



# BLUE HIGH PERFORMANCE NETWORK (BLUEHPN)

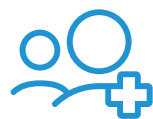
ACCELERATING THE SHIFT TOWARD MORE VALUE

# BETTER CARE AND OUTCOMES

## BALANCING ACCESS, QUALITY, AND COST



- BlueHPN<sup>SM</sup> consists of providers committed to enhancing the quality of care and lowering costs
- EPO network with seamless national portability
- Offers 11% average savings over our industry-leading PPO and up to 20% savings in some markets



- Leverages the strength of local provider relationships and expertise
- Centers around value-based care, with provider payment tied to quality and performance
- Aligns with market trend and growing employer demand





# DESIGNED FOR PERFORMANCE

FOCUS ON IMPROVING OUTCOMES AND REDUCING COSTS

Measuring performance annually in four quality areas through:

- Nationally consistent clinical measures aligned with industry-recognized standards
- Market-specific clinical measures that address local care gaps

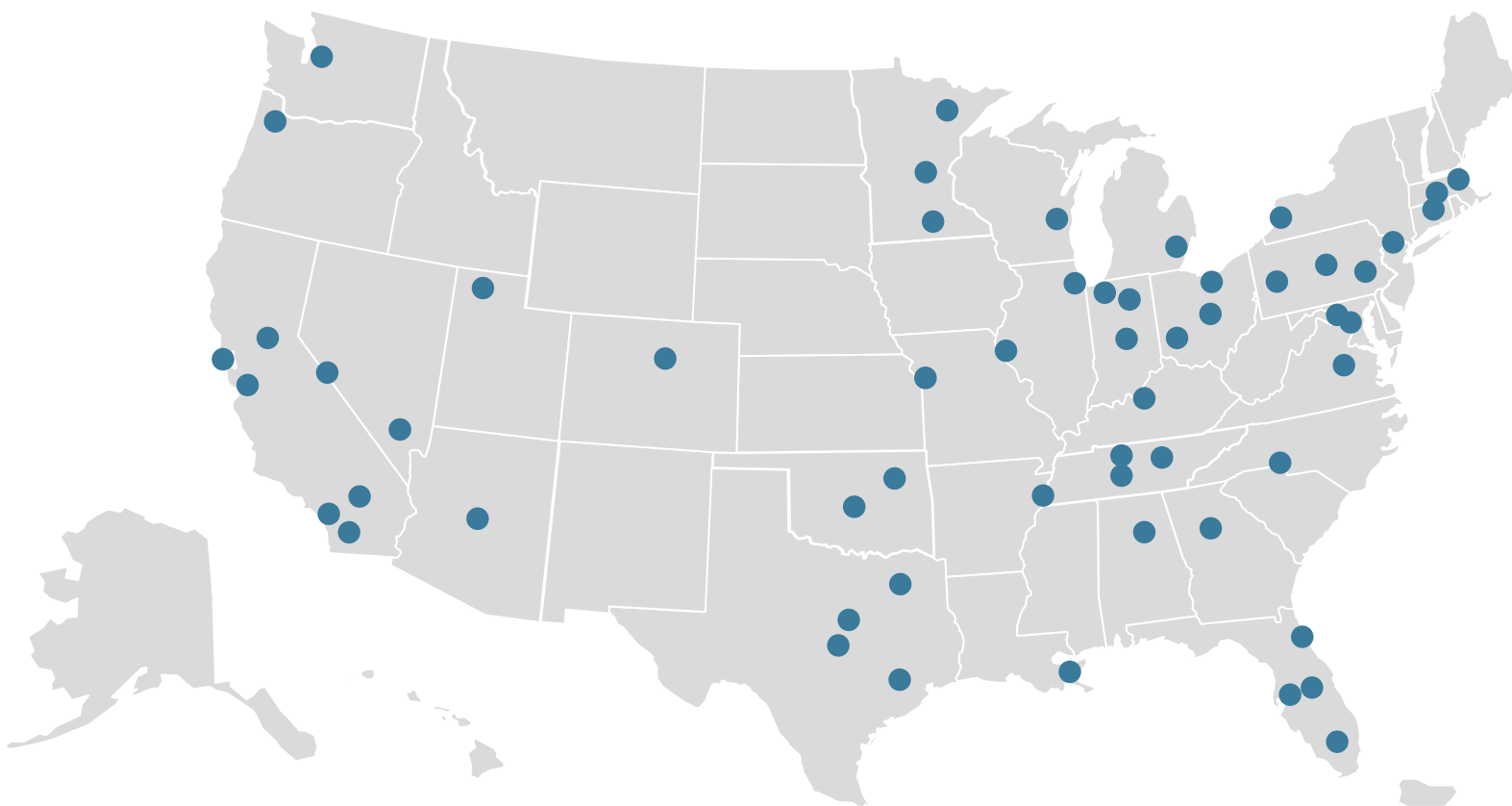
Accommodates changing market needs, monitors priority populations, and gives providers information to:

