

119TH CONGRESS
2D SESSION

H. R. 8622

To amend title XVIII of the Social Security Act to transform the Merit-based Incentive Payment System into the Data-driven Performance Payment System under the Medicare physician fee schedule, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 30, 2026

Mrs. MILLER-MEEKS (for herself and Mr. CONAWAY) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title XVIII of the Social Security Act to transform the Merit-based Incentive Payment System into the Data-driven Performance Payment System under the Medicare physician fee schedule, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Medicare Physician
5 Data-driven Performance Payment System Act of 2026”.

1 **SEC. 2. TRANSFORMING THE MERIT-BASED INCENTIVE**
2 **PAYMENT SYSTEM INTO THE DATA-DRIVEN**
3 **PERFORMANCE PAYMENT SYSTEM.**

4 (a) IMPLEMENTATION OF THE DATA-DRIVEN PER-
5 FORMANCE PAYMENT SYSTEM.—

6 (1) IN GENERAL.—Effective January 1, 2027,
7 there is established the Data-driven Performance
8 Payment System, which shall consist of the payment
9 system under section 1848(q) of the Social Security
10 Act (42 U.S.C. 1395w–4(q)), including as amended
11 by this section.

12 (2) REFERENCES.—Subject to paragraph (3),
13 any reference to the payment system under section
14 1848(q) of the Social Security Act (42 U.S.C.
15 1395w–4(q)), including the terms “Merit-based In-
16 centive Payment System” and “MIPS”, shall be
17 deemed a reference to the “Data-driven Performance
18 Payment System” and “DPPS”, respectively.

19 (3) TRANSITION.—In order to provide for an
20 orderly transition and avoid provider confusion, the
21 Secretary of Health and Human Services shall pro-
22 vide for an appropriate transition in the use of the
23 terms “Merit-based Incentive Payment System”
24 (and “MIPS”) and “Data-driven Performance Pay-
25 ment System” (and “DPPS”) in reference to the
26 payment system under section 1848(q) of the Social

1 Security Act (42 U.S.C. 1395w–4(q)). Before the
 2 completion of such transition, any reference to the
 3 “Data-driven Performance Payment System” (or
 4 “DPPS”) shall be deemed to include a reference to
 5 the “Merit-based Incentive Payment System”.

6 (b) REFORMING APPLICATION OF ADJUSTMENT FAC-
 7 TORS.—

8 (1) IN GENERAL.—Section 1848(q)(6) of the
 9 Social Security Act (42 U.S.C. 1395w–4(q)(6)) is
 10 amended—

11 (A) in subparagraph (A)—

12 (i) by inserting “for years before
 13 2028,” after “Taking into account para-
 14 graph (1)(G),”;

15 (ii) in clause (ii)—

16 (I) in subclause (I), by striking
 17 “clause (iii)” and inserting “subclause
 18 (III)”;

19 (II) in subclause (II), by striking
 20 “clause (iv)” and inserting “subclause
 21 (IV)”;

22 (III) by redesignating subclauses
 23 (I) and (II) as items (aa) and (bb),
 24 respectively, and adjusting the mar-
 25 gins accordingly;

(iii) in clause (iii), by striking “clause (ii)(I)” and inserting “subclause (II)(aa)”;
 (iv) in clause (iv)—

(I) by striking “subclause (II)”
 and inserting “item (bb)”;

(II) by striking “clause (ii)(II)”
 and inserting “subclause (II)(bb)”;
 and

(III) by redesignating subclauses (I) and (II) as items (aa) and (bb), respectively, and adjusting the margins accordingly;

(v) by redesignating clauses (i) through (iv) as subclauses (I) through (IV) and adjusting the margins accordingly;

(vi) by striking “Taking into account” and inserting the following:

“(i) ADJUSTMENT FACTORS FOR YEARS BEFORE 2028.—Taking into account”; and

(vii) by adding at the end the following new clause:

“(ii) ADJUSTMENT FACTORS FOR 2028 AND SUBSEQUENT YEARS.—For 2028 and each subsequent year, the DPPS adjust-

1 ment factor specified under this subpara-
2 graph for a DPPS eligible professional for
3 such year shall be equal to—

4 “(I) subject to subparagraph
5 (F)(v), in the case of a DPPS eligible
6 professional with a composite per-
7 formance score for such year above
8 the performance threshold established
9 under subparagraph (D) for such
10 year, 1.25;

