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## ChristianaCare and Highmark Health Announce Landmark Collaboration Between Provider and Payor to Transform Health Care

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If there is one thing that most Americans can agree on, it's that our current health care system is too expensive, and for all that cost our population isn't getting healthier.

ChristianaCare and Highmark Health today announced a game-changing collaboration that aims to create better health and to make health care more affordable for everyone by taking costs out of the system.

Through a new joint venture company, these two national health care leaders are combining their expertise and capabilities to completely transform health care by creating a new model of value-based care that is continuous and data- and technology-led. The new model will be a radical departure from the transactional, fee-for-service model that underpins much of American health care.

The new joint venture does not represent a merger or an exclusivity agreement between ChristianaCare and Highmark Health. Both organizations will continue to operate independently and have strong relationships with the other payors and providers in the markets they serve.

"As two nationally recognized innovators, it makes perfect sense to leverage our combined expertise and resources to improve health outcomes, decrease costs, streamline processes between receiving and paying for care, and ultimately reimagine the whole health experience," said <a href="Karen Hanlon">Karen Hanlon</a>, chief operating officer, Highmark Health.

Both Highmark Health and ChristianaCare are pioneers in value-based health care, which supports a focus on whole-person health care, unlocking new opportunities to achieve health equity, address social determinants of health and build healthier communities. This new model of care incentivizes outcomes and efficiency—and takes patient care to a new level.

"Today we take a bold step forward to revolutionize healthcare. We are rethinking the way care is delivered and the way it's paid for creating a new health care ecosystem that will enable better health and more affordable, accessible, high-quality care that is continuous and data-driven," said <u>Janice E. Nevin, M.D., MPH</u>, president and CEO of ChristianaCare.

Nevin added, "This is a problem-solving company that will take cost and inefficiencies out of the system, aligning everything around what's right for the patient. It will enable much stronger, continuous connections between people and their health care providers, building lasting relationships, achieving health equity and creating health so that people can flourish."

For decades, health care in the United States has been a tug-of-war between payors and providers, with incentives that are misaligned and inefficiencies throughout the system. That dynamic hasn't created the outcomes, equity or affordability that we need. Together, Highmark Health and ChristianaCare are revolutionizing our country's health care system.

Today's health care system is built around the visit—to the doctor, to the lab, to the specialist. When someone has diabetes or hypertension, they have it every day. Highmark and ChristianaCare are modernizing the delivery of care so that it no longer needs to revolve around an appointment with your doctor. Data and technology enable us to deliver care that anticipates the needs of the individual and doesn't pause between appointments.

That care might include wearable technologies or technology in the home, video visits or secure texting, datapowered care management and in-person consultations when appropriate—all designed to ensure the right care and resources are engaged at the right time for each person.

While the partnership aims to disrupt the status quo in health care in the United States, it's grounded in a history of collaboration between the two organizations in Delaware.

"Our two organizations have worked alongside one another for many years consistent with the traditional provider-insurer relationship, and we both saw the opportunity for innovation and progress by entering into a

strategic partnership," said <u>Deborah L. Rice-Johnson</u>, president of Highmark Inc. and chief growth officer of Highmark Health. "We believe we have a once-in-a-generation opportunity to shape the future of health care so that it's more sustainable and delivers better health for the people and communities we serve."

To begin with, two engines will power the creation and delivery of new models of care. The first is the Solution Design Center, which will create data- and technology-driven solutions to improve health outcomes, efficiency and experience for patients, members and care providers.

"The Solution Design Center is unlike anything out there, because it goes beyond what a leading health care system's innovation center is typically able to do, combining expertise and data from both the provider side and the payor side," said <a href="Ken L. Silverstein, M.D., MBA">Ken L. Silverstein, M.D., MBA</a>, ChristianaCare's chief physician executive. "This combination unlocks a holistic view that really enables us to see the opportunities and impact we can have on both outcomes and cost."

The second key component of the joint venture is the <u>Center for Virtual Health</u>, which develops, tests and deploys virtual capabilities for primary and specialty care that improve patient access, experience and outcomes while reducing the total cost of care. ChristianaCare has been at the forefront of data-powered care management since the launch of its award-winning CareVio platform in 2013, and the pandemic has highlighted its even greater potential.

