



HealthSpring Inc.

Nashville, TN.

“QUALITY CARE INITIATIVE”

PATIENT CENTRIC VALUE BASED

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Physician Director of Quality



SQUARE

WATERMELONS





PARTNERSHIP FOR QUALITY



GOAL

Provide an Environment
For
SUCCESS

Encourage a Focus:
Preventive Health
Clinical Outcomes



STRATEGY

Provide the Tools
For
SUCCESS

Dedicated Resource at the Point of Care
Information Technology



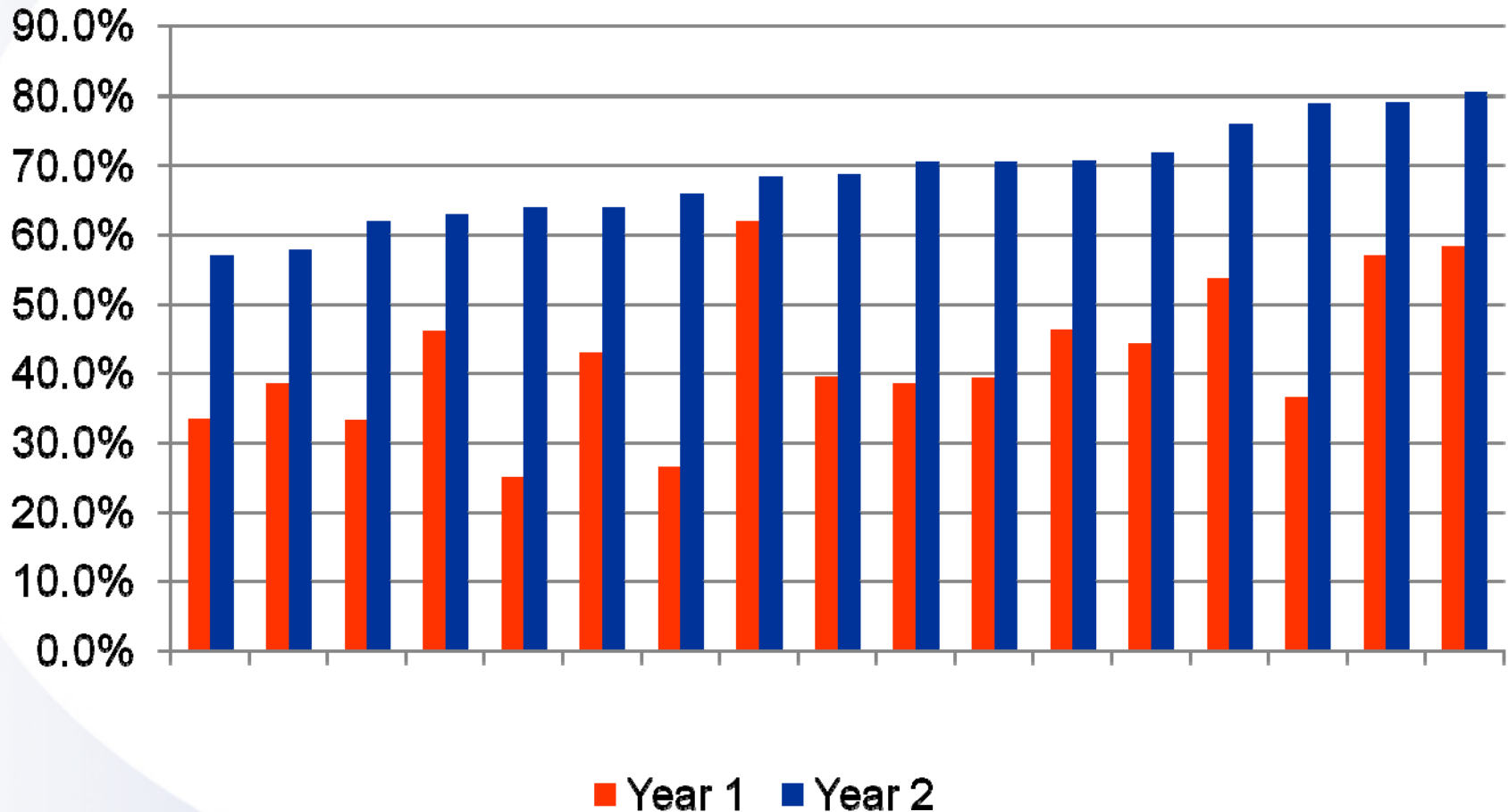
PARTNERSHIP for QUALITY AT A GLANCE

- **PHYSICIAN DRIVEN METRICS**
- **CONSENSUS BASED IMPROVEMENT**
- **CHART / HYBRID DATA**
- **PROVIDE and FUND ALL SUPPORT**
- **PROVIDE & FUND DATA MANAGEMENT**
- **FLEXIBLE BONUS STRUCTURE**
