



MIPS Payment Adjustment Data File Available Online

Access files at provider.healthnet.com and use examples on page 2 to calculate adjustment payment for noncontracting providers

The Merit-based Incentive Payment System (MIPS) data file is now available on the Health Net* provider website. Participating physician groups (PPGs) will use the MIPS data file to identify the applicable MIPS adjustment percentage for MIPS-eligible clinicians.

PPGs delegated for claims payment must include the positive MIPS adjustment payment for Medicare Advantage (MA) covered services provided by eligible clinicians who are not contracted with the PPG at the time of service when payment is made under or based on the Medicare physician fee schedule.

Additional payment adjustment requirements were communicated to PPGs on December 28, 2018, via provider update 18-923, *CMS Required MIPS Adjustment for Noncontracting Providers*.

ACCESSING AND USING MIPS DATA FILE

The MIPS payment adjustment data file is online at provider.healthnet.com. Log in, then select *Working with Health Net > Regulatory > Merit-based Incentive Payment System Program*.

Match the clinician's billing National Provider Identifier (NPI)/taxpayer identification number (TIN) combination to an NPI/TIN combination in the MIPS data file and apply the adjustment percentage as follows:

- **Exact match for the billing NPI/TIN combination** – Apply the MIPS adjustment percentage for the NPI/TIN combination.
- **No exact match for the billing NPI/TIN combination** – Determine whether the NPI appears in combination with another TIN and, if so, apply the MIPS adjustment percentage associated with that NPI/TIN combination.
- **NPI appears in more than one NPI/TIN combination** – Apply the MIPS adjustment percentage for the NPI/TIN combination that results in the greatest total payment amount.

CALCULATING MIPS PAYMENTS

The combined payment that the clinician receives from the PPG and the Health Net MA member must be no less than the total MIPS-adjusted payment amount that the clinician would have received under Medicare fee-for-service (FFS).

The noncontracting clinician must accept as payment in full the amount that the physician would be paid if the beneficiary were enrolled in Medicare FFS Parts A and B only; any

THIS UPDATE APPLIES TO CALIFORNIA PROVIDERS:

- Physicians
- Participating Physician Groups
- Hospitals
- Ancillary Providers

LINES OF BUSINESS:

- HMO/POS/HSP
- PPO
- EPO
- Medicare Advantage (HMO)
- Medi-Cal
 - Kern
 - Los Angeles
 - Molina
 - Riverside
 - Sacramento
 - San Bernardino
 - San Diego
 - San Joaquin
 - Stanislaus
 - Tulare

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penalty or “other provision of law” applicable to such payment under Medicare FFS would also apply to the payment from the PPG.

Health Net MA members are responsible for plan-allowed cost-sharing for out-of-network services.

- For MA plans requiring a fixed copayment for out-of-network services, member cost-sharing is limited to the copayment amount.
- For MA plans that use a coinsurance method of cost-sharing, the Centers for Medicare & Medicaid Services (CMS) offers two approaches:
 - **Approach 1:** Calculate the member cost-sharing as a percentage of the MIPS-adjusted payment amount. Under this approach, the MIPS adjustment amount is shared between the PPG and the member, and member cost-sharing varies depending on the MIPS adjustment factor.
 - **Approach 2:** Calculate member cost-sharing as a percentage of the Medicare physician fee schedule (PFS) allowed amount. Under this approach, the PPG is liable for the full MIPS adjustment amount and member cost-sharing remains constant based on the PFS allowed amount.

Refer to the chart below for an example of how these two approaches are calculated for positive adjustments. For 2019, Health Net has chosen Approach 2. PPGs must document whichever approach they choose in their policies, procedures or work instructions.

Step 1: Calculate the total MIPS-adjusted payment amount under Medicare FFS	
MIPS adjustment percentage:	+4%
PFS allowed amount:	\$100.00
Medicare paid amount:	80% X \$100.00 = \$80.00
MIPS-adjusted Medicare paid amount:	104% X \$80.00 = \$83.20
Medicare FFS cost-sharing:	20% X \$100.00 = \$20.00
Total MIPS-adjusted payment amount:	\$83.20 + \$20.00 = \$103.20
Step 2: Calculate the member cost-sharing and PPG liability (using a 30% coinsurance)	
Approach 1: Calculate member cost-sharing as a percentage of MIPS-adjusted payment amount	
Member cost-sharing:	30% X \$103.20 = \$30.96
PPG liability	70% X \$103.20 = \$72.24
Approach 2: Calculate member cost-sharing as a percentage of PFS allowed amount	
Member cost-sharing:	30% X \$100.00 = \$30.00
PPG liability	\$103.20 – \$30.00 = \$72.24

MIPS PAYMENT ADJUSTMENT REQUIREMENTS

MIPS payment adjustments are applied on a per-claim basis. PPGs may apply MIPS payment adjustments either:

- At the time payment is made to a MIPS eligible noncontracting clinician for covered professional services furnished during the applicable MIPS payment year, or
- As a retroactive adjustment to paid claims.

CMS recommends that if PPGs apply a retroactive adjustment to paid claims that they provide notice to affected noncontracting clinicians as soon as possible to eliminate concern that the combined payment from the PPG and plan member will not equal the applicable MIPS-adjusted payment amount. PPGs must continue to meet prompt claims payment requirements.

If you have questions regarding the MIPS program, visit the CMS website at <https://qpp.cms.gov/mips/overview>.

For all other questions contact the Health Net Provider Services Center by email at provider_services@healthnet.com within 60 days, by telephone or through the Health Net provider website as listed in the right-hand column on page 1.