

Humana

VALUE-BASED
CARE REPORT
2023

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What exactly is value-based care?

Value-based care (VBC) is a term that may not always resonate with people.

So what does it mean for patients and what does it mean for physicians and other clinicians?



For patients, it means having a primary care physician (PCP) who really knows them and understands what their lives are like—the joys and the struggles—outside the walls of the clinic. The PCP and care team help their patients better understand their medical conditions and work together to best address these conditions in the context of their daily lives. This type of care doesn't happen by accident.

In VBC settings, patients spend more time with their PCPs with longer appointment times and more frequent visits.

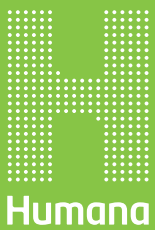
Patients have easier access to their care team and often have more flexibility in how they receive care. Their PCP is focused mostly on preventing diseases and keeping them healthy at home and can even help with issues like transportation and getting healthy foods when needed. Our data show that patients who go to VBC clinics get more preventive screenings and have a lower risk of being hospitalized or going to the emergency room (ER).

Fee-for-service

- Focus on quantity of patients and procedures
- Larger panel sizes, less frequent and shorter visits
- Clinician and healthcare facility compensation based on relative value units or the number of patients seen and procedures performed
- No incentive to avoid hospitalization
- Emphasis on more procedures and treatments
- Fragmented care, with reliance on specialists
- Incentives to provide care when patients are sick, in particular, severe acute care

Value-based care

- Focus on quality of care and patient experience, with deeper patient engagement
- Smaller panel sizes, more frequent and longer visits (“high touch care”)
- Clinician compensation based on performance and patient health outcomes
- Hospital care when medically necessary
- Emphasis on prevention and lifestyle changes to improve health
- “Integrated care,” with primary care coordinating all aspects of care
- Incentives to keep patients healthy and well, and to keep current medical conditions controlled and managed



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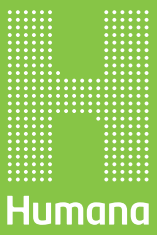
For physicians and other members of the care team, practicing VBC is incredibly rewarding, as it allows clinicians to develop meaningful relationships with their patients with a focus on disease prevention and holistic management of chronic diseases. Many physicians say that they are able to practice medicine in the way they imagined when they started their training through getting to know their patients better and having the time to focus on all of their needs rather than seeing more patients or ordering more tests. Physicians in VBC often have more resources available to them, such as a strong supporting care team or access to population health data and analytics.

Because of the ability to spend more time with patients and having more resources available to them, PCPs can practice at the top of their license.

This includes more time on complex patients and minimizing specialist referrals, which can be very professionally and intellectually rewarding. Finally, by getting paid for delivering better quality, patient experience and health outcomes, PCPs in VBC practices typically earn more money than physicians in traditional fee-for-service primary care practices.

These definitions, comparisons, and explanations are meant to ensure a more accurate understanding of value-based care and how it's essentially different from traditional fee-for-service or non-value-based care methods of practicing medicine.





Value-based care in practice

Meet Mary, a 56-year-old woman living with bipolar disorder, a condition that had brought its fair share of challenges over the years. However, nothing could have prepared her for the devastating moment when she received the news that her son had been shot. The trauma of the incident sent Mary's mental health spiraling. Her bipolar disorder, which she had been managing with medication and therapy, substantially worsened in the face of such a traumatic event. She struggled with overwhelming emotions, anxiety, and depression, making it difficult for her to function.

"As her doctor, I was deeply concerned about her. At that time, I exclusively saw patients in value-based care, so I had the flexibility to provide the kind of care that Mary needed at this critical time.

"As a physician, value-based care helps me practice the patient-focused, comprehensive type of care that had drawn me to the profession in the first place; I can truly help most thoroughly," said Henish Bhansali, MD, FACP, Dipl. ABOM, currently Senior Vice President and Medical Director, Medicare Advantage, Duly Health and Care, who recalls Mary's situation and many like hers from not only his current experiences, but also from his time serving as a PCP at Oak Street Health in Chicago. He recounts a few ways he saw value-based care make a significant difference in Mary's life:



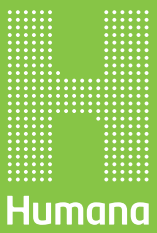
Patient-centered care: "I had the freedom to focus on Mary's emotional and mental needs without being constrained by the traditional paperwork and billing requirements in fee-for-service. This allowed me to spend 30 to 40 minutes just listening to her and helping her determine next steps.

Consoling presence: "Instead of rushing through appointments, I had the liberty to take the time to sit with Mary, listen to her, and provide emotional support. I understood that Mary needed someone to talk to and share her grief with.

Frequent check-ins: "Recognizing the severity of Mary's condition, I scheduled weekly visits for a month to closely monitor her progress. This consistent and personalized care helped prevent her from falling into complex grief or further deterioration of her mental health. It also kept her engaged and managing overall healthier choices.

