

UAMS News Bureau

Office of Communications & Marketing
4301 West Markham # 890
Little Rock, AR 72205-7199

uamshealth.com/news



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Media Contacts:

Leslie W. Taylor, 501-686-8998
Wireless phone: 501-951-7260
leslie@uams.edu

Liz Caldwell, 501-686-8995
Wireless phone: 501-350-4364
liz@uams.edu

UAMS Study Finds Savings in Arkansas Blue Cross and Blue Shield Value-Based Primary Care Programs

Reductions also seen in inpatient stays and emergency department visits

LITTLE ROCK — Overall health care costs decreased for patients at clinics participating in Arkansas Blue Cross and Shield value-based primary care programs, according to a study by the University of Arkansas for Medical Sciences (UAMS). The study also found reductions in inpatient stays and use of emergency departments.

The insurance company partnered with researchers at the UAMS Fay W. Boozman College of Public Health to examine changes in health care spending from 2011-2018 among clinics participating in one of three programs — the federal Comprehensive Primary Care (CPC) Classic program, the Arkansas Blue Cross patient-centered medical home (PCMH) program, and the federal Comprehensive Primary Care Plus program (CPC+).

In the value-based programs, providers are paid a monthly per-patient care management fee, which is used by practices to coordinate primary care, which may reduce hospitalizations and emergency room care. These methods included activities such as follow-up calls by a nurse manager to help the patient stay on a treatment plan and using information technology to coordinate care received at different treatment sites.

As reported in the Milbank Memorial Fund issue brief, results showed the average cost decreased by about \$30 per patient per quarter for the CPC Classic and Arkansas Blue Cross PCMH programs, compared to practices that did not participate. Savings suggest a 2:1 return on investment, showing that for each dollar spent on care management fees resulted in a \$2 savings in beneficiary spending.

“The PCMH and CPC programs are very important for individual health and population health in Arkansas,” said Clare Brown, Ph.D., M.P.H., assistant professor and project lead from the College of Public Health. “The primary goals of these programs are to improve access to care and quality of care, and our study found savings in total patient spending as well.”

Researchers looked at the changes in spending and utilization outcomes of the program compared to outcomes in practices that were not in one of the programs. They also looked at the estimated return on investment for each of the programs overall and for each of the program years individually.

“For more than 10 years, Arkansas Blue Cross and Blue Shield has invested in programs that focus on the quality of primary care and use innovative ways to engage patients, and this study shows that the PCMH, CPC and CPC+ programs are worth it,” said Alicia Berkemeyer, senior vice president of Provider Network Services for Arkansas Blue Cross. “Patients in these clinics have good relationships with their primary care physicians. They understand and know what their condition is. They are involved in making decisions about their health care because a patient-centered medical home builds a supportive health care team that puts the patient at the center.”

Reductions in acute inpatient stays and emergency department use are likely the reasons for the savings. Savings were greater for participating practices in later years for each of the programs, which also suggests the return on investment could increase over time. “I feel very fortunate to be able to work on this evaluation with the Blue Cross and Blue Shield team,” Brown said. “I appreciate being able to work with a health insurer in the private industry that puts such an emphasis on quality of health care delivery and on implementing and testing initiatives that focus on primary care and population health.”

Co-author on the brief was Mick Tilford, Ph.D., chair of the Health Policy and Management Department in the College of Public Health. Contributors include Alicia Berkemeyer, senior vice president for provider network services; Victor Davis, vice president for actuarial services and chief actuary; and Adam Whitlock, manager of primary care, all with Arkansas Blue Cross and Blue Shield.

To read the full issue brief, visit: <https://www.milbank.org/publications/value-based-primary-care-insights-from-a-commercial-insurer-in-arkansas/>

Founded in 1948, Arkansas Blue Cross and Blue Shield, an independent licensee of the Blue Cross and Blue Shield Association, is the largest health insurer in Arkansas. Arkansas Blue Cross and its affiliates have more than 3,000 employees. The Blue Cross and Blue Shield Association is comprised of 36 independent, community-based and locally operated Blue Cross and Blue Shield Plans that collectively provide healthcare coverage for nearly 106 million members – one in three Americans.

UAMS is the state’s only health sciences university, with colleges of Medicine, Nursing, Pharmacy, Health Professions and Public Health; a graduate school; hospital; a main campus in Little Rock; a Northwest Arkansas regional campus in Fayetteville; a statewide network of regional campuses; and seven institutes: the Winthrop P. Rockefeller Cancer Institute, Jackson T. Stephens Spine & Neurosciences Institute, Harvey & Bernice Jones Eye Institute, Psychiatric Research Institute, Donald W. Reynolds Institute on Aging, Translational Research Institute and Institute for Digital Health & Innovation. UAMS includes UAMS Health, a statewide health system that encompasses all of UAMS’ clinical enterprise including its hospital, regional clinics and clinics it operates or staffs in cooperation with other providers. UAMS is the only adult Level 1 trauma center in the state. *U.S. News & World Report* named UAMS Medical Center the state’s Best Hospital; ranked its ear, nose and throat program among the top 50 nationwide; and named six areas as high performing — cancer, colon cancer surgery, heart failure, hip replacement, knee replacement and lung cancer surgery. UAMS has 2,727 students, 870 medical residents and five dental residents. It is the state’s largest

public employer with more than 10,000 employees, including 1,200 physicians who provide care to patients at UAMS, its regional campuses, Arkansas Children's Hospital, the VA Medical Center and Baptist Health. Visit www.uams.edu or www.uamshealth.com. Find us on [Facebook](#), [Twitter](#), [YouTube](#) or [Instagram](#).

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