11 “(II) in the case of a DPPS eligi-
12 ble professional with a composite per-
13 formance score for such year equal to
14 such performance threshold, 1;

15 “(III) in the case of a DPPS eli-
16 gible professional not described in
17 subclause (IV) with a composite per-
18 formance score for such year below
19 such performance threshold, 0.75; and

20 “(IV) in the case of a DPPS eli-
21 gible professional who is treated under
22 paragraph (5)(B)(i) as achieving the
23 lowest potential score applicable to
24 each applicable measure or activity

1 that is required to be reported by the
 2 professional for such year, 0.5.”;

3 (B) in subparagraph (B)(iv), by striking
 4 “and subsequent years” and inserting “and
 5 each subsequent year through 2027”;

6 (C) in subparagraph (D)(i), by striking
 7 “that are positive, negative, and zero”; and

8 (D) in subparagraph (E)—

9 (i) by inserting “and ending with
 10 2027” after “beginning with 2019”;

11 (ii) in clause (ii)—

12 (I) by striking “subparagraph
 13 (A)” and inserting “subparagraph
 14 (A)(i)”; and

15 (II) by redesignating subclauses
 16 (I) and (II) as items (aa) and (bb),
 17 respectively;

18 (iii) by redesignating clauses (i) and
 19 (ii) as subclauses (I) and (II), respectively;

20 (iv) by striking “In the case of” and
 21 inserting the following:

22 “(i) APPLICATION OF ADJUSTMENT
 23 FACTORS FOR YEARS BEFORE 2028.—In
 24 the case of”; and

(v) by adding at the end the following
new clause:

“(ii) APPLICATION OF ADJUSTMENT
FACTORS FOR 2028 AND SUBSEQUENT
YEARS.—

“(I) IN GENERAL.—In the case
of covered professional services (as de-
fined in subsection (k)(3)(A)) fur-
nished by a DPPS eligible profes-
sional during a year (beginning with
2028), subject to subclauses (II) and
(III), for purposes of determining the
amount paid under this part with re-
spect to such covered professional
services and DPPS eligible profes-
sional for such year, the update to the
nonqualifying APM conversion factor
established under subsection (d) appli-
cable to such services and such profes-
sional for such year shall be multi-
plied by the adjustment factor speci-
fied under subparagraph (A)(ii) with
respect to such professional and such
year.

1 “(II) NONAPPLICATION TO CER-
2 TAIN UPDATES.—Subclause (I) shall
3 not apply with respect to covered pro-
4 fessional services furnished during a
5 year in the case that the update to the
6 conversion factor described in such
7 subclause for such year is less than 0
8 percent.

9 “(III) NONAPPLICATION OF CER-
10 TAIN ADJUSTMENT FACTORS FOR
11 LACK OF TIMELY FEEDBACK RE-
12 PORTS.—

13 “(aa) IN GENERAL.—Sub-
14 clause (I) shall not apply with re-
15 spect to covered professional
16 services furnished by a DPPS eli-
17 gible professional during a year if
18 the DPPS eligible professional
19 does not receive timely feedback
20 in accordance with item (bb) with
21 respect to each quarter of the
22 performance period for such year
23 and would, without application of
24 this item, otherwise be subject to
25 the DPPS adjustment factor de-

scribed in subparagraph
(A)(ii)(III) for such year.

“(bb) **TIMELY FEEDBACK**
DESCRIBED.—For purposes of
item (aa), a DPPS eligible pro-
fessional receives timely feedback
in accordance with this item with
respect to a quarter of a per-
formance period if, not later than
the date that is 60 days after the
last day of such quarter, such
professional receives the con-
fidential feedback required under
paragraph (12) on the perform-
ance of such professional during
such quarter with respect to ad-
ministrative claims-based meas-
ures included in the performance
categories described in subpara-
graph (A)(i)(II) of such para-
graph, including—

“(AA) a description of
the patients and episodes at-
tributed with respect to such
measures for purposes of as-

1 sessing the performance of
2 such professional during
3 such quarter;

4 “(BB) an identification
5 of the items and services
6 furnished by such profes-
7 sional or another individual
8 that will contribute to the
9 assessment of the perform-
10 ance of such professional
11 during such quarter with re-
12 spect to such measures; and

13 “(CC) an identification
14 of whether each item or
15 service identified under
16 subitem (BB) for the quar-
17 ter was furnished by such
18 professional or another indi-
19 vidual (and, in the case that
20 the performance of such pro-
21 fessional for such quarter
22 with respect to such meas-
23 ures is assessed based on
24 participation in a group
25 practice or other group,

1 whether each such item or
 2 service was furnished by
 3 such professional, another
 4 individual in such group, or
 5 another individual outside of
 6 such group).