- **VALUE METRIC**

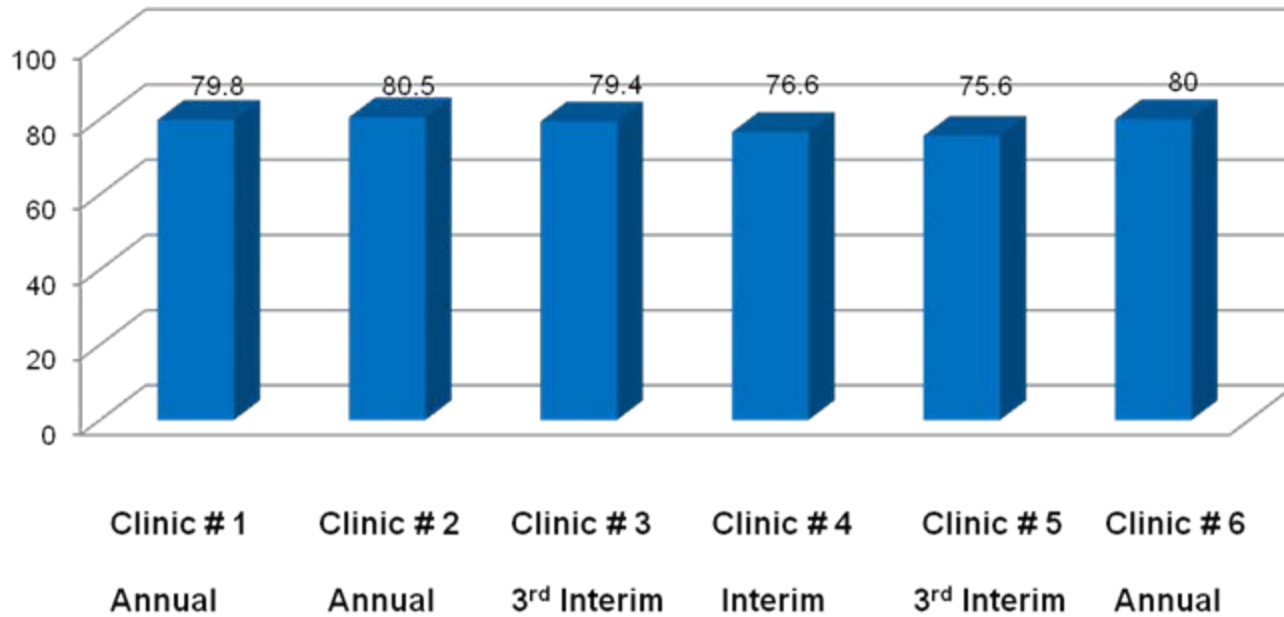
Quality Outcomes

- Increased Mammograms (80%)
- Osteoporosis Screening (37%)*
- Diabetic Foot Exams (360%)
- Diabetic Retinal Exams (27%)
- Pneumonia Vaccine (88%)
- Influenza Vaccine (246%)
- Depression Screening (71%)

Increasing Performance Rates



Actual Performance Rate Over 75%





Improved Quality of Care

We have improved compliance in our
P4Q offices for 32 clinical quality
measures from

39% to 66%

Improved Efficiency of Care

91 P4Q Groups – 3 Markets

- Decreased but Appropriate Utilization
- Decreased PMPM Costs
- Consistent Outcomes Across Time and a Broad Spectrum of Providers
- *Increased Payments to Physicians*

