Integrated Healthcare Association

# Align. Measure. Perform. (AMP) Incentive design technical documentation

Beginning Measurement Year (MY) 2024

Updated November 2026



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# Executive summary

The Integrated Healthcare Association (IHA) offers a standard incentive design as a core component of the Align. Measure. Perform. (AMP) programs for Commercial HMO and Medi-Cal Managed Care. Participating health plans use the AMP incentive design to pay performance-based incentives to provider organizations (POs). This document explains how the AMP incentive design works beginning in Measurement Year (MY) 2024 and is intended to be evergreen, with methodology changes incorporated as they become applicable.

Key changes from MY 2024 to MY 2025 are summarized below. A running list of all updates can be found in the change log at the end of this document.

- Added note about MY 2025 initial incentive payments being based on MY 2024 cost and utilization results, followed by a "true-up" payment along with MY 2026 incentives.
- Updated the minimum denominator requirement for All Cause Readmissions (PCR) from n≥150 to n≥100, starting in MY 2025.

# AMP redesign for MY 2024

In 2023, IHA embarked on a "redesign" of the AMP programs to help align the California healthcare industry along shared goals for quality and equity. In collaboration with the IHA committees, as well as California public purchasers and regulators, IHA selected a high-priority measure set to serve as the foundation for a new incentive model that ties PO payments directly to quality performance. By incentivizing high performance on high-priority measures at the PO level, the redesigned AMP incentive model works to ensure that both POs and plans are focused on the same quality goals to help move California forward.

# Health plan adoption and implementation

While health plans are encouraged to adopt the standard AMP incentive design described in this document, they may also adapt design elements and values to meet their organizations' unique business needs, strategies, and practices.

To understand how each health plan implements the AMP incentive design and where modifications have been made, we recommend POs consult with their Network Account or Contract Manager at each health plan. IHA also summarizes high-level information on both the intended and actual AMP incentive design implementation here.

## Health plan budgets

Participating health plans are responsible for setting their own budgets for AMP incentives. As such, maximum per-member-per-month (PMPM) payments are set by health plans at their discretion. The example maximum PMPM payment is $7 (or approximately 5% of professional capitation), which reflects a program goal for future years, in the **Payments and equations** section of this document. The Health Plan Plug and Plays and PO Worksheets provided by IHA for modeling assistance currently use $4 PMPM, which is more representative of current health plan rates. Actual maximum PMPMs set by health plans will differ based on each health plan's budget.

# AMP incentive design methodology (Beginning MY 2024)

***For MY 2025 only.***

*As part of the transition to becoming IHA's data aggregator, Cozeva is working to bring all AMP-related operations onshore in the United States. To support this move, MY 2025 AMP results for cost and utilization will not be available for MY 2025 incentives.*

*Accordingly, initial MY 2025 incentive payments will use MY 2025 clinical quality results and MY 2024 cost and utilization results. Then along with the regular MY 2026 incentive process, IHA will support a "true-up" calculation using complete MY 2025 clinical quality, cost, and utilization results for health plans to make a MY 2025 incentive payment adjustment.*

## Overview

The AMP incentive design recommends per-member-per month (PMPM) payments that participating health plans may pay to their contracted POs. PMPM payments are based on PO performance for the measurement year on individual quality measures, including clinical quality and utilization measures. PMPM payments are calculated following the steps below. Each of these steps is described in more detail in subsequent sections of this document.

**Step 1.** For each individual measure, a PO's performance is compared with national benchmarks to determine if the PO is eligible to earn a measure-level base PMPM amount on that measure. Measure-level base PMPM amounts are tied to a continuum of performance, falling in one of two performance tracks (improvement or achievement), or neither.

**Step 2.** After all measure-level base PMPM amounts are calculated for the PO, these amounts are summed to a total base PMPM amount.

**Step 3.** The PO's total base PMPM is then adjusted up or down by up to 35% based on Total Cost of Care (TCOC) amount. This total cost-adjusted PMPM is multiplied by eligible member months to determine the total cost-adjusted payout.

