

Colorado's Accountable Care Collaborative
Phase III

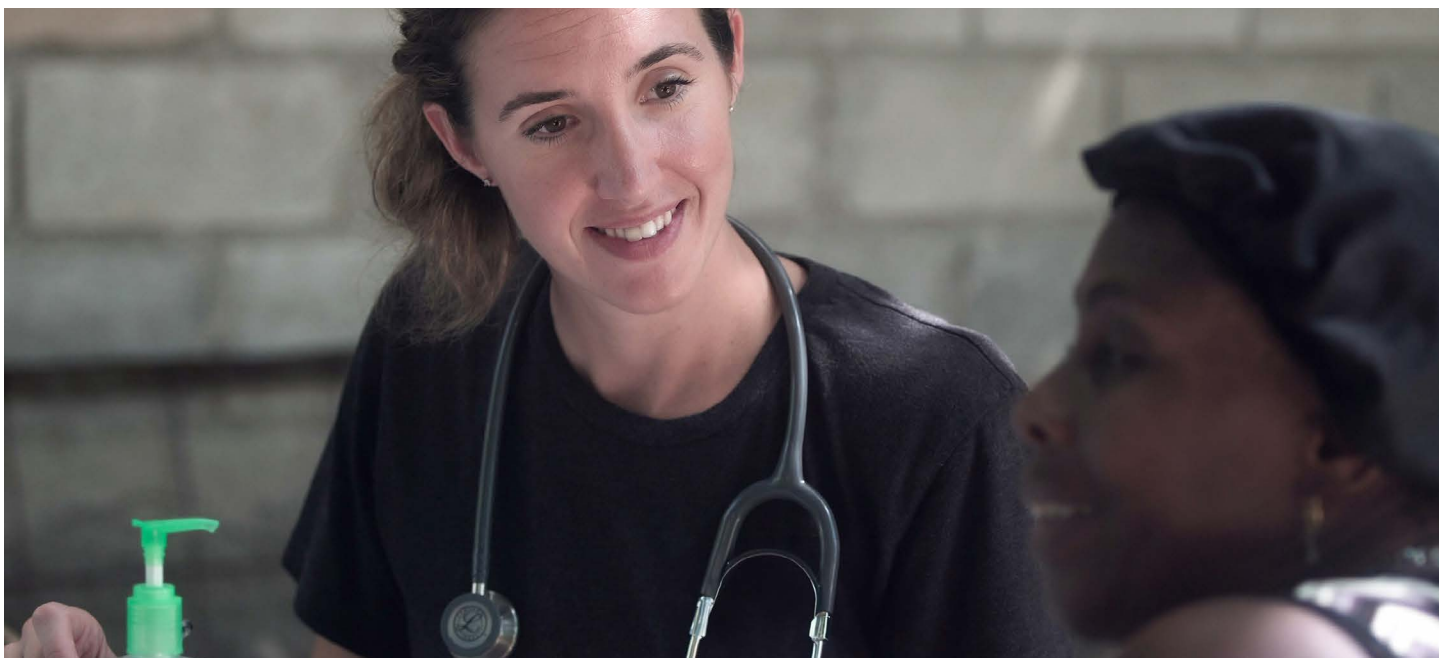
Primary Care Payment Structure

MARCH 2025



COLORADO

Department of Health Care
Policy & Financing



Acronyms to Know

The following terms are referenced throughout this document and will be referred to by their acronyms:

