

Introducing McLeod Healthcare Network – Executive Summary

Market forces are catalyzing structural change in healthcare with a major push toward value-based care payment. It has become more important than ever for health care organizations to partner together to improve quality and provide greater value for patients, providers, payers and our communities at large. As you have heard, we are currently in the first performance year of MACRA (“The Medicare Access & CHIP Reauthorization Act”), which has fundamentally changed how providers will be paid by Medicare. In brief, MACRA locks provider payment rates at near zero growth and establishes two new payment tracks: the Merit-Based Incentive Payment System (MIPS) and the Advanced Alternative Payment Models (APM). Starting in 2019, Medicare payment adjustments will depend on which track your practice falls into.

In order to prepare for this new era of health care reimbursement as well as to continue to improve the quality of care and experience for our patients, McLeod Health is building a Clinically Integrated Network (CIN), the “McLeod Healthcare Network”. A CIN establishes a platform that allows independent and employed providers to collaborate across the continuum of care, removing barriers to the coordination of patient care and increasing the efficiency of care delivery. Providers will have access to IT infrastructure and analytic resources that will help providers hold each other accountable for performance against physician-developed clinical quality standards. By bringing different specialties and practices together under a common governance structure, a CIN creates – and rewards – collaboration between groups of engaged, like-minded physicians who may not consistently work together today. McLeod Healthcare Network will provide the infrastructure and legal grounding to allow physicians to truly band together to move the needle on quality improvement and achieve success under MACRA.

One of McLeod Healthcare Network’s first initiatives will be to apply for the Medicare Shared Savings Program (MSSP). This is a three-year contract with Medicare in which we could “share” with Medicare savings generated for our attributed patients compared to their historical per capita costs. While generating shared savings is not guaranteed, the MSSP does provide major benefits under MACRA. For example, for all participants in McLeod Healthcare Network’s MSSP contract, the CIN will be able to report quality metrics as one entity on their behalf which will significantly reduce the administrative burden on each practice. Additionally, the CIN will have access to a preferential scoring standard (greater weighting on quality, no weighting on cost performance and automatic full credit for improvement activities) which we believe will result in a more favorable payment adjustment under the MIPS track of MACRA.

To participate in the MSSP and receive benefits for MACRA’s 2018 performance year, each practice must sign a Participation Agreement **by July 25th** so we can include it with our application which is due to CMS on July 31st. We realize this is **very** short notice, but wanted to offer you the chance to join for 2018 since we believe it is the best approach to MACRA for our organization and we think it will benefit your practice. If you are unable to sign by July 25th, we will provide opportunities for your practice to join in subsequent years. Please see the attached FAQs for additional information.