

The Centers for Medicare & Medicaid Services' Office of Research, Development, and Information (ORDI) strives to make information available to all. Nevertheless, portions of our files including charts, tables, and graphics may be difficult to read using assistive technology.

Persons with disabilities experiencing problems accessing portions of any file should contact ORDI through e-mail at ORDI_508_Compliance@cms.hhs.gov.

The Medicare Care Management Performance Demonstration FACT SHEET

Section 649 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) requires the Secretary to establish a pay-for-performance 3-year demonstration with physicians to promote the adoption and use of health information technology to improve the quality of patient care for chronically ill Medicare patients. Doctors who meet or exceed performance standards established by CMS in clinical delivery systems and patient outcomes will receive a bonus payment for managing the care of eligible Medicare beneficiaries.

CMS is implementing the demonstration in the states of **California, Arkansas, Massachusetts and Utah**. Both rural and urban areas in each state are included to satisfy the legislative requirements. The demonstration is focused on solo and small to medium-sized physician practices. The QIOs assisted in the recruitment of almost 700 physician practices and are also providing ongoing technical assistance.

Practices participating in the MCMP demonstration are rewarded for reporting clinical quality data and meeting clinical performance standards for treating diabetes, congestive heart failure, and coronary artery disease. In addition, they are measured and rewarded for how well they provide preventive services (immunizations, blood pressure screening and cancer screening) to high risk chronically ill Medicare beneficiaries. Table 1 provides a list of the 26 measures, all of which have been endorsed by a consensus process, which will be in the demonstration.

The implementation of an electronic health record (EHR) and the ability to use it to facilitate the redesign of clinical practices can be critical in advancing opportunities to improve the quality of care. Therefore, under this demonstration physicians are eligible to receive additional incentive payments for implementing a CCHIT-certified EHR and reporting the clinical performance data electronically.

An independent evaluation of this demonstration will be conducted. In addition, the authorizing legislation requires that not later than 12 months after the date of completion of the demonstration program, the Secretary shall submit a report to Congress.

Current Status

- The demonstration began operations July 1, 2007 and is currently in its third year. Over 500 practices with an average practice size of 3.3 physicians are currently participating in the demonstration.
- The first incentive payments for baseline reporting (“pay for reporting”) were issued in the spring of 2008.
 - The total amount paid was \$1.5 million with each practice earning an average of \$2,505.
 - 88% of participating practices received the maximum incentive for which they were eligible.
- Additional PQRI payments to demo practices for those practices that elected to receive PQRI payments through the demonstration (vs. the regular PQRI program) totaled \$1.02 million with participating practices earning an average of \$2,233. Demonstration based PQRI payments for the 2008 PQRI reporting year will be issued in the fall of 2009.
- Demonstration Year 1 data collection and scoring was completed in the summer of 2009. As opposed to the baseline “pay for reporting”, this year practices earned incentives based on their performance on the quality measures and not just for reporting them. Practices were eligible to earn up to \$10,000 per physician (up to \$50,000 per practice) based on their scores on the 26 quality measures. In addition, practices that reported the data electronically from a CCHIT-certified electronic health record system (EHR) were eligible for an additional 25% bonus.
 - Based on preliminary results from over 500 practices, CMS will award approximately \$7.5 million in incentive payments. The average payment per practice was approximately \$14,000 but some practices earned as much as \$62,500.
 - Twenty-three percent of practices submitted at least some of the measures from a CCHIT-certified EHR. Preliminary results suggest that those practices reporting the data from EHRs generally scored higher and earned higher incentive payments than those practices not using an EHR.

Table 1: Clinical Quality Measures in the MCMP Demonstration

Diabetes	Heart Failure	Coronary Artery Disease	Preventive Care <i>(measured on population with specified chronic diseases)</i>
DM-1 HbA1c Management	HF-1 Left Ventricular Function Assessment	CAD-1 Antiplatelet Therapy	PC-1 Blood Pressure Measurement
DM-2 HbA1c Control	HF-2 Left Ventricular Ejection Fraction Testing	CAD-2 Drug Therapy for Lowering LDL Cholesterol	PC-5 Breast Cancer Screening
DM-3 Blood Pressure Management	HF-3 Weight Measurement	CAD-3 Beta Blocker Therapy – Prior MI	PC-6 Colorectal Cancer Screening
DM-4 Lipid Measurement	HF-5 Patient Education	CAD-5 Lipid Profile	PC-7 Influenza Vaccination
DM-5 LDL Cholesterol Level	HF-6 Beta Blocker Therapy	CAD-6 LDL Cholesterol Level	PC-8 Pneumonia Vaccination
DM-6 Urine Protein Testing	HF-7 ACE Inhibitor/ARB Therapy	CAD-7 ACE Inhibitor/ARB Therapy	
DM-7 Eye Exam	HF-8 Warfarin Therapy for Patients with AF		
DM-8 Foot Exam			