ACC: Accountable Care Collaborative

APM: Alternative Payment Model

HCPF: Department of Health Care Policy and Financing

PCMP: Primary Care Medical Provider

PMPM: Per-member-per-month

RAE: Regional Accountable Entity

Overview of ACC Phase III

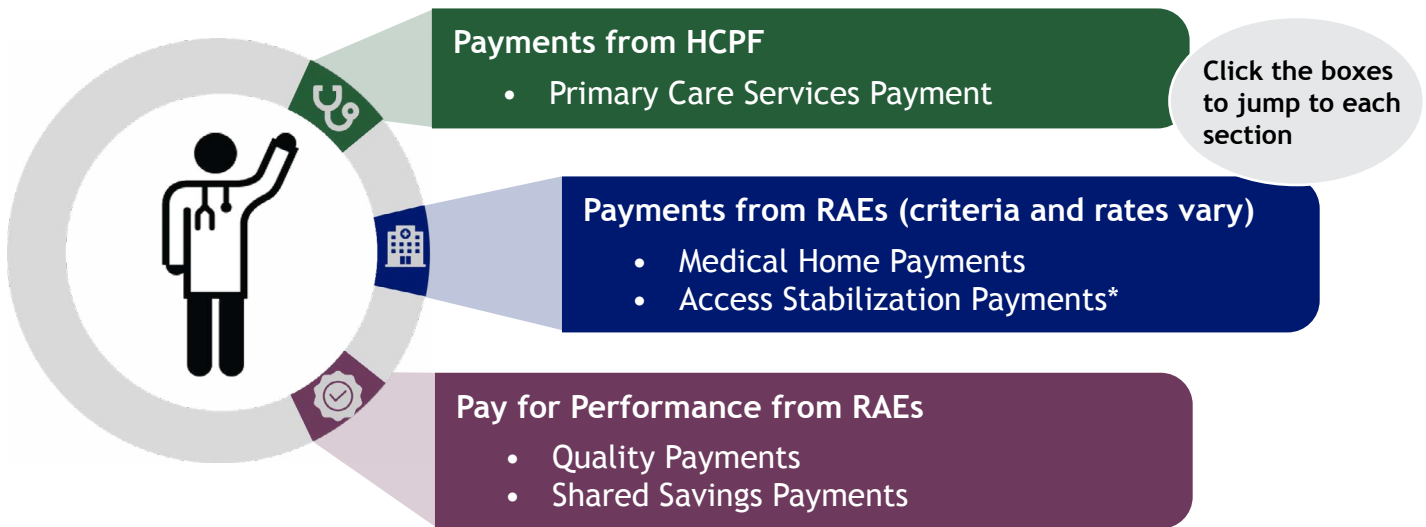
The Department of Health Care Policy and Financing (HCPF) administers Health First Colorado (Colorado's Medicaid program), Child Health Plan *Plus* (CHP+) and other health care programs for Coloradans who qualify. Created in 2011, the Accountable Care Collaborative (ACC) is the primary delivery system for Health First Colorado. Regional Accountable Entities (RAEs) are responsible for promoting member health and well-being by administering the capitated behavioral health benefit, establishing and supporting networks of providers, and coordinating medical and community-based services for members in their region. Current contracts with the RAEs, referred to as Phase II, end on June 30, 2025. **New contracts, ACC Phase III, will launch July 1, 2025.**

For further details about ACC Phase III and the new RAEs, visit our [webpage](#).

PCMP Payment Structure

ACC Phase III will introduce an improved primary care payment structure for all Primary Care Medical Providers (PCMPs). This model combines design elements from multiple alternative payment model programs from the RAEs and HCPF and includes pediatric considerations to create a singular, comprehensive payment structure.

PCMP payments through HCPF and the RAEs come in three distinct payment streams:



1. Payments from HCPF (Primary Care Services)

PCMPs will continue to receive payment for providing **Primary Care Services** from HCPF. PCMPs may choose to take this payment as a fee-for-service payment or prospectively with no difference in their reimbursement rate.

2. Payments from RAEs (Medical Home and Access Stabilization*)

Medical Home payments are per-member-per-month (PMPM) payments from RAEs to support the PCMP role as a medical home for Health First Colorado members. This payment focuses on building and maintaining advanced primary care activities such as care coordination, integrated behavioral health services, and population health management.

Access Stabilization payments are a dedicated pool of funds, directed to specific types

of PCMPs that do not receive cost-based reimbursement, aimed at preserving access to care for Health First Colorado members.

3. Pay for Performance from RAEs (Quality and Shared Savings)

Eligible PCMPs can earn a **Quality Incentive Payment** based on performance toward adult and pediatric quality measures. PCMPs that have too few patients to be assessed fairly on quality metrics will have an opportunity to earn these payments through quality improvement activities.

PCMPs serving adult members and that have sufficient data will continue to have the opportunity to earn **Shared Savings** payments for achieving performance toward cost of care goals. More details about Shared Savings will be made available in Spring 2025.

* As of March 2025, funding changes for Primary Care Services and Access Stabilization are subject to legislative approval.

Changes and Continuity in ACC Phase III

Here's what's new:



- HCPF- and RAE-administered quality programs will now be streamlined into a single, comprehensive payment structure. Existing HCPF APM programs such as APM 1 and APM 2 will fall under this new structure, with RAEs playing a more active role in supporting PCMPs to successfully participate.
- PCMP Quality Payments will now be based on individual PCMP performance toward a set of adult and pediatric quality measures, instead of the previous regional calculation. PCMPs can choose to receive their Primary Care Services Payment from HCPF as fee-for-service or prospectively from HCPF with **no impact** to their rate.*
- The Access Stabilization Payment* is an additional per-member payment for eligible pediatric, rural, and small PCMPs to further support the financial stability of these practices. The frequency of these payments is yet to be determined.

