



FOR IMMEDIATE RELEASE

\$9.1 MILLION IN SHARED SAVINGS IN THE NEXT GENERATION ACCOUNTABLE CARE ORGANIZATION MODEL

Achievement in Both Healthcare Quality and Medicare Savings

TAMPA, Fla., and HOUSTON (Jan. 22, 2019) – Collaborative Health Systems, a WellCare Health Plans, Inc. (NYSE: WCG) company, announced today the more than 160 healthcare providers in the Accountable Care Coalition of Southeast Texas, Inc. have generated \$9.1 million in shared savings in the Next Generation Accountable Care Organization (ACO) Model during performance year 2017, according to figures released by the Centers for Medicare & Medicaid Services (CMS).

The Accountable Care Coalition of Southeast Texas, Inc. was one of 44 Next Generation ACO Model participants for 2017. It was selected to be one of 18 ACOs in the first performance year of the program in 2016 and is one of 51 participants in the 2018 performance year.

Providers in the Accountable Care Coalition of Southeast Texas also achieved an overall quality score of 97.47 percent.

Next Generation Model ACOs are groups of doctors, hospitals and other healthcare providers who come together voluntarily to provide coordinated high-quality care to their Medicare beneficiaries, while avoiding unnecessary duplication of services and preventing medical errors. When an ACO exceeds quality and financial thresholds – demonstrating achievement of high-quality care and wiser spending of healthcare dollars – it is able to share in the savings generated for Medicare.

"We are extremely proud to have generated shared savings for our providers and the Medicare program in our second year of operation," said Clive Fields, M.D., chair, the Accountable Care Coalition of Southeast Texas, Inc. "Medicare beneficiaries in our Next Generation ACO had fewer hospitalizations and emergency room visits, which demonstrated our commitment to high-quality preventive care, such as influenza immunization and chronic illness care coordination management. We are grateful the Next Generation ACO initiative 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."

"The outstanding performance of the Accountable Care Coalition of Southeast Texas, Inc. this year, in their second year in the Next Generation ACO initiative demonstrates how physicians can thrive and retain their independence while embracing new value-based payment models that prioritize quality," said Anthony Valdés, president of Collaborative Health Systems. "Collaborative Health Systems looks forward to continuing to assist our provider partners with taking on progressively higher levels of risk while deepening patient relationships, maintaining high-quality care and lowering costs."

The Center for Medicare and Medicaid Innovation's (CMS Innovation Center's) Next Generation ACO Model was designed to test whether strong financial incentives for ACOs can improve health outcomes and reduce expenditures for Medicare fee-for-service 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.

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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 health care and lowering the growth rate of health care costs. The Accountable Care Coalition of Southeast Texas participates in the CMS Innovation Center's Next Generation ACO initiative under a participation agreement with CMS. 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 primary care physicians as they move to value-based payment systems. 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 2019, CHS manages two Next Generation ACOs and ten MSSP ACOs, covering over 125,000 Medicare beneficiaries. In addition, CHS partners with physician groups that have come together to form Independent Physician Associations (IPAs). 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 5.5 million members nationwide as of September 30, 2018. For more information about WellCare, please visit the company's website at www.wellcare.com.

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References: https://innovation.cms.gov/initiatives/Next-Generation-ACO-Model/