## Eligibility

In order to be eligible for payment for the measurement year, POs must have a Commercial HMO and/or Medi-Cal Managed Care contract with the paying health plan for the measurement year, and must have signed an AMP participation agreement with IHA for the measurement year. Contracts between eligible POs and paying health plans may have any risk arrangement, including fee-for-service (FFS), shared risk, or full risk (dual or global risk). There are no performance-based eligibility gates for the AMP incentive model (e.g., for quality or cost).

## Measures and measure weighting

The AMP incentive design assesses PO performance on quality measures (including clinical quality and utilization) and adjusts resulting payments based on cost amount. For a complete list of measures and weights used for AMP incentives,

please reference the AMP performance targets for the appropriate measurement year. All measures are used for both the AMP Commercial HMO and Medi-Cal Managed Care product line except where otherwise noted.

All quality measures are weighted based on priority in the California healthcare landscape. By default, these measures have a weight of 1. High-priority measures included in multiple California health plan accountability programs have a weight of 2. Some measures with multiple indicators have a weight of less than 1 for each indicator, so that the total measure weight equals 1 (for example, Depression Screening and Follow-up for Adolescents and Adults (DSF-E) has two indicators with a weight of 0.5 each for MY 2025).

For information about data collection and reporting guidelines, measure specifications, and PO attribution methodology, please reference the AMP Technical Specifications for the appropriate measurement year.

Additional notes on AMP measures:

- The AMP measure set no longer includes patient experience measures following the sunset of the Patient Assessment Survey (PAS) after MY 2023. In future years, IHA plans to also include patient experience in the determination of incentives (measures and methodology to be determined).
- While AMP collects measure results stratified by race and ethnicity for some measures, the AMP incentive design does not yet use these stratified results as the basis for incentives.

## Measure results used

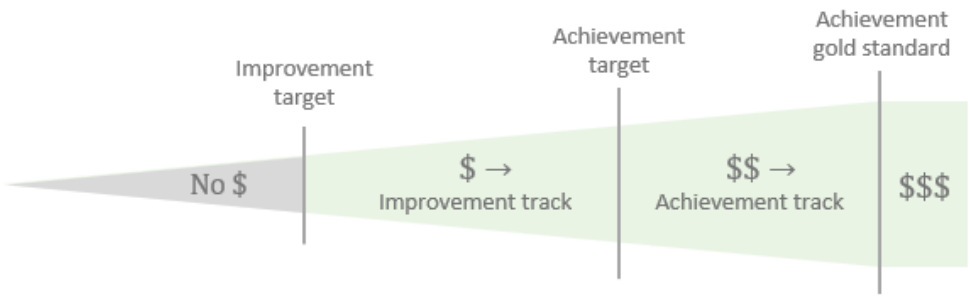
All quality measure results used for incentives are reported at the PO level for the measurement year and must satisfy a minimum denominator requirement of n≥30, except for All Cause Readmissions (PCR), which must satisfy a minimum denominator requirement of n≥100, and Acute Hospital Utilization (AHU), which must satisfy a minimum denominator requirement of n≥150. Incentives use the better of a PO's results aggregated across plan contracts or self-reported results, if a PO has self-reported results for that measure.

## Performance targets and tracks

For each quality measure, performance targets are established based on national benchmark values rounded to whole numbers. These targets serve as the bounds of two performance tracks (improvement and achievement). POs can earn measure-level base PMPM payments in either the improvement or achievement track for each individual measure (**Figure 1**). Each track is a segment of a single continuum of performance, with higher performance translating to higher payment in each track, and achievement payments always exceeding improvement payments for a given measure.

**(Figure 1 is shown on next page)**

**Figure 1.** Performance targets and tracks




Each measure has three targets:

- **Improvement target:** the minimum score at or above which POs can earn payment on a measure, and the lower bound of the improvement track. The improvement target is set at the 25th percentile benchmark value of the relevant national benchmark for each product line (please reference the AMP performance targets for specific benchmark values and sources by product line).

- **Achievement target**: the upper bound of the improvement track and lower bound of the achievement track. If a PO scores at or above the achievement target, the PO can earn in the achievement track. The achievement target is set at the 66th percentile benchmark value of national benchmark used for Commercial HMO and set to the 50th percentile for Medi-Cal.