Here's what's staying the same:



- PCMPs will continue to be reimbursed for primary care services **directly through HCPF**.
- PCMPs will continue to be eligible for **quality payments** from their RAE using quality measures aligned with the Centers for Medicare and Medicaid Services Core Measures, the Division of Insurance regulations and past HCPF quality programs such as APM 1.
- PCMPs will continue to receive a **Medical Home PMPM** payment from their RAEs. PCMPs will complete a standardized **Practice Assessment** that will help RAEs determine the PMPM.
- PCMPs can continue to **earn shared savings** by meeting cost savings goals for chronic condition management.

* As of March 2025, funding changes for Primary Care Services and Access Stabilization are subject to legislative approval.

Payments from HCPF:

Primary Care Services Payments



Key Takeaways

In ACC Phase III, all PCMPs will continue to receive Primary Care Services Payments.

- PCMPs may choose to take this payment as a fee-for-service payment or prospectively with no difference in their reimbursement rate.*
- HCPF will continue to make these payments directly to PCMPs.

* As of March 2025, funding changes for Primary Care Services and Access Stabilization are subject to legislative approval.

Primary Care Services Payments are foundational payments made from HCPF directly to PCMPs for delivering primary care. **All PCMPs** will receive these payments but may choose to take them as a fee-for-service payment or prospectively with no difference in their reimbursement rate. PCMPs have the flexibility to choose their reimbursement type.

These prospective payments provide more financial stability to PCMPs through a predictable monthly revenue to pay for primary care while ensuring full fee-for-service reimbursement.

Changes to prospective payments are being considered by HCPF based on stakeholder feedback. For more information and to participate in upcoming stakeholder opportunities, visit the [Value Based Payments website](#).

Payment and Eligibility

- All PCMPs enrolled as Health First Colorado providers are eligible.
- PCMPs may choose to receive payment as fee-for-service (paid as claims are processed), partial prospective payment, or full prospective payment.
- If PCMPs **opt in** to receive a partial or full prospective payment, payments are made monthly. More information about prospective payments can be found on [HCPF's APM webpage](#).



Payments from RAEs:

Medical Home and Access Stabilization

Medical Home Payment

Overview

The **Medical Home Payment** is a PMPM payment from the RAEs to support the PCMP role as a medical home for Health First Colorado members. This payment focuses on building and maintaining advanced primary care activities such as care coordination, integrated behavioral health services, and population health management.

The Medical Home Payment includes the following funding opportunities regardless of RAE:

1. **Practice Assessment Tier:** See details below.
2. **Member Acuity and Complexity:** PCMPs may see an adjustment to the Medical Home Payment to account for medical acuity and complexity of the members they see.
3. **Integrated Care:** PCMPs may receive additional payment for delivering highly integrated care if they meet the standards for integration of primary care and behavioral health outlined in the Practice Assessment.
4. **Care Coordination and Case Management:** PCMPs may receive payment for delivering and reporting on care coordination services for their members, based on their agreements with their RAE.
5. PCMPs may receive additional payment depending on other factors determined by their RAE (such as meeting training expectations, using specific tools, managing specific populations, reporting clinical quality measures, etc.).



Key Takeaways

In ACC Phase III, PCMPs will receive a PMPM **Medical Home Payment** from their RAE.

- PCMPs will complete an **annual, standardized Practice Assessment** to identify their progress in providing advanced primary care.
- RAEs will **determine and pay each PCMP's PMPM based on standardized criteria** such as a PCMP's Practice Assessment score, the acuity and complexity of members served, implementation of integrated behavioral health, the practice's role in care coordination and case management, and other factors determined by the RAE. RAEs will also support PCMPs in completing their Practice Assessment and will continue to provide practice coaching and transformation.

Practice Assessment

The Practice Assessment is an annual, three-tier assessment to incentivize progress along the continuum of advanced primary care. The Practice Assessment is not new for PCMPs; currently all RAEs use their own version of an assessment to determine PCMP payment. HCPF has worked with providers and the RAEs to standardize this assessment for all PCMPs regardless of their RAE.

