

Market Research Report: **MACRA & CCM**

***Based on Physician, Practice Manager, and Executive Survey Conducted
Spring, 2017***

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Methodology

This market research report is based on the results of an online survey sent to 22,267 primary care providers, practice administrators and health care executives.

The survey was conducted during the Spring of 2017.

A total of 438 individuals participated in the survey, with 367 completions.

Executive Summary

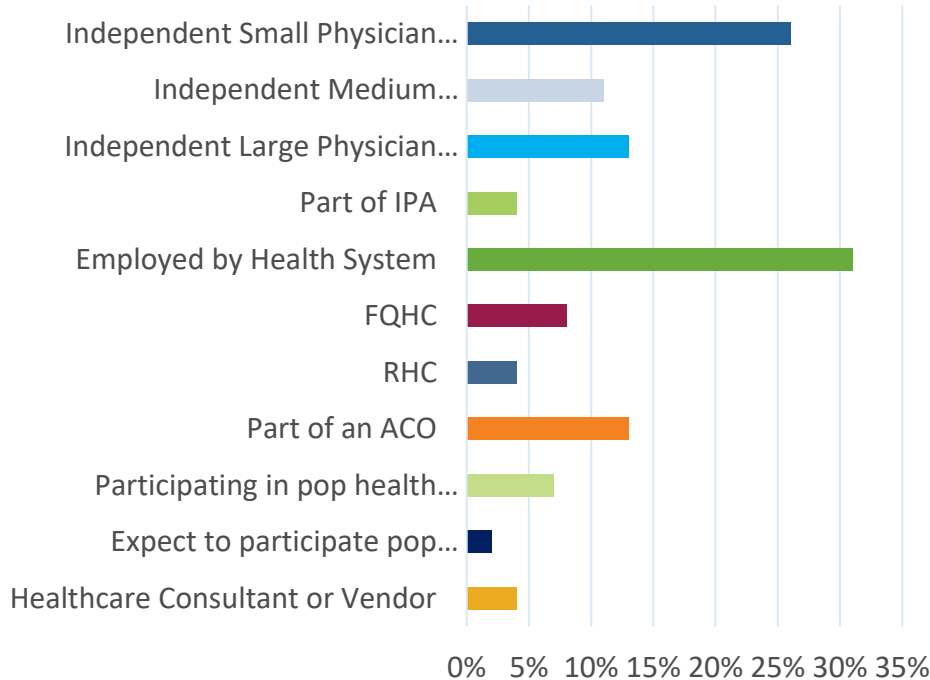
The Medicare Access & CHIP Reauthorization Act of 2015 (MACRA) completely reforms Part B physician payments for Medicare services, linking the majority of fee for service payments to value and quality.

This survey was conducted to better understand:

- Overall awareness of MACRA
- Strategies that healthcare organizations are pursuing to improve performance under MACRA
- How those strategies compare between ACOs, health systems, and independent providers
- How adoption of the Medicare Chronic Care Management program (CCM) has evolved since our last survey conducted in the Fall of 2015

Breakdown of Audience by Segment

What Best Describes your Organization?



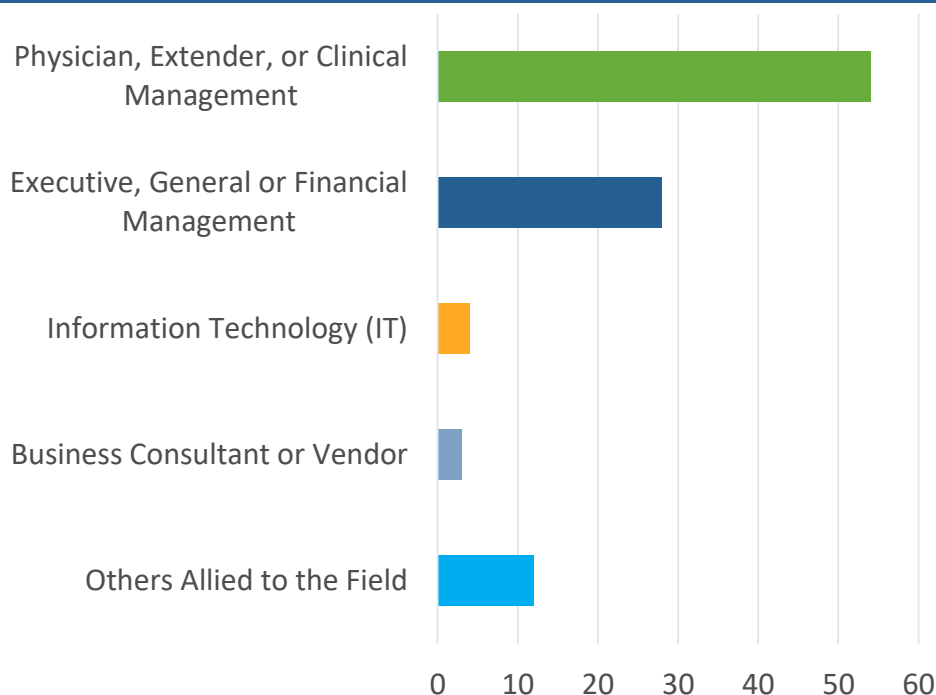
49% of respondents are part of an independent practice.

