Quality Payment PROGRAM

Merit-based Incentive Payment System (MIPS) Cost Measure Exclusion Fact Sheet 2025 Performance Period / 2027 MIPS Payment Year

Table of Contents

2025 MIPS Cost Measures Identified for Exclusion

Table 1 below outlines the cost measures that won't be calculated or scored for the calendar year (CY) 2025 performance period/2027 MIPS payment year. The Centers for Medicare & Medicaid Services (CMS) determined that there are changes external to the care provided which impacts calculation of these measures, and that calculating a measure score would lead to misleading or inaccurate results that negatively impact the measure's ability to reliably assess performance.

Table 1: Cost Measures Identified for Exclusion

Cost Measure Number/Title	Exclusion Rationale
Acute Kidney Injury Requiring New Inpatient Dialysis (AKI) (COST_AKID_1)[1]	The AKI episode-based cost measure's risk adjustment model wasn't able to consistently estimate costs for the CY 2025 performance period/2027 MIPS payment year. Analyses on the AKI measure for the CY 2025 performance period/2027 MIPS payment year aligned with historical findings suggesting that the measure didn't adequately estimate costs for episodes where beneficiaries were identified as low-risk. This demonstrates that the measure's risk adjustment model underestimated costs for the lowest risk patients (as compared to the actual costs), which may lead to misleading and inaccurate measure scores for MIPS eligible clinicians with a larger share of these episodes.

[1] The AKI measure is finalized for inclusion in traditional MIPS and the Optimal Care for Kidney Health MIPS Value Pathway (MVP) for the 2025 performance period/2027 MIPS payment year. As a result of the measure's exclusion, the cost performance category will be reweighted to 0% for MIPS eligible clinicians who reported this MVP.

Cost Measure Number/Title	Exclusion Rationale
Emergency Medicine (COST_EDV_1)[2]	The Emergency Medicine episode-based cost measure's risk adjustment model wasn't able to consistently estimate costs for the CY 2025 performance period/2027 MIPS payment year. Analyses on the Emergency Medicine measure for the CY 2025 performance period/2027 MIPS payment year found that the measure's risk adjustment model substantially underpredicted costs for a subset of episodes within specific subgroup and emergency-visit-type combinations, representing a significant change from prior performance periods where this finding wasn't observed. These results indicate that the measure may lead to misleading or inaccurate measure scores for MIPS eligible clinicians with a larger share of episodes in the impacted subgroups and emergency-visit-type combinations.

[2] The Emergency Medicine measure is finalized for inclusion in traditional MIPS and the Adopting Best Practices and Promoting Patient Safety within Emergency Medicine MVP for the 2025 performance period/2027 MIPS payment year. As a result of the measure's exclusion, the cost performance category will be reweighted to 0% for MIPS eligible clinicians who reported this MVP.

Policies for Excluding Individual Cost Measures from Scoring

In the CY 2022 Medicare Physician Fee Schedule (PFS) final rule (86 FR 65507-65509), CMS established scoring flexibility at the measure-level, establishing a policy for exclusion of a cost measure from scoring in certain circumstances. In the CY 2022 PFS final rule (86 FR 65508), CMS indicated that MIPS cost measures will be reviewed after the conclusion of each performance period to determine if measures should be excluded from scoring on the basis that results could be inaccurate or misleading. CMS codified this policy to exclude a single cost measure from scoring in certain circumstances at 42 CFR 414.1380(b)(2)(v)(A). In the CY 2025 Medicare PFS final rule, CMS adopted an additional cost measure exclusion policy, which CMS codified at 42 CFR 414.1380(b)(2)(v)(B) (89 FR 98446-98448).

Under § 414.1380(b)(2)(v)(A), if data used to calculate a score for a cost measure are impacted by significant changes during the performance period, such that calculating the cost measure's score would lead to misleading or inaccurate results, then the affected cost measure is excluded from the MIPS eligible clinician's or group's cost performance category score. "Significant changes" are changes external to the care provided, and that CMS determines may lead to misleading or inaccurate results. Significant changes include, but are not limited to, rapid or unprecedented changes to service utilization, and will be empirically assessed by CMS to determine the extent to which the changes impact the calculation of a cost measure score that reflects clinician performance.

Under § 414.1380(b)(2)(v)(B), if data used to calculate a score for a cost measure are impacted by significant changes or errors affecting the performance period, such that calculating the cost measure score would lead to misleading or inaccurate results, then the affected cost measure is excluded from the MIPS eligible clinician's or group's cost performance category score. "Significant changes or errors" are changes or errors external to the care provided, and that CMS determines may lead to misleading or inaccurate results that negatively impact the measure's ability to reliably assess performance. Significant changes or errors include, but are not limited to, rapid or unprecedented changes to service utilization, the inadvertent omission of codes or inclusion of codes, or changes to clinical guidelines or measure specifications. CMS will empirically assess the affected cost measure to determine the extent to which the changes or errors impact the calculation of a cost measure score such that calculating the cost measure score would lead to misleading or inaccurate results that negatively impact the measure's ability to reliably assess performance.

Review Process for Cost Measures

For the CY 2025 performance period/2027 MIPS payment year, CMS conducted empirical analyses to determine whether any cost measures should be excluded from MIPS cost

performance category and final scores pursuant to either § 414.1380(b)(2)(v)(A) or (B). Of the 35 cost measures specified for the CY 2025 performance period/2027 MIPS payment year, the empirical analyses suggested only two cost measures—the AKI measure and Emergency Medicine measure—may warrant exclusion from scoring for the CY 2025 performance period/2027 MIPS payment year pursuant to § 414.1380(b)(2)(v)(B).

The analysis results suggested that the risk adjustment models for the AKI episode-based cost measure and Emergency Medicine episode-based cost measure weren't able to consistently estimate costs for the CY 2025 performance period/2027 MIPS payment year. This empirical analysis indicated that there are changes external to the care provided impacting calculation of these measures such that calculating a measure score would lead to misleading or inaccurate results that negatively impact the measures' ability to reliably assess performance. On this basis, CMS determined it will exclude the AKI measure and Emergency Medicine measure for all MIPS eligible clinicians pursuant to § 414.1380(b)(2)(v)(B).

Additional Resources

Additional information about the cost measures that will be calculated and reported under the MIPS cost performance category for the CY 2025 performance period/2027 MIPS payment year, as well as the AKI measure and Emergency Medicine measure, is available here:

- 2025 Cost Measure Information Forms
- 2025 Cost Measure Codes Lists

Contact CMS

Contact the Quality Payment Program Service Center by email at QPP@cms.hhs.gov, create a QPP Service Center ticket, or by phone at 1-866-288-8292 (Monday-Friday, 8 a.m. - 8 p.m. ET). You can also subscribe to the QPP listserv to receive updates and announcements.

- People who are deaf or hard of hearing can dial 711 to be connected to a TRS Communications Assistant.

Version History

Date	Change Description
9/17/2026	Original version