

The Merit-Based Incentive Payment System (MIPS) and the Clinical Training Site Shortage

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Fast Facts

- **94.8%** of physician assistant (PA) educational program directors are **moderately or very concerned** about the availability of adequate clinical training sites.¹
- The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) created a new Quality Payment Program (QPP) for Medicare Part B providers.²
- Part B reimbursement is based in part upon adequate participation in practice improvement activities by certain practices under the QPP.³
- Practices may select from more than 90 improvement activities to demonstrate quality improvement under the Merit-Based Incentive Payment System (MIPS) component of the QPP.⁴

What's the Issue?

The U.S. health care system is in the midst of a fundamental transformation with respect to reimbursement. Driven by stakeholders across the health care spectrum, both public and private payers are transitioning from reimbursement based on volume to paying for the value of care provided to patients with significant emphasis on quality improvement efforts. As a component of this broader shift, former President Obama signed MACRA into law, creating a new payment program based on care quality for Medicare Part B providers. The transition to value-based payment provides a unique opportunity to simultaneously address the clinical training site shortage for PA students by creating incentives for providers to train the next generation of PAs, ultimately improving the future quality of care delivered to patients.

What's the Solution?

Certain practices that are reimbursed under Medicare Part B are now required to participate in the MIPS component of the MACRA Quality Payment Program. Practices that demonstrate that they are working to provide patients with high-quality care by engaging in practice improvement activities may be eligible for higher payments under the law. H.R. 1605, the Physician Assistant Education Public Health Initiatives Act of 2017, introduced by Rep. Karen Bass (D-CA), includes a provision in the 2018 MACRA proposed rule published by the Centers for Medicare and Medicaid Services allowing practices that serve as preceptors for PA students to be eligible for practice improvement activity under MIPS. By providing a new incentive for practices to serve as clinical training sites as a component of a comprehensive approach, PAEA believes significant progress can be achieved in alleviating the crisis.

For additional information, please contact Director of Government Relations Athena Abdullah at aabdullah@PAEAonline.org.

REFERENCE

¹ Physician Assistant Education Association, *By the Numbers: Program Report 31*. Washington, DC: PAEA, 2016. doi: 10.17538/PS31.2016. <http://paeaonline.org/research/program-report/>. Accessed June 19, 2017.

² Centers for Medicare and Medicaid Services, Quality Payment Program, 2017. <https://qpp.cms.gov/>. Accessed June 19, 2017.

³ Centers for Medicare and Medicaid Services, Quality Payment Program, 2017. <https://qpp.cms.gov/>. Accessed June 19, 2017.

⁴ Centers for Medicare and Medicaid Services, Improvement Activities, 2017. <https://qpp.cms.gov/mips/improvement-activities/>. Accessed June 19, 2017.