31% are employed by a health system.

13% are part of an ACO.

Breakdown of Audience by Role

What Best Describes your Role in the Organization?



54% of respondents are physicians, extenders, or clinical management.

28% are executive, general, or financial management.

Key Takeaways

- **MACRA awareness remains low.**
 - Only 19% of respondents said they are very familiar or an expert on MACRA.
 - 25% said they had either never heard of MACRA or are very unfamiliar.
 - The majority of physicians fell somewhere in between on the scale awareness.
- **47% of respondents said they don't know which of MACRA's two payment tracks they will fall under,** indicating that most are still trying to figure out the ins and outs of the program.
- **Of those who said they will fall under MACRA's "MIPS" payment track, a larger percentage than expected (47%) reported that they plan to participate in the program for the entire year in 2017.**
 - Only 14 percent of respondents said they will report MACRA at the minimum level, which CMS calls the "Test Pace."
- **The vast majority of physicians who are participating in the CCM program believe the program is succeeding,** with 84% reporting that the program is having a positive impact on patient care.

Key Takeaways

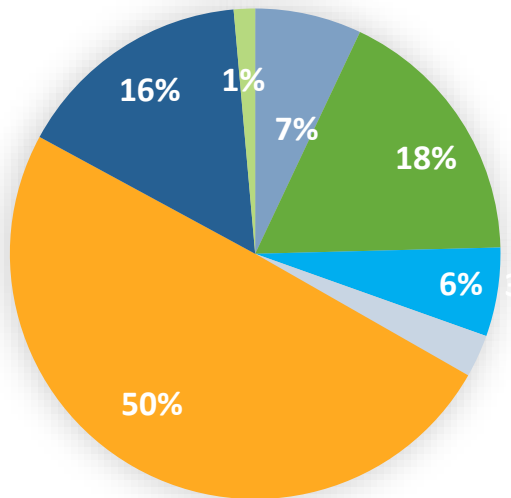
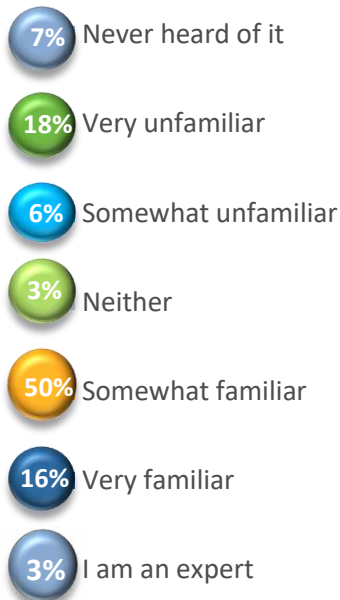
- **Nearly all respondents (94%) say they provide Annual Wellness Visits (AWV) for their Medicare patients.**
 - Only 1 in 10 respondents provide the visits for more than 80 percent of their patients.
- **Accountable Care Organizations (ACOs) provide AWVs to a higher percentage of their patients** than independent or health system employed providers.
- **41% of respondents are participating in the Chronic Care Management (CCM) program.**
 - That is a 141 percent increase in adoption since Smartlink first asked the question of physicians in a 2015 survey.
- **ACOs are more likely to have rolled out a CCM program (46%) than non-ACO independent practices (41%) or non-ACO employed providers (34%).**
 - Adoption of CCM is highest among providers in large groups of 21 or more physicians; a turnaround from 2015 when groups of 6-10 and 21-50 physicians led in adoption.

Detailed Results:

MACRA Awareness

MACRA Awareness

How familiar are you with MACRA?

