To transform the way primary care practices care for patients, payers must also transform the way they pay clinicians. Multi-payer payment transformation in support of practice transformation is at the heart of CPC+.

**Payment Innovation Supports Practice Transformation**

- **Comprehensive Care**
  - Patient Access
  - Care Management and Coordination
  - Patient Engagement and Population Health

- **Financial Support**
  - Care Management Payments
  - Incentive Payments for Quality and Utilization
  - Alternative to Fee-for-Service (FFS) Payment Structure (Track 2 only)

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**Medicare FFS Financial Support for CPC+ Practices**

<table>
<thead>
<tr>
<th>Track 1</th>
<th>Track 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Care Management Fee (PBPM)</strong></td>
<td><strong>$15 average</strong></td>
</tr>
<tr>
<td><strong>Performance-Based Incentive Payment (PBPM)</strong></td>
<td><strong>$2.50 opportunity</strong></td>
</tr>
<tr>
<td><strong>Underlying Payment Structure</strong></td>
<td><strong>Standard FFS</strong></td>
</tr>
<tr>
<td><strong>Payment by Track</strong></td>
<td><strong>Paid prospectively on a quarterly basis</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Paid prospectively on an annual basis; must meet quality and utilization metrics to keep incentive payment</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Regular Medicare FFS claims payment</strong></td>
</tr>
</tbody>
</table>
The following examples depict potential scenarios for prospective practices enrolled in CPC+. Outcomes may vary and are based on a multitude of factors. These examples are to be used for illustrative purposes only and should not be interpreted to be your outcome if selected to be in CPC+. In addition to Medicare payments, practices will also be receiving additional financial support from other CPC+ partner payers. Please contact payers directly for details on their payment models.

Clinic A is a medium-size practice with nine physicians – six family medicine physicians and three internal medicine physicians. This practice opts for Track 1 and has 1,150 attributed* Medicare FFS beneficiaries. With CPC+ funds, the clinic hires two care managers and a pharmacist who will focus on helping manage patients with uncontrolled chronic conditions.

Using data from the clinics’ electronic health record (EHR) as well as payer reports, the care managers identify patients with chronic conditions that have not had an office visit in the previous 12 months and those that were recently hospitalized or had a recent emergency department visit. The care managers develop processes to regularly track and communicate with these patients. Additionally, the clinic establishes weekly meetings for all clinic staff, including physicians and the pharmacist, to discuss high and rising risk patients.

Practice A would receive the following CPC+ Medicare payments for program year 1:

- **Care Management Fees**
  - Based on risk scores for attributed beneficiaries, practice receives an average of $14.50 PBPM
  - Total: $200,100

- **Performance-Based Incentive Payment**
  - Practice receives an at-risk incentive payment of $2.50 PBPM
  - Total: $34,500

- **Underlying Payment Structure**
  - Practice continues to receive regular FFS Medicare payments based on the Medicare Physician Fee Schedule

*Not all Medicare FFS beneficiaries the practices cares for will be attributed to the practice. Only those who have received the plurality of their primary care at the practice over the past two years will be attributed. See the CPC+ Request for Applications for the detailed attribution methodology.

**The PBIP is pre-paid and subject to recoupment in whole or in part based on practice performance on quality and utilization metrics.
### Payment Examples for Practices in CPC+

The following examples depict potential scenarios for prospective practices enrolled in CPC+. Outcomes may vary and are based on a multitude of factors. These examples are to be used for illustrative purposes only and should not be interpreted to be your outcome if selected to be in CPC+. In addition to Medicare payments, practices will also be receiving additional financial support from other CPC+ partner payers. Please contact payers directly for details on their payment models.

#### Practice B

Practice B is a small practice with two nurse practitioners and an internal medicine physician. Practice B opts for **Track 2** and has 250 attributed* Medicare FFS beneficiaries in CPC+. The practice cares for a large number of high risk patients, including several that have been diagnosed with dementia. The practice decides to hire a nurse practitioner to do home visits, and will target these visits to high risk patients with limited mobility or other health issues that make office visits difficult.

In addition to the care management fee, this Track 2 practice will receive the prospectively paid Comprehensive Primary Care Payment (CPCP) and commensurately reduced Evaluation and Management (E&M) fee-for-service payment. The CPCP allows practices to provide clinical care outside of the office, which is particularly helpful to high risk patients and those with dementia. The practice finds that the home visits are particularly useful in uncovering patients' unmet social needs, so they spend time building relationships with social service providers in the community to better support patients.

Practice B would receive the following CPC+ Medicare payments for program year 1:

<table>
<thead>
<tr>
<th>Care Management Fees</th>
<th>Performance-Based Incentive Payment**</th>
<th>Underlying Payment Structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Based on risk score for attributed beneficiaries, practice receives an average of $32 PBPM</td>
<td>Practice receives an at-risk incentive payment of $4 PBPM</td>
<td>Practice elects to receive 65% prospective CPCP (plus an additional 6.5% bump), based on historic E&amp;M revenue of $35,000</td>
</tr>
<tr>
<td><strong>Total: $96,000</strong></td>
<td><strong>Total: $12,000</strong></td>
<td><strong>Total: $24,228</strong></td>
</tr>
</tbody>
</table>

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