- **Achievement gold standard:** maximum measure-level payments are recommended at this level of performance, above which payment amounts are fixed. The achievement gold standard is set at the 90th percentile benchmark value of the relevant national benchmark for each product line.

Targets serve as the bounds for the two performance tracks.

- **Improvement track:** The range of performance at or above the improvement target but below the achievement target for a given measure. A PO can earn in this track if improvement in the measure result from the previous year is equal to or greater than 10% relative to the achievement gold standard.

- **Achievement track:** The range of performance at or above the achievement target. A PO can earn in this track if its measure result is at or above the achievement target. There is no minimum improvement requirement for payment in the achievement track.

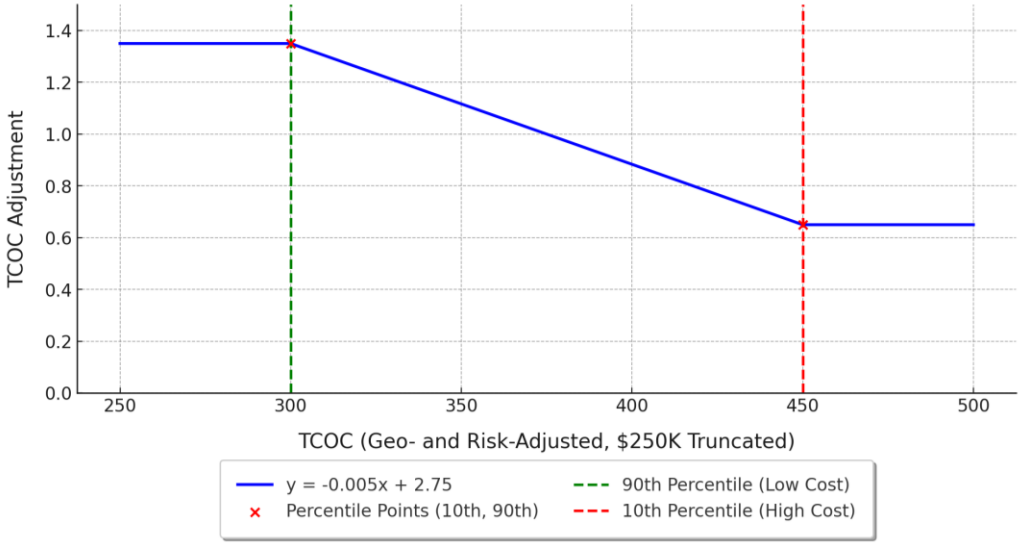
Targets are intended to remain consistent over multiple years, and will be revisited and updated as appropriate.

## Cost adjustment

To determine a PO's total cost-adjusted PMPM, its measure-level base PMPMs earned on individual measures are summed as a total base PMPM, which is then adjusted based on a PO's Total Cost of Care (TCOC) amount. A PO's TCOC amount is PO-level, geography- and risk-adjusted, and truncated at $250,000 per member. A PO's aggregated TCOC amount across health plan contracts is used to determine the PO's TCOC adjuster. For POs with contracts with fewer than 3 health plans, the PO's TCOC amount for each specific health plan will be used in order to protect confidentiality of cost information. The TCOC adjuster is a value with minimum 0.65 and maximum 1.35 and is calculated on a

continuous linear scale where the same measurement year 10th (high-cost) and 90th (low-cost) percentiles in AMP for TCOC correspond with the minimum (0.65) and maximum (1.35) adjusters, respectively **(Figure 2)**. The TCOC adjuster is multiplied by the PO's total base PMPM to produce the total cost-adjusted PMPM. See **Table 1** for more detail and examples of how the TCOC adjuster is calculated and used to determine a PO's total cost-adjusted **PMPM**.

**Figure 2. Continuous linear scaling for TCOC adjuster***




**The 10th and 90th percentile TCOC values shown in Figure 2 are illustrative examples only. Actual percentile values will be determined using same-year TCOC AMP results.*

## Payment equations and examples

**Table 1** describes the payment amounts involved in calculating total cost-adjusted payout recommendations, as well as examples of each step in the process. Examples in **Table 1** have been rounded to two digits after the decimal throughout for simplicity. In actual payment calculations, only the total cost-adjusted payout will be rounded to two digits after the decimal.

