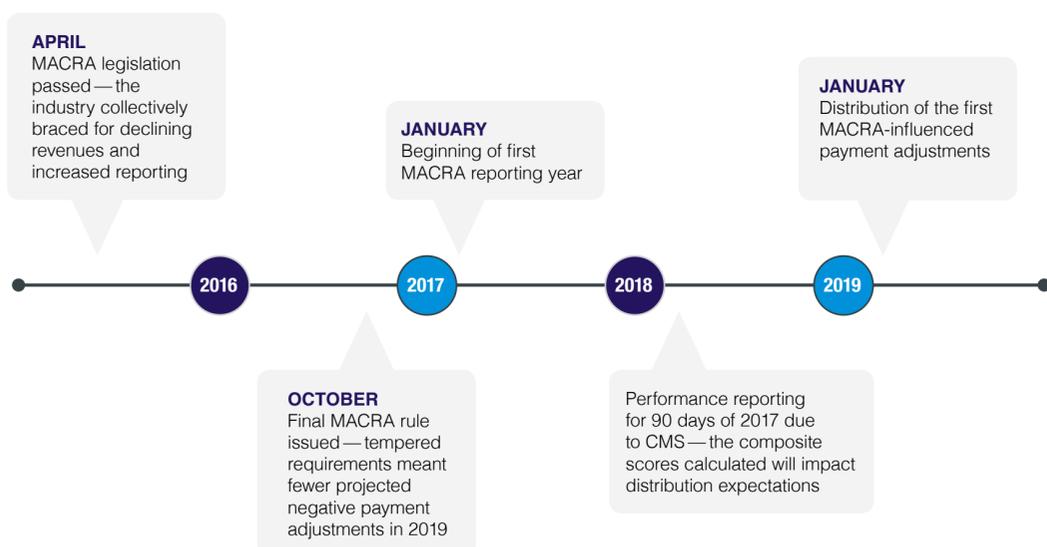


2019 PAYMENT ADJUSTMENTS

How will MACRA impact your payment adjustment?



2016-2017: How the rules and projections changed

April 2016: Projected positive and negative distributions under the initial MACRA ruling

	Physicians projected to receive negative adjustments	Physicians projected to receive positive adjustments
Groups with 1-9 eligible physicians	87%	13%
Groups with 10-24 eligible physicians	59%	41%
Groups with 25-99 eligible physicians	45%	55%
Groups with 100+ eligible physicians	18%	82%

Under the initial MACRA ruling, almost **87%** of all small groups and solo practitioners **could expect a negative payment adjustment.**

October 2016: Projected positive and negative distributions under the final MACRA ruling

	Physicians projected to receive negative adjustments	Physicians projected to receive positive adjustments
Groups with 1-9 eligible physicians	20%	80%
Groups with 10-24 eligible physicians	16%	84%
Groups with 25-99 eligible physicians	7%	93%
Groups with 100+ eligible physicians	2%	98%

Under the final ruling, almost **80%** of all small groups and solo practitioners **can expect positive adjustments.**

2018: Performance reporting and composite scores

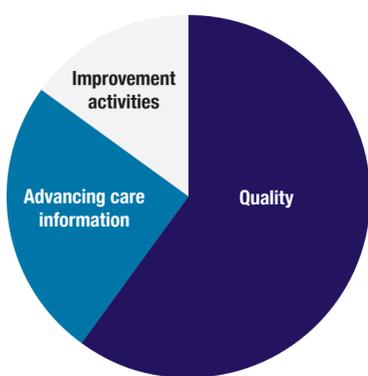
In early 2018, all clinicians must report performance data to CMS in three of four categories that count as a portion of the final composite score:

- Cost - 0%***
- Quality - 60%**
- Advancing care information - 25%**
- Improvement activities - 15%**

*Cost will begin to factor into the composite score in 2019 reports

A comparison of all composite scores above the pre-set performance threshold will determine the number of positive adjustments that will be issued.

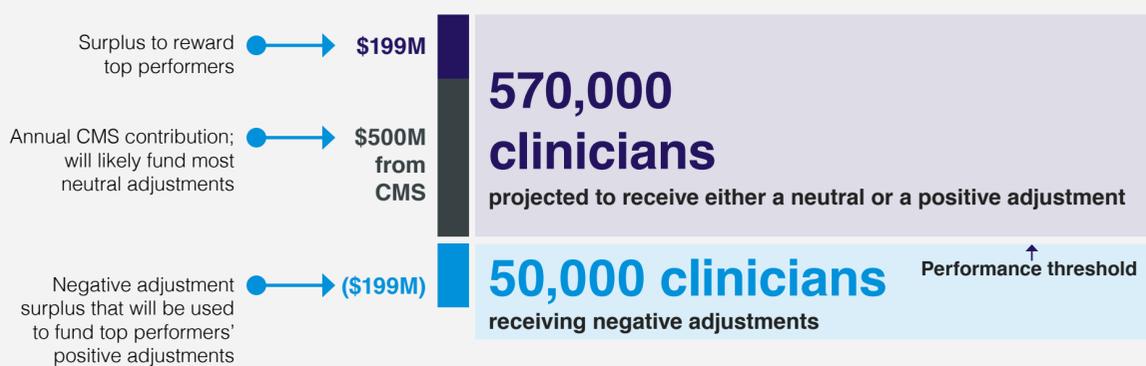
Composite score calculation



2019: A small distribution pool for positive adjustments

CMS estimates 50,000 clinicians will be subject to a negative payment adjustment in 2019—leaving \$199M to be distributed among a large base of 570,000 clinicians that are eligible for neutral or positive payment adjustments.

The projected distribution pool in 2019



Will your adjustment be positive or negative?

It depends on your reporting. CMS set a low reporting requirement threshold in the first year to ensure as much success as possible. If you submit any reporting for 2017, chances are you'll receive a positive adjustment—albeit a small one—in 2019.

Tips to ensure you don't fall into the negative adjustment pool:

- Identify and eliminate inefficient workflows
- Reduce unnecessary spending
- Improve care coordination and communication within your practice
- Enable seamless and secure communication with broader care teams, including specialists and hospitalists

Source: "Making Sense of MACRA" webinar. The Health Management Academy and PerfectServe. March 2017.