



A Healthy Collaboration®



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UNIVERSAL AMERICAN ACOs LED BY PRIMARY CARE PHYSICIANS SAVED \$97 MILLION FOR MEDICARE PROGRAM AND GENERATED \$40 MILLION OF SHARED SAVINGS REVENUE

Continued Improvements in Quality and Cost of Healthcare

WHITE PLAINS, N.Y. – Collaborative Health Systems (CHS), a Universal American company (NYSE: UAM), announced today that 10 Accountable Care Organizations (ACOs) formed in partnership with primary care physicians earned \$40 million in shared savings as part of the Medicare Shared Savings Program (MSSP) for program year 2015. The amount of shared savings represents a 48% increase over last year. Revenue to CHS increased 37% to \$28.6 million.

Quality scores improved for all of our ACOs with start dates prior to 2015, indicating an improvement in healthcare management resulting from enhanced physician engagement. For example, 88% of our ACOs had an increase in primary care services utilization and visits to providers within 30-days of hospital discharge. 79% of our ACOs had a reduction in hospitalizations per thousand beneficiaries, comparing results for 2015 to the year before the ACOs' start date.

The 10 ACOs that qualified for shared savings payments for program year 2015 met quality standards and savings thresholds established by Medicare. In addition to the 10 ACOs that will receive shared savings, eight other ACOs achieved savings but did not exceed the minimum savings threshold in order to qualify for a shared savings payment. Together these 18 ACOs generated \$97 million in total savings for the Medicare program.

Richard A. Barasch, CEO of Universal American, commented; "Our core strength is partnering with primary care physicians to improve health outcomes while reducing costs in the Medicare population. Over the past 15 years, we have built a platform that combines efficient use of data and care

management protocols with the critical work of establishing trust with our physician partners. We now have more than 350,000 Medicare beneficiaries on this platform in Medicare Advantage, Medicare Shared Savings ACOs and Next Generation ACOs. The 2015 MSSP results further reflect the remarkable efforts of our physician partners as they move toward a system in which they are appropriately rewarded for positively impacting the quality and cost of healthcare for their Medicare patients. We are also gratified by the ongoing commitment of the Centers for Medicare & Medicaid Services (CMS) to the ACO program as shown by CMS' continued improvements to the program, including the introduction of the Next Generation ACO model."

Jeffery Spight, President of Collaborative Health Systems, noted the company's performance across the wide range of healthcare settings of its physician partners. "CHS ACOs represented 6% of the ACOs but generated 17% of the net savings to the Medicare program in 2015. The savings and quality of care results that our diverse ACOs have achieved this year is proof that the value-based program can work across many different care settings when physicians are given the tools to be successful. We are proud of the physicians in our ACOs who have taken on the challenge of value-based care because they know it's the right thing to do for their Medicare beneficiaries."

About Collaborative Health Systems

Collaborative Health Systems (CHS), a Universal American company (NYSE: UAM), is a management services organization that partners with primary care physicians as they move to value-based payment systems. Our 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 actionable data to help coordinate care and helping practices change behavior to meet the new quality requirements of the value-based payment system. CHS currently manages one Next Generation Model ACO, and 22 MSSP ACOs, with approximately 5,000 providers, mostly primary care physicians, covering 239,000 Medicare beneficiaries. For more information, visit <http://www.CollaborativeHealthSystems.com>.

About Universal American Corp.

Universal American (NYSE: UAM), through our family of healthcare companies, provides health benefits to people covered by Medicare. We are dedicated to working collaboratively with healthcare professionals, especially primary care physicians, in order to improve the health and well-being of those we serve and reduce healthcare costs. For more information on Universal American, please visit our website at www.UniversalAmerican.com.

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