Alliance of Specialty Medicine

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Specialty Docs React to Medicare Fee Schedule Final Rule

Requirements of the Value Based Payment Modifier Remain at Issue

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WASHINGTON —The Alliance of Specialty Medicine (Alliance) commented today on provisions specific to the Value-Based Payment Modifier (VBPM) as described in the recently released Centers for Medicare and Medicaid Services (CMS) 2013 Medicare Physician Fee Schedule Final Rule. While the Alliance recognizes that implementation of the VBPM is challenging for CMS, this and other CMS quality reporting programs pose unique and significant challenges to specialty physicians, diverting time and resources away from direct patient care.

"There are some changes for the better in the final rule when it comes to the payment modifier," said Alliance spokesman Alex Valadka, MD, a neurosurgeon from Austin, TX. "However, many specialty practices are already juggling with current conflicting and overlapping quality reporting mandates. VBPM is still in danger of being rushed onto physicians who may not have the resources or experience needed to comply."

In reviewing the final rule, the Alliance was pleased with CMS' decision to limit application of the modifier in the first year to group practices with 100 or more eligible professionals rather than 25 or more. This modification allows CMS to further evaluate its methodologies and approaches on those practices that have the resources needed to devote to value-based performance initiatives prior to more widespread implementation. This change will also allow CMS to conduct more focused outreach and education given the more limited eligible population size. Furthermore, the Alliance also appreciated CMS' decision to recognize and hold unaccountable to the modifier large groups that at least attempt to report Physician Quality Reporting System (PQRS) measures even if they do not fully satisfy reporting criteria.

While CMS did not follow the Alliance's recommendation and alter its decision to use 2013 data for the application of the first VBPM-related payment adjustment, due in 2015, CMS did decide to delay the date by which large groups can indicate their preferred quality reporting mechanism and whether they want to be held accountable under the quality-tiering approach. These groups will now have an additional nine months to consider these options and will no longer have to crunch to make these decisions within a few months of the publication of the final rule. Nonetheless, the Alliance remains concerned about the statutory requirement to apply the modifier to all physicians by 2017 and the impact this may have on specialty practices.

"CMS is telling physicians to be up and running on VBPM in four short years, yet we still have no clear pathway ahead on any sort of reform in Medicare SGR reimbursement, and we are facing more financial upheaval with sequestration and IPAB cuts looming in the future and electronic health records and meaningful use payments. It strikes physicians as more than a little lopsided," said Valadka.

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