**Table 1.** Payment amounts, equations, and example calculations

| Payment amount | Definition | Example |
|---|---|---|
| **Maximum base PMPM** | The payment amount that PMPM amount that a PO would earn if they were performing at or above the achievement gold standard for every individual measure in the model.<br><br>Based on paying health plan budget. | A paying health plan sets maximum base PMPM amount at $7.00.<br><br>*The maximum base PMPM of $7.00 is used as the basis for all examples in this column. Actual health plan maximum PMPMs will vary based on health plan budget.* |
| **Maximum cost-adjusted PMPM** | The maximum base PMPM multiplied by the maximum TCOC adjuster of 1.35. This is the highest possible PMPM that a PO can earn. | $7.00 * 1.35 = $9.45 |

**(Table 1 continued on next page)**

| Payment amount | Definition | Example |
|---|---|---|
| **Maximum measure-level base PMPM** | The maximum PMPM a PO can earn on an individual measure.<br><br>**Equation:**<br>Maximum base PMPM * (measure weight / total weight of reported measures). | There are 20 total measure weights for AMP Commercial HMO incentives in MY 2024 (total varies by year). The PO reported all measures, and so the total weight of reported measures is 20.<br><br>Measures with a weight of 1:<br>$7.00 * (1/20) = $0.35<br><br>Measures with a weight of 2:<br>$7.00 * (2/20) = $0.70<br><br>Measures with a weight of 0.5:<br>$7.00 * (0.5/20) = $0.18 |
| **Minimum measure-level base PMPM** | The minimum value a PO can earn on an individual measure *if* they qualify for payment in the improvement track. This is determined by multiplying the maximum incentive per measure by a static value of 0.2. This static value can be adjusted based on the paying health plan's budget. | Measures with a weight of 1:<br>($0.35 * 0.2) = $0.07<br><br>Measures with a weight of 2:<br>($0.70 * 0.2) = $0.14<br><br>Measures with a weight of 0.5:<br>($0.18 * 0.2) = $0.04 |
| **Measure-level base PMPM (achievement or improvement tracks)** | The actual PMPM amount that a PO earns on an individual measure, falling between the minimum and maximum measure-level base PMPMs. This amount is tied to the PO's performance along a linear continuum between the improvement target and achievement gold standard, and is added to the minimum measure-level base PMPM.<br><br>**Equation:**<br>1. Determine the range of payment (dollar amount) between the minimum and maximum-level base PMPMs .<br><br>(Maximum measure-level base PMPM – minimum-level base PMPM)<br><br>2. Determine the point (value 0-1) where PO performance lies on the linear continuum between the improvement target and achievement gold standard:<br><br>(Score – improvement target)/ (Achievement gold standard – improvement target)<br><br>3. Multiply the PO performance point by the range of payment to determine the dollar amount associated with PO performance.<br><br>4. Add the resulting dollar amount to the minimum measure level-base PMPM.<br><br>**<u>Improvement only</u>**<br>If the PO's performance is in the improvement track, the PO must meet or exceed a minimum improvement requirement of 10% from the prior | **<u>Achievement track example</u>**<br>Breast Cancer Screening (BCS-E) has a weight of 1. It has an improvement target of 70% and an achievement gold standard of 80%. The achievement target for the measure is 76%.<br><br>A PO has a score of 77% on BCS-E, which falls above the achievement target in the achievement track.<br><br>Payment calculation:<br>1. Range of payment: $0.35 - $0.07 = $0.28<br><br>2. PO performance point on continuum: (77 – 70)/(80 – 70) = 7/10 = 0.70<br><br>3. PO performance point * range of payment: 0.70*$0.28 = $0.20<br><br>4. Result from Step 3 + minimum measure-level PMPM: $0.20 + $0.07 = $0.27<br><br>Because the PO's score is above BCS-E's achievement target of 70%, the PO earns a $0.27 measure-level base PMPM for BCS-E without an improvement requirement.<br><br>**<u>Improvement track example</u>**<br>Another PO has a score of 72% on BCS-E, which falls in the improvement track (between the improvement target and achievement target). Therefore, in order to earn a payment, they must meet a minimum improvement requirement. Their prior year score on the measure was 67%.<br><br>Minimum improvement requirement calculation:<br>[(80 – 67) * 0.1] + 67 = 68.3 |

