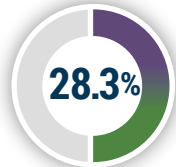
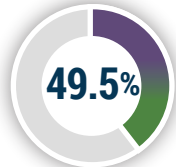


MEDICAID

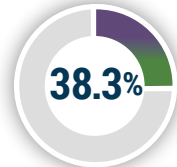
Public and private health plans, managed Medicaid FFS states, and Medicare FFS voluntarily participated in a national effort to measure the use of Alternative Payment Models (APMs) as well as progress towards the LAN's goal of tying 30% of U.S. health care payments to APMs by 2016 and 50% by 2018.



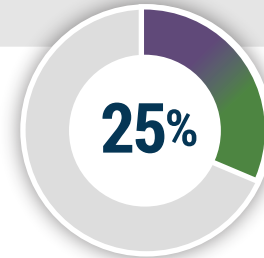
COMMERCIAL



MEDICARE
ADVANTAGE



MEDICARE
FFS



MEDICAID

**CATEGORY 1: FEE-FOR-SERVICE -
NO LINK TO QUALITY & VALUE**

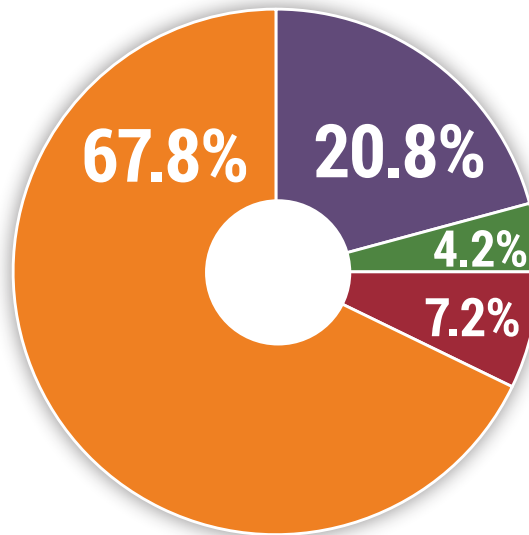
67.8%

**CATEGORY 2: FEE-FOR-SERVICE
- LINK TO QUALITY & VALUE**

0.1% Foundational Payments
for Infrastructure
& Operations

0.2% Pay for Reporting

6.9% Pay-for-Performance



Representativeness of covered lives:
Medicaid - 50%

**CATEGORY 3: APMS BUILT ON
FEE-FOR-SERVICE ARCHITECTURE**

17.6% Upside Rewards
for Appropriate Care

3.2% Upside & Downside
for Appropriate Care

**CATEGORY 4:
POPULATION-BASED PAYMENT**

1.8% Condition-Specific
Population-Based
Payment

2.2% Comprehensive
Population-Based
Payment

0.2% Integrated Finance
& Delivery Systems