

Making Care Primary (MCP) Model





Performance Incentive Payment (PIP) Reference Guide



What is the PIP?

The MCP Performance Incentive Payment (PIP) is an **upside-only payment** available to participants in all tracks. The PIP **rewards participants for performance on quality and cost/utilization** as measured by the MCP Performance Measure Set.

How is eligibility to receive the PIP determined?

-  MCP Participants must report on all performance measures, based on their track (see page two), to be eligible for the PIP.
-  For claims-based measures (TPCC, EDU, and CI), CMS calculates these measures annually; MCP Participants do not report data separately.
-  For the survey measure (PCPCM), all MCP participants must submit a patient roster. Track 2 and 3 MCP participants must also contract with a CMS-approved survey vendor.
-  Beginning in PY 2026, Track 2 and Track 3 participants must also pass a TPCC threshold to be eligible to receive the PIP. This threshold is defined as performing at or better than the national 30th percentile on the TPCC measure.

When are PIPs made to participants?

The PIP is delivered as a lump sum payment in two parts. Providing two lump sum PIPs allows participants to be paid earlier, before complete quality data is reported, and may afford participants a greater ability to predict revenue and invest in their organization.

- The first lump sum payment is paid in the first quarter of the current performance year and is **based on estimated participant performance**.
- The second lump sum payment is paid in the third quarter of the following performance year, **reflects each participant's actual performance**, and is reconciled against the first lump sum.

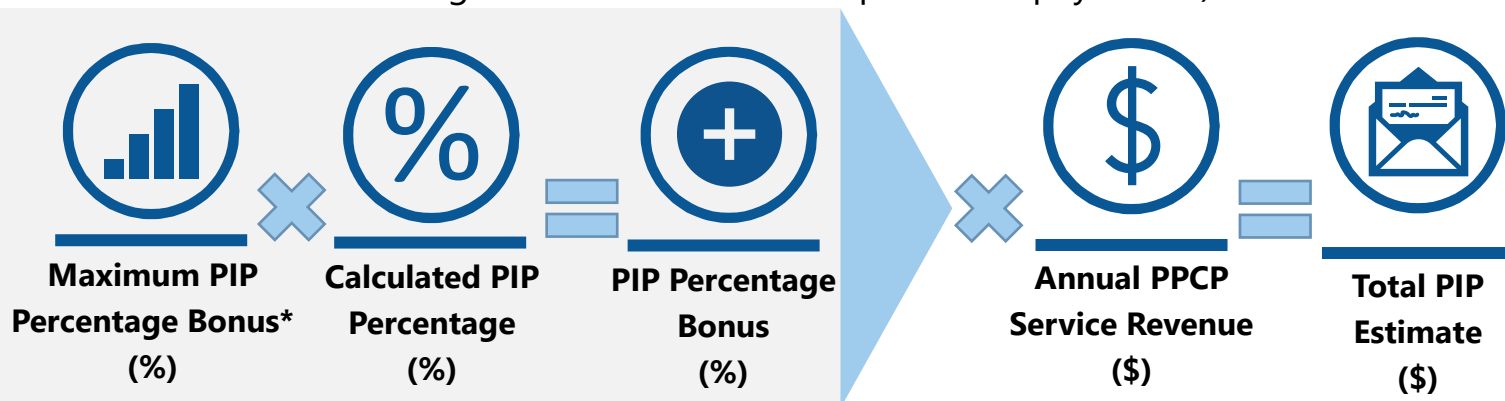
Model Year	Q1 2025	Q3 2025	Q1 2026	Q3 2026	Q1 2027	Q3 2027
PY 2025	First Lump Sum PIP Paid		<i>Measure Calculation</i>	Second Lump Sum PIP Paid		
PY 2026			First Lump Sum PIP Paid		<i>Measure Calculation</i>	Second Lump Sum Paid
PY 2027					First Lump Sum PIP Paid	

Making Care Primary (MCP) Model

Performance Incentive Payment (PIP) Reference Guide

How are PIPs Calculated?

