

2019 Merit-based Incentive Payment System (MIPS) Payment Adjustment FAQs & Resources

In July 2018, each MIPS eligible clinician received a 2017 MIPS final score and associated payment adjustment factor(s) as part of their 2017 MIPS performance feedback, available in the [Quality Payment Program \(QPP\) Portal](#). This document provides a list of available resources and addresses frequently asked questions about the application of payment adjustments, beginning January 1, 2019, based on 2017 MIPS final scores.

Q: What services will be subject to a 2019 MIPS payment adjustment?

A: 2019 MIPS payment adjustments will be applied to payments made for covered professional services furnished by a MIPS eligible clinician in calendar year 2019. The payment adjustment won't apply to payments for Medicare Part B drugs or other items and services that are not covered professional services. The [PFS Look-Up Tool](#) provides information on services covered by the Medicare Physician Fee Schedule (PFS), including fee schedule status indicators. For definitions of these procedure status indicator codes (or "PROC STAT" codes) please see page 9 of the document titled "PF19PA.pdf" in the [PFS National Payment Amount File](#).

Q: How will 2019 MIPS payment adjustments be reflected on remittance advice documents?

A: If a 2019 MIPS payment adjustment is applied to a payment made to a MIPS eligible clinician, the following codes will be displayed on the remittance advice document (RA):

Positive MIPS Payment Adjustments	CARC 144: "Incentive adjustment, e.g. preferred product/service"	RARC N807: "Payment adjustment based on the Merit-based Incentive Payment System (MIPS)."	Group Code: CO. This group code is used when a contractual agreement between the payer and payee, or a regulatory requirement, resulted in an adjustment.
Negative MIPS Payment Adjustments	CARC 237: "Legislated/Regulatory Penalty. At least one Remark Code must be provided (may be comprised of either the NCPDP Reject Reason Code, or Remittance Advice Remark Code that is not an ALERT.)"	RARC N807: "Payment adjustment based on the Merit-based Incentive Payment System (MIPS)."	Group Code: CO



Q: Does the MIPS payment adjustment affect claims submitted by non-participating clinicians for which the clinician does not accept assignment?

A: The 2019 MIPS payment adjustment is applied only to claims that are billed and paid on an assignment-related basis. When non-participating clinicians choose not to accept assignment for a claim, Medicare makes payment directly to the beneficiary, and the clinician collects payment from the beneficiary. In this circumstance, the MIPS payment adjustment does not impact this clinician.

Non-participating clinicians who accept assignment for a claim accept the Medicare-allowed charge amount (PFS amount) as payment in full for the Part B-covered services provided to beneficiaries. The beneficiary's liability is limited to any applicable deductible plus any applicable coinsurance (typically 20 percent). In this situation, the MIPS payment adjustment would be applied to the payments for covered professional services billed on the claim.

Q. Should payments for Medicare Part B drugs be included in the 2019 MIPS Payment Adjustment?

A: On February 9, 2018, Congress passed the Bipartisan Budget Act of 2018, which contained provisions that made several changes to the MIPS track of the Quality Payment Program, including no longer calculating the cost of Part B drugs and certain items and services in the low volume threshold.

Recently, CMS discovered an error in the 2019 MIPS payment adjustment applied by the Medicare Administrative Contractors (MACs), which included the payments for Medicare Part B drugs.

At this time, CMS is unable to provide an exact date of when impacted clinicians will see the update and correction, but we anticipate an adjustment in the near future. In the event that CMS overpaid a claim based on inclusion of the Medicare Part B drugs, a notification for recoupment will be issued from their MAC on behalf of CMS.

CMS is working as quickly as possible to resolve this issue. No further action is requested of clinicians. CMS sincerely apologizes for any inconvenience this error may have caused.

Additional Resources

- [2019 MIPS Payment Adjustment Remittance Advice FAQs](#)
- [2019 MIPS Payment Adjustment Fact Sheet](#)
- [2019 Payment Adjustment Infographic](#)
- [MAC Website List](#)
- [MLN Resource: Remittance Advice \(RA\) Overview](#)