In November, CMS announced changes to the Merit-Based Incentive Payment System (MIPS). Part 1 of this two-part series reviews general program changes for the 2022 performance year. Part 2, in next month’s EyeNet, looks at changes to the four performance categories. Both articles were posted online in December at aao.org/eyenet/mips-manual-2022.

Your MIPS Final Score and Payment Adjustments

Your 2022 MIPS final score (0-100 points) impacts 2024 reimbursement. In 2024, your payments for Medicare Part B services will be adjusted up or down based on your 2022 MIPS final score (see “Bonuses and Penalties”). As in past years, this score can range from 0 to 100 points and is based on up to four performance category scores plus a complex patient bonus.

Quality’s contribution is down, cost’s is up. When CMS calculates your 2022 MIPS final score, the default weights of your performance category scores are as follows:

- Quality’s default weight is 30% (down from 40% in 2021), meaning that it contributes up to 30 points to your MIPS final score.
- Promoting interoperability (PI), which is MIPS’ electronic health record (EHR)–based performance category, has a default weight of 25% (same as in 2021).
- Improvement activities’ default weight is 15% (same as in 2021).
- Cost’s default weight is 30% (up from 20% in 2021).

As in previous years, you can earn bonus points for medical complexity. One early concern about scoring MIPS performance was that clinicians who look after complex patients may be at a disadvantage. In 2018, CMS attempted to address this by introducing the complex patient bonus. This bonus score is determined by two indicators of medical complexity: 1) the average Hierarchical Condition Category (HCC) risk score of your patients and 2) their “dual eligible” score, which is based on the proportion of your patients who are eligible for both Medicare and Medicaid.

The complex patient bonus will be more targeted than in the past. Starting in the 2022 performance year, you will be eligible for the complex patient bonus only if you have at least a median score for the HCC risk indicator and/or the dual eligible indicator. CMS also has revised the formula for calculating the number of bonus points that you will get, with the goal of better rewarding those who are delivering care to highly complex patients.

The complex patient bonus will be capped at 10 points. At the start of the 2020 and 2021 performance years, CMS said that the complex patient bonus would be capped at 5 points. However, this was then upped to 10 points because of the COVID-19 public health emergency. For the 2022 performance year, CMS has said at the outset that it will cap the bonus at 10 points.

The thresholds for avoiding a penal-

Bonuses and Penalties

Your 2022 performance will impact your 2024 Medicare Part B payments.

<table>
<thead>
<tr>
<th>2022 MIPS Final Score</th>
<th>2024 Payment Adjustment</th>
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<tbody>
<tr>
<td>0-18.75 points</td>
<td>-9%</td>
</tr>
<tr>
<td>18.76-74.99 points</td>
<td>Less than -6.75% penalty*</td>
</tr>
<tr>
<td>75.00 points</td>
<td>Neutral (no bonus; no penalty)</td>
</tr>
<tr>
<td>75.01-88.99 points</td>
<td>Initial bonus*</td>
</tr>
<tr>
<td>89.00-100 points</td>
<td>Initial bonus* + exceptional performance bonus*</td>
</tr>
</tbody>
</table>

* The penalty and the two bonuses will be based on linear sliding scales. For each of the bonuses, for example, the higher your 2022 MIPS final score, the greater the positive adjustment that will be applied to your 2024 payments.

By Chris McDonagh, senior editor, EyeNet.
ty and for earning bonuses are higher than in 2021. For the 2022 performance year, CMS has raised the bar on three key thresholds:
- You need a score of at least 18.76 points to avoid the maximum –9% penalty (up from 15.01 points in 2021);
- there is a 75-point threshold to get a neutral adjustment (up from 60 points); and
- there is an 89-point threshold for getting an exceptional performance bonus (up from 85 points).

Last call for the exceptional performance bonus. The MIPS program features two bonus payments:
- You can earn an initial bonus if your MIPS final score exceeds the 75-point performance threshold. This bonus is budget neutral, with bonuses being funded by penalties that are imposed on those whose MIPS final score is less than 75 points.
- You also can earn an exceptional performance bonus if you meet or exceed the additional performance threshold, which has been set at 89 points for 2022. This second bonus is funded by an additional $500 million per year that has been set aside for the first six years of the MIPS program.

The 2022 performance year is the last opportunity to earn the exceptional performance bonus, with a corresponding increase to your reimbursement during the 2024 payment year.