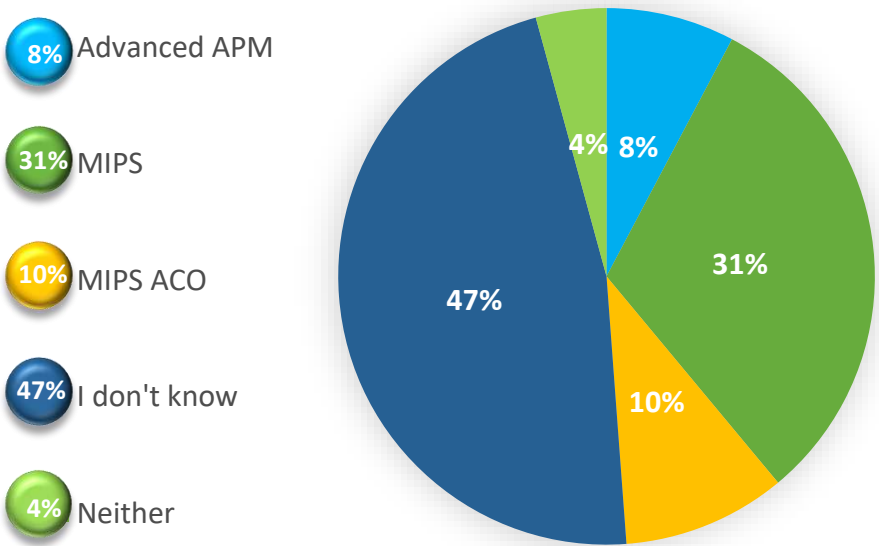


Overall understanding of MACRA is improving but remains low several months after taking effect.

- Only 19% of respondents said they are very familiar or an expert on MACRA.
- 25% said they had either never heard of MACRA or are very unfamiliar.

Payment Track Participation

Which payment track will you fall under in 2017?

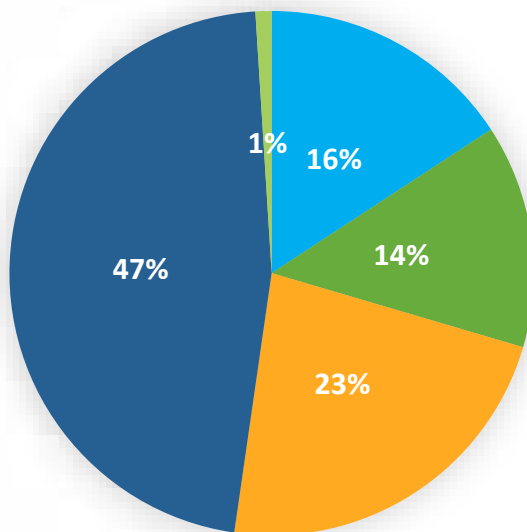


Several months after MACRA went into affect, nearly half don't know how they are participating.

- 47% of respondents said they don't know.
- 41% are participating in MIPS & 8% in Advanced APM.

Pace of Participation

What is your “Pace of Participation” for 2017?



47% are reporting in for the entire year in 2017.

15% are only reporting the minimum or not at all.

With nearly half reporting the entire year, those that report the minimum or partial year may have a hard time catching up next year.

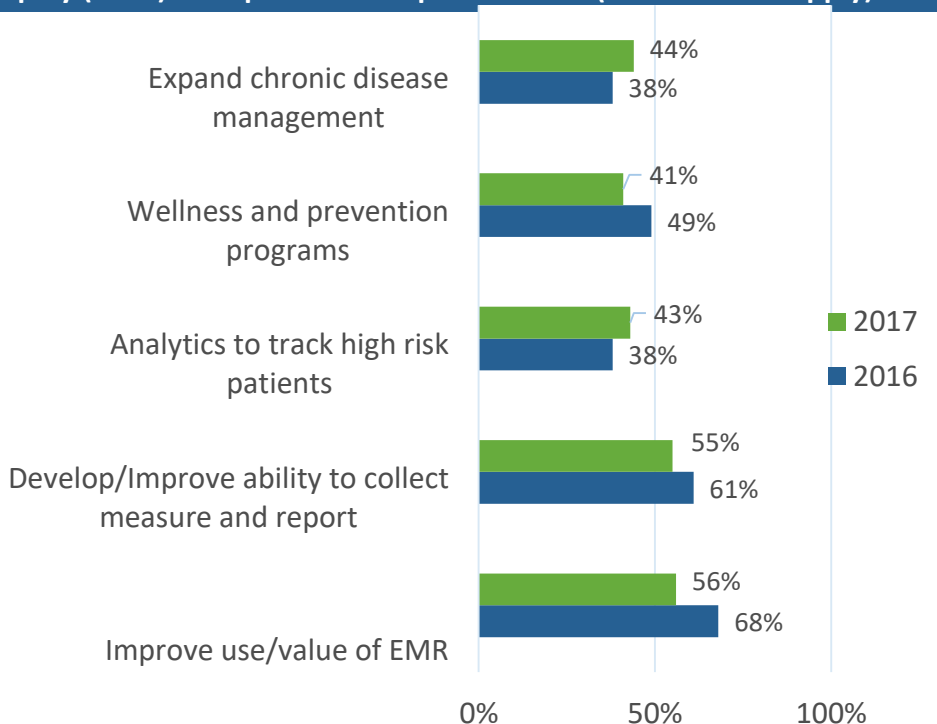
- The competition for bonuses is lower this year, so greater upside potential for those reporting for the entire year.

Detailed Results:

Strategies

MACRA Strategies: 2016 vs 2017

What strategies is has your organization deployed (2016) and plan to deploy (2017) to impact MACRA performance (select all that apply)?