The PIP is calculated as a percentage (called the PIP Percentage Bonus) of the sum of fee-for-service (FFS) and Prospective Primary Care Payment (PPCP) amounts paid to each participant for PPCP Services for their MCP attributed beneficiaries. (See page one for more information on timing of first and second lump sum PIP payments.)



*The Maximum PIP Percentage Bonus for Track 1 is 3%; Track 2 is 45%; Track 3 is 60%

What Quality Measures are used to calculate PIPs?

A Participant's performance on their required measures from the MCP Performance Measure Set will be scored annually to determine their Calculated PIP Percentage. The first lump sum will be based on an estimated performance and the second lump sum will be based on actual performance. The below percentages show the **maximum** percentage of the overall PIP value assigned to each measure. MCP participants can earn zero, half, or full credit for most quality measures by meeting benchmark performance criteria.†

Measures from the MCP Performance Measure Set	Track 1	Track 2	Track 3
Controlling High Blood Pressure	25%	6%	6%
Diabetes: Glycemic Status Assessment Greater Than 9%	25%	6%	6%
Colorectal Cancer Screening	25%	6%	6%
Person-Centered Primary Care Measure (PCPCM)	25%	6%	6%
Screening for Depression and Follow-up Plan	-	4%	4%
Depression Remission at 12 Months	-	4%	4%
Screening for Social Drivers of Health	-	6%	6%
Total Per Capita Cost (TPCC)	-	18.5%	18.5%
Emergency Department Utilization (EDU)	-	18.5%	18.5%
Continuous improvement (CI): TPCC for Standard MCP Participants; EDU for Federally Qualified Health Centers (FQHCs) and Indian Health Service, Tribal, and Urban Indian Providers (ITUs)	-	25%	25%

†See the most recent version of the MCP Payment and Attribution Methodologies for benchmarking and additional information on measures in the MCP Performance Measure Set

Note: Certain MCP measures are owned and copyrighted by the National Committee for Quality Assurance (NCQA). Full copyright, disclaimer, and use provisions related to the NCQA measures can be found at <https://innovation.cms.gov/notices-disclaimers>.

Making Care Primary (MCP) Model

Performance Incentive Payment (PIP) Reference Guide

Performance Year (PY) 2025 First Lump Sum PIP Performance Estimates

The below percentages show the estimated performance on the MCP Performance Measure set across tracks. These figures are based on modeled data and **will be used for calculating the first lump sum PIP in PY 2025**. The PIP Percentage Bonus will be multiplied by each participant's Annual PPCP Service Revenue to calculate the Total PIP Estimate. (See page four for example calculations of the first and second lump sum PIP amounts.)

