



# Practice Extend

## Your bottom line may be at risk

Independent primary care physician (PCP) practices that are not employed by a large hospital or health system can represent up to 50%<sup>1</sup> of a health plan’s membership and spend. Yet health plans often struggle to engage these providers in value-based outcome programs to help improve quality of care and reduce total cost of care.

At the same time, acquisitions of small- to medium-size independent PCP practices by large health systems are up 38%<sup>2</sup> since 2019, as these independent PCPs seek the investment needed to maintain operations. As the frequency of these independent PCP practice acquisitions continues to increase, it puts a health plan’s bottom line at risk, with each acquisition potentially increasing a health plan’s medical expenses up to 20%.<sup>3</sup>

Health plans can support their independent PCPs by offering financial incentives and resources to support outcomes-based goals and improve patient care. This can help drive total cost of care reductions and improve overall quality. The result is better financial opportunities for independent PCPs, enabling them to remain independent. The challenge, however, is to accomplish these objectives when the health plan has limited attribution around which to engage the independent PCPs.

### A comprehensive, multi-faceted program

Optum® Practice Extend is a comprehensive program that enables health plans to engage independent PCP practices with low-panel densities. Our proven program is not only uniquely able to engage the most difficult-to-reach providers but also drives return on investment (ROI).<sup>4</sup> It enables independent PCPs to drive outcomes, grow revenue and remain independent.



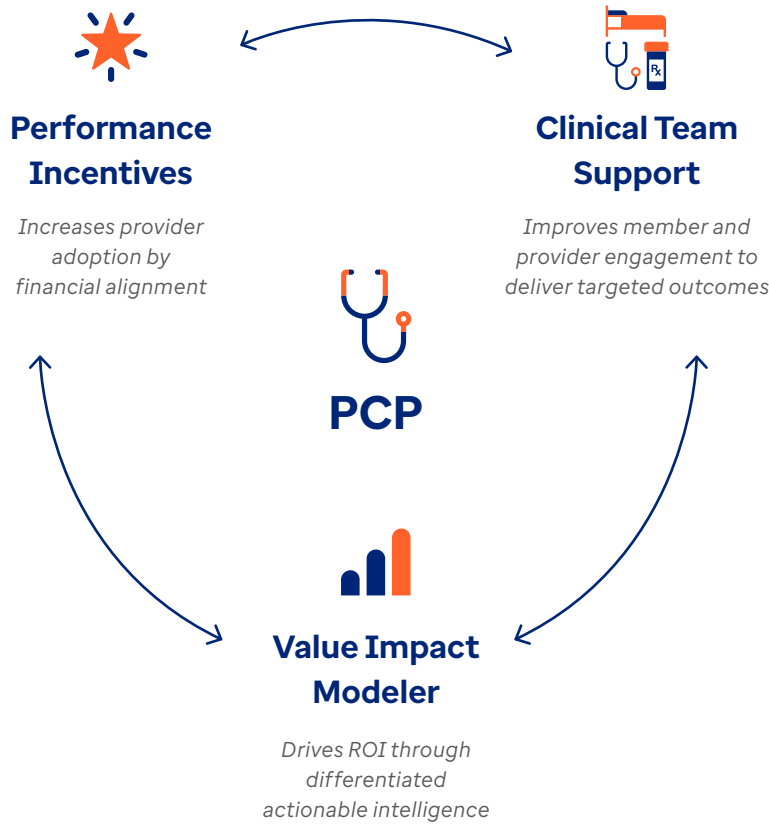
Is your health plan prepared to absorb the continued expense impact of independent provider acquisitions, or are you ready to move independent providers up the risk continuum?



# Up to 20%

Rise in health plan costs with each independent provider acquisition<sup>3</sup>

Practice Extend enables VBC success for independent PCPs by addressing critical barriers to adoption – lack of insight, lack of incentives, and lack of time and resources.



## An effective solution needs a multi-faceted approach

Health plans need to help independent PCPs by creating a path to financial sustainability through value-based programs, with support to improve clinical outcomes that minimally impact the providers' time and resources.

