Quality Payment
PROGRAM

2024 Merit-based Incentive Payment System (MIPS) Cost Measure Benchmarks Fact Sheet

Purpose: This resource provides an overview of how we establish MIPS cost measure benchmarks, how benchmarks are used for scoring, and the information in the 2024 Cost Measure Benchmarks file, which can be downloaded from the Benchmarks page of the QPP website.

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What Are Cost Measure Benchmarks?

Cost measure benchmarks are the point of comparison we use to score the cost measures for which you meet the case minimum. Cost measure benchmarks are calculated exclusively from performance period data; there are no historical benchmarks established for MIPS cost measures.

How Are Benchmarks Established?

MIPS cost measures are calculated using administrative claims data from the performance period. Costs per episode/beneficiary are payment-standardized and calculated after risk adjustment is applied. Benchmarks are derived from cost data from all MIPS eligible clinicians, groups, and virtual groups that met the measure's case minimum. (This includes individual clinicians and groups that were opt-in eligible and elected to opt-in to MIPS participation.)

In the CY 2025 Medicare Physician Fee Schedule (PFS) final rule, we finalized a change to how benchmarks are established for cost measures, beginning with the 2024 performance period. We believe that this new cost scoring methodology will more appropriately incentivize or penalize clinicians with below or above national average spending. Under the previous methodology, benchmark deciles were assigned based on linear distribution. Under the new methodology, 10 benchmark ranges are based on the median cost for all MIPS eligible clinicians attributed to the measure, plus or minus standard deviations, with the median cost for all MIPS eligible clinicians that had that measure attributed to them being set at a score equivalent to 10% of the performance threshold established for that MIPS payment year.

- **This means that clinicians with average costs attributed under a cost measure equal to the median cost for all MIPS eligible clinicians that had that cost measure attributed to them will receive 7.5 achievement points for that measure for the 2024 performance period.**
- **Under the previous methodology, costs equal to the median would have resulted in 6 achievement points.**

Reminder: Cost measure data associated with voluntary reporters are excluded from benchmark calculations.

How Are Results Displayed in the Benchmark File and How Are Achievement Points Assigned?

We compare your performance (expressed as a dollar amount) on each cost measure to the performance period benchmark(s). We assign 1 to 10 achievement points to each scored measure based on that comparison. The amount of achievement points assigned to each measure is determined by identifying which benchmark range the individual's or group's measure performance falls within.

Each of the 10 benchmark ranges represents standard deviations from the median cost. Table 1 identifies the range of points generally available for the measure, based on which benchmark range your performance rate falls in.

Table 1.

Benchmark Range	Number of Points Assigned for the 2024 Performance Period
Benchmark Range 1: Median cost ($) + (2.75 x standard deviation ($))	1-1.9 points
Benchmark Range 2: Median cost ($) + (2.5 x standard deviation ($))	2-2.9 points
Benchmark Range 3: Median cost ($) + (2.25 x standard deviation ($))	3-3.9 points
Benchmark Range 4: Median cost ($) + (2 x standard deviation ($))	4-4.9 points
Benchmark Range 5: Median cost ($) + (1.5 x standard deviation ($))	5-5.9 points
Benchmark Range 6: Median cost ($) + (1 standard deviation ($))	6-6.9 points
Benchmark Range 7: Median cost ($) + (0.5 x standard deviation ($))	7-7.9 points
Benchmark Range 8: Median cost ($) - (0.5 x standard deviation ($))	8-8.9 points

Benchmark Range	Number of Points Assigned for the 2024 Performance Period
Benchmark Range 9: Median cost ($) – (1 x standard deviation ($))	9-9.9 points
Benchmark Range 10: Median cost ($) - (1.5 x standard deviation ($))	10 points

The lower the benchmark range that your measure score falls within, the more expensive your care is relative to others.

