Your introduction guide

# Shared Savings Program and Partners in Progress

Under our Total Cost of Care (TCOC) model, we have two strategies to help manage costs for self-insured employers. The strategies help employers and hold providers accountable to quality standards using measurement models. Both incentive models are designed to hold funds until specified goals are met. Learn more about our programs below.

### Partners in progress

# Partners in Progress (PIP) is an incentive program for quality improvement.

PIP blends payment for quality and for process into market-based reimbursement rates for primary care providers, specialists, hospitals, retail pharmacies and physical therapy providers.

Our withhold arrangements are included in fee-for-service market rates. This means you pay the competitive negotiated rate for services as usual and we hold a portion of the provider payment until they've been evaluated and it's determined they've met their targets.

When goals are met, the provider receives the withheld portion of the payment. The amount is returned to the employer if the provider does not meet their target.

#### How it works

- You pay competitive market rates
- HealthPartners withholds part of the provider payment and tracks withhold pool amounts for you in an interest bearing account
- Providers that meet the approved goals earn back payments from the withhold pool
- Any unearned money left in the withhold pool is returned to you

## **Shared savings program**

Our Shared Savings Program rewards providers who meet Triple Aim goals - simultaneously improving the health of the population, the experience of the individual and the affordability measured by TCOC. Providers are accountable for reducing trend and improving patient outcomes in order to receive the bonus.

You'll pre-fund a bonus to providers by paying 2% on claims subject to this arrangement. When providers meet their targets and goals, typically employers and care providers each receive half of the savings, subject to a maximum.

#### How it works

- You pre-fund an additional 2% on claims as a bonus to providers
- Those funds are paid to providers who exceed results on cost trends while maintaining high quality results
- Your savings is recognized through lower claims and reduced cost trends
- Any unearned provider funds are returned to you in June with interest

#### **Total Cost of Care**

TCOC is an innovative method to measure and improve heath care affordability. The model mitigates cost of care increases by incenting care providers to deliver high-quality, affordable care.

