Figure 3 : Structural Components of PCPMs in Relation to the APM Framework

	Category 3 APMs Built on Fee-for-Service (FFS) Architecture	Category 4 Population-Based Payment (PBP)
Infrastructure Payment	Upside/Downside Risk on an FFS architecture for majority of services (including behavioral health) Care Management Fee (PMPM)	PBP for majority of services (including behavioral health)
Targeted FFS Carve Out		FFS for limited office-based services
Incentive Payments		
	Bonus for quality processes	
	Bonus for quality outcomes	
	Fee for Primary Care Medical Home (PCMH) outcomes	

In order for primary care payment models (PCPMs) to function effectively, the PCPM Work Group recommends that provider organizations use the payment and incentive structures outlined in the PCPM White Paper when compensating individual primary care practices. Figure 3 illustrates how the main structural features of PCPMs advanced in the paper —infrastructure payments, targeted FFS carve out, and incentive payments—exist in relation to Categories 3 and 4 of the APM Framework.



For Final Release