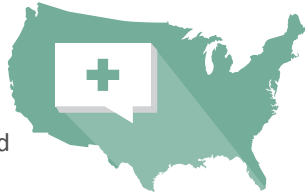


Early Results from the Enhanced Personal Health Care Program: Learnings for the Movement to Value-Based Payment

EXECUTIVE SUMMARY

More than
54,000
participating providers
that reached an estimated
4.6 million patients



The Enhanced Personal Health Care (EPHC) program is a leading value-based payment (VBP) program developed to transform primary care practices across the country through a collaborative approach between Anthem's affiliated health plans and their participating providers. The program seeks to ensure that providers have the necessary supports to transform their practices, as well as flexible contracting options to assume risk over time. Going into the fourth year, the program is gaining momentum; it involves partnerships with more than 54,000 participating providers, and reached an estimated 4.6 million patients as of the end of 2015. With the VBP landscape evolving quickly, early and rapid-cycle learnings and results from EPHC and comparable initiatives can inform the refinement and establishment of new value-based payment initiatives among other payers, including public programs such as Medicare.

This paper highlights results from the first year of the EPHC program, including the following key takeaways:

Patients in EPHC Received More Patient-Centered Care: Patients seen by providers participating in EPHC experienced improved quality and preventive service use, and reported improved access and care experience.

EPHC Patients Had Lower Costs: Patients in EPHC had per member per month costs that were \$9.51 less – a savings of 3.3 percent – than those of members seen by non-participating providers. After accounting for care coordination payments and shared savings paid to participating providers, net savings were \$6.62 per EPHC-attributed member per month.

Collaboration and Flexibility Are Key Ingredients for Provider Participation: A collaborative approach, including practice transformation support as well as flexible contracting options, allows providers of all sizes and sophistication to engage in EPHC. These factors are critical for incenting participation and retention in VBP programs.

VBPs Can Be Implemented Nationally with a Range of Providers: VBPs can be successfully implemented across the country with a range of providers at varying levels of experience in risk-sharing and value-based payment.

As policymakers seek to accelerate the number of providers and patients served under VBPs – the U.S. Department of Health and Human Services recently announced ambitious goals for moving Medicare providers to VBPs – the early results of EPHC suggest they should:

Early Result Suggestions

- 1** Extend VBP models to a broad continuum of provider types – from beginner to advanced population health managers – allowing providers to bear more risk over time.
- 2** Build on successful private-sector VBP programs and innovative delivery reforms as a platform for more rapid national adoption of Alternative Payment Models (APMs).
- 3** Encourage providers to leverage and create partnerships with health plans and other stakeholders to support their transition to VBPs using existing platforms and risk-based contracting arrangements.