ChristianaCare and Highmark Health have committed to a 10-year joint venture, with oversight by a board equally comprised of leaders from both organizations. In addition to developing solutions that benefit their own patients and members, the organizations expect that many of the innovations developed through the joint venture will have nationwide impact, as health care providers and payors seek to adopt proven new solutions that improve the quality, experience and affordability of care.

The partnership's most immediate impact will be in Delaware, where ChristianaCare and Highmark's Delaware health plan affiliate are already trailblazing value-based care. The two organizations partnered in 2019 in a value-based payment agreement to improve the health of Medicaid patients in the state, enabling ChristianaCare to address both medical and non-medical health needs of Highmark Health Options members—something that was very difficult to achieve in a traditional fee-for-service model of care. With promising indicators of improvement over year one, this agreement will continue to provide insight to how our organizations can transform care together.

"ChristianaCare has long been a trusted and valued health system in Delaware," said <u>Nick Moriello</u>, president, Highmark Blue Cross Blue Shield Delaware. "No one knows better than our respective organizations the various challenges our members and patients face while trying to navigate the health care system. We look forward to breaking down even more barriers with this new collaboration and providing solutions that lead to a healthier Delaware and beyond."

## About ChristianaCare

Headquartered in Wilmington, Delaware, ChristianaCare is one of the country's most dynamic health care organizations, centered on improving health outcomes, making high-quality care more accessible and lowering health care costs. ChristianaCare includes an extensive network of primary care and outpatient services, home health care, urgent care centers, three hospitals (1,299 beds), a freestanding emergency department, a Level I trauma center and a Level III neonatal intensive care unit, a comprehensive stroke center and regional centers of excellence in heart and vascular care, cancer care and women's health. It also includes the pioneering Gene Editing Institute.

ChristianaCare is nationally recognized as a great place to work, rated by Forbes as the 5th best health system to work for in the United States and by IDG Computerworld as one of the nation's Best Places to Work in IT. ChristianaCare is rated by HealthGrades as one of America's 50 Best Hospitals and continually ranked among the nation's best by U.S. News & World Report, Newsweek and other national quality ratings. ChristianaCare is a nonprofit teaching health system with more than 260 residents and fellows. With the unique CareVio™ data-powered care coordination service and a focus on population health and value-based care, ChristianaCare is shaping the future of health care.

## About Highmark Health

Highmark Health, a Pittsburgh, PA-based enterprise that employs more than 35,000 people who serve millions of Americans across the country, is the parent company of Highmark Inc., Allegheny Health Network, and HM Health Solutions. Highmark Inc. and its subsidiaries and affiliates provide health insurance to more than 6 million members in Pennsylvania, West Virginia, Delaware and New York as well as dental insurance, and related health products through a national network of diversified businesses. Allegheny Health Network is an integrated delivery network comprised of thirteen hospitals, more than 2,500 affiliated physicians, ambulatory surgery centers, an employed physician organization, home and community-based health services, a research institute, a group purchasing organization, and health and wellness pavilions in western Pennsylvania. HM Health Solutions is focused on meeting the information technology platform and other business needs of the Highmark Health enterprise as well as unaffiliated health insurance plans by providing proven business processes, expert knowledge, and integrated cloud-based platforms. To learn more, visit <a href="https://www.highmarkhealth.org">www.highmarkhealth.org</a>.

## About Highmark Inc.

One of America's leading health insurance organizations and an independent licensee of the Blue Cross Blue Shield Association, Highmark Inc. (the Health Plan) and its affiliated health plans (collectively, the Health Plans) work passionately to deliver high-quality, accessible, understandable, and affordable experiences, outcomes, and solutions to customers. As the fourth-largest overall Blue Cross Blue Shield-affiliated organization, Highmark Inc. and its Blue-branded affiliates proudly cover the insurance needs of more than 5.6 million members in Pennsylvania, Delaware, and West Virginia. Its diversified businesses serve group customer and individual needs across the United States through dental insurance and other related businesses. For more information, visit www.highmark.com.

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