

(i) Reconciliation payment eligibility requires an acceptable or better quality category, defined as a SHFFT model composite quality score of greater than or equal to 5.0.

(ii) Effective discount factor for reconciliation payments.

(A) A 3.0 percentage point effective discount factor for SHFFT model participants in the unacceptable or acceptable quality category, defined as a SHFFT model composite quality score that is less than 6.9.

(B) A 2.0 percentage point effective discount factor for SHFFT model participants in the good quality category, defined as a SHFFT model composite quality score that is greater than or equal to 6.9 and less than or equal to 15.0.

(C) A 1.5 percentage point effective discount factor for SHFFT model participants in the excellent quality category, defined as a SHFFT model composite quality score that are greater than 15.0.

(iii) Applicable discount factor for re-payment amount in performance year 2 for SHFFT model participants who elect early downside risk, and years 3 and 4 for all EPM participants.

(A) A 2.0 percentage point applicable discount factor for SHFFT model participants in the unacceptable or acceptable quality category, defined as a SHFFT model composite quality score of less than 6.9.

(B) A 1.0 percentage point applicable discount factor for SHFFT model participants in the good quality category, defined as a SHFFT model composite quality score that is greater than or equal to 6.9 and less than or equal to 15.0.

(C) A 0.5 percentage point applicable discount factor for SHFFT model participants in the excellent quality category, defined as a SHFFT model composite quality scores that is greater than 15.0.

(iv) Effective discount factor for re-payment amount in performance year 5 for all SHFFT model participants.

(A) A 3.0 percentage point applicable discount factor for SHFFT model participants in the unacceptable or acceptable quality category, defined as a SHFFT model composite quality score of less than 6.9.

(B) A 2.0 percentage point applicable discount factor for SHFFT model participants in the good quality category, defined as a SHFFT model composite quality score that is greater than or equal to 6.9 and less than or equal to 15.0.

(C) A 1.5 percentage point applicable discount factor for SHFFT model participants in the excellent quality category, defined as a SHFFT model composite quality score that is greater than 15.0.

**§ 512.320 Treatment of incentive programs or add-on payments under existing Medicare payment systems.**

No EPM replaces any existing Medicare incentive programs or add-on payments. The quality-adjusted target prices and NPRAs for an EPM participant under such models are independent of, and do not affect, any incentive programs or add-on payments under existing Medicare payment systems.

**§ 512.350 Data sharing.**

(a) *General.* CMS makes available to EPM participants, through the most appropriate means, data that CMS determines may be useful to EPM participants to do the following:

(1) Determine appropriate ways to increase the coordination of care.

(2) Improve quality.

(3) Enhance efficiencies in the delivery of care.

(4) Otherwise achieve the goals of the models described in this section.

(b) *Beneficiary-identifiable data.* (1) CMS makes beneficiary-identifiable data available to an EPM participant in accordance with applicable privacy and security laws and only in response to the EPM participant's request for such data for a beneficiary who has been furnished a billable service by the EPM participant corresponding to the episode definitions for the EPM.

(2) The minimum data necessary to achieve the goals of the EPM, as determined by CMS, may be provided under this section for an EPM participant's baseline period and no less frequently than on a quarterly basis throughout the EPM participant's participation in an EPM.