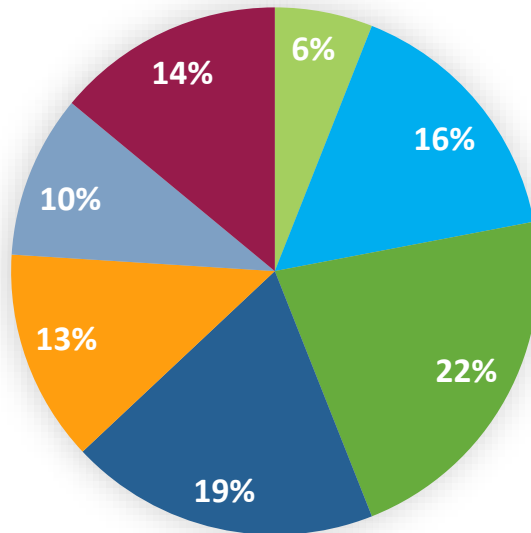
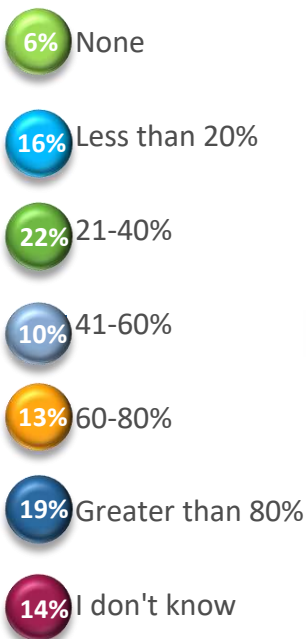


Of the 10 strategies asked about in the survey, improving use of the EMR & reporting were the top strategies reported for both 2016 & 2017.

- The biggest change YoY is a decrease in improving the use of the EMR by 12%.

AWV Participation

Please estimate the percentage of Medicare beneficiaries that receive AWVs:

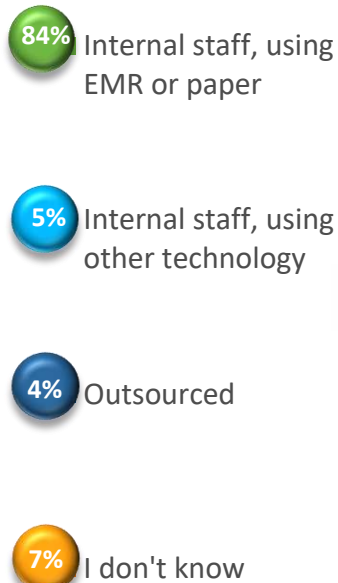


The majority (94%) of respondents are doing some AWVs, but only 1 out of 10 are providing them to greater than 80% of patients.

- 44% are providing AWV to less than 40% of patients.

How are AWWs Performed?

Outsourced or Insourced?

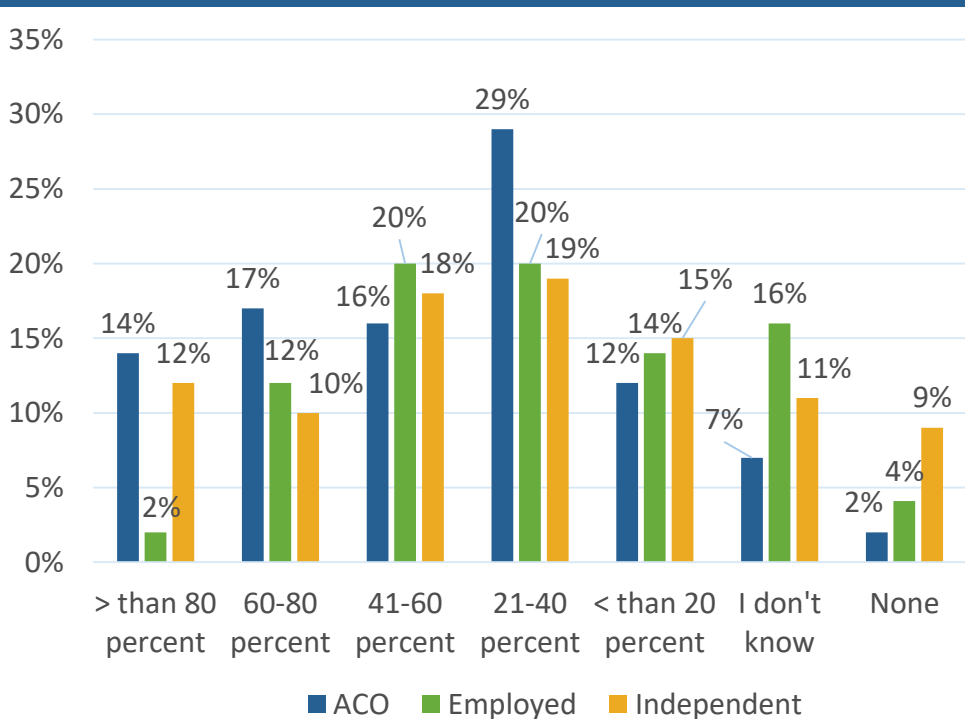


The majority of respondents are doing AWWs using internal staff.