- **Administer care appropriately** that is patient-centric, reduces waste, and prevents harm
- **Adhere to best-practices** that use evidence-based medicine to effectively treat patients
- **Manage member health** to prevent illness and better manage chronic conditions
- **Improve health outcomes**, such as lower readmissions, to deliver more effective care

Quality criteria/measurements will continue to evolve to influence better care delivery



## POWERFUL NATIONAL FOOTPRINT CONNECTS EMPLOYEES TO HIGHER PERFORMING PROVIDERS



Employer interest has been strong – **90+ groups purchased BlueHPN** with members in all participating MSAs

- 65+ major MSAs
- Top 10 U.S. cities
- Representing 39 states
- Accessible to 185+ million Americans



# BLUEHPN IN CALIFORNIA

## BROAD LOCAL FOOTPRINT

### NETWORK STRENGTH

- Available in 7 Metropolitan Statistical Areas (MSAs) with coverage in 33 counties effective 1/23
- Represents 88% of the state's population - 39M Californians
- 10,500+ PCPs and 57,000+ specialists
- 13% average savings across all MSAs, exceeding the national average of 11%

Sacramento-Roseville-Arden-Arcade

San Francisco-Oakland-Hayward

San Jose-Sunnyvale-Santa Clara

Stockton-Modesto

Los Angeles-Long Beach-Anaheim

Riverside-San Bernardino-Ontario

San Diego-Carlsbad



## APPENDIX

Please use next slides only if needed (see notes)



# SIGNIFICANT COST SAVINGS

ACHIEVING AN AVERAGE SAVINGS OF 13% ACROSS ALL CALIFORNIA MSAS,  
EXCEEDING NATIONAL AVERAGE OF 11%

MSA	ESTIMATED SAVINGS
Los Angeles-Long Beach-Anaheim	8.5%
Riverside-San Bernardino-Ontario	8.0%
Sacramento-Roseville-Arden-Arcade	12.5%
San Diego-Carlsbad	14.6%
San Francisco-Oakland-Hayward	16.5%
San Jose-Sunnyvale-Santa Clara	14.1%
Stockton-Modesto	16.0%

# RAISING THE BAR ON QUALITY

## MONITORING CALIFORNIA MARKETS FOR BETTER HEALTH OUTCOMES

### Ongoing review to close care gaps

We continually work to identify gaps in care and support members through **four key interventions** designed to re-engage members with care teams and physicians



Targeted member incentives



Member education via automated telephone outreach



Personal member support when requested



Screening and chronic care reminders for members via email

### Value-based care promotes quality and accountability

Centered around Blue Shield's **ACO providers**, BlueHPN supports higher quality care through performance-based contracting with providers



Strong partnership model with providers to ensure best practices



Clinical collaboration to support process improvement



Our ACO providers are delivering results:

- ER visits reduced by 12%
- Inpatient admissions reduced by 12%
- Inpatient bed days reduced by nearly 13%