



Health Care

Independent hospital consortium reaches value-based care deal

By [Paul J. Gough](#)
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A Kentucky-based health insurer has struck the first value-based care contract for Bridges Health Partners, the consortium of four independent hospitals in western Pennsylvania.

Humana Inc. (NYSE: HUM) and Bridges began the agreement Jan. 1, 2019, for its Medicare Advantage members in western Pennsylvania. While specific local numbers weren't available, Humana has about 47,000 Medicare Advantage members in the state. [Value-based insurance contracts](#) seek to save adverse health effects and costs down the line by promoting among members both early tests and interventions like breast-cancer and colon-cancer screenings and adherence to medications.

Bridges is the clinically integrated network between St. Clair Hospital, Excelsa Health System, Washington Health System and Butler Health System. It's an accountable care organization (ACO) that offers value-based care for traditional Medicare patients, but the deal with Humana is the first time Bridges has reached a value-based agreement with a commercial insurer.

"We saw – and see - many synergies around the work in which both of our organizations are engaged, to improve health outcomes and to provide an enhanced patient experience," said [Joel Engleka](#), director of provider contracting at Humana.

That will allow Bridges and Humana to work together on the proactive management and centralized care coordination of the Humana Medicare Advantage members, said [John M. Grese](#), executive director of payor relations at Bridges. That includes proactive health screenings, a tailored plan for health for each patient, data analytics to help providers care for patients, and improving the care of chronic illness.

"For Humana, this agreement is important because we are collaborating with an organization laser-focused on providing value-based care in Southwest Pennsylvania, a key market for us as we look to improve health outcomes and provide an enhanced patient experience," Engleka said.

The value-based care model will help reduce serious, more expensive health problems further down the line. And it also moves away from the traditional fee-for-service arrangements for health care; reimbursements to providers are tied to health outcomes.

“The beauty of this is that we’ll be doing it with a local team that knows the resources in the community and the local health system,” said [Charles Vargo](#), who had been interim executive director of Bridges. Vargo said Bridges and its member hospitals believe strongly that the market is moving toward value-based care and that it will provide quality care for the Humana members.

Vargo and Grese said they hope that this value-based contract allows for other ones like it in the near future.