

Alternative Payment Methodology (APM) Process

Step One

Clinic-specific rates will be based on experience reported by PHC. We will work with FQs to ensure data integrity before submitting rates. Mercer will apply trend and program changes, if any, to the base data. Rates will vary by aid code



Step Two

Convert PPS rate to a per member per month rate (PMPM) by aid code category. Apply trend and program changes if any. These will be the rates that PHC will pay the FQs.



Step Three

Compute difference between PPS PMPM rate and rate developed in step 2 (pre-PPS rate). This difference will be the add-on rate paid to PHC on behalf of all assigned members in the pilot.

