Blue Cross Blue Shield of Massachusetts CEO Andrew Dreyfus to Join President Obama and Secretary Burwell at White House to Kick Off the Health Care Payment Learning and Action Network

BOSTON — **March 25, 2015** — Blue Cross Blue Shield of Massachusetts President and CEO Andrew Dreyfus will join President Obama and Health and Human Services (HHS) Secretary Sylvia M.Burwell at the kick-off meeting of a new initiative aimed at spreading payment reform and delivery system change throughout the country. The Administration's new Health Care Payment Learning and Action Network, launched today, is a key part of the Administration's historic <u>announcement</u> in January of measurable goals and a timeline for Medicare payment reform.

"Massachusetts, in many ways, is a preview to the realized goal of what broad adoption of payment reform in a market can do," said Andrew Dreyfus, President and CEO of Blue Cross Blue Shield of Massachusetts. "We are honored that our tried and tested model, the Alternative Quality Contract which has improved the quality of our members care and slowed spending growth, can help inform and advance payment and delivery system reform nationwide. We look forward to collaborating with the Administration and health care stakeholders across the country as we move towards payments that reward quality and value."

Our Commitment to Payment Reform

At Blue Cross Blue Shield of Massachusetts, we continue to believe that the most promising way to both improve patient care and lower costs is by changing the way we pay for health care to reward value over quantity. Today, approximately 700,000 of our members are receiving care from physicians in an Alternative Quality Contract (AQC); this represents nearly half of our Massachusetts membership. Under the AQC providers are accountable for the quality and total cost of care for their patient population. As numerous studies have demonstrated, including the most recent article published in the *New England Journal of Medicine* in October 2014, this model which we started in 2009, has led to dramatic improvements in the quality of care and slower spending growth. Given the AQC's success, we recently announced the expansion of our payment reform efforts to our PPO members.

The Health Care Payment and Learning Action Network

Through the Learning and Action Network, HHS will work with private payers, employers, consumers, providers, states and state Medicaid programs, and other partners to expand alternative payment models that reward quality and value. HHS has set a goal of tying 30 percent of traditional, or fee-for-service, Medicare payments to quality or value through alternative payment models, such as Accountable Care Organizations (ACOs) or bundled payment arrangements by the end of 2016, and tying 50 percent of payments to these models by the end of 2018. This is the first time in the history of the Medicare program that HHS has set explicit goals for alternative payment models and value-based payments.

Read a fact sheet about the goals and Learning and Action Network here.

LIVESTREAM: Video of the event will be broadcast at: WhiteHouse.gov/live.

About Blue Cross Blue Shield of Massachusetts

Blue Cross Blue Shield of Massachusetts (www.bluecrossma.com) is a community-focused, tax-paying, not-for-profit health plan headquartered in Boston. We are the trusted health plan for more than 30,000 Massachusetts employers and are committed to working with others in a spirit of shared responsibility to make quality health care affordable. Consistent with our corporate promise to always put our 2.8 million members first, we are rated among the nation's best health plans for member satisfaction and quality. Connect with us on Facebook, Twitter, YouTube and LinkedIn.

For further information: CONTACT: Sharon Torgerson 617-246-2357 sharon.torgerson@bcbsma.com

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