

## **What is the Value Based Payment Modifier (VBPM)?**

The Value Based Payment Modifier Program provides for differential payment to Medicare providers based on quality and resource use metrics. It is another element in CMS's plan to move providers to a reimbursement system that rewards value over volume. The program is based in part on participation in PQRS. It uses PQRS quality data and Medicare cost data to determine a provider's overall value score. It rewards high-performing providers with increased payments and reduces payments to low-performing providers.

The program initially applied to large group practices comprised of 100 or more EPs with performance data submitted in 2013. In 2014, the performance period began for groups  $\geq 10$  EPs, and in 2015, the performance period begins for all EPs.

The VBPM applies a payment adjustment ranging from -4 percent to +4x, depending upon the practice's cost and quality performance compared to the national average. 2015 is the first year the adjustments will be applied to groups with  $\geq 100$  EPs based on 2013 performance data. Adjustments will be applied to groups with  $\geq 10$  EPs beginning in 2016 based on 2014 performance data, and to *all* EPs, regardless of practice size, in 2017 based on 2015 performance data.