

INSIGHTS INTO

How Growth Translates to Better Care, Lower Costs for Highmark Customers



By **Deb Rice-Johnson**

Consumers expect health care to be simpler, more affordable and accessible. Organizations must make continual investments in technology and administrative services to help members manage and improve their health, and enhance their overall experience. Large, for-profit organizations and unconventional, tech-savvy competitors are also entering markets, putting additional pressure on non-profits that have served communities for generations.

In this healthcare landscape, status quo isn't an option. Organizations

must adapt and grow to succeed. That's why Highmark is executing on a multi-faceted growth strategy that positions us to deliver upon consumers' expectations now and in the future. Strategic affiliations, provider partnerships and joint ventures, and digital solutions fuel our growth.

Fueling our Living Health Model

Highmark is committed to creating a Living Health model, which builds a better system for our customers and clinicians through innovative solutions and collaborations to deliver them.

Growth is the engine of Living Health. Growth helps us to maintain our position as a national leader among Blue Cross Blue Shield health plans, strengthens our ability to shape care locally and invest in our Living Health model, and improves our cost competitiveness. That translates to better care, lower cost and greater access for our members and patients.

Delivering Innovation, Preserving Local Identity

A major proof point for our growth is our recent affiliation with HealthNow New York, which makes

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Highmark the primary licensee of the Blue Cross Blue Shield Association for HealthNow's western New York and northeastern New York service areas. Highmark and HealthNow have both proudly served generations of members, patients and broader communities. This affiliation is a major win for approximately 800,000 HealthNow members, local employers and New York residents. It links two mission-driven organizations that believe in the power of community-based care, and delivers Highmark's innovative insurance products and technological capabilities to new customers.

Highmark has a proud history of completing affiliations that maintain local identity and decision-making, while also unlocking new resources for local customers, employers, employees and the community at large. Over the past two decades, Highmark has affiliated with statewide Blue Cross Blue Shield plans in West Virginia and Delaware, and we merged with Blue Cross of Northeastern Pennsylvania. Local leaders who know their communities best play key roles in governance and day-to-day operations. We will honor that commitment with HealthNow as well.

Strengthening Community-Based Care

Provider collaborations are another crucial component of our growth. Highmark has developed a continuum of provider relationships, clinical joint ventures, and integrations that create community-based networks of primary and specialty care.

In western Pennsylvania, we made a more than \$1 billion investment in Allegheny Health Network (AHN) to create access points, preserve choice, and connect health insurance and care in new ways. Through the Highmark-AHN partnership, we test new value-based models for both health care delivery and reimbursement, refine them and roll them out more broadly in the marketplace with other anchor partners.

In central Pennsylvania, we're collaborating with Penn State Health for a more than \$1 billion



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joint investment to create new healthcare access points. This includes Penn State Health opening new local hospitals and clinics in the communities we serve. Together, we have created a Clinically Integrated Network of more than 100 community physicians to improve chronic disease prevention and management. We have also worked with with employers to develop health insurance solutions with lower costs through Penn State Health, and Highmark has invested \$25 million in the Penn State Health Cancer Institute. We're also working with with WellSpan Health in central Pennsylvania to improve care, engage clinicians and lower costs.

In collaboration with Lehigh Valley Health Network, we launched a health insurance product that has improved health outcomes and lowered costs. We also have a clinical joint venture with Geisinger that invests more than \$100 million to improve access to care for residents of northcentral Pennsylvania.

Scaling Digital Solutions

Highmark has developed and scaled industry-leading technology solutions. HM Health Solutions (HMHS), a Highmark Health company, delivers business solutions to health plan payers so they can run their organizations more efficiently in an ever-changing market. HMHS has partnered with 12 health plans serving 11 million members, offering a comprehensive platform that manages functions from sales through enrollment and billing, including claims, provider clinical management, and customer service.

Ultimately, our growth allows us to boost health care affordability and accessibility, better engage members and clinicians, and continue a legacy of community-oriented health care service. Our growth builds upon our proud, 80-plus year history, and helps us continue to create remarkable health experiences for more customers and communities for generations to come.