- Only 4% are outsourcing their AWW program.

AWV Beneficiaries by Segment

What percentage of your Medicare beneficiaries receive AWVs ?

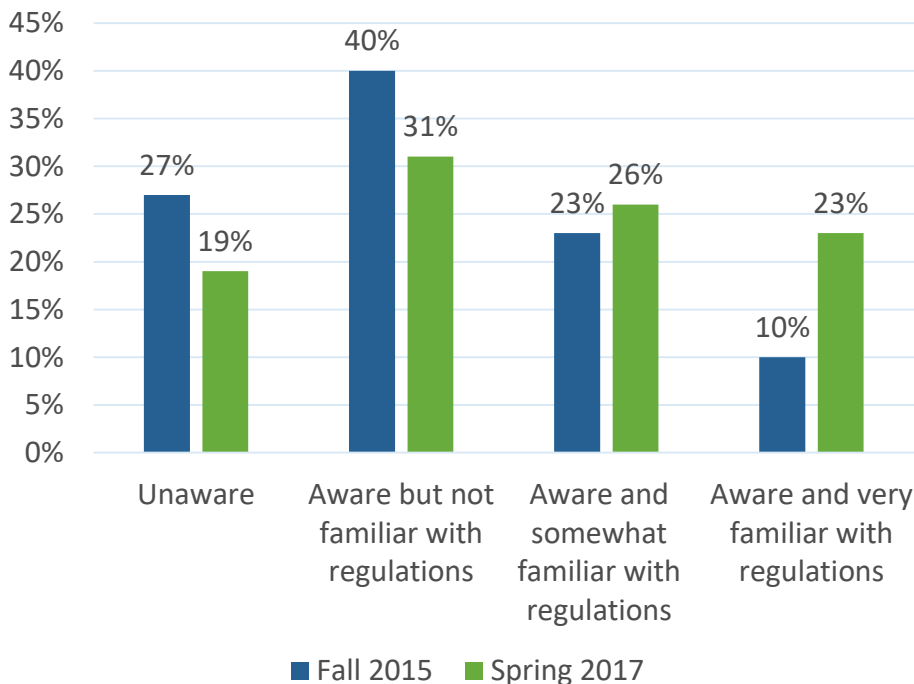


ACOs provide AWVs to a higher percentage of their patients than independent or health system employed providers.

- 31% of ACOs, 22% of independents, and 14% of those employed by health systems reported that they provide AWVs to more than 60% of their eligible patients.

CCM Awareness

How familiar are you with the new CMS Chronic Care Management (CCM) program?

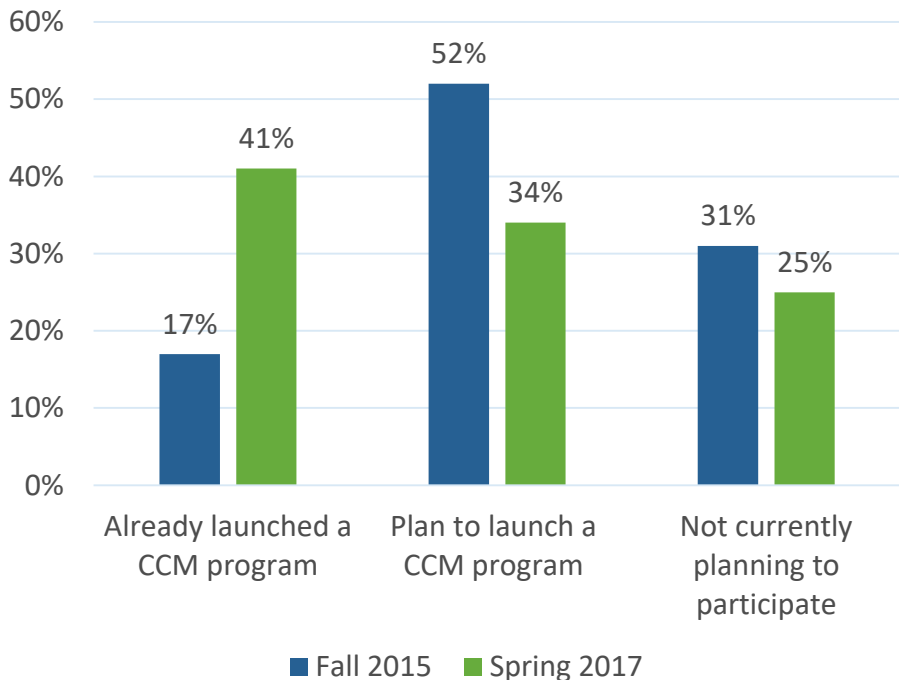


CCM Awareness is up sharply since 2015.