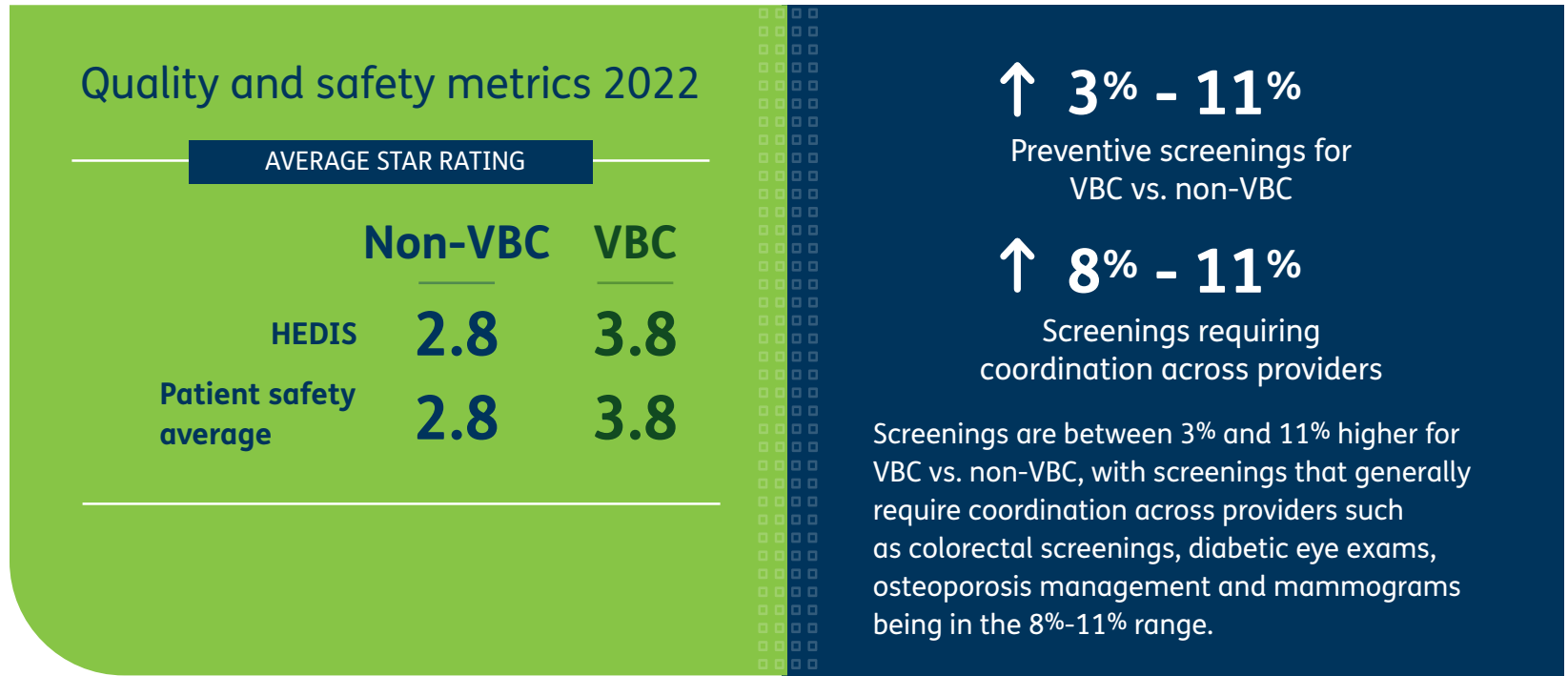
Coordination of care: "I worked closely with mental health specialists within the value-based care network to ensure Mary received comprehensive care, including therapy and medication adjustments.

"Over time, with the personalized care I was able to provide in collaboration with other value-based care physicians, Mary began to find some semblance of stability in her life. I know that my frequent check-ins played a crucial role in helping her cope with the trauma and manage her bipolar disorder effectively. The flexibility of the plan enabled her to receive timely and tailored care, ultimately helping her on the path to recovery. This simply wouldn't have been possible for either of us in a fee-for-service model."



Prevention and care quality

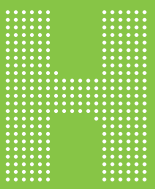
Data on Humana’s 2022 individual Medicare Advantage (MA) plan members show patients in VBC models were more adherent with their preventive screenings and medications versus patients of non-VBC providers, meaning they were staying on top of the recommended screenings and services tracked in the Star Rating program.



Humana Stars findings show that VBC may strengthen payer and clinician partnerships.

Go to Humana.com/quality for resources to help you improve your Star Rating quality strategy.

- Curious to know more about Stars? <https://huma.na/46W2aGL>
- Humana Stars in the news: <https://huma.na/3M3WJxG>



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PREVENTION AND CARE QUALITY

PATIENT AND PHYSICIAN EXPERIENCE

OUTCOMES AND HEALTHCARE USAGE

COSTS AND PAYMENTS

10-YEAR REFLECTION

HEDIS and patient safety

DIABETES CARE

- Eye exam
- Blood sugar controlled
- Osteoporosis management
- Controlling blood pressure
- Breast cancer screening
- Medication reconciliation post-discharge
- Statin therapy cardiovascular disease
- Colorectal cancer screening

CARE FOR OLDER ADULTS

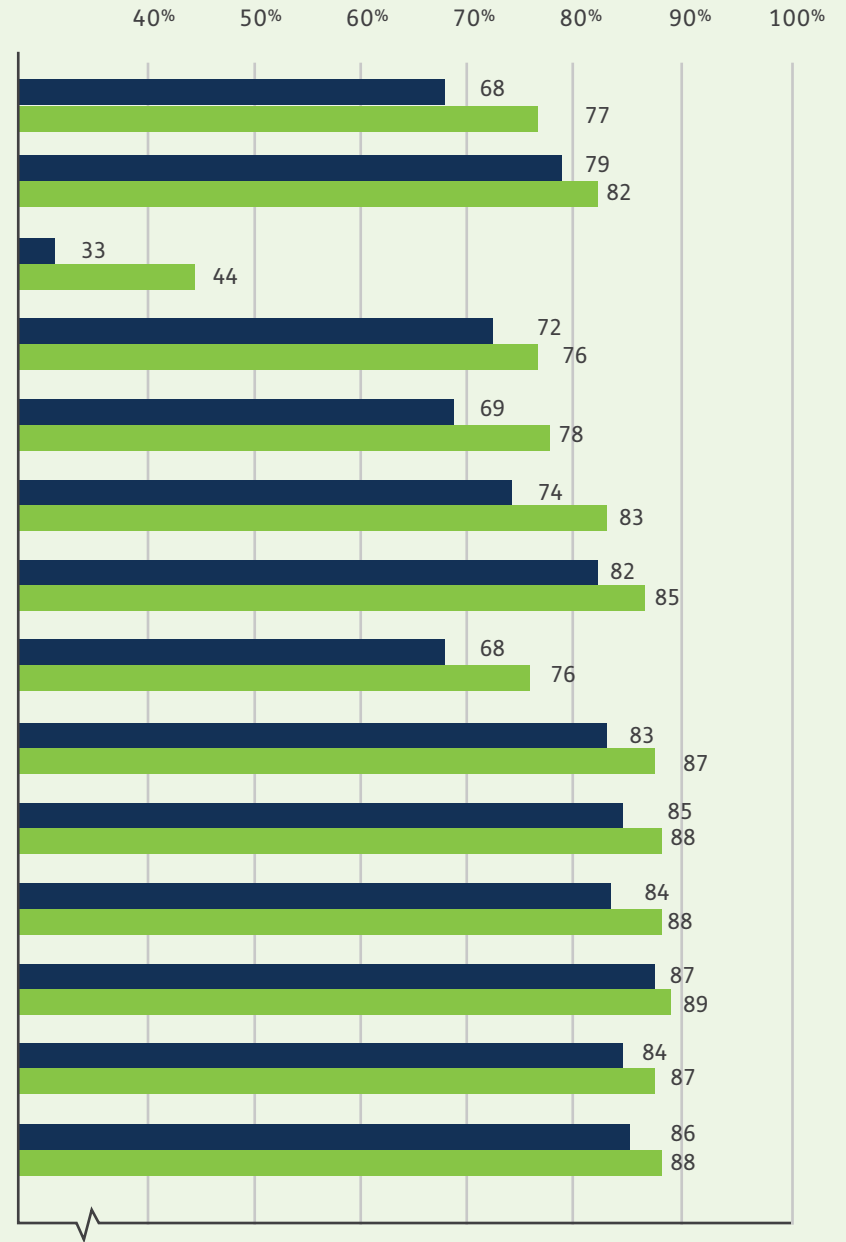
- Medication review
- Pain screening
- Statin use in persons with diabetes