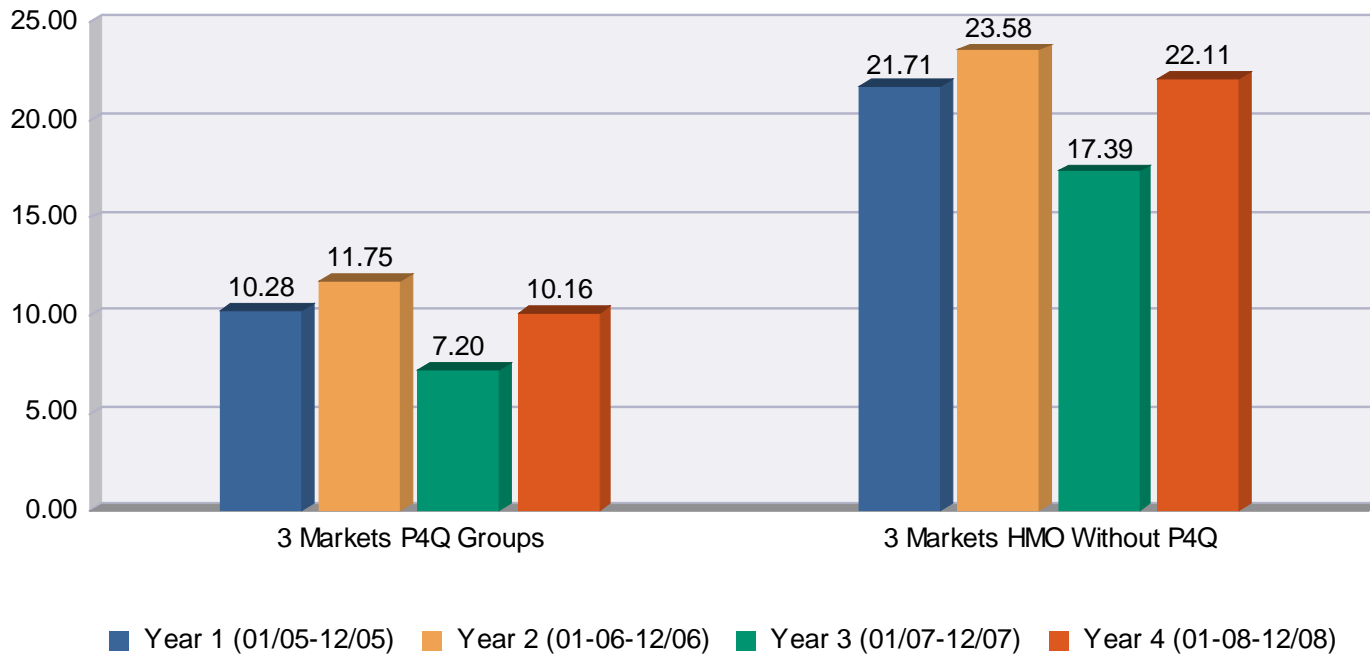
Decreased Total Expenses

P4Q Penetration

	2007	2008	Year to Date	2010
Physicians	239	611	702	750
Members	20,117	49,603	72,186	80,000
% of HS Membership	16%	37%	52%	60%

As of December 28, 2009

Voluntary Disenrollment Rate (%) Comparison 18 P4Q Groups Total / 3 Markets HMO Without P4Q





Improved Performance

*Translated into more resources dedicated
to the care of our members!*

- Preventive Care
- Proactive and Coordinated Care of Chronic Disease
- Practice Coordinator
- Information Technology
- Enhanced Health Services

Who Benefits from P4Q

Physician

- Provides tools to better manage care of their patients
- Program can be successful without disrupting clinic
- Extra resources in office funded by HealthSpring

Member

- Improves preventive care
- Improves access to care
- Improves long-term care
- Better value for the member (better and personalized care)

HealthSpring

- Improves quality of care
- Improves clinical outcomes
- First step in partnership with physician offices



