

Appendix A:

VALUE-BASED INCENTIVE PROGRAM DESIGN AND SPECIFICATIONS

I. MANAGEMENT FEE STRUCTURE

The management fee is designed to reward better performance for physicians. The management fee is determined based on four domains that are measured independent of one another. Each domain is weighted and the management fee is adjusted monthly in accordance with the Participating Provider's performance.

A. PMPM Management Fee Methodology

The management fee performance domains and their relative weights are summarized in the table below. Performance is measured against benchmarks established by WPPA. Definitions and targets for finalized measures will be provided to Provider in writing prior to each Contract Year in accordance with the VBIP Manual.

Pediatric PCPs:

Domain	Weight
Access	10%
Utilization	40%
Quality	30%
Referrals	20%

All other PCPs:

Domain	Weight
Access	10%
Utilization	40%
Quality	10%
Referrals	40%

II WPPA VBIP Manual

WPPA shall prepare and maintain a VBIP Manual which shall establish the process for identifying, for each Contract Year, Groups' benchmarks and targets for each measure, relative weights for such measures within each domain, the relevant HEDIS measures, and the relative weight and the PMPM value of each domain (collectively, the "Parameters"). The VBIP Manual shall also describe the process and procedure for administration and payment of the incentive fee and include a description and procedures for WPPA's chronic care management program. WPPA, in consultation with Groups shall review and update the Parameters and the VBIP Manual on an annual basis, including, but not limited to updates to the measures, benchmarks, targets, relevant HEDIS measures, and weights and values of

each domain. In updating the Parameters and VBIP Manual, WPPA shall work in coordination with Group(s) and Providers to endeavor to use the most up-to-date metrics that will best promote quality and efficiency of patient care. WPPA shall make reasonable effort to provide Parameters for each Group at least one hundred twenty (120) days prior to the end of each Contract Year. Provider shall have thirty (30) days to accept or reject the parameters, which acceptance or rejection shall be in writing. If Provider does not respond in writing within thirty (30) days of receipt of the parameters, the parameters will be deemed accepted. If Provider rejects the parameters in writing, such rejection shall be deemed a notice of termination of the First Supplemental Agreement to be effective ninety (90) days from the date of rejection.