- 23% of respondents are “very familiar” with the CCM program, compared to just 10% of those who answered the 2015 survey.
- Percentage of those unaware or not familiar with CCM decreased from 67.3% to 50.5%.

CCM Participation

Are you planning to launch a CCM program for your practice?

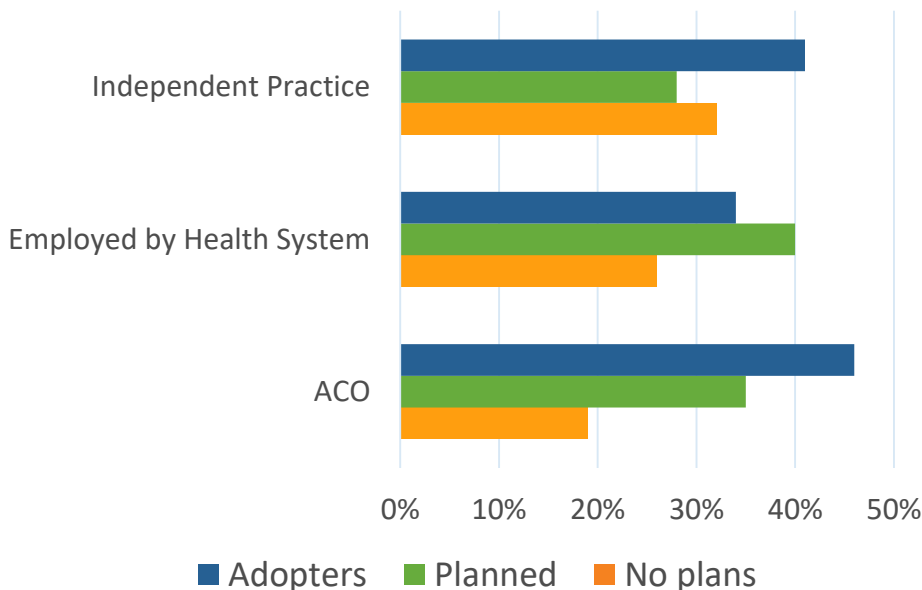


Participation in CCM has increased by 141%, and is expected to continue increasing over the next year.

- Only 25% say they currently are not planning to participate in CCM, compared to 31% in the Fall of 2015.

CCM Participation by Type

Please select the options that best describe your practice.

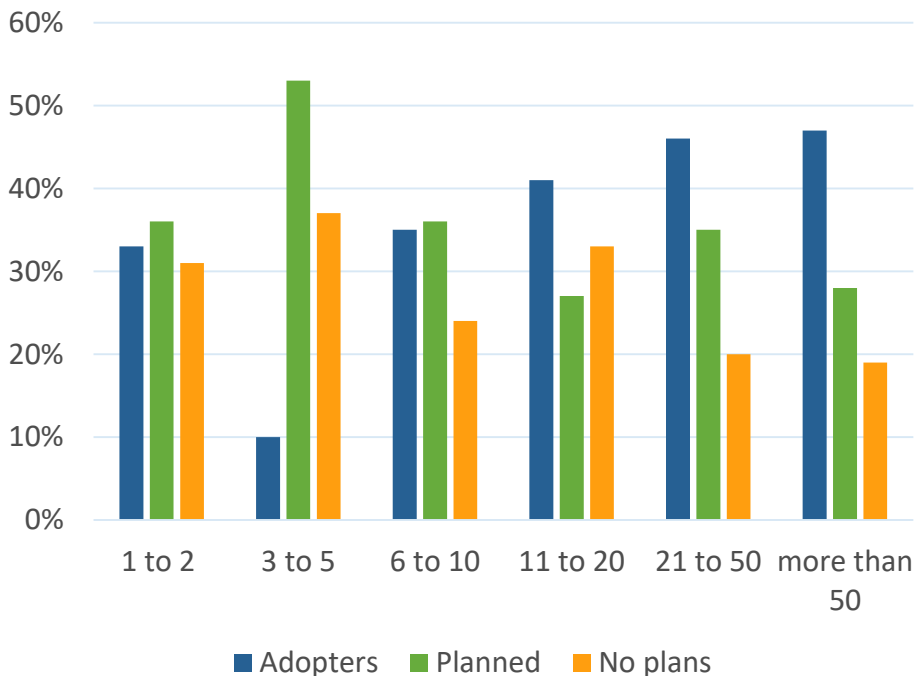


ACOs are more likely to have rolled out a CCM program (46%) than non-ACO independent (41%) or non-ACO employed providers (34%).

- That is very different than the trend in 2015, when employed provider adoption of CCM was higher (37%), followed by ACOs (32%) and then Independents (29%).

CCM Participation by Size

How many primary care physicians are there in your practice?

