

FACT SHEET: AMERIHEALTH CARITAS

Background:

More than half of all Medicaid beneficiaries nationally receive most or all of their care from risk-based managed care organizations (MCOs) that contract with state Medicaid programs to deliver comprehensive Medicaid services to enrollees. Although not all state Medicaid programs contract with MCOs, a large and growing majority do, and states are also rapidly expanding their use of MCOs to reach larger geographic areas, serve more medically complex beneficiaries, deliver long-term services and supports, and, in states that have expanded Medicaid under the Affordable Care Act (ACA), to serve millions of newly eligible low-income adults.

Total Medicaid MCO spending in the US (FY2014) was \$162B, which comprised 34% of total Medicaid spending.¹

AmeriHealth Caritas:

1. [AmeriHealth Caritas](#) (AmeriHealth) was formed in the early 1980s when the staff at Misericordia Hospital, noticed that many of its Medicaid patients were using the emergency room for their primary care. One of AmeriHealth's central values is that ED use is a very expensive and inefficient way to receive medical care.²
2. AmeriHealth is now part of the Independence Health Group in partnership with Blue Cross Blue Shield of Michigan. AmeriHealth is one of the nation's leaders in health care solutions for those most in need. Operating in 19 states and the District of Columbia (9 of which have Medicaid plans), AmeriHealth serves more than 5.3 million Medicaid, Medicare and CHIP members through its integrated managed care products, pharmaceutical benefit management and specialty pharmacy services, behavioral health services, and other administrative services. Headquartered in Philadelphia, AmeriHealth is a mission-driven organization with more than 30 years of experience serving low-income and chronically ill populations.
3. AmeriHealth has received MCO contract awards for Medicaid Managed Care or Duals-Demonstrations in Iowa, D.C., Louisiana, South Carolina, and Nebraska.
4. AmeriHealth is currently in HealthChoices for PA, and out of the 2,192,275 statewide HealthChoices enrollment, AmeriHealth has 179,506 (8%) of the total market share (35% in the Lehigh/Capital region; 27% in the Northeast region; and 11% in the Northwest region.³

¹ <http://kff.org/other/state-indicator/total-medicaid-mco-spending/>

² <http://amerihealthcaritaspa.com/about/history.aspx>

³ http://www.dhs.pa.gov/cs/groups/webcontent/documents/document/c_223392.pdf

5. For the 2017-2019 contract year, AmeriHealth's contract was renewed for HealthChoices for all 5 regions (SE, L/C, SW, NW, and NE.)⁴
6. AmeriHealth experienced a 4.7% increase in enrollments for their HMO in PA for Q4/FY2015.⁵
7. Independence Blue Cross, in their 2015 annual report, announced \$13.8B in revenue, \$7M in assets, and \$4.3M in liabilities. Independence Blue Cross' profitability margin in 2015 was -0.4%. They claim this is due to prices of medical services increasing and the amount spent on specialty and high-cost prescription drugs. Independence Blue Cross is the largest health insurer in Philadelphia.⁶
8. In AmeriHealth's External Quality Review (EQR) in HealthChoices, satisfaction with the health plan is 81.16% and satisfaction with healthcare as a whole was 75.82%, both figures having increased in recent years.⁷
9. In PA's focused Program Integrity review, AmeriHealth's Medicaid expenditures for FY12-14 were \$2.2B. In 2010-2014, AmeriHealth had 39 fraud, waste, and abuse referrals from the state. AmeriHealth reported overpayment and recoveries of \$109.5M and \$332M in the last four FFYs.⁸
10. In 2015/16, AmeriHealth received the Multicultural Health Care Distinction by NCQA and had an overall NCQA rating of 4.0. Other NCQA measures include: 3.5 for consumer satisfaction, 4.0 for prevention, and 3.5 for treatment. One of AmeriHealth's lowest NCQA ratings is for coordination of care at 2.0. One of AmeriHealth's highest NCQA scores (5.0) is for customer service.⁹
11. Jim Cushing, ED of Iowa Association for Area Agencies on Aging (i4a), reported that AmeriHealth uses a decentralized care management model and contracts all services to local community-based organizations. Contracted care managers have complete access to their IT system.
12. In Iowa, for the continuity of care period and post-go-live implementation, payments followed the 15 minute unit, FFS model. The move to a value-based model is expected any time.
13. AmeriHealth Caritas uses the [Jiva](#) population health management system to hold assessments and care plans, authorizations, and readmission updates. Jiva uses, "multi-channel" communication, outside of phone calls, to update patients, care team members, and other important members in a patient's care. ZeOmega, where the Jiva platform lives, is not a licensed inter-RAI vendor.¹⁰
14. The Bradford, Sullivan, Susquehanna, and Tioga (B/S/S/T) AAA in NEPA expressed that AmeriHealth is interested in contracting with local providers for LTSS. The Warren/Forest AAA in NWPA reported that AmeriHealth said that AAAs can decide to contract with them individually or as an association

⁴ http://www.media.pa.gov/Pages/DHS_details.aspx?newsid=203

⁵ <http://www.health.pa.gov/facilities/Laws%20and%20Regulations/Managed-Care/Documents/MCR/4Q15.pdf>

⁶ <https://www.ibx.com/htdocs/custom/annualreport/index.html>

⁷ http://www.dhs.pa.gov/cs/groups/webcontent/documents/report/p_011620.pdf

⁸ <https://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/FraudAbuseforProfs/Downloads/PAfy15.pdf>

⁹ <http://healthinsuranceratings.ncqa.org/2015/HprPlanDetails.aspx?id=267>

¹⁰ <http://www.interrai.org/licensed-software-vendors.html>

of providers. Active Aging Inc., in NWPA, reported that AmeriHealth meets payment obligations on time, does not have excessive unpaid claims, and are responsive to provider requests.