MEDICATION ADHERENCE

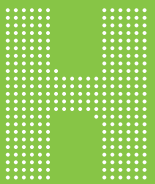
- Hypertension
- Diabetes
- Statins

VBC NVBC

■ ■



Engagement rate (by percentage of members screened)



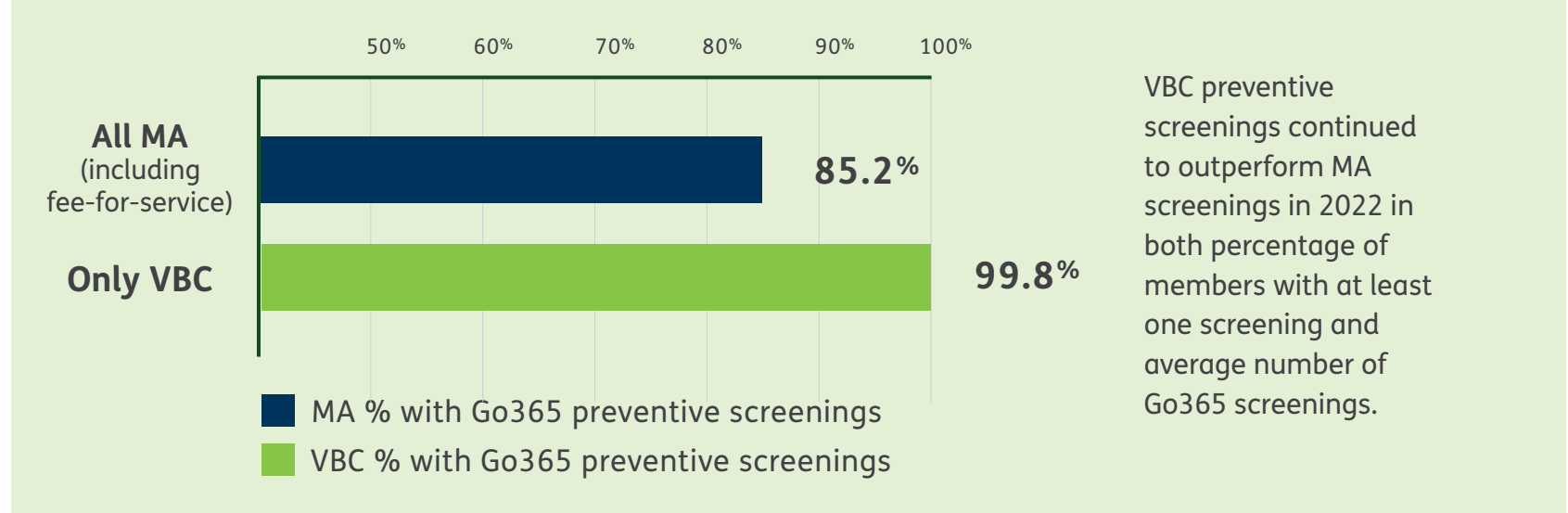
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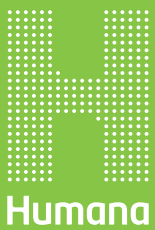
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- PREVENTION AND CARE QUALITY
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The Humana Go365[®] wellness program rewards members with gift card offerings for making healthy choices and completing preventive screenings. Designed to help patients improve health outcomes, Go365 helps Humana members achieve better health while helping PCPs reach their gap-in-care closure goals.

2022 value-based care vs. Medicare Advantage preventive screenings





Patient and physician experience

Patient experience with the healthcare system, and clinician professional experience is a key component of the quadruple aim in healthcare. The Consumer Assessment of Healthcare Providers and Systems (CAHPS®) score captures a component of the patient experience and patient satisfaction. **Our data shows a higher CAHPS score of 3.9 in value-based care compared with 3.3 for non-value-based.** This better patient satisfaction is likely related to doctors having more time with patients, but also likely due to improved efforts by the practice in VBC in coordination of care and transitions of care.

Value-based care often is best described as team-based care. Value-based care enables, encourages, and incentivizes outcomes-oriented healthcare through care teams working together: a team of clinicians quarterbacked by the patient's primary care physician to provide more holistic care and better coordinated care across specialists and between transitions in care. For example, patients are contacted and seen quickly after a hospital discharge with after-care and healthcare needs handled collaboratively in such a way to help minimize risk of patients ending up back in the hospital unnecessarily. Patients are connected with appropriate resources and incentives to manage all aspects of their total wellness, including health-related social needs, transportation access, and the like. What patient wouldn't want to have a whole team taking care of their needs and looking after their health with diligent follow-through? Likewise, what doctor wouldn't prefer having time and freedom to work in a team environment where each clinician in the patient's story is contributing to winning outcomes?

Patient and physician experiences are tracked throughout the industry in a number of ways. The Stars program has evolved from emphasis on clinical measures or Healthcare Effectiveness Data and Information Set (HEDIS) measures to more complex processes, such as care coordination where a unified approach to patient care and information is necessary. The goal is to optimize outcomes and collaboration within the healthcare ecosystem—and improve patient experience, health and well-being. Stars care coordination measures include:

- **Follow-up after emergency room (ER) visit for people with multiple high-risk chronic conditions**
- **Transitions of care (TRC)**
- **Plan all-cause readmission**

These measures rely on streamlined data connections and information sharing to ensure timely notification of hospital stays or ER visits that require direct follow-up with the patient.

Within the first year these Stars measures were implemented, Humana VBC providers scored **10% higher** than their non-VBC counterparts on a TRC measure focusing on provider follow-up after hospitalization.

