



Pay for outcomes and health

Paying for better quality care and better health outcomes, rather than just more services, is essential to the model. Innovative payment methods such as population and episode-based payments, and offering incentives for quality outcomes instead of volume-based fees support better care and lower costs.

Innovative ways of paying include:

- Pay providers according to performance. Providers who perform better can be paid more.
- Design payment and coverage approaches that cut waste while not diminishing quality. This includes reducing unjustified variation in payments, not paying for avoidable complications and hospital-acquired infections, or lower payments for unnecessary services.
- Support primary care. A robust primary care system is at the heart of the model; primary care payments should support both an effective primary care infrastructure and the provision of high-quality primary and preventive services.
- Increasing the proportion of total payments based on performance over time, or implementing a population-based model where the plan and providers share financial risk.

What it means for

The health plan

- ✓ Cost savings achieved through healthier members, use of higher quality, evidence-based services by providers, and cutting waste.
- ✓ Ability to support different payment structures for higher performing providers.

The purchaser of health benefits

- ✓ Healthier employees. All members receive high-quality preventive health care and for those with chronic health conditions, care will be better managed.

Your employees

- ✓ High-quality preventive care.
- ✓ Team-based care helps those with chronic health conditions better manage their condition and keeps them in their best health.