Advancing Health Together: Progress Report

2023 Executive Summary



At Elevance Health, our purpose is to improve the health of humanity. Achieving this requires immense collaboration with stakeholders across the healthcare system.

By working together with care providers as truly active partners, we believe we can make healthcare better, simpler, and more affordable for the people and communities we mutually serve.

The Advancing Health Together report summarizes the meaningful, measurable progress that Elevance Health and its care provider partners achieved together in 2023. We're improving whole health one person at a time, going beyond contractual agreements to create a real impact together.

### 2023 Highlights



**33%** of total medical spend went toward shared-risk arrangements



**25% increase** in medication adherence for consumers with chronic conditions whose care providers are connected to our Health OS digital platform



**23% decrease** in average length of stay for skilled nursing facilities using our post-acute care provider portal

"There is more to health than traditional medical care. We have a responsibility to consider the broader view — to understand the many factors influencing each person's whole health, and to help them find the resources needed to live healthier lives."

— Dennis Murphy, President and CEO, Indiana University Health

## Committing to Whole Health [2]

It's only possible to improve whole health if we address all the factors that influence it — and 80% of those exist outside the doctor's office. That's why the healthcare industry must prioritize not only physical health, but also behavioral and social needs.

By addressing all these factors, we can work together to optimize health at the individual level and elevate marginalized communities to reduce health disparities — work that's imperative to improving the health of humanity.

Any work to support whole health must be anchored in advancing health equity — where everyone has a fair and equal opportunity to be as healthy as possible. With genuine collaboration, we can build a healthcare delivery system evolved to drive value, offer affordability, and result in better outcomes.

To advance whole health, we are working in active partnership with care providers by contracting for outcomes, collaborating for success, and connecting for health.



## Contracting for Outcomes [2]

Our commitment to driving more care through value-based arrangements — particularly those with shared risk — is fueled by data that shows it leads to:

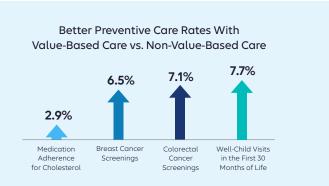
- Better and more equitable access to care and health outcomes.
- Increased patient and care provider satisfaction.
- More affordable care.

In 2023, 63% of our medical spend was through value-based payment arrangements, and 33% of spend was in shared-risk contracts — triple what it was in 2021. Participants in our value-based care models earned \$1 billion in additional payments in recognition of their participation and performance in 2023.



### Value-Based Care in Our Commercial Population

Through our value-based solutions, we and participating care providers have driven measurable improvements in the quality and affordability of care for our Commercial population. We see better scores on critical health indicators for our Commercial plan consumers whose care providers are in value-based care arrangements compared to those with care providers who aren't.



#### Value-Based Care in Our Medicare Population

For our affiliated Medicare Advantage health plan consumers, our data also shows significant differences. When care providers take on shared risk, results are even better in comparison to peers who don't see value-based care providers.

## Better Clinical Quality Scores for Care Providers in Value-Based Programs vs. Those Who Are Not











■ Difference Between Medicare Value-Based

■ Difference Between Medicare Shared-Risk-Value-Based Care Versus Non-Value-Based Care

#### Value-Based Care in Our Medicaid Population

When it comes to consumers enrolled in our Medicaidaffiliated health plans, care providers participating in our Provider Quality Incentive Program perform better in clinical quality measures than their nonparticipating peers.

## Evidence-Based Care Delivered More Consistently by Care Providers in Our Provider Quality Incentive Program



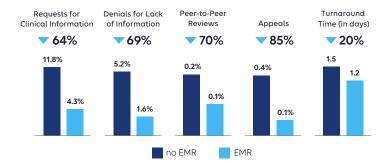
## Collaborating for Success [2]

Our goal is to become better business and clinical partners for care providers as they assume a greater role in advancing whole health through increasingly advanced value-based care models.

By exchanging data, aligning care management, and providing automated solutions — such as those for prior authorizations, roster updates, and claims processing — we create efficiencies for our care provider partners so they can focus more on the health of their patients, and, together, drive better outcomes.

We know this approach works. For example, the care providers with whom we share data via electronic medical records (EMR) access have experienced a significant decrease in administrative work compared to those whose EMR we cannot access.

Data sharing through our Health OS digital platform benefits 27.6 million consumers by streamlining administrative and clinical tasks for their doctors. Inpatient Reviews Comparing Facilities With EMR Access vs. Those Without EMR Access Calendar Year 2023



Along with exchanging information, we offer expertise and align payment to outcomes: In 2023, new mothers with care providers involved with both our Obstetrics Practice Consultants and our Obstetrics Quality Incentive Program experienced 20% fewer low-weight births among other impactful results.

## Connecting for Health [2]

When care providers have the data, clinical guidance, integrated capabilities, and social supports they need, they are better equipped to care for their patients. Through our subsidiary Carelon, care providers have access to a dynamic set of capabilities, services, and platforms to help them see every patient's big picture, from their health and medication histories to their behavioral, social, and pharmacy needs.

With a focus on continuing to expand and improve upon Carelon's offerings, in 2023, we acquired BioPlus Specialty Pharmacy to address the escalating cost of specialty drugs, scale our offerings, and improve the consumer and care provider experience. Already, BioPlus is promoting affordability for our consumers, reducing administrative burden for our care provider partners, and improving collaboration among all stakeholders.

# Specialty Pharmacy Enhancements



### 2-hour guarantee

on patient acceptance notifications from BioPlus



## 24-hour guarantee

on oncology prescriptions from BioPlus, from order to shipping



### 20x increase

planned for our specialty prescription capabilities

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Collaboration is key to building a healthier future. By working closely with our care provider partners, we are making a meaningful difference for those we serve.