- Annually, practices will attest to meeting select criteria **aligned to**

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core primary care competencies and integrated care. No documentation is required at the time of attestation, but it may be required for validation by the RAE.

- RAEs will review PCMP attestation and assign a score, dictating which tier the PCMP falls under (Tier 1, 2, or 3). Tier 1 practices are beginning their transformation journey, while Tier 3 practices reflect the competencies of a more advanced practice. **The tier, as well as the complexity of members served, will impact compensation received by each practice.**
- **PCMPs will attest to criteria related to integrated care.** PCMPs that achieve a “Highly Integrated” score will be eligible for an additional PMPM from the RAE.
- **There are criteria that practices must pass in order to qualify for Tier 2 and Tier 3.** If all “must pass” criteria are not passed, then a practice will fall into Tier 1, regardless of the points received.
- If a practice is recognized by the National Committee for Quality Assurance (NCQA) or Accreditation

Association for Ambulatory Health Care (AAAHC) as a Patient-Centered Medical Home (PCMH) and meets all “must pass” criteria, then the practice will be considered Tier 3.

- Practices that are NCQA or AAAHC PCMH recognized but do NOT meet all “must pass” criteria will be considered Tier 2.
- Due to the criteria set within the practice assessment, **if a PCMP declines to engage with a RAE**, it won’t be eligible to receive the practice assessment or integrated care portion of the medical home payment.
- Practices **may request support from their RAE** in completing the assessment.

Additional information about the Practice Assessment will be posted on the [ACC Phase III webpage](#) when available.

RAEs are expected to play an active role in supporting PCMPs with the Practice Assessment process. This includes furnishing provider performance statements, validating practice assessment results, coaching, and practice transformation activities.

Access Stabilization Payment

Overview

The **Access Stabilization Payment** is a dedicated pool of funds, directed to specific types of PCMPs that do not receive cost-based reimbursement, aimed at preserving access to care for Health First Colorado members. These funds will provide enhanced support to PCMPs who have been unable to participate in value-based payments in the past due to their population size or type. These funds are intended to allow for new services or for more Health First Colorado members to be served. Access Stabilization eligibility and payment amount will be determined by HCPF and the payments will be made by RAEs to eligible PCMPs.

As of March 2025, funding for Access Stabilization is subject to legislative approval.

Payment and Eligibility

Access Stabilization Payment will be directed to three PCMP types that serve populations or geographies that do not provide consistent, stable revenue.

- **Pediatric PCMPs:** PCMPs where more than 80% of the Health First Colorado members served are 0-18 years old.
- **Rural PCMPs:** PCMPs that operate in counties classified as rural or Counties with Extreme Access Considerations (CEAC).
- **Small PCMPs:** Independent PCMPs who are operating with one to five providers.

PCMPs that fall into more than one of these categories will only receive one Access Stabilization Payment. Federally Qualified Health Center (FQHC), Rural Health Center (RHC), and Indian Health Service (IHS) PCMPs are not eligible for Access Stabilization.



Key Takeaways

- In ACC Phase III, certain eligible provider types will receive an **Access Stabilization Payment*** from their RAE to preserve access to care for Health First Colorado members.
- **PCMPs that qualify do not need to take action** to receive access stabilization payments.
- **RAEs will make the Access Stabilization Payment to eligible PCMPs as a per member payment.** The frequency of these payments is yet to be determined.



Pay For Performance From RAEs:

Quality Payments and Shared Savings



Key Takeaways

- PCMP Quality Payments will now be based on individual PCMP performance toward a set of adult and pediatric quality measures, instead of the previous regional calculation.
- **PCMPs** must meet performance thresholds on a set of adult and pediatric quality metrics tailored to their Health First Colorado panel to receive quality payments.
 - Quality metrics are aligned with Centers for Medicare and Medicaid Services (CMS) Core Measures, APM 1, Colorado Division of Insurance (DOI)'s Primary Care Payment, and other payers.
 - If a PCMP has too few patients to qualify for performance measures, it may still receive quality payments by working with the RAEs on quality improvement activities.
- For the first year of the program, **eligible PCMPs** may choose to complete quality improvement activities with their RAEs in order to receive Quality Payments as HCPF and the RAEs transition to new performance measurement and payment periods.
- PCMPs with adult members will continue to be eligible for **Shared Savings** payments.
 - **PCMPs** may earn shared savings annually by achieving performance toward cost of care goals.