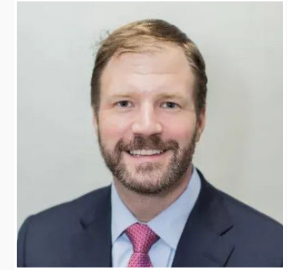
To learn more about care coordination, join us for a [webinar](#).

These resources and the compelling data proving VBC effectiveness have many throughout the industry embracing the model. We're hearing more positive feedback from clinicians and care teams after doing so.

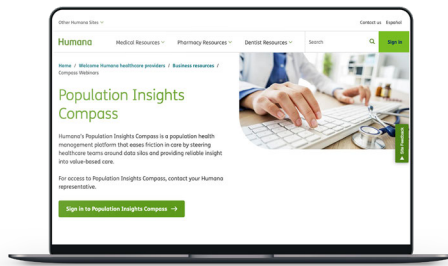
“When value-based care was introduced to us, we were skeptical.

“Value-based care has put the trust back in healthcare: trust from the payers that the provider will provide exceptional patient care and improve overarching population health to ultimately reduce healthcare costs; trust from the patient that the insurance company and provider are working in tandem to provide them the best care possible and looking out for their long-term health; and trust from providers that they have the knowledge and tools needed to properly care for patients with support from payers.

“Today, our patient base is healthier than ever because we were able to shift our practices and give them higher levels of care.”



Dr. John Michael Robertson,
Family Medical Clinic of
Harrogate and Tazewell
of Tennessee



Population Insights Compass website

We know providers are committed to delivering the best care and experience to their patients.

Humana gives you options for accessing education, information and data.

Availity is another solution to help you gather the data essential to better patient care.

In addition to Availity and Stars resources, we suggest you also visit [Population Insights Compass](#).

Resources



[Patient experience materials](#)



[Population Insights website](#)



[Webinar registration](#)

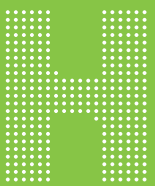


[Availity website](#)



[Pharmacy physician resources](#)

Clinicians and care teams embracing the model say it grows easier as they partner with others in the process and thoroughly explore available resources.



Outcomes and healthcare usage

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PREVENTION AND CARE QUALITY

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10-YEAR REFLECTION

Fewer admissions and ER visits

30.1%

fewer inpatient admissions for VBC compared with Original Medicare (also known as Traditional Medicare) in 2022 saving 214,000 admissions

7.1%

fewer admissions than non-value-based care Medicare Advantage saving 50,000 admissions or 353,000 inpatient days

12.7%

fewer ER visits than non-value-based care Medicare Advantage saving 146,000 visits



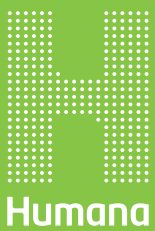
85% of value-based care patients vs. only 75% of non-value-based care patients saw their PCP at least once in 2022

Regular appointments mean better prevention and healthcare maintenance

“Aging creates more complexity and challenges. 80% of seniors have at least 1 chronic condition, while 70% have 2 chronic conditions. Time spent with your primary care provider is crucial—time to address the patient’s concerns, to educate, and to address social determinants of health that impact their health outcomes. The ability to visit with your primary care provider more frequently affords the opportunity to develop a trusting relationship between provider and patient and better quality of life as we can work to keep the patient healthy.”

—Dr. Misha Rhodes, CenterWell market CMO - Kentucky/Indiana





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70%

2022 percentage of individual MAPD members aligned to value-based care providers. This is the highest rate we've seen in our history of tracking this metric.

+2.3 Million

Value-based care individual members gained between Jan. 2013–Dec. 2022. We have seen tremendous growth over the last 10 years since we began releasing these reports.

“We continue to build and improve together and we are excited about this milestone for our industry. Humana continues to lead the way in value-based care adoption and advocacy. We couldn’t have done this without our value-based care provider partners who take care of our members in such a way that they continue to be able to put health first. They’re contributing to the growth. Not only are we getting new VBC providers, but the established providers continue to grow and become stronger—helping all involved. This is a culmination of a decade of work and will continue.” —**Oraida Roman, Humana Senior Vice President, National Provider Strategies and Operations**



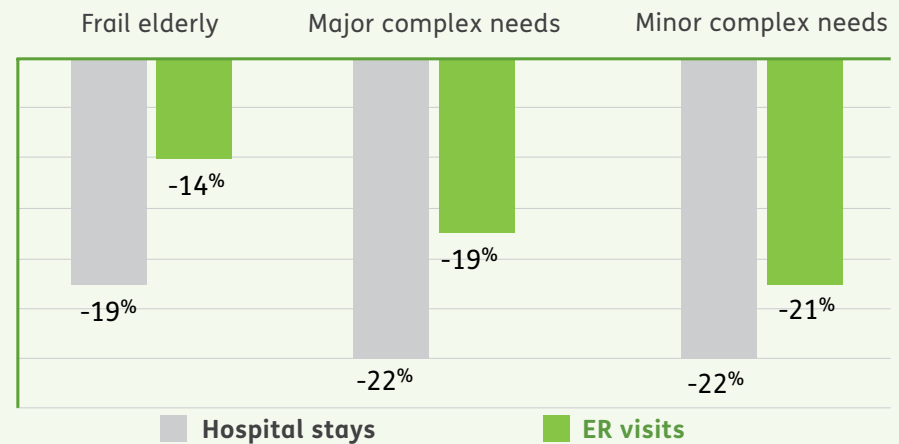
The Humana Healthcare Research team—which includes statisticians, economists and health services researchers—conducts peer-reviewed studies to produce actionable research that advances knowledge for the scientific community. The research continues to show the benefits of VBC.

Comparison of healthcare utilization by Medicare Advantage and Traditional Medicare beneficiaries with complex care needs.

- MA members with complex care needs had lower rates of hospital stays, ER visits and 30-day readmissions compared to the Traditional Medicare population.
- Within the MA population, patients of VBC PCPs were less likely to seek acute care than non-VBC PCPs—consistent with data from Humana’s business teams.

Access this published paper at <https://humana/3S6kkSb>.