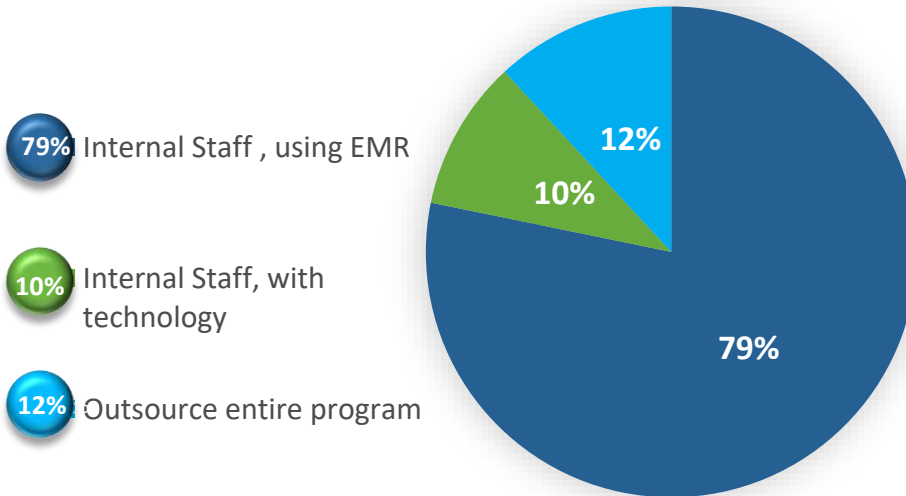


Adoption of CCM is highest among providers in large groups of 21 or more providers.

- This is a change from 2015, when groups of 6-10 and 21-50 were tied for the lead in adoption at 24%.

CCM Service Delivery

How are you delivering CCM services to your enrolled beneficiaries?

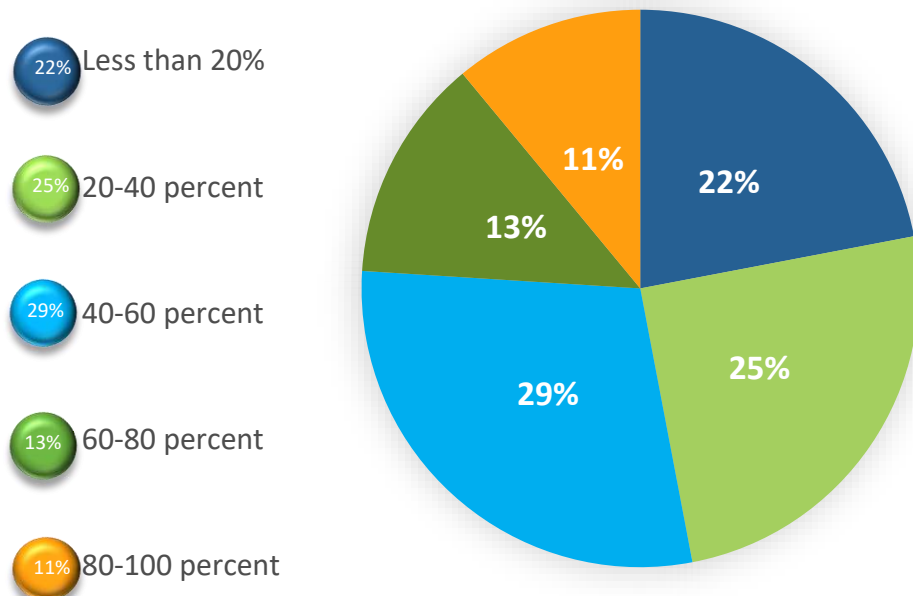


The majority of CCM program participants are still using internal staff to deliver the service, however the percentage is decreasing.

- 79% are using internal staff to deliver the service, vs. 89% in the Fall 2015 survey.

Program Success

What percentage of your CCM enrolled beneficiaries are billable on average each month?