Small Practices—New Policies for Reweighting PI

Background: Performance categories can be reweighted. As in previous performance years, if CMS determines that you shouldn’t be scored on a performance category, it will reduce that category’s weight to zero and increase the weight of one or more of the other performance categories accordingly when calculating your MIPS final score. This can happen if an “extreme and uncontrollable circumstances” exclusion applies, if a PI exception applies, or if you don’t meet the case minimum for any of the cost measures. For example, if CMS can’t score you on any cost measures, cost’s weight in your MIPS final score will be reduced from 30% to 0%, quality’s weight will be increased from 30% to 55%, and PI’s weight will be increased from 25% to 30%. In some circumstances, you need to submit an application to have a performance category reweighted; in others, the reweighting may happen automatically.

For PI, the small practice exception is now automatic. In 2018, CMS introduced a PI exception for small practices, which CMS defines as practices with 15 or fewer “eligible clinicians.” Initially, MIPS participants had to apply for this exception. However, starting with the 2022 performance year, if you are in a small practice and you do no PI reporting, CMS will automatically apply the small practice PI exception.

Warning: If you do any PI reporting at all, CMS will score you on any PI data that you submit and will factor your PI performance category score into your MIPS final score.

New reweighting policy for small practices. In 2022, there are two scenarios where the reweighting policy depends on whether your practice is small or large:
- When PI alone is reweighted to zero
- When PI and cost are reweighted to zero

In both cases, if you are in a large practice the adjusted weight(s) will be moved to your quality score. If you are in a small practice, the weight(s) will be split between your quality score and your improvement activities score (see “Reweighting PI—Small Versus Large Practice”).

What’s the rationale behind the new reweighting policies? CMS has acknowledged that small practices tend to have more limited infrastructure and resources than larger practices. When reapportioning PI’s weight for a small practice, the agency has said that it

Reweighting PI—Small Versus Large Practice

There are two scenarios where the reweighting of your MIPS final score will depend on whether your practice is classified as small or large.

<table>
<thead>
<tr>
<th>Reweighting Scenario</th>
<th>Practice Size</th>
<th>Weighting in MIPS Final Score</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Quality</td>
</tr>
<tr>
<td>No reweighting</td>
<td>Small or large</td>
<td>Weight</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Points</td>
</tr>
<tr>
<td>No PI</td>
<td>Small</td>
<td>Weight</td>
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<td>Weight</td>
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<td></td>
<td></td>
<td>Points</td>
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<tr>
<td>No PI and no cost</td>
<td>Small</td>
<td>Weight</td>
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<td>Large</td>
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<td>Points</td>
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</tbody>
</table>
should “put more emphasis on a performance category that poses a reduced reporting burden such as the improvement activities performance category.”

**How do the new reweighting policies benefit small practices?** It is much more feasible to obtain a high score for the improvement activities performance category than it is for quality. Indeed, a small practice can score 100% for improvement activities by successfully performing, and reporting, one high- or two-medium weighted activities.

**Use These MIPS Resources**

**Check your 2022 MIPS status.** Use the CMS QPP Participation Status Lookup Tool to see if you are eligible to participate in MIPS, and to see if an exclusion or a special status (such as being in a small practice) applies to you: https://qpp.cms.gov/participation-lookup.

**Bookmark these URLs.** CMS published the 2022 MIPS regulations in November and, at time of press, was expected to post the 2022 quality measure benchmarks online in late December. Meanwhile, the Academy is in the process of reviewing the new regulations and benchmarks and updating all its MIPS resources for the 2022 performance year:

- MIPS hub page: aao.org/medicare/mips
- IRIS Registry: aao.org/iris-registry

**Read the latest Academy and AAOE news e-bulletins.** Although CMS published 2022 updates to the MIPS regulations in November, it will continue to publish corrections and clarifications throughout 2022. To learn about the latest MIPS developments, watch for Washington Report Express (Thursdays), Medicare Physician Payment Update (first Saturday of the month) and, if you are an AAOE member, Practice Management Express (Sundays).

**Crowdsource MIPS answers via AAOE-Talk.** AAOE members can use this online community to find out how other practices are tackling MIPS: Go to aao.org/practice-management/listserv. Not an AAOE member? Join at aao.org/member-services/join-aaoe.

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