For health plans that want to help their independent PCPs stay independent while driving improved clinical and financial outcomes, you may be thinking about how to:

- **Design and manage network incentives** for independent PCPs who don't have a significant panel penetration with your health plan membership
- **Simplify value program support** and tools to be impactful and fit within practice workflows to drive outcomes and optimize the cost of care
- **Deliver meaningful, near real-time performance insights** that identify and prioritize next actions and implement outcome improvement plans
- **Create an incremental plan** to support your independent PCPs to gradually take on increased risk



**Performance Incentives** facilitates a path to value-based care arrangements

- Aligns incentive structure
- Offers activity-based to outcomes-based incentives
- Moves independent PCPs up the risk continuum gradually



**Clinical Team Support** provides independent PCP practices with an interdisciplinary care team to drive outcomes

- Team augments PCP staff to support members with appointment scheduling related to care transitions and referral management
- Provides information to support PCPs making better care decisions



**Value Impact Modeler** aligns technology and near real-time analytics to help identify and prioritize next actions

- Analyzes financial, clinical and quality metrics against VBC terms
- Identifies performance improvement opportunities
- Creates high-impact action plans

## A differentiated approach for providers

Our offering is distinct from typical aggregator solutions and accountable care organizations that are generally provider organizations or companies working with providers to take risk from health plans. Practice Extend offers provider engagement as a service performed on behalf of health plans, helping them reach independent PCPs most difficult to engage. Following are some of the many differentiators that contribute to program success:

- Collaborate with health plan on program and solution design to address issues that are most important
- Leverage existing client investment in Optum technology while integrating easily with existing health plan partners, such as behavioral health vendors, social determinants of health vendors and more
- Offer comprehensive population support, addressing all lines of business and all members attributed to supported independent PCPs

## Delivering results

Our comprehensive program is uniquely able to engage the most difficult-to-reach independent PCPs on behalf of health plans. The program is designed to increase results across the triple aim of health care: lower costs, better outcomes, and high patient and provider satisfaction. Practice Extend delivers a proven track record of results, including a 4.1:1 ROI<sup>4</sup> on clinical and financial outcomes while delivering an NPS of 67<sup>4</sup> across participating providers. Additionally, Performance Incentives can deliver these results while holding risk on behalf of the health plan. As the independent PCP develops capabilities, they have the ability transition along the risk continuum and deliver higher-quality care.

## The power of Optum maximizes value for all

Optum is uniquely positioned in the market with well-established relationships across both the health plan and provider spectrums. We can seamlessly integrate our infrastructure, expertise and investment capabilities to offer a total performance management solution building upon our existing relationships with over 70K provider groups nationwide.

**Learn more how you can support independent PCPs in their journey toward value-based care. Contact Optum today:**



empower@optum.com



optum.com

# Optum

optum.com

Optum is a registered trademark of Optum, Inc. in the U.S. and other jurisdictions. All other brand or product names are the property of their respective owners. Because we are continuously improving our products and services, Optum reserves the right to change specifications without prior notice. Optum is an equal opportunity employer.

© 2024 Optum, Inc. All rights reserved. WF132170059 03/24



## Delivering results

# 78%

completion rate on targeted patient interventions

# 4.1:1

ROI on clinical and financial outcomes

# 67

Net Promoter Score<sup>SM</sup> (NPS) from participating providers

1. PRP: Recent Changes in Physician Practice Arrangements: Private Practice Dropped to Less Than 50 percent of Physicians in 2020 (ama-assn.org).
2. [Physician Advocacy Institute Report, April 2022.](#)
3. [Private equity-owned physician groups linked to higher spending in study | Healthcare Dive.](#)
4. Not a guarantee of future performance. Your results may vary.

\* Net Promoter<sup>®</sup>, NPS<sup>®</sup>, NPS Prism<sup>®</sup>, and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., Satmetrix Systems, Inc., and Fred Reichheld. Net Promoter Score<sup>SM</sup> and Net Promoter System<sup>SM</sup> are service marks of Bain & Company, Inc., Satmetrix Systems, Inc., and Fred Reichheld.