Quality Payments

Overview

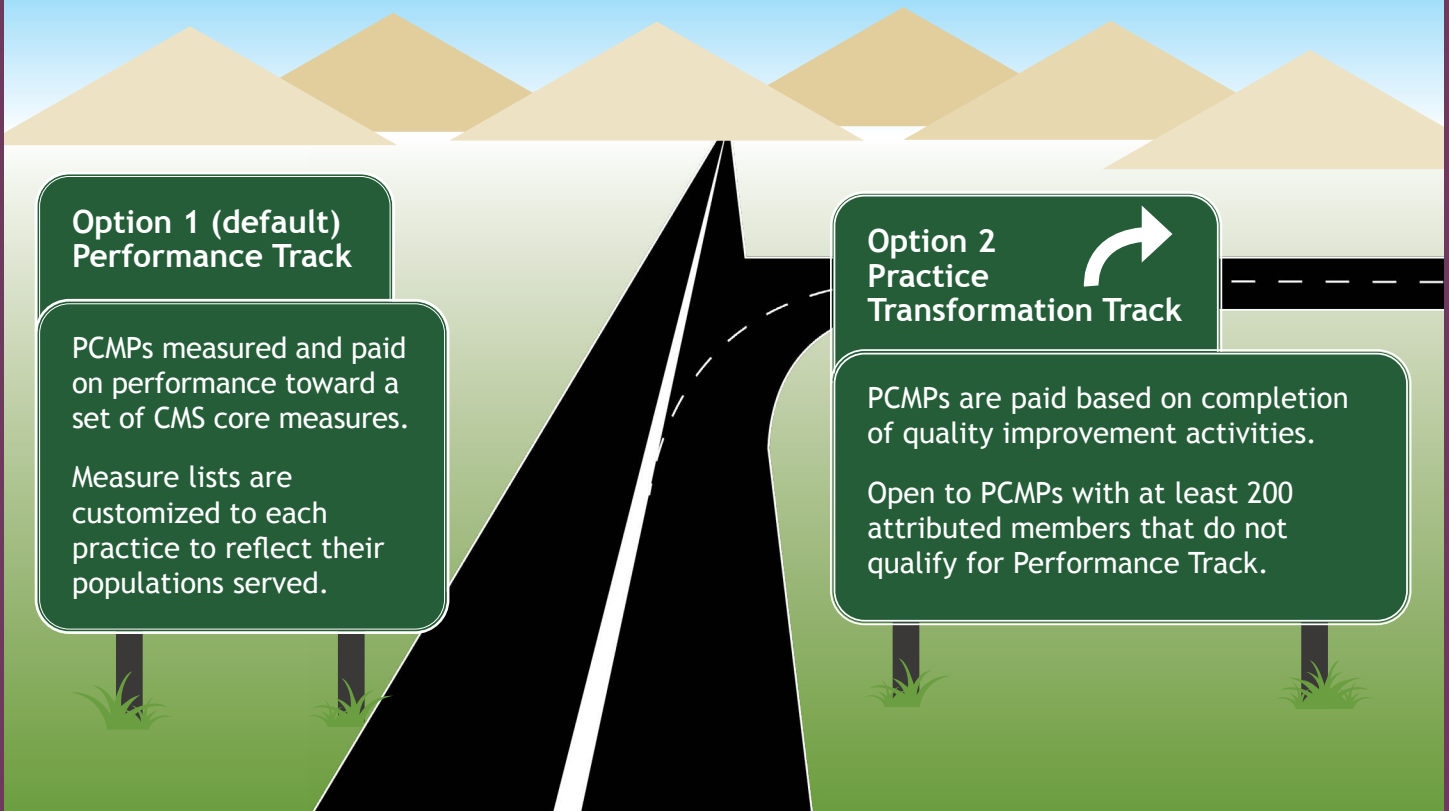
Quality Payments are incentive payments from RAEs to providers to promote quality care. Eligible PCMPs may receive quality payments, but the amount of payment they receive will depend on their performance toward a set of predetermined adult and pediatric quality measures tailored to their Health First Colorado panel. PCMPs will receive quality payments from RAEs for meeting the performance thresholds.

Which measures determine performance?

To ensure that practices with different patient volumes can receive quality payments, there are two tracks in which PCMPs can participate. **Eligible PCMPs are enrolled in the Performance Track by default.** If PCMPs are not eligible to participate in the Performance Track because they do not have enough eligible patients to adequately measure performance, they have the **option to participate in the Practice Transformation Track** to still receive quality payments.

