

Medicare Shared Savings Program Quality Performance Standard: Performance Year 2025 40th Percentile MIPS Quality Performance Category Score

December 2024

Quality Reporting Requirements

Beginning in performance year (PY) 2025, Medicare Shared Savings Program (Shared Savings Program) Accountable Care Organizations (ACOs) are required to report the Alternative Payment Model (APM) Performance Pathway (APP) Plus quality measure set via the APP to meet the quality performance standard used to determine shared savings and shared losses.

For PY 2025, ACOs are required to report the 4 electronic clinical quality measures (eCQMs)/Merit-based Incentive Payment System (MIPS) clinical quality measures (CQMs)/ Medicare CQMs for ACOs Participating in the Medicare Shared Savings Program (Medicare CQMs) in the APP Plus quality measure set and administer the Consumer Assessment of Healthcare Providers and Systems (CAHPS) for MIPS survey. CMS will calculate 1 claims-based measure.

Quality Performance Standard

The quality performance standard is the minimum quality performance ACOs must achieve to be eligible to share in savings at the maximum rate available for the ACO's track. Meeting the quality performance standard also allows an ACO participating in the ENHANCED track to avoid maximum shared losses.

For PY 2025, ACOs that report the APP Plus quality measure set can meet the quality performance standard via one of three pathways:

- **For all ACOs:** Achieve a health equity adjusted quality performance score¹ that is equivalent to or higher than the 40th percentile across all MIPS Quality performance category scores, excluding entities/providers eligible for facility-based scoring.
- **For ACOs that report the 4 eCQMs/MIPS CQMs and meet the MIPS data completeness requirement for all 4 measures:** Achieve a quality performance score equivalent to or higher than the 10th percentile of the performance benchmark² on at

¹ ACOs that report 4 eCQMs/MIPS CQMs/Medicare CQMs in the APP Plus quality measure set, are high performing on quality, and serve a higher proportion of underserved beneficiaries are eligible for health equity adjustment bonus points.

² Measure level performance benchmarks are posted annually in the [Quality Payment Program Resource Library](#). PY 2025 historical benchmarks for eCQMs/MIPS CQMs and PY 2025 flat benchmarks for Medicare CQMs will be posted in January 2025. PY 2025 performance period benchmarks will be posted following the submission period in Calendar Year (CY) 2025 for the administrative claims measures. The CAHPS for MIPS 40th percentile decile score will be published in the PY 2025 Shared Savings Program Quality Performance Reports that will be included as part of the PY 2025 Financial Reconciliation Package.

Disclaimer: This communication material was prepared as a service to the public and is not intended to grant rights or impose obligations. It may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of its contents. This document is published, produced, and disseminated at U.S. taxpayer expense.

least 1 of the 3 outcome measures in the APP Plus quality measure set and a quality performance score equivalent to or higher than the 40th percentile of the performance benchmark on at least 1 of the 5 remaining measures in the APP Plus quality measure set. Table 1 identifies APP Plus quality measure types.

- ***For ACOs in their first performance year of their first agreement period:*** Meet the MIPS data completeness requirement on the 4 eCQMs/MIPS CQMs/Medicare CQMs in the APP Plus quality measure set, receive a MIPS Quality performance category score, and administer the CAHPS for MIPS Survey.

Alternative Quality Performance Standard

ACOs that do not meet the quality performance standard based on the criteria above can meet the alternative quality performance standard to be eligible to share in savings at a lower rate that is scaled based on the ACO's quality performance. To meet the alternative quality performance standard, the ACO must report the APP Plus quality measure set via the APP and achieve a quality performance score equivalent to or higher than the 10th percentile of the performance benchmark on at least 1 of the 3 outcome measures in the APP Plus quality measure set. Table 1 identifies APP Plus quality measure types.

The ACO's health equity adjusted quality performance score¹ will be multiplied by the maximum sharing rate for the ACO's track to determine its final shared savings rate. A similar approach is applied to ENHANCED track ACOs to determine shared losses. The alternative quality performance standard is available to all ACOs, regardless of how they report quality data (eCQM/MIPS CQM/Medicare CQM or a combination of these collection types).