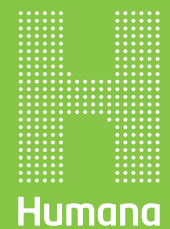
Percentage reduction comparing 2-sided risk Medicare Advantage value-based care with Traditional Medicare



Data reflects 2018 outcomes

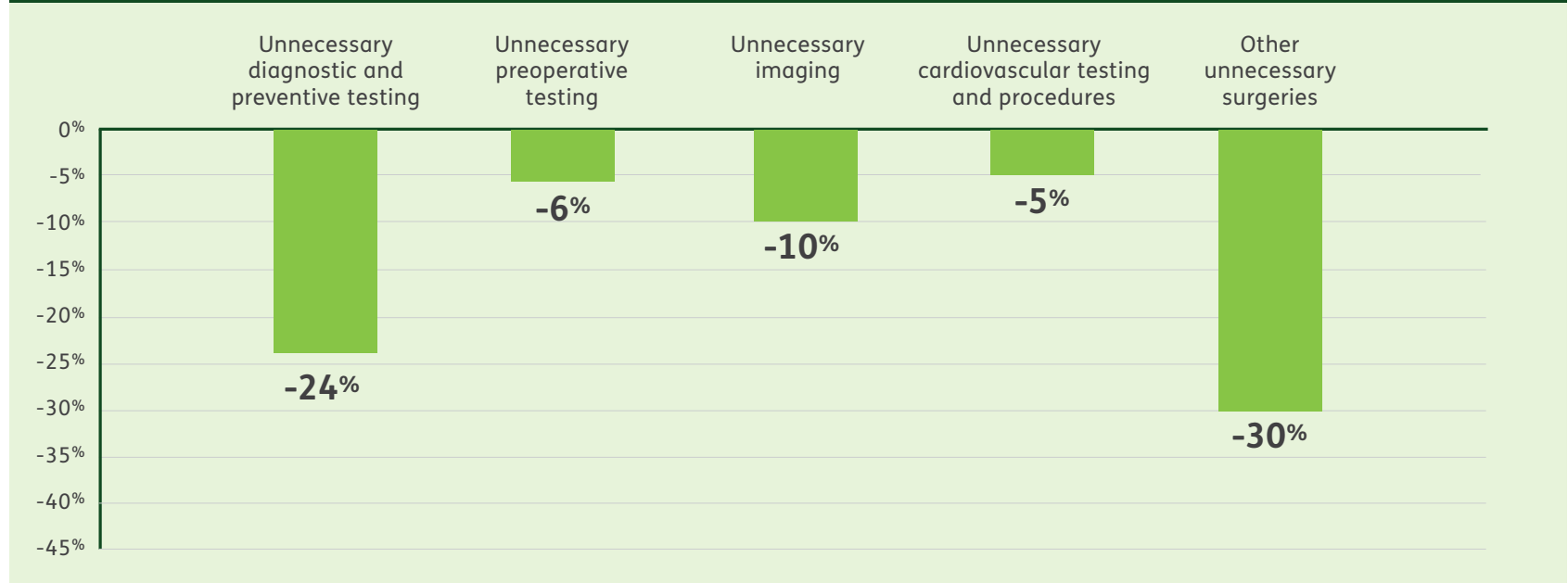
JAMA Health Forum™

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Comparison of low-value services among Medicare Advantage and Original Medicare beneficiaries

Reduction in low-value care services by clinical category for Medicare Advantage compared to Original Medicare



The term “low-value care” has been defined as medical or clinical services that provide little to no clinical benefit to the patient; the risk of harm from the service outweighs its potential benefit, resulting in medically unnecessary use of limited healthcare resources that leads to increased healthcare costs.

Low-value care is not only unnecessary, but it is also potentially harmful. Humana researchers found that members in MA, which tends to have more VBC penetration, received fewer low-value services than fee-for-service Medicare members in 2019.* **MA beneficiaries attributed to providers in a 2-sided risk arrangement were associated with the greatest reduction (12%) in composite total low-value services compared to Original Medicare (OM).**

*The study assessed rates of utilization for 26 individual low-value services. At the individual service level, 14 low-value service measures were significantly less common in MA, and 4 were significantly less common in OM. The remaining 8 had no significant difference between MA and OM.

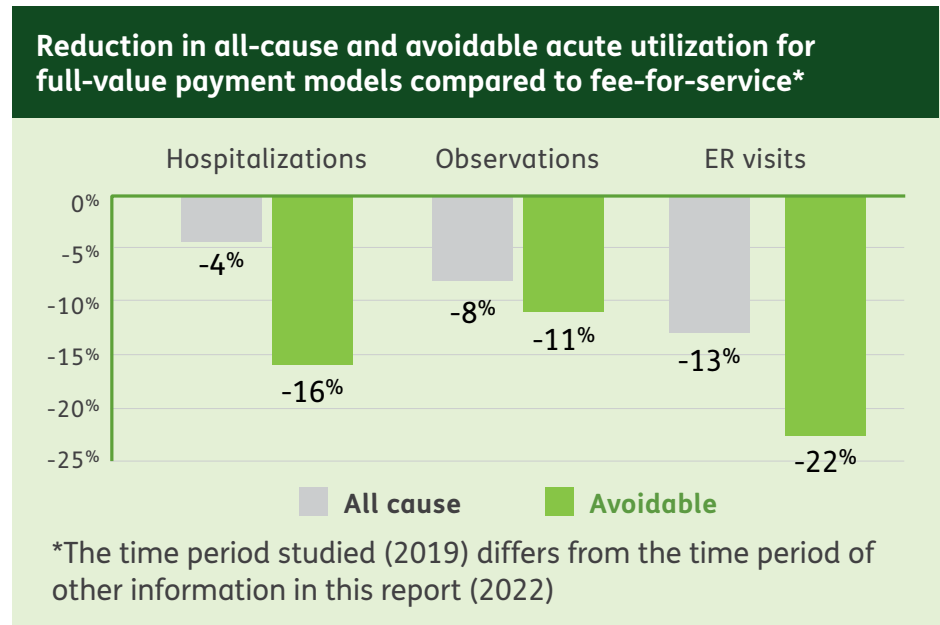
Read the full paper at: <https://humana.com/3tMwwgv>



Analysis of VBC and acute care use among Medicare Advantage beneficiaries

As the healthcare system focuses on reducing acute care use in favor of care in the home, Humana Healthcare Research examined the association between VBC and the need for acute care among MA beneficiaries. Researchers found that patients cared for by VBC physicians had significantly lower acute care usage, especially events that are potentially avoidable.

Read the full study at: <https://humana.na/3tMwwgv>.



