

**Position Statement  
on  
Merit-Based Incentive Payment System (MIPS)  
(Approved by the Board of Directors: November 5, 2016)**

Enacted in 2015, the Medicare Access and CHIP Reauthorization Act (MACRA) repealed the Sustainable Growth Rate (SGR) formula with the goal of transitioning Medicare from a fragmented, volume-based physician payment system to a more financially sustainable, coordinated, patient-centered and stable value-based system. The American Academy of Dermatology Association (AADA) supports a Medicare physician payment system that reduces the administrative burden on providers and simplifies Medicare participation while moving away from a system that primarily rewards volume to one that also rewards health care quality and efficiency. This budget neutral incentive payment program, called the Merit-Based Incentive Payment System (MIPS), replaces the Physician Quality Reporting System (PQRS), Value-Based Modifier (VBM), and Electronic Health Record (EHR) Meaningful Use (MU) with a single, weighted reporting system that includes Quality, Resource Use, Advancing Care Information, and Clinical Practice Improvement Activities.

To maximize the participation of and facilitate the best possible outcomes for dermatologists within the MIPS program, the AADA will continue to strongly advocate that the Centers for Medicare and Medicaid Services (CMS) approve dermatology-specific quality measures for MIPS. Because dermatologists, particularly solo and small group practice practitioners, have experienced significant increases in administrative burdens from the adoption of EHRs, PQRS, and ICD-10 that take time away from patient care and exacerbate wait times, the AADA will advocate for a gradual, phased-in approach to MIPS and will work to ensure that MIPS does not negatively impact patients' access to quality care. The AADA will also advocate that CMS be mindful of providing the flexibility and support necessary to allow for the participation of dermatologists and all practitioners within the MIPS program. This includes providing resources and opportunities for solo and small practitioners to succeed in the MIPS program. To that end, the AADA will advocate for policies that do the following:

- Encourage the utilization of data registries and data collection efforts, such as DataDerm™, that will prepare dermatologists for the changing payment environment and allow for the collection of more clinically relevant and meaningful data;
- Promote the development of dermatology-specific quality measures with a focus on measuring and improving quality to ensure successful participation for dermatologists in MIPS;
- Provide for reasonable timelines for MACRA implementation and the development of dermatology-specific quality measures; and
- Ensure a meaningful appeals process that is transparent and provides for a timely review of payment decisions.

*This Position Statement is provided for educational and informational purposes only. It is intended to offer physicians guiding principles and policies regarding the practice of dermatology. This Position Statement is not intended to establish a legal or medical standard of care. Physicians should use their personal and professional judgment in interpreting these guidelines and applying them to the particular circumstances of their individual practice arrangements.*