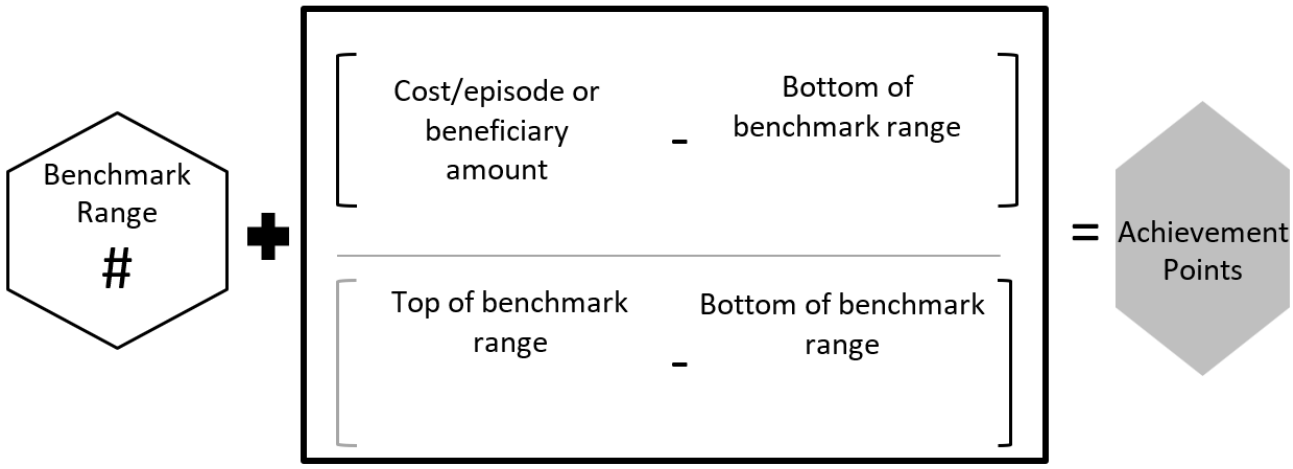
What are the column descriptions for the information presented in the cost measure benchmark file?

Column Name	Description
Measure Title	The measure's name
Measure ID	The measure's identifier
Group National Standardized Average	For episode-based cost measures (EBCMs), this dollar value represents the national average observed episode cost for all Taxpayer Identification Numbers (TINs). For practices participating in MIPS as a group and scored on EBCMs, the average ratio of observed-to-expected episode cost is multiplied by the group national standardized average observed episode cost to generate a dollar figure representing the group's risk-adjusted average episode cost measure score. For the Medicare Spending Per Beneficiary (MSPB) Clinician measure, a single national average payment-standardized observed MSPB Clinician episode cost value was used to compute MSPB Clinician measure scores. For the Total Per Capita Cost (TPCC) measure, a single national average per capita cost figure was used to compute TPCC measure scores.
Individual National Standardized Average	For EBCMs, this dollar value represents the national average observed episode cost for all TIN-National Provider Identifiers (NPIs). For clinicians participating in MIPS as individuals and scored on EBCMs, the average ratio of observed-to-expected episode cost is multiplied by the individual national standardized average observed episode cost to generate a dollar figure representing the individual's risk-adjusted average episode cost measure score. Note: The Lower Gastrointestinal Hemorrhage measure (COST_LGH_1) is applied to groups only.

Column Name	Description
	For the MSPB Clinician measure, a single national average payment-standardized observed MSPB Clinician episode cost value was used to compute MSPB Clinician measure scores. For the TPCC measure, a single national average per capita cost figure was used to compute TPCC measure scores.
Average Cost Per Episode or Beneficiary	This value represents the average cost per episode or beneficiary for the measure (expressed as a dollar amount) across the individual MIPS eligible clinicians (TIN/NPIs), groups (TINs), and virtual groups (virtual group ID) that met the case minimum for the measure.
Benchmark Range 1 (2, 3, 4, … 10)	This value shows the range of costs, expressed as a dollar amount, associated with Benchmark Range 1 (2, 3,4, … 10) for the measure.

How are points determined when converting a measure's cost per episode or beneficiary to a measure score?

Refer to the graphic below. NOTE: For cost purposes, the term "performance rate" refers to average cost per episode or beneficiary. A detailed example of the new scoring methodology is also presented in the CY 2025 Medicare PFS final rule (89 FR 98442).



Where Can I Go for Help?

Contact the QPP Service Center by email at QPP@cms.hhs.gov, by creating a QPP Service Center ticket, or by phone at 1-866-288-8292 (Monday through Friday, 8 a.m. - 8 p.m. ET). People who are deaf or hard of hearing can dial 711 to be connected to a Telecommunications Relay Services (TRS) Communications Assistant.

Visit the Quality Payment Program website for other help and support information, to learn more about MIPS, and to check out the resources available in the Quality Payment Program Resource Library.

Version History

Date	Change Description
09/23/2025	Original version