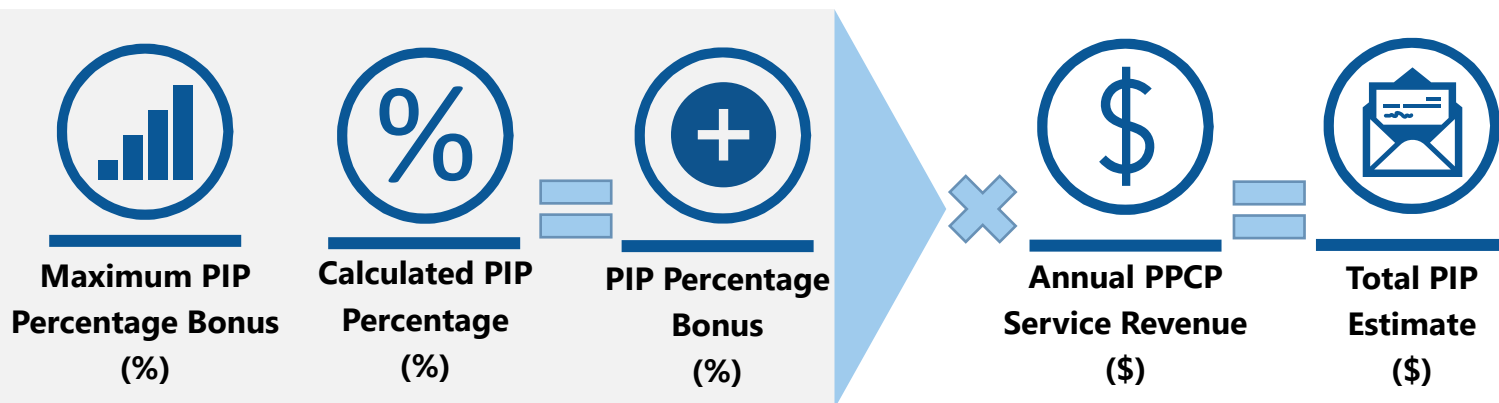
Measure	Track 1	Track 2	Track 3
Maximum Eligible PIP	3%	45%	60%
Controlling High Blood Pressure	Full credit: 25%	Full credit: 6%	Half credit: 3%
Diabetes: Glycemic Status Assessment Greater Than 9%	Full credit: 25%	Full credit: 6%	Half credit: 3%
Colorectal Cancer Screening	Half credit: 12.5%	Half credit: 3%	Half credit: 3%
Screening for Depression and Follow-up Plan	N/A	Half credit: 2%	Half credit: 2%
Depression Remission at 12 Months	N/A	Half credit: 2%	Half credit: 2%
Person-Centered Primary Care Measure (PCPCM)*	Full credit: 25%	Full credit: 6%	Full credit: 6%
Screening for Social Drivers of Health	N/A	No credit: 0%	No credit: 0%
Total Per Capita Cost (TPCC)	N/A	Half credit: 9.25%	Half credit: 9.25%
Emergency Department Utilization (EDU)	N/A	No credit: 0%	No credit: 0%
Continuous improvement (CI)	N/A	No credit: 0%	No credit: 0%
Total Calculated PIP Percentage (sum of each measure's actual percentage)	87.5%	34.25%	28.25%
PIP Percentage Bonus (aggregate percentage x maximum eligible PIP)	2.6% (87.5% * 3%)	15.41% (34.25% * 45%)	16.95% (28.25% * 60%)

*The MCP PCPCM will be a pay-for-reporting measure for PY 2025 and PY 2026. Full credit will be given for submitting data; it will not be based on measure performance.

Making Care Primary (MCP) Model

Performance Incentive Payment (PIP) Reference Guide

PY 2025 First and Second Lump Sum PIP Example: Track 1 Participant



Calculating the First Lump Sum PIP Percentage Bonus (Paid in Q1 2025)

Maximum PIP Percentage Bonus Maximum PIP Percentage Bonus for Track 1 is 3%; Track 2 is 45%; Track 3 is 60%	3%
Aggregate PIP Percentage For PY 2025, CMS determined an <i>aggregate estimate</i> for each measure based on modeled data (See page three for PIP aggregate estimates)	87.5%
Track 1 required measures: Controlling High Blood Pressure (25%) + Diabetes: Glycemic Status Assessment Greater than 9% (25%) + Colorectal Cancer Screening (12.5%) + PCPCM (25%)	
PIP Percentage Bonus Calculated PIP Percentage * Maximum PIP Bonus	2.625% (87.5% x 3%)
Annual PPCP Service Revenue PPCP eligible services FFS revenue for 2024	\$100,000 Example estimate
Total PIP Estimated (for PY25)	\$2,625 (\$100,000 x 2.625%)
First Lump Sum PIP amount The First Lump Sum PIP is half of the total PIP amount estimated for PY25.	\$1,312.50 (\$2,625/2)

Calculating the Second Lump Sum PIP Percentage Bonus (Paid in Q3 2026)

Earned PIP Percentage Example MCP participant earned full credit on all 4 measures (25% each) based on actual performance data	100% Example performance
Maximum PIP Percentage Bonus	3%
PIP Percentage Bonus	3% (100% x 3%)
Total PIP Earned (for PY25)	\$3,000 (\$100,000 x 3%)
Second Lump Sum PIP amount The First Lump Sum PIP amount paid is subtracted from the Total PIP Earned.	\$1,687.50 (\$3,000 - \$1,312.50)