MORE

- Primary care visits
- Recommended cancer screens and diabetes testing
- Medication adherence

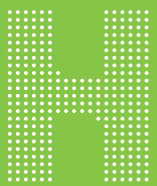
FEWER

- All-cause and avoidable hospitalizations
- Readmissions
- All-cause and avoidable ER visits

Humana Healthcare Research has an upcoming study on senior-focused primary care clinics, which combine a tailored clinical delivery model for older adults with VBC. These VBC practices offer patients access to on-site teams of doctors, nurses, pharmacists, social workers, behavioral health specialists and referral specialists, providing a wide range of services focused on the needs of seniors. Initial results show that patients of these clinics utilize more primary care services and less acute care.

To be notified when studies related to VBC are published, go to Humana.com/VBC or subscribe to e-news through Humana Physician News. Also visit <https://research.humana.com/research-articles/>.

Humana Healthcare Research studies demonstrate that VBC delivers better experiences and outcomes—reflecting our commitment to patient-centered, quality care.



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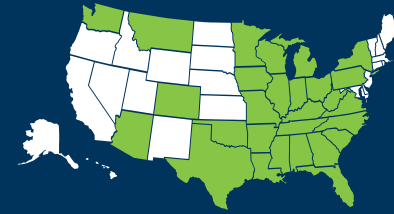
Association between a Bundled Payment Program for lower extremity joint replacement and patient outcomes among Medicare Advantage beneficiaries

In this study published on the JAMA Health Forum, physician practice participation in Humana's Bundled Payment Program was associated with a 2.7% savings (~\$599) per knee or hip replacement episode without a change in quality of care.

Participation in the program was associated with a 19% reduction in post-acute skilled nursing facility (SNF) utilization and a 79% increase in the use of outpatient surgical settings.

Read the full study at www.jamanetwork.com/.

JAMA Health Forum™



Humana's Bundled Payment Programs reward participating providers for reducing episodic costs while maintaining quality for procedures including spinal fusions, coronary artery bypass graft, and total joint (hip and knee) replacement. As of Aug. 2022, the programs included 166 participating providers, representing 1,839 physicians across 28 states. 34% of Humana's total joint replacements are performed by a bundled payment provider.

Specialists in bundled payment arrangements achieved savings through 19% decrease in SNF stays and a 79% increase in outpatient surgical centers as opposed to inpatient hospital stays.

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Costs and payments

Medical cost savings:

Humana MA VBC saved 23.2% in 2022, representing \$8 billion in medical cost savings, compared to Original Medicare.

Humana invests savings into more member benefits, like lower premiums, home care, prescription delivery and healthy food cards. The additional benefits average about \$527 annually for members who see VBC providers.

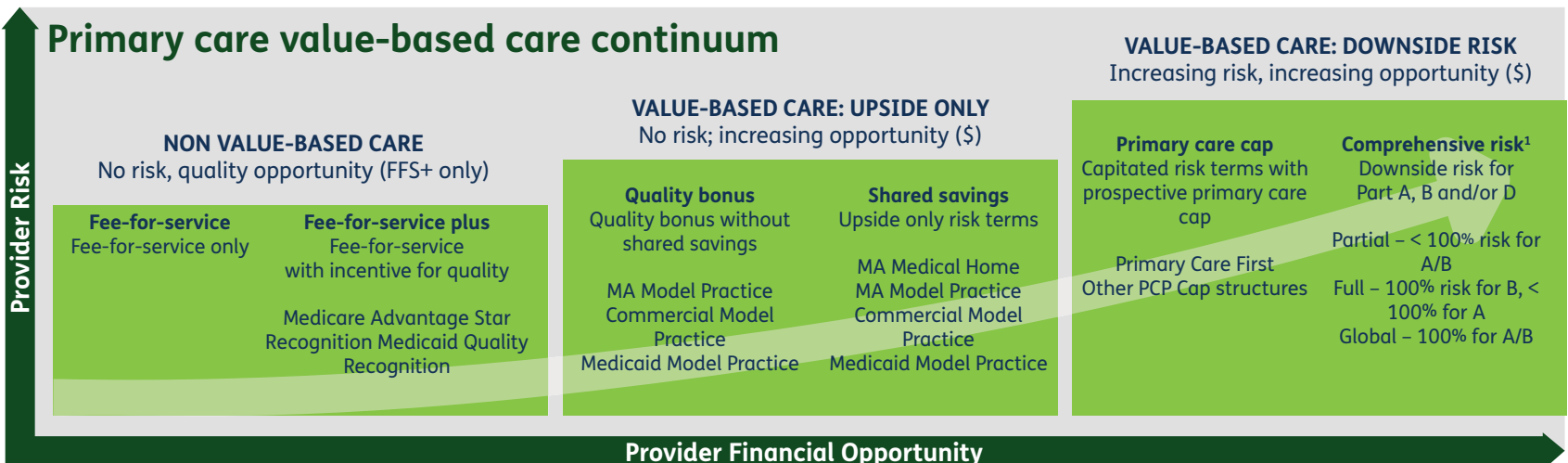
Healthcare spending paid to PCPs

In 2022, around half of VBC providers earned a shared-savings payment from Humana. They also received a greater share of the overall healthcare dollar—16 cents versus 6.5 cents for non-VBC physicians—in medical claims and capitation, bonus and surplus payments.

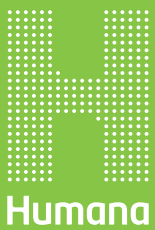
- **Overall, VBC physicians earned 3.4 times the Medicare Physician fee schedule.**
- **Physicians in advanced stages of the risk continuum earned 6 times the fee schedule.**

What is the value-based care continuum?

To support VBC, Humana developed a continuum of programs that offer financial rewards to PCPs for improvements in quality, outcomes and costs. Incentives increase along with the level of risk. Humana’s value-based primary care continuum shows the broad spectrum of segments under which physicians can benefit from the quality care they provide. Importantly, the continuum is not designed to advance all PCPs to global value (or full accountability), but rather to meet and support them where they are on the path to value. Segments of the continuum are designed around a physician or practice’s readiness to accommodate varying levels of accountability.



¹ Downside risk contracts may or may not include the quality programs within the Upside Only portion of the continuum (Medical Home, Model Practice).



10-year reflection on VBC

The American healthcare landscape has evolved rapidly over the past several years, and with rising healthcare costs, the inequities in healthcare exposed by the COVID-19 pandemic and a stressed healthcare workforce, the pace of change is likely to continue. In response, the industry seeks methods that will meaningfully improve the quality and efficiency of care delivery at lower cost. As detailed in this 10th Annual Report, the value-based care economic model supports a clinical model of care delivery that objectively enhances patient experience, improves population health outcomes, lowers costs, and augments the experience of healthcare providers; thus making meaningful progress toward the quadruple-aim in healthcare.