| Payment amount | Definition | Example |
|---|---|---|
| **Measure-level base PMPM (achievement or improvement tracks)** *(continued)* | year against the achievement gold standard in order to earn an incentive on that measure.<br><br>**Minimum improvement requirement equation**: [(Achievement Gold Standard – prior year score) * 0.1] + prior year score<br><br>If current year PO score is equal to or greater than the minimum improvement requirement, the PO qualifies for an improvement payment. If the current year score is below the requirement, they do not qualify for an improvement payment. | Because the PO's current year score is greater than 68.3, the PO earns a payment for BCS-E. If its current year score were lower than 68.3, the PO would not earn a payment for BCS-E.<br><br>Payment calculation:<br>1. Range of payment: \$0.35 - \$0.07 = \$0.28<br>2. PO performance point on continuum: (72 – 70)/(80 – 70) = 2/10 = 0.20<br>3. PO performance point * range of payment: 0.20*\$0.28 = \$0.06<br>4. Result from Step 3 + minimum measure-level PMPM: \$0.06 + \$0.07 = \$0.13<br><br>Having met the minimum improvement requirement, the PO earns a PMPM of \$0.13 for BCS-E. |
| **Total base PMPM** | The sum of a PO's measure-level base PMPMs for all measures.<br><br>Total base PMPM can also be stratified by earnings from improvement track and earnings from achievement track. | A PO earns measure-level base PMPMs on the following 5 measures:<br><br>EED: \$0.18<br>CBP: \$0.30<br>COL-E: \$0.40<br>CCS: \$0.15<br>BCS-E: \$0.27<br><br>The PO did not qualify for payment on the other measures used for AMP incentives, so the above measure-level base PMPMs are summed to determine the PO's total base PMPM.<br><br>Total base PMPM = \$1.30 |
| **Total cost-adjusted PMPM** | The total base PMPM multiplied by the PO's TCOC cost adjuster value.<br><br>The linear formula determining a PO's TCOC adjuster value is dependent on the distribution of all PO TCOC amount results for the current measurement year.<br><br>**Measurement year-specific linear formula:**<br>TCOC adjuster value = PO TCOC amount * [0.7/(90th percentile cost amount value - 10th percentile cost amount value)] + [1.35 – (0.7/(90th percentile - 10th percentile)) *90th percentile]<br><br>PO results below the 10th and above the 90th percentile have a TCOC adjuster value fixed at 0.65 and 1.35 respectively.<br><br>Total adjusted PMPM can also be stratified by earnings from improvement track and earnings from achievement track. | The 10th percentile TCOC amount result for the measurement year is \$450. The 90th percentile value is \$300. *(Example values only.)*<br><br>Plugging the 90th and 10th percentile values into the measurement year-specific linear formula for TCOC adjuster value, the resulting formula is:<br><br>TCOC adjuster value = PO TCOC amount*-0.005 + 2.75<br><br>The PO has a TCOC amount of \$362. Therefore, their TCOC adjuster value is:<br><br>\$362 * -0.005 + 2.75 = 0.94<br><br>The PO's total cost-adjusted PMPM is the total base PMPM (\$1.30) multiplied by the cost adjuster (0.94).<br><br>\$1.30 * 0.94 = \$1.22 |

**(Table 1 continued on next page)**

| Payment amount | Definition | Example |
|---|---|---|
| **Total base payout** | The total base PMPM multiplied by the member months for which the paying plan and the PO are contracted for the measurement year. | A PO with a total base PMPM of $1.30 is contracted with the paying plan for 36,000 member months.<br><br>$1.30 * 36,000 = $46,800 |
| **Total cost-adjusted payout** | The total cost-adjusted PMPM multiplied by the member months for which the paying plan and the PO are contracted for the measurement year. | A PO with a cost-adjusted PMPM of $1.22 is contracted with the paying plan for 36,000 member months.<br><br>$1.22 * 36,000 = $43,920 |

## Missing measure results

POs may have missing valid measure results for one or more measures used for AMP incentives. Missing measure results are most often due to small denominators. Smaller POs and those serving specific populations may be more likely to have missing measure results. IHA uses a measure redistribution approach to give comparable earning opportunities to POs missing valid measure results. Each valid measure is associated with a percentage of the maximum base PMPM using the following formulas:

- **If a PO has valid measure results with a total weight of 50% or more of the maximum total weight:**

  Individual measure weight/Total weight of reported measures

  *Example:* A PO has valid results for measures with a total weight of 16, in a year where the maximum total weight is 20.

