

## Glossary of Terms

- **Accountable Care Organization (ACO)** – A group of health care providers who give coordinated care, chronic disease management, and thereby improve the quality of care patients get; payment is tied to achieving health care quality goals and outcomes that result in cost savings. Primarily a Medicare structure.
- **Clinical Integration (CI)** – A means to facilitate the coordination of patient care across conditions, providers, settings, and time in order to achieve care that is safe, timely, effective, efficient, equitable, and patient focused.
- **Clinically Integrated Network (CIN)** – The Federal Trade Commission has defined a CIN as being “an active and ongoing program to evaluate and modify practice patterns by the network’s physician participants and create a high degree of interdependence and cooperation among the physicians to control costs and ensure quality.”
- **Fee For Service (FFS)** – A health care payment model that reimburses providers for each treatment and/ or procedure administered to a patient. This model rewards providers based on the quantity of services provided, not the quality of those services.
- **Health Plan** – An entity that assumes financial risk for insured members’ healthcare utilization.
- **Physician Hospital Organization (PHO)** – A legal organization that enables hospital and physicians to work cooperatively to develop improved methods of care delivery, manage population health information, and enter into managed care agreements.
- **Pay for Performance (P4P)** – A payment model that rewards providers for meeting certain performance measures of quality and efficiency.
- **Per Member Per Month (PMPM)** – A payment model in which providers are given a set amount of money each month to provide an agreed upon range of services to a specific patient pool for a specific period of time; typically associated with Health Maintenance Organizations (HMOs).
- **Shared Savings** – A payment model that rewards providers for meeting cost and/ or quality metrics.
- **Shared Risk** – A payment model that rewards providers for meeting cost and/ or quality metrics, and penalizes providers for not meeting metrics