

Alternative Payment Models In Colorado

Colorado All Payer Claims Database, 2022

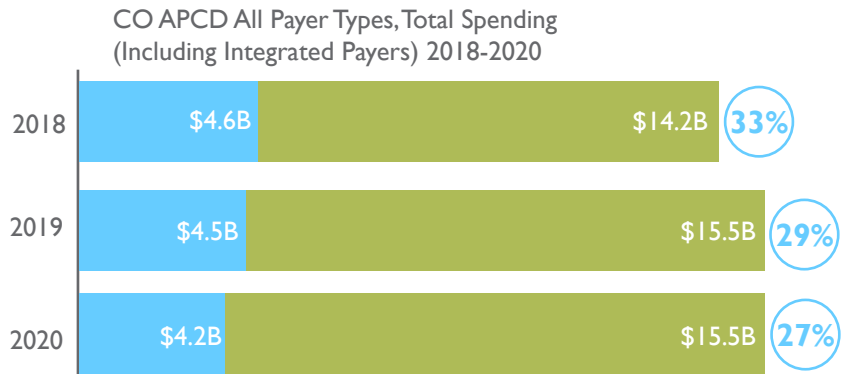
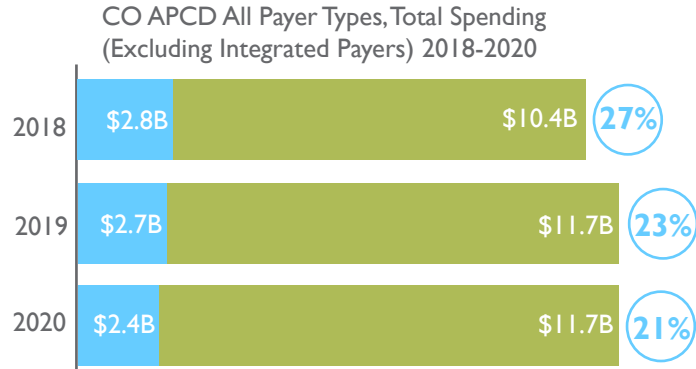
What is an Alternative Payment Model?

An Alternative Payment Model (APM) is a health care payment approach that incentivizes high-quality and cost-efficient care. For more information and to view our full **Alternative Payment Models Analysis**, visit us at www.civhc.org.

APM Payments as a Percent of All Medical Payments is Dropping

All data **excludes** non-value based payments

■ Total Payments ○ % APMs of Total Payments
■ APM Payments

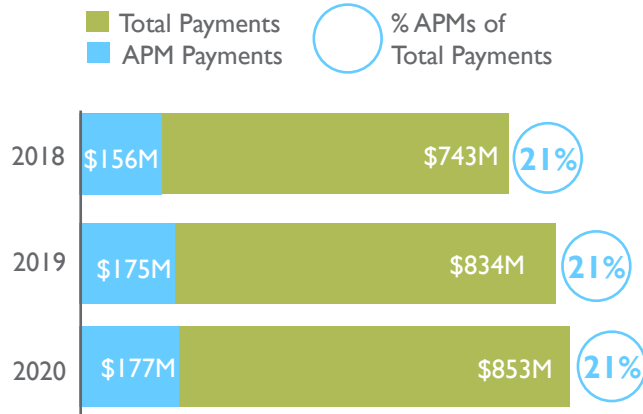


Integrated Payers

Several Colorado payers are structured as integrated payer-provider systems and have a high portion of APM payments compared to other commercial payers. These payers represent a quarter of the commercially insured lives in Colorado but drive a large portion of APM payments overall.

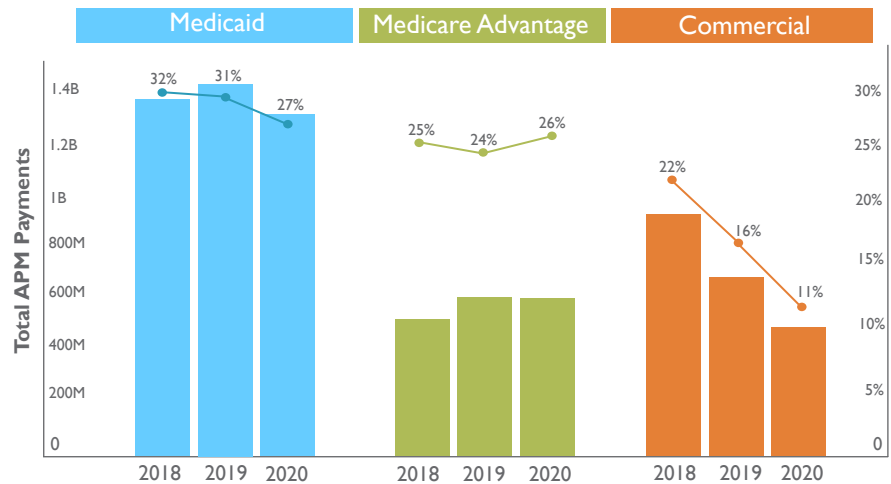
APM Payments as a Percent of Primary Care Payments Have Remained Stable

CO APCD All Payer Types, Primary Care Spending 2018-2020 (Excluding Integrated Payers)



APM Payments Dropping Among Commercial Payers

Total APM Payments v. % of APMs Across All Medical Payments 2018-2020 (Excluding Integrated Payers)



The Majority of APM Investments are Pay-for-Performance*

Alternative Payment Models by Category 2020, All Payers (Excluding Integrated Payers)

Category	Total APM Payments	% of APM Payments
Pay for Performance (2C)	\$1.7B	61%
Shared Savings with Upside Risk Only (3A)	\$379M	13%
Capitated Payments Not Linked to Quality (4N)	\$357M	12%
Risk Based Payments Not Linked to Quality (3N)	\$155M	5%
Condition-Specific Population-Based Payments (4A)	\$134M	5%
Foundational Payments for Infrastructure & Operations (2A)	\$82M	3%
Shared Savings with Downside Risk (3B)	\$30M	1%
Comprehensive Population-Based Payment (4B)	\$947K	0%

*Payment categorization corresponds to the HCP Learning Action Network (LAN) framework