  - Percent of base payment for a measure with a weight of 1 for that PO = 1/16 = 6.25%
  - Percent of base payment for a double-weighted measure (weight of 2) for that PO = 2/16 = 12.5%

  Using this approach, POs in this category will have the opportunity to earn up to the maximum base PMPM.

- **If a PO has valid measure results with a total weight of less than 50% of the maximum total weight:** their weights are redistributed to equal 50% of the maximum total weight. This PO thus has the opportunity to earn half of the maximum base PMPM.

  For each measure the PO has valid results for, the equation for its redistributed weight is:

  Individual measure weight/(Total weight of reported measures * 2)

  *Example:* A PO has valid results for measures with a total weight of 8.

  - Percent of base payment for a measure with a weight of 1 for that PO = 1/(8*2) = 1/16 = 6.25%
  - Percent of base payment for a double-weighted measure (weight of 2) for that PO = 2/(8*2) = 2/16 = 12.5%

  Using this approach, these POs will have the opportunity to earn up to 50% of the maximum base PMPM.

## Optional add-on features

Beginning with MY 2025, health plans can choose to include optional add-ons to the standard incentive design. The add-ons offer an aligned approach for customizing payments based on areas of performance that are not directly captured in the standard design. Bonus and penalty add-ons will function as multipliers to the PO's total cost-adjusted PMPM amount.

**Optional add-ons include:**

1. Cost trend (bonus and/or penalty) – available beginning MY 2025

    - Bonus: Up to a +5% bonus multiplier on total cost-adjusted PMPM for year-over-year cost trend below Office of Health Care Affordability (OHCA) total spend target (3.5% for 2025-2026)

      and/or

    - Penalty: Up to a -5% penalty multiplier on total cost-adjusted PMPM for year-over-year cost trend exceeding three-year average percent change Consumer Price Index +1%

2. Encounter timeliness (bonus only) – available beginning MY 2025

    - Bonus: Up to a 5% bonus multiplier on total cost-adjusted PMPM for meeting or exceeding target of 96% of encounters accepted by 60 days from date of service

3. Symphony participation – available beginning MY 2026

    - One-time bonus multiplier on total cost-adjusted PMPM (percentage set at plan discretion) when PO completes fully executed Provider Participation Agreement with Symphony.

      and/or

    - Bonus multiplier on total cost-adjusted PMPM (percentage set at plan discretion) for each quarter that PO attests to data through a Symphony channel.

# Change Log

This log will be updated as needed when changes are made to the methodology or documentation.

## November 2026 update

| Section | Change(s) |
|---|---|
| Executive summary | • Added section summarizing key changes from prior measurement year. |
| AMP incentive design methodology | • Added note about MY 2025 initial incentive payments being based on MY 2024 cost and utilization results, followed by a "true-up" payment along with MY 2026 incentives. |
| Measure results used | • Updated the minimum denominator requirement for All Cause Readmissions (PCR) from n≥150 to n≥100, starting in MY 2025. |

## June 2026 update

| Section | Change(s) |
|---|---|
| Throughout document | • Renamed the following terms for consistency across IHA documents:<br>○ "Incentive design benchmarks" to "AMP performance targets"<br>○ "Improvement threshold" to "Improvement target"<br>○ "Achievement threshold" to "Achievement target" |

