

2023 Quality Payment Program (QPP) Experience [Report](#)

Key Findings

Merit-based Incentive Payment System (MIPS) scores and payment adjustments continue to demonstrate disproportionate discrepancies.

- [Studies](#) have shown MIPS scores are “inconsistently related” to quality of care. However, practices with more resources consistently fare better. Nearly 50 percent of MIPS solo eligible clinicians (ECs) and 29 percent of ECs in small practices received a MIPS penalty in 2023, compared to fewer than 14 percent of ECs overall. Rural practices also fare worse; nearly 18 percent of rural ECs received a penalty. Nearly 30 percent of solo ECs and 13 percent of small practice ECs received the maximum -9 percent penalty compared to two percent of ECs overall. ECs in large practices earned more bonuses and fewer penalties than the average MIPS EC.
- Cost continues to be the lowest scoring category with ongoing issues and disparate implications across medical specialties and practice type/size. The mean scores for the two most common cost measures (Total Per Capita Cost and Medicare Spending Per Beneficiary) were (5.21/10) and (7.56/10) respectively. Notably, APM Entities, which have Cost reweighed to zero since they are held accountable for spending through their APM, make up a disproportionate share of top MIPS performers. Nearly 100 percent of ECs in APM Entities earned bonuses.

	Percent Receiving -9% Penalty	Percent Receiving - 0.1% to -6.75% Penalty	Percent Receiving 0% Adjustment	Total Percent Receiving Bonus up to 2.15%
Overall	2%	12%	5%	81%
Solo Practitioners	29%	20%	18%	33%
Small Practice	13%	16%	15%	57%
Rural Practice	3%	15%	4%	78%
Large Practice (100+ ECs)	0%	10%	2%	88%
APM Entity (e.g., ACO)	0%	0%	0%	100%

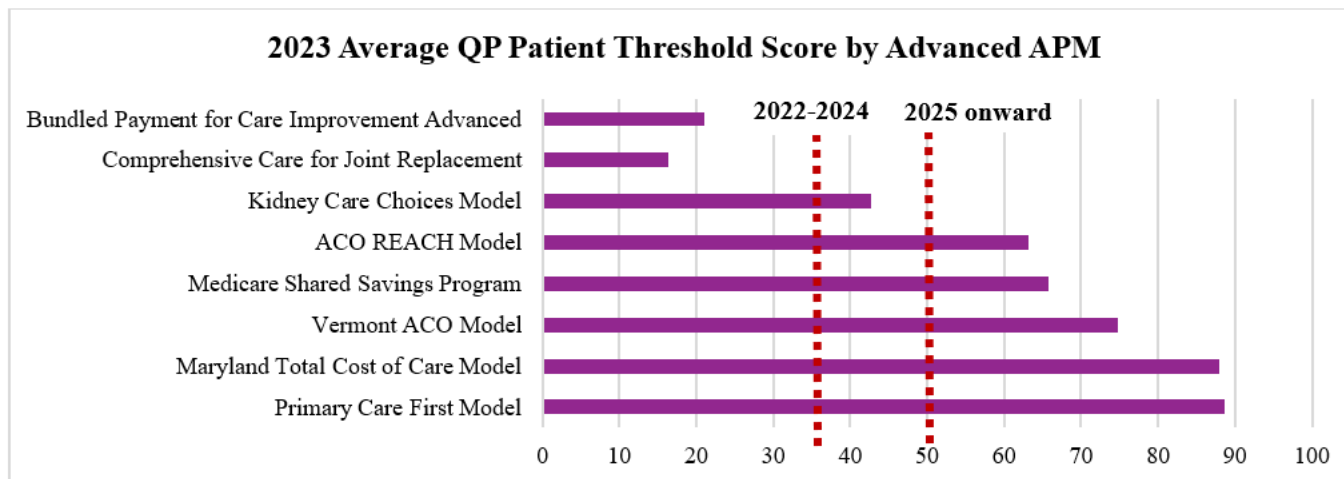
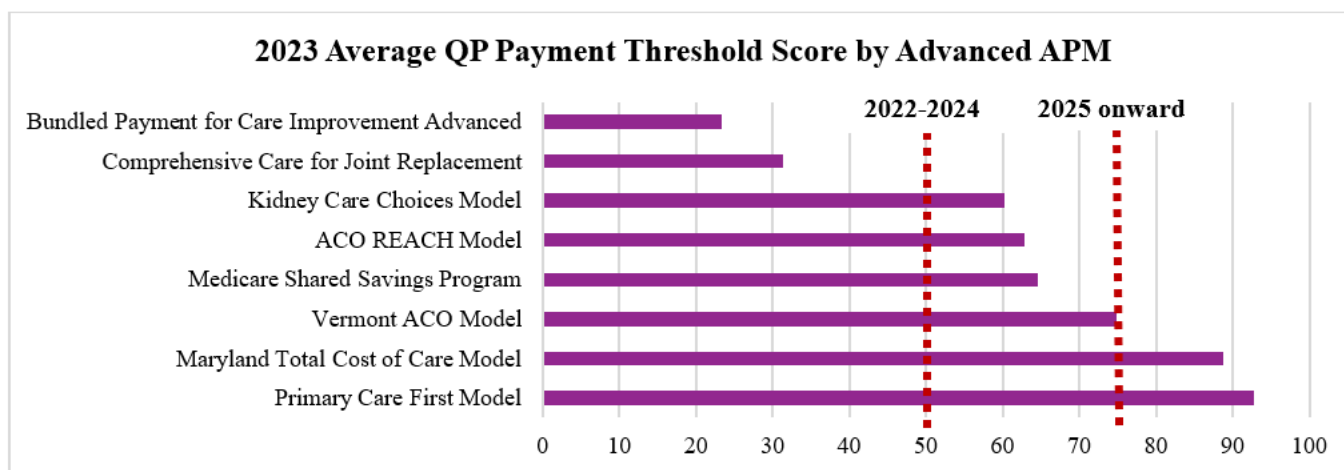
The uptake of MIPS Value Pathways (MVPs) was low in the first year that the MVP option was available, in 2023.