7 “(IV) HOLD HARMLESS.—In
 8 computing the amount of any coinsur-
 9 ance under section 1833(a)(1) and the
 10 expenses incurred for applying the de-
 11 ductible under section 1833(b) with
 12 respect to covered professional serv-
 13 ices furnished by a DPPS eligible pro-
 14 fessional for a year, such coinsurance
 15 and incurred expenses shall be com-
 16 puted as if the update to the conver-
 17 sion factor applicable to such services
 18 and professional for such year were
 19 not subject to the adjustment factor
 20 under subclause (I).”.

21 (2) CONFORMING AMENDMENT.—Section
 22 1848(d)(20) of the Social Security Act (42 U.S.C.
 23 1395w-4(d)(20)) is amended by inserting “, subject
 24 to subsection (q)(6)(E)(ii),” before “the update to
 25 the nonqualifying APM conversion factor”.

1 (c) REFORMING PERFORMANCE THRESHOLDS.—Sec-
2 tion 1848(q)(6)(D) of the Social Security Act (42 U.S.C.
3 1395w-4(q)(6)(D)) is amended—

4 (1) in clause (i), by striking “clauses (iii) and
5 (iv)” and inserting “clauses (iii) through (vi)”; and
6 (2) by adding at the end the following new
7 clauses:

8 “(v) TEMPORARY EXTENSION OF SPE-
9 CIAL RULES.—

10 “(I) IN GENERAL.—With respect
11 to each of 2028 through 2033 (or
12 such later year as determined by the
13 Secretary pursuant to subclause (II)),
14 the Secretary shall establish a per-
15 formance threshold for purposes of
16 determining DPPS adjustment factors
17 under subparagraph (A) for such year
18 in accordance with the requirements
19 described in clause (iii), except that
20 such performance threshold may not
21 be greater than 75 points.

22 “(II) FLEXIBILITY TO EXTEND
23 SPECIAL RULE.—In the case that ex-
24 traordinary circumstances, including a
25 natural disaster, a public health emer-

1 agency, or cybersecurity incident, affect
2 reporting, data collection, or the as-
3 sessment of performance under this
4 subsection for 2034, the Secretary
5 may extend the application of sub-
6 clause (I) until the first year for
7 which such extraordinary cir-
8 cumstances do not affect reporting,
9 data collection, or assessment of per-
10 formance under this subsection (as
11 determined by the Secretary).

12 “(III) OPTIONAL TRANSITION PE-
13 RIOD.—With respect to the year im-
14 mediately following the last year with
15 respect to which subclause (I) applies
16 (after application of subclause (II), if
17 applicable), the Secretary may, pursu-
18 ant to notice and comment rule-
19 making, establish a performance
20 threshold for purposes of determining
21 DPPS adjustment factors under sub-
22 paragraph (A) for such year and such
23 subsequent consecutive years as speci-
24 fied by the Secretary in a manner
25 that provides for a gradual and incre-

1 mental transition from the perform-
2 ance threshold established under sub-
3 clause (I) to the performance thresh-
4 old established under clause (vi).

5 “(vi) REPLACEMENT PERFORMANCE
6 THRESHOLD.—

7 “(I) IN GENERAL.—With respect
8 to the year immediately following the
9 last year with respect to which clause
10 (v) applies and each subsequent year,
11 the performance threshold established
12 under this subparagraph for purposes
13 of determining DPPS adjustment fac-
14 tors under subparagraph (A) shall be
15 computed in accordance with the re-
16 placement performance threshold
17 methodology established by the Sec-
18 retary under in subclause (II).

19 “(II) REPLACEMENT PERFORM-
20 ANCE THRESHOLD METHODOLOGY.—

21 For purposes of subclause (I), the
22 Secretary shall, pursuant to notice
23 and comment rulemaking and based
24 on the recommendations submitted
25 under subclause (III), establish a

1 methodology (referred to in this clause
2 as the ‘replacement performance
3 threshold methodology’) to be used in-
4 stead of the mean or median described
5 in clause (i) for computing the per-
6 formance threshold applied under this
7 subparagraph.