REMEMBER

EVEN IF YOU'RE ON THE RIGHT
TRACK, YOU'LL GET RUN OVER

IF YOU JUST SIT
THERE



ENVIRONMENT

Uncertainty

Non-aligned Incentives

Perverse Reimbursement

Risk – Reward

Leadership – Culture

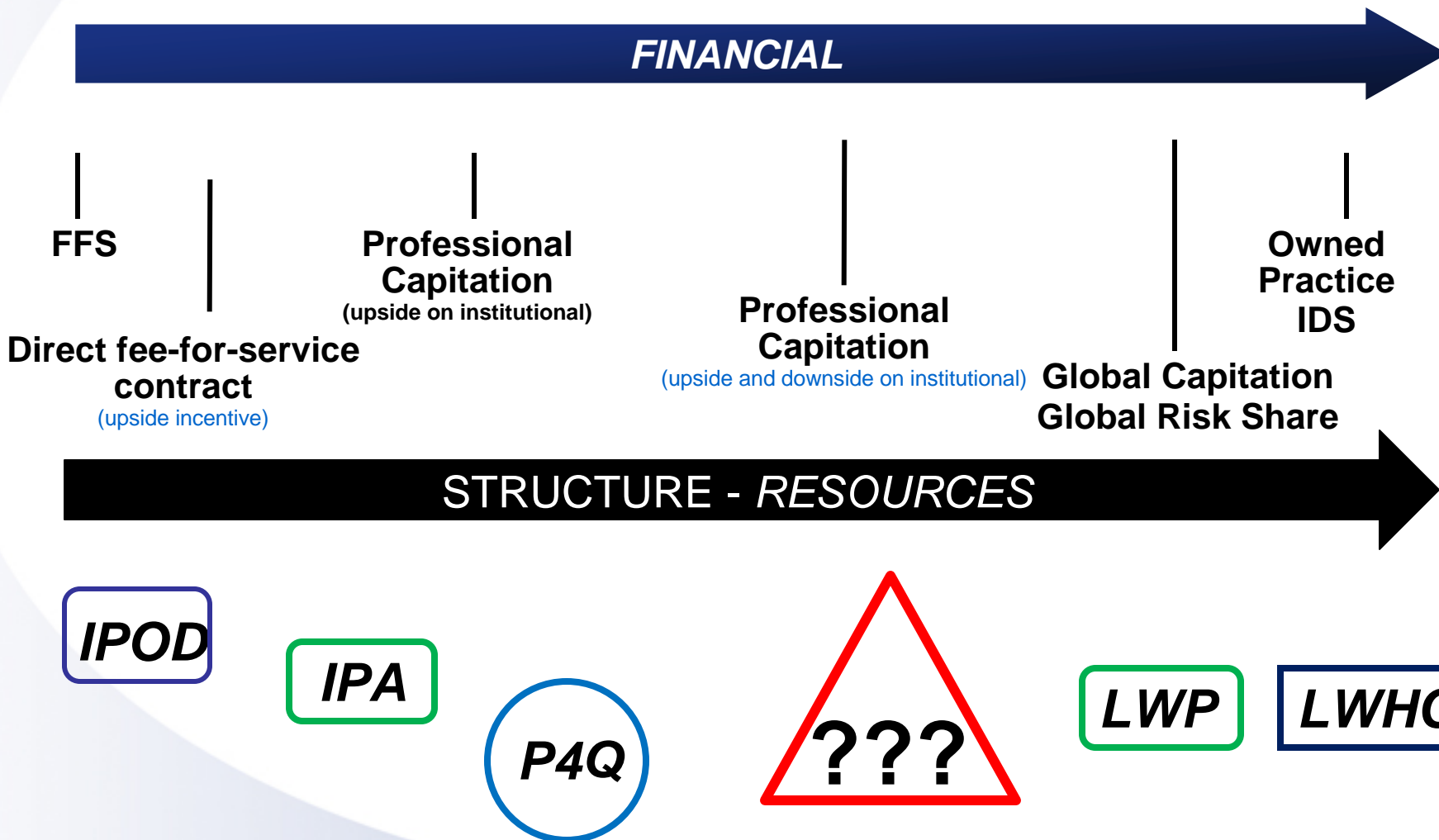
Free Choice




GAP

- Physicians
 - Good at generating savings – bonuses
 - Share bonuses effectively
 - Do not have access to capital
- Hospitals
 - Have problem defining savings
 - Barriers to sharing savings
 - Have access to capital