- One percent of MIPS ECs received a score through an MVP. Many MIPS ECs reported both Traditional MIPS and MVPs, in which case CMS applied the higher of the two scores to the EC’s final score. ECs generally scored higher in Traditional MIPS than in MVPs.
- Although almost 6,000 clinicians received a MIPS score through an MVP, those scores were based on the performance of only 186 separate entities - 98 groups, 5 subgroups, and 83 individuals.
- Of the 12 different MVPs available, more than half of the entities participated in two – the Cancer Care MVP and the Anesthesia MVP. Although the Wellness MVP had the third largest number of clinicians involved (902), this was based on the participation of just 6 groups.

MIPS in 2023: MIPS scores from 2023 impact Medicare physician payments in 2025. In 2023, the MIPS performance threshold was 75 points, which was the minimum necessary score to avoid a MIPS penalty. In 2025, the maximum penalty is -9 percent, and the maximum bonus is 2.15 percent. MIPS bonuses are funded exclusively from penalties. The four MIPS Categories include Quality, Cost, Improvement Activities, and Promoting Interoperability of EHR systems.

Participation in Advanced APMs is growing but faces a critical inflection point.

- In 2023, the total number of Qualified Participants (QPs) in Advanced APMs was 463,669, 21 percent more than in 2022.
- In 2023, 92 percent of ECs in Advanced APMs reached QP thresholds (50 percent of payments or 35 percent of patients). Based on 2023 data, physicians in non-primary care specialty models will struggle to meet the higher QP thresholds that took effect in 2025 (75 percent of payments or 50 percent of patients).
- 2023 QPs receive a 3.5 percent bonus in 2025 and are exempt from MIPS. The Advanced APM bonus decreased to 1.88 percent for the 2024 performance period/2026 payment adjustment, and QPs will receive a 0.75 percent annual Medicare update, compared to 0.25 for non-QPs, starting with the 2026 payment adjustment.



APMs in 2023: APMs that meet quality, Certified EHR, and financial risk criteria are “Advanced APMs.” ECs receiving a certain percent of their payments or patients through Advanced APMs are qualifying participants (QPs). Under MACRA, QPs are exempt from MIPS and qualify for certain financial incentives.