Reporting on and advocating for value-based care for more than a full decade now, we have strong evidence for the value of the VBC model, particularly in Medicare Advantage. Our strategy has been to help improve the healthcare system overall through empowering deeper accountability in payment models to support the delivery of better coordinated and higher quality of care to patients, and we have seen the adoption of VBC models increase over time, especially in primary care.

However, we acknowledge that challenges remain for many clinicians and health systems. Many health system leaders and other decision makers struggle to find a way to transition traditionally fee-for-service organizations into a truly value-based care model. The initial investments in technology and training, not to mention the challenges of significant organizational change, require a balanced and phased approach where key leaders not only buy into the concept, but also truly understand the operational implications as well as the financial and clinical value.

With substantial experience and success with VBC in primary care, what is next? We, like others, look to expand the VBC model to care episodes and specialty needs being met beyond primary care organizations in Medicare Advantage.



George Renaudin, Humana’s President of Medicare and Medicaid, said, “We have methodically and intentionally focused on value-based care advancement for more than 10 years, and it’s exciting to review this information with you in our 10th Annual Report. With the industry working together more and more, and value-based care models being applied beyond Medicare Advantage, we’re excited for an ever-increasing engagement of risk assumption and join you in celebrating the progress made thus far.

“Now that we’re starting to see aligned payment model benefits in Medicaid, and now that we’ve celebrated 70% of our members being aligned to a value-based care provider, we can’t help but think about those 30% not yet covered by a value-based primary care physician. It’s important to keep thinking about those who are touched by some other model and its repercussions. We’re at the dawn of the next era, working together through the question of, **‘How do we keep getting better beyond primary care and beyond Medicare Advantage?’**”

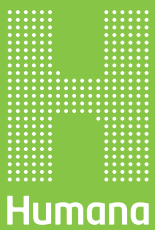


George Renaudin
Humana’s President of
Medicare and Medicaid

We’re now seeing strong evidence that, within the same VBC framework we’ve studied in MA, similar positive trajectories can be expected when VBC is applied to other parts of the business. Consider Medicaid, for example.

We have found that providers in VBC arrangements vs. non-VBC arrangements have improved utilization among their members. For example, ER utilization per thousand for providers in VBC arrangements in our Florida Medicaid market was 10% less compared to that of providers not in VBC arrangements. The data show that providers in VBC arrangements have consistently delivered quality scores on key metrics that are better than those of providers who are not in VBC arrangements.

VBC enables providers to deliver higher-quality, more comprehensive, and coordinated care that leads to better outcomes for our members. We have found that providers in VBC arrangements have improved utilization among their members and have demonstrated better utilization and quality than their counterparts not in VBC arrangements. For example, ER utilization per thousand for providers in VBC arrangements in our Florida Medicaid market was 10% less compared to that of providers not in VBC arrangements. As shown in the table on the next page, the data shows that providers in VBC arrangements have consistently delivered quality scores on key metrics that are better than those of providers who are not in VBC arrangements. For instance, members in the HEDIS-eligible population for the Controlling High Blood Pressure quality metric had a compliance rate of 67.84% under VBC providers, outperforming non-VBC providers by 8.25 percentage points.



Florida Medicaid

Compliance rate with HEDIS metrics among members seeing providers in VBC arrangements vs. providers not in VBC arrangements (2022)

Improvement in performance in VBC vs. non-VBC*

High blood pressure management

8.25 percentage points

HbA1c control (HbA1c < 8)

1.94 percentage points

Cervical cancer screenings

8.71 percentage points

Child and adolescent well-care visits (WCV)

13.19 percentage points

*Percentages indicate compliance rate among members in the eligible population for each HEDIS metric.

We are seeing these affirmations in Florida Medicaid and beginning to understand how payment model innovations are giving us a new chassis of accountable, patient-focused care on which unique programs are built. We’re realizing, as an industry, that alternative payment models, simplified care team workflows, social determinants of health and health equity intersect to deliver high-value care rather than functioning independently of one another. Some Medicaid program designs across the nation focus on populations where all of those factors and more are simultaneously at play. For example, consider the Family-Focused Recovery Program in Kentucky, which:

- **Helps support mothers recovering from substance use disorder and addresses underlying physical, mental and behavioral health concerns**
- **Prevents family separation, provides prolonged care and support for mothers and infants and reduces the risk of relapse**

Value-based care is the framework on which the scalable success of programs like this stand strong. Accountable care payment innovation is helping payers, healthcare systems, clinicians and members work together to scale progress and build sustainability despite previous barriers like, “there aren’t enough beds to take care of moms in recovery,” or “mom and newborn baby can stay, but there’s no place for siblings to go, so mom is in a rush,” and similar layers of broad-sweeping problem solving.

- PREVENTION AND CARE QUALITY
- PATIENT AND PHYSICIAN EXPERIENCE
- OUTCOMES AND HEALTHCARE USAGE
- COSTS AND PAYMENTS
- 10-YEAR REFLECTION

Based on the experience in Florida, we see promising evidence that the principles and outcomes of VBC seen in Medicare Advantage can also be applied to Medicaid. Given the underserved and most vulnerable populations that Medicaid serves, there is not only the opportunity to improve care in patient populations that need it the most, but there is also new promise to addressing social determinants of health and health disparities with VBC.

We have already seen MA VBC practices work to address health-related social needs, such as with the provision of transportation or access to healthy foods, and we are eager to see innovative ways for VBC practices to support these needs in Medicaid VBC. Ten years ago, there was acknowledgment of the existence of health disparities, but today there is a renewed focus on addressing these inequities and closing the health equity gap. Evidence published by Humana in the [New England Journal of Medicine Catalyst](#), showed that **plans with greater VBC penetration were associated with fewer disparities in healthy behaviors both within ethnic/racial groups and among different ethnic/racial groups**. Disparity scores (where lower means greater health equity) **were nine points in Humana’s group**, with high VBC penetration, compared with **24 points in FFS**. This suggests the promise of VBC being another method by which to work toward greater health equity.

