

Driving affordability in Alabama

Supporting Cigna Healthcare Medicare Advantage through creation of a city-wide independent physician association (IPA)

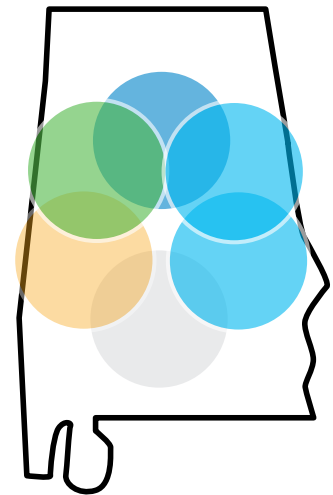
Why CareAllies?

- ▶ Existing management contract with six individual IPAs

Background

To reduce administrative costs and improve health plan performance, the six Birmingham-based IPAs enlisted the help of CareAllies to align them into one city-wide IPA.

- ▶ 25% of Alabama's Cigna Healthcare Medicare Advantage population is aligned to these six IPAs



Approach and Results

Aligning individual IPAs under one city-wide IPA

- ▶ Creates more accountability among IPA physicians

Improving contracting leverage

- ▶ Increases the IPA's referral power - giving them the weight of up to 450,000 potential referrals - so the city-wide IPA can be more selective of specialists



Administrative
Costs



Medical
Costs



Medicare STAR
Ratings



\$30 PMPM
Incentive
Opportunity