8 “(III) RECOMMENDATIONS FOR
9 REPLACEMENT PERFORMANCE
10 THRESHOLD METHODOLOGY.—Not
11 later than December 31, 2029, the
12 Comptroller General of the United
13 States shall, in accordance with sub-
14 clause (IV), submit to Congress and
15 the Secretary a report including de-
16 tailed recommendations on a method-
17 ology to be used instead of the mean
18 or median described in clause (i) for
19 computing the performance threshold
20 described in subclause (I) and that is
21 based on data that are accurate and
22 reliable.

23 “(IV) RECOMMENDATION RE-
24 QUIREMENTS.—In making the rec-
25 ommendations required under sub-

1 clause (III), the Comptroller General
 2 of the United States shall—

3 “(aa) seek to prevent unin-
 4 tended consequences that may re-
 5 sult from weighing quality and
 6 cost performance categories;

7 “(bb) consider the impact of
 8 such recommendations on dif-
 9 ferent types of DPPS eligible
 10 professionals, including such pro-
 11 fessionals in a small group prac-
 12 tice and such professionals that
 13 serve rural or underserved com-
 14 munities; and

15 “(cc) consult with stake-
 16 holders, including organizations
 17 representing physicians.”.

18 (d) MAINTAINING BUDGET NEUTRALITY.—Section
 19 1848(q)(6)(F) of the Social Security Act (42 U.S.C.
 20 1395w-4(q)(6)(F)) is amended—

21 (1) in clause (i)—

22 (A) in the clause heading, by inserting
 23 “FOR YEARS BEFORE 2028” after “FACTOR”;
 24 and

25 (B) in subclause (I)—

1 (i) by striking “With respect” and in-
 2 serting “For years before 2028, with re-
 3 spect”; and

4 (ii) by striking “subparagraph
 5 (A)(ii)(I)” and inserting “subparagraph
 6 (A)(i)(II)(aa)”;

7 (2) in clause (ii)—

8 (A) in the clause heading, by inserting
 9 “FOR YEARS BEFORE 2028” after “REQUIRE-
 10 MENT”; and

11 (B) in subclause (I), by striking “Subject
 12 to” and inserting “For years before 2028, sub-
 13 ject to”;

14 (3) in clause (iii)—

15 (A) in subclause (I), by inserting “before
 16 2028” before “that are below”; and

17 (B) in subclause (II), by inserting “before
 18 2028” after “with respect to a year”; and

19 (4) by adding at the end the following new
 20 clause:

21 “(v) BUDGET NEUTRALITY FOR 2028
 22 AND SUBSEQUENT YEARS.—For 2028 and
 23 each subsequent year, the Secretary shall
 24 decrease DPPS adjustment factors under
 25 subparagraph (A)(ii)(I) for DPPS eligible

1 professionals whose composite performance
 2 score for such year is above the perform-
 3 ance threshold established under subpara-
 4 graph (D) for such year in order to ensure
 5 that the estimated increase in the aggre-
 6 gate allowed charges resulting from the ap-
 7 plication of such adjustment factors (after
 8 application of this clause) to such profes-
 9 sionals for such year is not more than the
 10 estimated decrease in such charges result-
 11 ing from the application for such year of
 12 DPPS adjustment factors under sub-
 13 clauses (III) and (IV) of subparagraph
 14 (A)(ii) to DPPS eligible professionals
 15 whose composite performance score for
 16 such year is below such performance
 17 threshold.”.

18 (e) INVESTING IN UNDER-RESOURCED PRACTICES TO
 19 ASSIST IN VALUE-BASED CARE AND QUALITY IMPROVE-
 20 MENT.—Section 1848(q)(6) of the Social Security Act (42
 21 U.S.C. 1395w–4(q)(6)) is amended by adding at the end
 22 the following new subparagraph:

23 “(G) INVESTING IN UNDER-RESOURCED
 24 PRACTICES TO ASSIST IN VALUE-BASED CARE
 25 AND QUALITY IMPROVEMENT.—

1 “(i) IN GENERAL.—In the case of a
2 DPPS eligible professional who furnishes
3 covered professional services during a year
4 that is a DPPS savings year (as defined in
5 clause (v)) and for which the professional
6 meets the criteria specified in clause (ii), in
7 addition to the amount of payment that
8 would otherwise be made for such services
9 under this part for such year, there also
10 shall be paid to such professional, from the
11 amount specified in clause (iv)(I) for such
12 DPPS savings year, a lump-sum incentive
13 payment (in such amount as specified by
14 the Secretary) which shall be used by such
15 professional to improve care management,
16 address health-related social needs, imple-
17 ment and further the use of certified EHR
18 technology (as defined in subsection
19 (o)(4)), improve performance with respect
20 to the performance categories described in
21 paragraph (2)(A), or implement and par-
22 ticipate in value-based care models.

23 “(ii) CRITERIA.—

24 “(I) ATTESTATION.—A DPPS el-
25 igible professional meets the criteria

1 specified in this clause for a year if,
2 with respect to such year and profes-
3 sional, data was submitted under this
4 subsection and, for purposes of this
5 subparagraph, it is demonstrated
6 through an attestation that the pro-
7 fessional is in a small practice de-
8 scribed in subclause (II).

9 “(II) SMALL PRACTICES.—Sub-
10 ject to clause (iii), a small practice de-
11 scribed in this subclause is a practice
12 of 15 or fewer professionals.

13 “(iii) SECRETARIAL AUTHORITY TO
14 GIVE PRIORITY TO CERTAIN SMALL PRAC-
15 TICES.—The Secretary may, with respect
16 to a DPPS savings year and based on the
17 amount specified in clause (iv)(I) with re-
18 spect to such year, for purposes of this
19 subparagraph give priority to DPPS eligi-
20 ble professionals in certain small practices
21 by applying clause (ii)(II) for such year as
22 if instead of describing a practice of 15 or
23 fewer professionals, such clause described
24 any one or more of the following:

1 “(I) A practice of 15 or fewer
2 professionals located in a rural area.

3 “(II) A practice of 15 or fewer
4 professionals located in a health pro-
5 fessional shortage area (as designated
6 under in section 332(a)(1)(A) of such
7 Act).

8 “(III) A practice of 15 or fewer
9 professionals located in a medically
10 underserved area.

11 “(IV) A practice of 15 or fewer
12 professionals with a low composite
13 score.

14 “(iv) FUNDING FOR INCENTIVE PAY-
15 MENTS.—

16 “(I) AMOUNT AVAILABLE.—The
17 amount specified in this subclause,
18 with respect to a DPPS savings year,
19 is the amount by which the amount
20 described in subclause (II) for such
21 year exceeds the amount described in
22 subclause (III) for such year.

23 “(II) AGGREGATE DECREASE.—
24 The amount described in this sub-
25 clause is the estimated decrease in the

1 aggregate allowed charges resulting
2 from the application of DPPS adjust-
3 ment factors under subclauses (III)
4 and (IV) of subparagraph (A)(ii) to
5 DPPS eligible professionals whose
6 composite performance score for a
7 year is below the performance thresh-
8 old under subparagraph (D) for such
9 year.

10 “(III) AGGREGATE INCREASE.—

11 The amount described in this sub-
12 clause is the estimated increase in the
13 aggregate allowed charges resulting
14 from the application of DPPS adjust-
15 ment factors under subparagraph
16 (A)(ii)(I) (after application of sub-
17 paragraph (F)(v)) to DPPS eligible
18 professionals whose composite per-
19 formance score for a year is above the
20 performance threshold under subpara-
21 graph (D) for such year.

22 “(IV) FUNDING LIMITATION.—In

23 no case may the amounts used to
24 carry out this subparagraph with re-
25 spect to a year exceed the amount

1 specified for such year under sub-
2 clause (I).

3 “(v) DPPS SAVINGS YEAR.—For pur-
4 poses of this subparagraph, the term
5 ‘DPPS savings year’ means a year (begin-
6 ning with 2028) for which the amount de-
7 scribed in clause (iv)(II) exceeds the
8 amount described in clause (iv)(III).

9 “(vi) COORDINATION WITH OTHER IN-
10 CENTIVE PAYMENTS.—The amount of any
11 additional payment under this subpara-
12 graph and any other provision under this
13 section or section 1833, including section
14 1833(m) shall be determined without re-
15 gard to any additional payment under such
16 other provision and this subparagraph, re-
17 spectively.”.

○