Note: PCMPs that meet the criteria for the Performance Track cannot opt into the Practice Transformation Track. However, some PCMPs in the Practice Transformation Track may still engage/participate in Quality Improvement (QI) activities if they do not have the six measures.

Two Tracks to Participating in Pay for Performance in ACC Phase III



Performance Track

PCMPs can receive payments for four to six assigned quality measures using the process below. A practice needs **at least 30 attributed members** to be eligible for each measure. These quality measures align with the CMS Core Measure, the Division of Insurance regulations, and past HCPF quality programs such as APM 1. Measure selection is reviewed on an annual basis, and HCPF will provide further details on the timing of the reevaluation at a later date.

Measures are assigned to a PCMP in a stepwise progression, as shown in the boxes on the next page.

Practice Transformation Track

PCMPs with at least 200 attributed members that are **not** eligible for the Performance Track have the **option** to participate in the Practice Transformation Track to still earn quality payments.

Practice Transformation Track participants must complete one or two QI activities. These QI activities will be determined in collaboration with the RAE.

Performance Track Measure Selection Steps

STEP

1

Prioritized Measures

Measures will automatically be included if a PCMP has at least 30 members in the denominator for any of the following:

1. Well-Child Visits in the First 30 Months of Life
2. Glycemic Status Assessment for Patients with Diabetes
3. Controlling High Blood Pressure

» All PCMPs proceed to Step 2

STEP

2

Largest Denominators

Measures with the largest denominators will be included if a PCMP has at least 30 measures in the denominator for any measure, for a maximum of six total measures:

1. Breast Cancer Screening
2. Cervical Cancer Screening
3. Colorectal Cancer Screening
4. Screening for Depression and Follow-Up Plan
5. Child and Adolescent Well-Care Visits
6. Developmental Screening in the First Three Years of Life
7. Childhood Immunization Status Combination 10
8. Immunizations for Adolescents Combination 2

» If a PCMP still has five or fewer measures, proceed to Step 3.

STEP

3

Secondary Focus Measure

If a PCMP has at least 30 members in the denominator, the Chlamydia Screening in Women measure will be added.

» If a PCMP has four or five measures, proceed to Step 4.

STEP

4

Quality Improvement Activities

If a PCMP has three or fewer measures total, they can opt to participate in the Practice Transformation Track instead.

» If a PCMP has four measures, they can choose to participate in up to two QI activities to receive payments for up to six total performance measures.

» If a PCMP has five measures, they can choose to participate in one QI activity to receive payment for six total performance measures.

Measuring Performance in the Performance Track

In a change from current methodology, PCMPs will no longer be evaluated based on the change in performance from the prior year's performance (previously referred to as "close the gap"). Instead, performance on specific measures will be evaluated using thresholds.

PCMPs' quality payments will **no longer take into account regional performance**. Instead, RAEs will make quality payments to PCMPs based solely on a PCMP's individual performance toward adult and pediatric quality measures.

Performance thresholds are set by metric and based on national performance scaled relative to Colorado statewide average performance.

For each measure, performance will be measured using the following thresholds:

- **At or above a Commendable Threshold:** Receive 100% quality payment for that measure.
- **At or between Minimum Acceptable and Commendable Thresholds:** Receive a proportion of total quality payment for that measure based on a tiering system.
- **Below a Minimum Acceptable Threshold:** Receive 0% quality payment.

Thresholds will be reevaluated annually.

Payment Methodology

In the Performance Track, the RAEs will pay PCMPs based on their performance toward eligible measures on a per-member basis. In the Practice Transformation Track, the RAEs will pay PCMPs for completing agreed-upon QI activities; PCMPs will receive full payment for completing two activities or partial payment for completing one activity.

Further details about payment methodology for both tracks will be released in the performance program specification documents created by HCPF.

Shared Savings Payments

Overview

Shared Savings payments are upside-only, meaning that practices can earn additional payments for improving chronic condition care management but are not penalized for not achieving savings. This payment type incentivizes practices to improve chronic condition care management. The purpose of this payment is to reduce avoidable costs for members with chronic conditions and generate savings for HCPF, while rewarding RAEs and PCMPs for reducing costs and maintaining quality of care.

Payments will be made for adult members only due to the nature of chronic conditions and the lack of prevalence in pediatric populations.

More details about Shared Savings Payment will be made available spring 2025.

For more information, please visit:

[ACC Phase III webpage](#)



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