## October 2025 update

| Section | Change(s) |
|---|---|
| Throughout document | • Renamed the following terms for consistency across IHA documents:<br>○ "Maximum total base PMPM" to "Maximum base PMPM"<br>○ "Maximum total cost-adjusted PMPM" to "Maximum cost-adjusted PMPM"<br>○ "Earned measure-level base PMPM" to "Measure-level base PMPM"<br>○ "Earned total base PMPM" to "Measure-level base PMPM"<br>○ "Final cost-adjusted total payout" to "Total cost-adjusted payout"<br>○ "Sum of measure weights" to "Total weight of reported measures" |
| Optional add-on features | • Added section describing cost trend and encounter timeliness add-on features available beginning MY 2025 and Symphony participation add-on feature available beginning MY 2026. |

| Section | Change(s) |
|---|---|
| Health plan adoption and implementation | • Added sub-section titled **Health plan budgets** describing how AMP incentive budgets and maximum PMPMs are set at the discretion of participating health plans. |
| Measures and measure weighting | • Removed former **Table 1** and added reference to the incentive design benchmarks for a list of all measures and weights. |
| Cost adjustment | • Clarified that for POs with contracts with fewer than 3 health plans, the PO's TCOC amount for each specific health plan will be used in order to protect confidentiality of cost information. |
| Payment equations and examples | • Renamed former **Table 2** to **Table 1.** |
| Payment equations and examples | • In **Table 1**, recalculated examples using a $7 maximum base PMPM for alignment across IHA documentation. |
| Payment equations and examples | • In **Table 1**, in the example for maximum base PMPM, added a clarification that maximum base PMPMs will vary based on health plan budget. |
| Payment equations and examples | • In **Table 1**, added a definition and example for total base payout. |
| Payment equations and examples | • In **Table 1**, clarified that total base PMPM and total cost-adjusted PMPM can be stratified by earnings from the improvement track and earnings from the achievement tracks. |

## July 2025 update

| Section | Change(s) |
|---|---|
| Performance targets and tracks | • Replaced former **Tables 2** and **3** (benchmark tables) with a link to the incentive design benchmarks, MY 2024-25 resource on IHA.org. |
| Payment equations and examples | • Renamed **Table 4** to **Table 2** following removal of the benchmark tables (previously Tables 2 and 3). |

## June 2025 update

| Section | Change(s) |
|---|---|
| Measures and measure weights | • Clarified that for Breast Cancer Screening (BCS-E), the Ages 52-74 Years band will be used for AMP incentives. |
| Performance targets and tracks | • Clarified that BCS-E targets for both the Commercial HMO and Medi-Cal Managed Care product lines are for the Ages 52-74 Years band. The eligible population for BCS-E will expand from ages 52-74 to 45-74 in MY 2025. Benchmarks for BCS-E will use the 52-74 year old age band in MY 2025 to avoid trending issues. |
| Cost adjustment | • Clarified that the 10th and 90th percentile values shown in Figure 2 are illustrative examples only. |

## February 2025 update

| Section | Change(s) |
|---|---|
| Measures and measure weighting | • Clarified that for Colorectal Cancer Screening (COL-E), the Ages 51-75 Years band will be used for AMP incentives. |
| Performance targets and tracks | • Clarified that COL-E targets for both the Commercial HMO and Medi-Cal Managed Care product lines are for the Ages 51-75 Years band, and updated Medi-Cal Managed Care target values accordingly. |
| Cost adjustment | • Clarified that POs' TCOC amount value aggregated across plan contracts will be used for AMP incentives.<br>• Add Figure 2 depicting continuous linear scale for the TCOC cost adjuster. |
| Payment equations and examples | • Clarified that examples in **Table 4** are rounded to two digits after the decimal point for simplicity. In actual payment calculations, only the cost-adjusted payout will be rounded to two digits after the decimal.<br>• Added specific equation and example calculation for the TCOC cost adjuster. |

## January 2025 update

| Section | Change(s) |
|---|---|
| Payment equations and examples | • Correction to typo in example calculation for earned measure-level base payment in the improvement track |
| Cost adjustment | • Clarified that the 10$^{th}$ percentile for cost represents high cost, and the 90$^{th}$ percentile represents low cost |
| Missing measure results | • Correction to typo in formula for POs missing valid results for more than 50% of measures<br>• In **Table 4**, added a definition and example for cost-adjusted total payout and clarified that all other payment amounts are PMPM except for total payout |