Spectrum of Physician - Provider Engagement

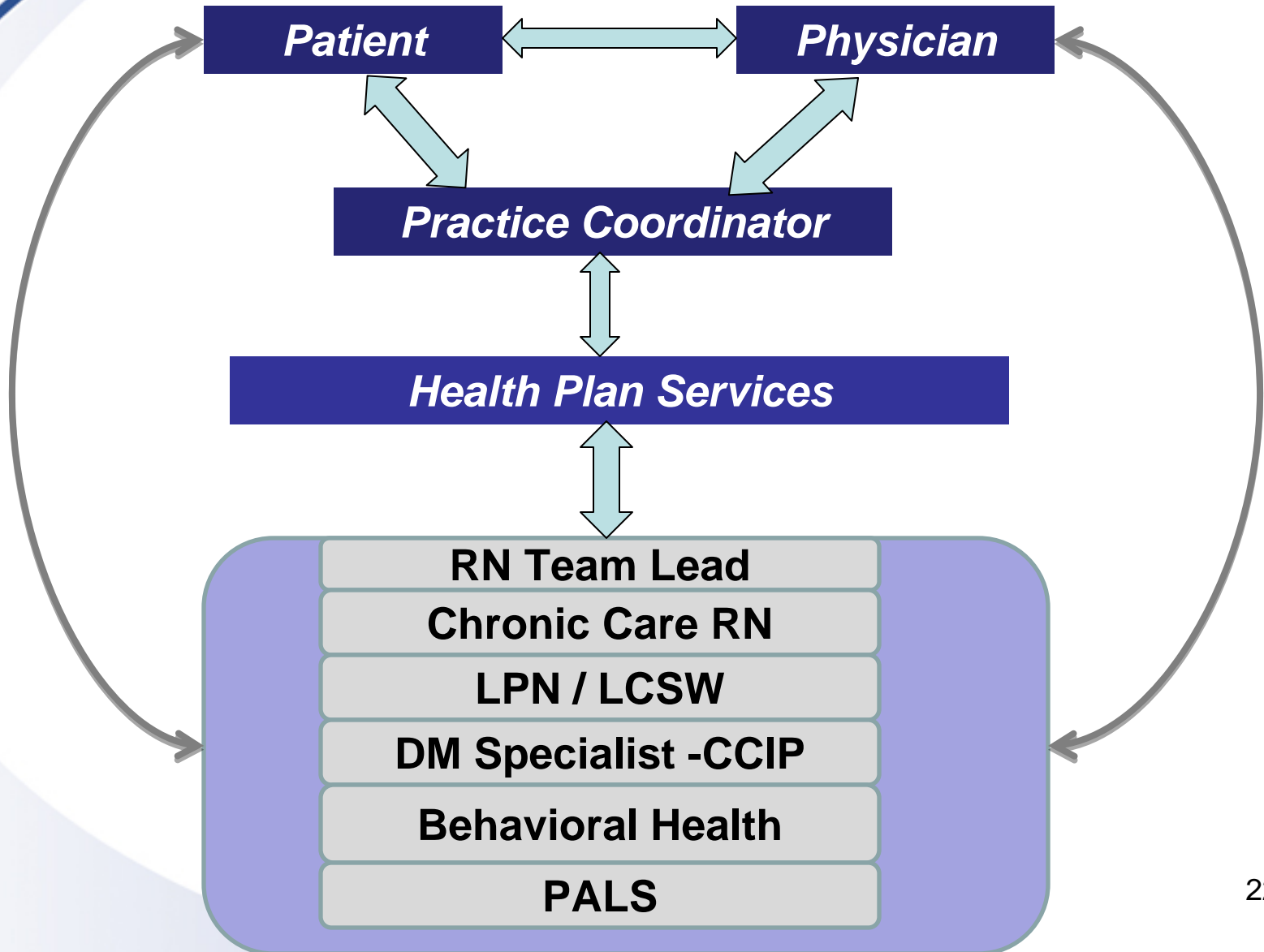




Move the Process of care to the Member / Patient

- Why:
 - Fragmentation
 - Communication
 - Effectiveness
- Restructure the Delivery System
- Impact
 - Quality/Cost/Satisfaction = Value

What Does It Look Like?





ORGANIZATION

- Independent Shared Leadership
- Broad Provider Foundation
- Manage Incentives
- Information Technology
 - Clinical
 - Business
- Efficient and Cost Effective
- Patient Centered