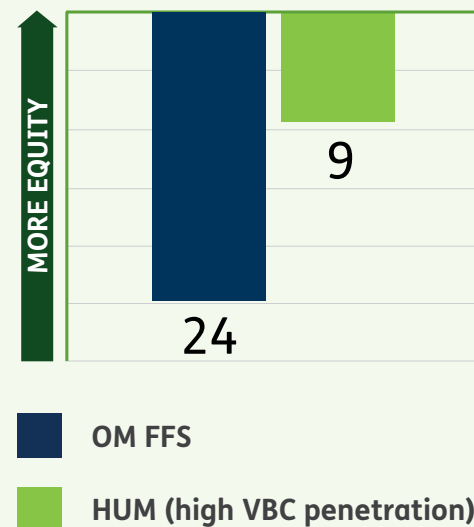
The big-picture perspective and sharing information across market segments is leading to additional breakthroughs in how physicians, care teams, contracts and payment terms are addressing health inequities.

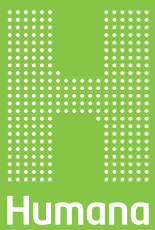
Physicians throughout the industry are taking notice and relaying their vast experiences, reflecting on a decade-plus of VBC.

“Our relationship with Humana spans more than 10 years and has grown from a general network participation agreement to a partnership where, together, we have achieved improved patient outcomes and become more efficient in the delivery of high-quality care. Together, we deliver very high-quality care to over 85,000 Florida children.”
– Pediatric Associates

Health Equity Measure

lower number signifies more equity





Reflections from Value-Based Care clinicians

“As a family physician for 30 years, I’ve often felt that our role has been undervalued. However, as the success of value-based care has grown over the past decade, the importance of strong primary care has been credited for much of the improvement. It has been exciting to witness how the outcomes for our patients have improved while the total cost of care has declined! For the first time in my 30-year career, I feel that how I get paid aligns with what is best for the patient. This trend should serve our patients, our specialty and our country well for generations. However, the next frontier in the value-based care evolution needs to redesign the primary care team to maximize the health of the team. Without that, our gains over the past decade may be lost.”—**Eric Penniman, D.O., FAFP, Executive Medical Director for Summit Medical Group**



“I have seen value-based care improve and impact our patient care in an exceptionally positive manner. With all the current measures, the quality of care keeps on improving. We are very fortunate to be able to practice this way and deliver top-quality care to our patients. That is the reason we have only done value-based care for the last 20 years. Sure, there is always room for improvement. We thought 10 years ago that value-based care was at its best, however, it has improved significantly and we believe it will keep on improving,”
—**Sanjay Madan, M.D., A Plus Medicare of Florida**



“Patti and I believe in value-based care and what it has offered to our patients, which has always been our number one priority. We pride ourselves in the fact that each decision that a provider makes has the patient’s best care in mind, over what the expense would be or how long something will take. What’s done to serve the patient is clouded by nothing else. It’s all about what the patient needs most, and that’s only possible in value-based care where you’re not rushing from patient to patient being held accountable for certain metrics that aren’t necessarily the patient’s healthiest outcomes. Value-based care allows us to slow down, listen, care, and take each best next step.



“If an administrator or clinician finds themselves in a situation when the bottom line seems to be the priority, that’s when patient care takes a concerning back seat! Patti and I stay away from selling and remain ever-committed to a personal touch with our patients. We have also seen first-hand how providers are eager to work in our offices because they’ve been promised elsewhere that they will have a one-on-one experience to care for their patients with their plan of care being taken into account, but then they sadly and quickly see that it is not that way as expenses and bottom lines take a very high priority.

“We still strongly believe that value-based care is the best out there for our patients to be well-cared for, and that’s what it will always be about for us.”—**Antonio Calvo, Jr., Chief Operating Officer, and Patti Revello, Administrator and Owner, Ravello Medical Wellness and Activity Center and Kinship Healthcare of Florida**

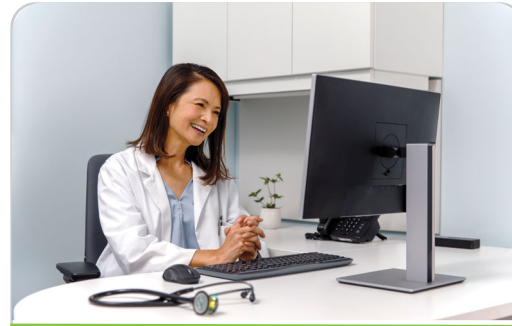
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Thank you for taking the time to read this report of our key 2023 findings. Please remember that we are always listening and eager to engage with you. For more information, explore the links highlighted below.



Already contracted with Humana? Take the readiness assessment and then explore best practices. You can sort them by the key performance indicators that matter the most to you right now.

[Population Health Guide →](#)



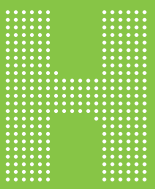
Not yet contracted with Humana? Send us your details and we'll follow up to explore the best payment model for you, wherever that may fall on the value-based care continuum.

[Join our network →](#)



Are you a lawmaker or needing resources for officials influencing healthcare legislation? Explore the resources and get in touch through the Health Policy Center.

[Humana Health Policy Center →](#)



Humana

VALUE-BASED
CARE REPORT
2023

PREVENTION
AND CARE
QUALITY

PATIENT AND
PHYSICIAN
EXPERIENCE

OUTCOMES AND
HEALTHCARE
USAGE

COSTS AND
PAYMENTS

10-YEAR
REFLECTION

Value-based care by the numbers

A few highlights to recall as you reflect on the 10th annual Value-Based Care Report from Humana:

- **70% of individual Medicare Advantage members were aligned to value-based providers;** the highest rate Humana has seen in our history of tracking this metric.
- Preventive screenings are between **3%** and **11%** higher for value-based care than fee-for-service.
- VBC physicians earned **342%** above Medicare's fee schedule; **3.4** times the fee schedule.
- **Average Star ratings are better in value-based care than fee-for-service. Value-based care rated 3.9 while non-value-based care rated 3.3 on the CAHPS Pulse average.** Patient safety average is 3.8 VBC vs. 2.8 FFS.
- Star ratings for preventive care screenings are better for VBC, which means **better health and lower costs for everyone.** For example, breast cancer screening rates were 69% for non-VBC, but 78% on VBC; colorectal cancer screenings 68% non-VBC, 76% VBC; and diabetes eye care exams 68% non-VBC, 77% VBC.
- Humana **VBC providers scored 10% higher than their non-VBC counterparts in transitions of care measures** focusing on provider follow-up after hospitalization.
- Humana **Medicare Advantage VBC saved 23.2%** in 2022 compared to Original Medicare which results in an increase of \$527 in benefits for members associated with VBC providers. Some of these benefits include reduced insurance premiums, prescription drug delivery or healthy food cards.

