



Accountable Care Coalition of Southeast Texas Generates \$15.6 Million in Shared Savings over Two Years under Next Generation Accountable Care Organization Model

TAMPA, Fla., and HOUSTON (Jan. 10, 2020) – Collaborative Health Systems, a WellCare Health Plans, Inc. (NYSE: WCG) company, announced today that the more than 160 healthcare providers in the Accountable Care Coalition (ACC) of Southeast Texas, Inc. generated \$6.4 million in shared savings in the Next Generation Accountable Care Organization (ACO) Model during performance year 2018, according to figures released by the Centers for Medicare & Medicaid Services (CMS).

The ACC of Southeast Texas, which is in its third year in the Next Generation ACO Model, was one of 50 Next Generation ACO Model participants for 2018. This marks the second consecutive year the ACC of Southeast Texas generated shared savings for a total of \$15.6 million for performance years 2017 and 2018. Additionally, providers achieved an overall quality score of 96% in performance year 2018.

"We are extremely proud to have generated shared savings for our providers and the Medicare program for the second consecutive year," said Dr. Clive Fields, chair of the Accountable Care Coalition of Southeast Texas. "We continued to reduce unplanned hospitalizations and emergency room visits for our Medicare beneficiaries, which demonstrates our commitment to high-quality preventive care, such as influenza immunization, health screenings and chronic illness care coordination management. We are grateful the Next Generation ACO Model allows us to demonstrate how we can provide increasing value to the healthcare system and for our more than 17,000 Medicare Fee-For-Service beneficiaries."

"Congratulations to our partners at the Accountable Care Coalition of Southeast Texas for these impressive results," said Anthony Valdés, president of Collaborative Health Systems. "The ACO is demonstrating how physicians can thrive and remain independent by embracing value-based models. We look forward to our continued partnership as we work together to improve patient care, produce quality outcomes and generate continued shared savings."

The Next Generation ACO Model was designed under the CMS Innovation Center to test whether strong financial incentives for ACOs can improve health outcomes and reduce expenditures for Medicare Fee-For-Service (FFS) beneficiaries. Under the Model, groups of doctors and other healthcare providers come together voluntarily to provide coordinated, high-quality care at lower costs to their Medicare FFS beneficiaries. Provider groups in this Model assume higher levels of financial risk and reward than are available under the Medicare Shared Savings Program (MSSP). The Model engages beneficiaries in their care through benefit enhancements designed to improve the patient experience and rewards seeking appropriate care from providers and suppliers participating in ACOs.

About the Accountable Care Coalition of Southeast Texas, Inc.

The Accountable Care Coalition of Southeast Texas, Inc. is a Next Generation ACO focused on value-based healthcare. Our providers, who are located in Texas, are dedicated to improving the quality of healthcare and lowering the growth rate of healthcare costs. The Accountable Care Coalition of Southeast Texas has participated in the CMS Innovation Center's Next Generation ACO initiative under annual participation agreements with CMS since being selected as one of 18 participants for the first performance year in 2016. For more information, visit accofsetexas.com.

About Collaborative Health Systems

Collaborative Health Systems (CHS), a WellCare Company, is a management services organization that partners with independent primary care physicians as they move to value-based models. Its core belief is that primary care physicians are in the best position to influence the quality and cost of healthcare. CHS provides comprehensive support for its physician partners by providing management services, risk contracting, and population health capabilities, including actionable data and other tools, to deliver care coordination and closure of gaps in care. CHS provides additional services to secure and deliver favorable value-based contracts with commercial and other health plans. As of January 2020, CHS manages two Next Generation ACOs, nine MSSP ACOs, a Care Transformation Organization and three Independent Practice Associations. For more information, visit www.CollaborativeHealthSystems.com.

About WellCare Health Plans

Headquartered in Tampa, Fla., WellCare Health Plans, Inc. (NYSE: WCG) focuses primarily on providing government-sponsored managed care services to families, children, seniors and individuals with complex medical needs primarily through Medicaid, Medicare Advantage and Medicare Prescription Drug Plans, as well as individuals in the Health Insurance Marketplace. WellCare serves approximately 6.4 million members nationwide as of September 30, 2019. For more information about WellCare, please visit the company's website at <u>www.wellcare.com</u>.

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