



ELIZABETH A. RYAN, ESQ.  
PRESIDENT AND  
CHIEF EXECUTIVE OFFICER

August 18, 2017

The Honorable Seema Verma  
Administrator  
Centers for Medicare & Medicaid Services  
U.S. Department of Health and Human Services  
Attention: CMS-1677-P  
P.O. Box 8011  
Baltimore, MD 21244-1850

***RE: CMS-5522-P, Medicare Program: CY 2018 Updates to the Quality Payment Program (Vol. 82, No. 125) June 30, 2017.***

Dear Administrator Verma:

The New Jersey Hospital Association, with our more than 300 hospital, health system and other provider members, thanks you for the opportunity to comment on the proposed Centers for Medicare and Medicaid Services 2018 updates for the Quality Payment Program (QPP).

Passed in 2015, the Medicare Access and CHIP Reauthorization Act provided certainty for physicians serving Medicare patients. MACRA included two separate tracks for physicians under Medicare: the Merit-based Incentive Payment System (MIPS) and advanced alternative payment models (APMs). As you know, New Jersey's hospitals have fully embraced delivery system reforms such as bundled payments, accountable care organizations and other Medicare-directed payment models and demonstrations. As a result, NJHA is generally supportive of the incremental approach to QPP implementation in Year 2 of the post-sustainable growth rate payment system.

In particular, NJHA supports the proposed rule's changes to the MIPS low-volume threshold for the 2018 performance period. Reducing regulatory burden on providers is an important goal, and the proposed rule's modification to the low-volume threshold helps meet this challenge. CMS estimates that approximately two-thirds – around 565,000 – of eligible clinicians will be excluded from MIPS. As the transition to this new payment system continues, it is essential to ensure all clinicians are adequately prepared for MIPS participation. The proposed changes to raise the low-volume threshold to clinicians and group practices billing \$90,000 of Medicare charges or that see 200 or fewer Medicare patients will help ensure a successful transition to the new payment system.

The rule also proposes to allow hospital-based clinicians to use their hospital's Value-Based Purchasing Program measure results for MIPS reporting. Clinicians eligible for the VBP reporting option would have at least 75 percent of services provided in either the hospital inpatient or emergency department settings. Groups could also elect to be facility based if 75

percent or more of the group's MIPS-eligible clinicians could be considered facility based as individuals. Allowing hospital-based clinicians to utilize existing reporting mechanisms for MIPS performance could reduce the reporting burden on hospitals and clinicians, and NJHA is generally supportive of this option. However, NJHA encourages CMS to explore allowing facility-based clinicians in other settings (e.g., skilled nursing facilities) to utilize this option.

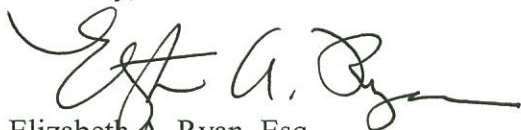
CMS also tries to address the complexity of patients by giving a bonus based on hierarchical condition category (HCC) score. Patient complexity includes factors such as health status, chronic medical conditions and social risk factors. The rule proposes that a bonus based on patient complexity cannot exceed three points based on the average HCC risk score. In general, NJHA supports this effort to recognize that caring for vulnerable patient populations can have an impact on quality scores. However, CMS should consider a bonus of greater than three points based on the overall MIPS score of 100 points.

The proposed rule also looks to address flexibility in reporting in the Advancing Care Information (ACI) category. For calendar year 2018, CMS proposes that clinicians can choose to report ACI transition objectives and measures from stage 2 of the EHR Incentive Program rather than Stage 3 of the EHR Incentive Program. The rule also proposes a minimum 90-day reporting period for ACI measures in both 2018 and 2019. Finally, the rule proposes that MIPS-eligible clinicians may use either 2014, 2015 or a combination of 2014 and 2015 certified EHR technology for the 2018 performance period and provides for a bonus for clinicians using 2015 edition EHR to report ACI Objectives and Measures. NJHA appreciates this flexible approach to the ACI category for 2018.

Finally, NJHA continues to support additional opportunities for eligible clinicians to qualify for the advanced APM track's 5 percent incentive payment. New Jersey providers have been active participants in a variety of APMs that have heretofore not qualified for the advanced APM track. We continue to encourage CMS to consider other APMs – such as the Track 1 Medicare Shared Savings Program model – for the advanced APM incentive payment. Given the ongoing focus on improved patient care through clinically integrated care, we encourage CMS to explore options to qualify for the advanced APM incentive payment.

NJHA's hospital and provider community continues to meet head-on the challenges of improved efficiency in care delivery. We appreciate the many positive changes CMS has suggested in the proposed calendar year 2018 QPP rule. Thank you again for the opportunity to comment on this proposed rule. Please do not hesitate to contact me at 609.275.4241 or [eryan@njha.com](mailto:eryan@njha.com) should you have any questions.

Sincerely,



Elizabeth A. Ryan, Esq.  
President & CEO