Not Meeting the Quality Performance Standard or the Alternative Quality Performance Standard

An ACO will not meet the quality performance standard or the alternative quality performance standard for PY 2025 if the ACO (1) does not report any of the 4 eCQMs/MIPS CQMs/Medicare CQMs in the APP Plus quality measure set, and (2) does not administer a CAHPS for MIPS Survey, unless the ACO does not meet the minimum beneficiary sampling requirements as specified in 42 CFR § 414.1380(b)(1)(vii)(B). ACOs that do not meet the quality performance standard, or the alternative quality performance standard will not be eligible for shared savings, and ACOs participating in the ENHANCED track will owe maximum shared losses.

MIPS Quality Performance Category Score Used for the Quality Performance Standard

Beginning in PY 2024, CMS began using historical submission-level MIPS Quality performance category scores to calculate the 40th percentile MIPS Quality performance category score. Specifically, CMS uses a rolling 3-performance year average with a lag of 1 performance year. The quality performance standard for PY 2025 is based on averaging the 40th percentile MIPS Quality performance category scores from PY 2021 through PY 2023, which are set from the unweighted distribution of all MIPS Quality performance category scores, excluding entities and providers eligible for facility-based scoring.

The 40th percentile MIPS Quality performance category score for the PY 2025 quality performance standard is **76.70**. This value is calculated by adding the PY 2021 (77.83), PY 2022 (77.73), and PY 2023 (74.54) 40th percentile MIPS Quality performance category score values. This resulted in a total value of 230.10. Note that PY 2024 was not included in the average due to the 1-year lag. 230.10 is then divided by 3 (the number of years included in the historical reference period) to arrive at the value of 76.70 that is used for the PY 2025 quality performance standard.

$77.83 + 77.73 + 74.54 = 230.10$ $230.10 \div 3 = 76.70$
--

APP Plus Quality Measure Types for the eCQM/MIPS CQM Reporting Incentive and the Alternative Quality Performance Standard

In PY 2025, Shared Savings ACOs must report the quality measures included in the APP Plus quality measure set, which are listed in Table 1. The column titled “Measure Type” identifies the outcome measures applicable for the eCQM/MIPS CQM reporting incentive and alternative quality performance standard. ACOs are eligible for the alternative quality performance standard regardless of how they report quality data; however, only ACOs that submit quality performance data on the 4 eCQMs/MIPS CQMs are eligible for the eCQM/MIPS CQM reporting incentive. In other words, the reporting incentive does not apply to ACOs that report a combination of eCQMs/MIPS CQMs/Medicare CQMs or report only Medicare CQMs.

Table 1. APP Plus Quality Measure Set for PY 2025

QUALITY #	MEASURE TITLE	COLLECTION TYPE	SUBMITTER TYPE	MEANINGFUL MEASURES 2.0 AREA	MEASURE TYPE
321	CAHPS for MIPS	CAHPS for MIPS Survey	Third Party Intermediary	Person-Centered Care	Patient Engagement/ Experience
479	Hospital-Wide, 30-day, All-Cause Unplanned Readmission (HWR) Rate for MIPS Eligible Clinician Groups	Administrative Claims	N/A	Affordability and Efficiency	Outcome [^]
001	Diabetes: Glycemic Status Assessment Greater Than 9%	eCQM/MIPS CQM/Medicare CQM	APM Entity/Third Party Intermediary	Chronic Conditions	Intermediate Outcome [^]
134	Preventive Care and Screening: Screening for Depression and Follow-up Plan	eCQM/MIPS CQM/Medicare CQM	APM Entity/Third Party Intermediary	Behavioral Health	Process
236	Controlling High Blood Pressure	eCQM/MIPS CQM/Medicare CQM	APM Entity/Third Party Intermediary	Chronic Conditions	Intermediate Outcome [^]

QUALITY #	MEASURE TITLE	COLLECTION TYPE	SUBMITTER TYPE	MEANINGFUL MEASURES 2.0 AREA	MEASURE TYPE
112	Breast Cancer Screening	eCQM/MIPS CQM/Medicare CQM	APM Entity/Third Party Intermediary	Wellness and Prevention	Process

^ Indicates this is an outcome measure for purposes of qualifying for the eCQM/MIPS CQM reporting incentive and the alternative quality performance standard.

Use of ACO Quality Performance in Calculating Shared Savings and Shared Losses

For information on how shared savings and shared losses are calculated, please refer to the Shared Savings and Losses and Assignment Methodology and Quality Performance Standard Specifications, available on the Shared Savings Program website under [Program Guidance & Specifications](#).