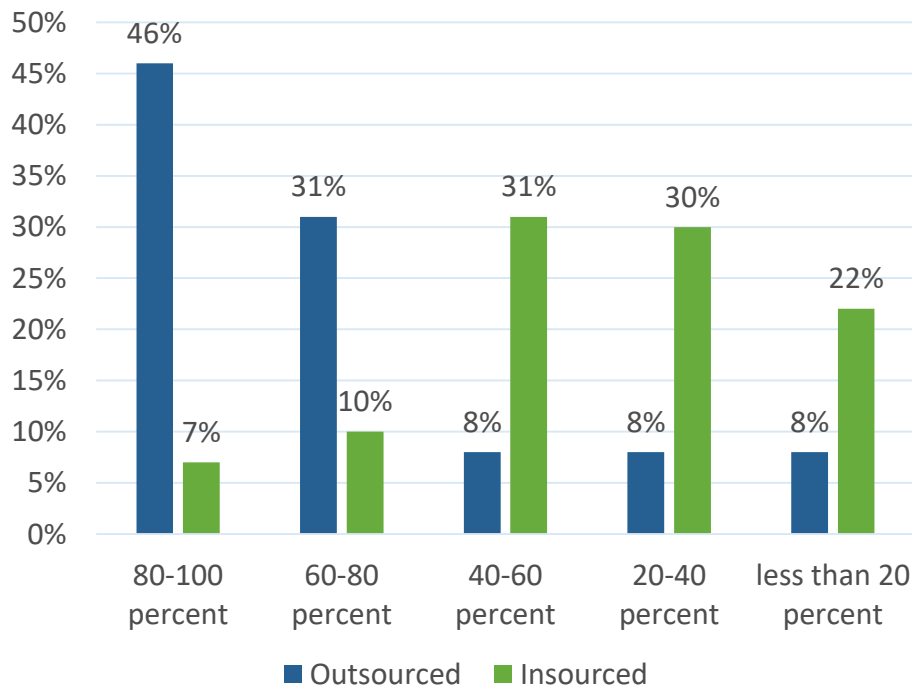


Most are struggling to consistently provide the service to enrolled patients, with only 11% billing more than 80% of their enrolled patients.

- Nearly half of participants are consistently billing less than 40% of their enrolled patients.

CCM Outsourcing vs Insourcing

What percentage of your CCM enrolled beneficiaries are billable on average each month?

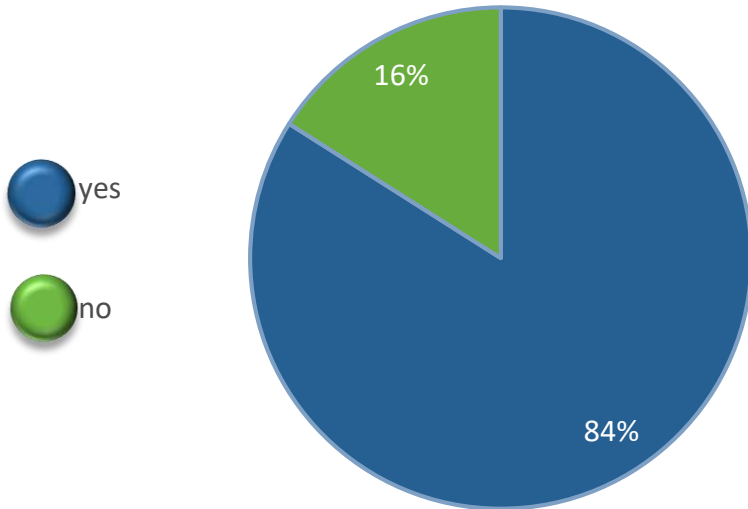


Outsourced CCM programs are far more successful at consistently providing the service to a high percentage of enrolled patients.

- 77% of outsourced programs consistently bill >60% of patients
- 83% of insourced programs consistently bill <60%

Has CCM had a Positive Impact?

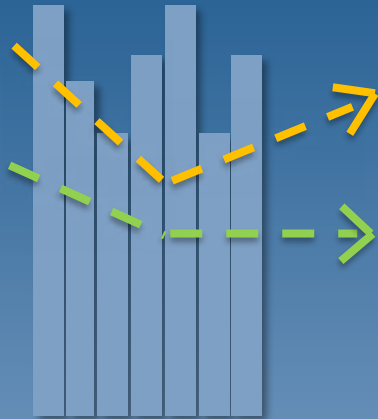
Do you believe the CCM program has had a positive impact on patient care?



The vast majority of physicians who are participating in the CCM program believe the program is succeeding.

- 84% reporting that the program is having a positive impact on patient care.
- That is identical to the Fall 2015 survey.

Conclusion



Regardless of the payment track - Advanced APM, MIPS ACO, or traditional MIPS – the fundamental goal of payment reform remains the same. It's about bringing everyone together to achieve the triple aim - better population health management, a focus on quality improvement, and lowering the total cost of care.

While MACRA overall awareness remains low, a trend is already developing with those that will fall under the MIPS payment track. MIPS is a zero sum game, and the race is on. Those that choose to delay as long as possible will quickly fall behind, and will have a hard time getting out of negative territory in future years. However, for those already moving in the right direction or proactively beginning to adopt the right strategies, a first mover advantage will translate into tremendous upside opportunity.



About Smartlink Health Solutions



Smartlink Health Solutions is an innovator in value-based healthcare solutions aimed at wellness and chronic disease management. Smartlink's MACRA Solution Suite includes end to end solutions for Annual Wellness Visits, Value-Based Chronic Care Management (VBCCM), and Referral Management. Healthcare providers on disparate EMRs are also able to seamlessly share clinical information and collaborate on care via the Smartlink platform, ensuring the level of coordination necessary for commercial contracting. Smartlink's unique approach to patient enrollment, operational efficiency, electronic collaboration, and guided care management enables clinical services outsourcing organizations and providers to efficiently coordinate care with their client clinics and provide the highest quality of care to the patients they serve. For more information, visit SmartlinkHealth.com.