



PopHealthCare® Small Group and Individual Risk Adjustment Coverage Adds 300,000 Members

FOR IMMEDIATE RELEASE

NASHVILLE, Tenn. (July 21, 2015) - PopHealthCare®, a leading innovator in prospective and retrospective risk adjustment services, health care analytics, quality improvement, and field-based high-risk population care delivery, announced today that they have added 300,000 members in their commercial small group and individual (SG&I) risk adjustment portfolio. The SG&I population is offered coverage through health plans and the health insurance marketplace and is subject to risk adjustment as part of the Patient Protection and Affordable Care Act (PPACA).

"Historically these services have focused predominantly in the Medicare Advantage markets, but with the statutory changes under the PPACA, the complexities of risk adjusted payment methodologies has been introduced to the SG&I markets as well," said Robert Carroll, Chief Operations Officer at PopHealthCare. "To accurately predict financial performance in this new risk-adjustment environment, health plans require predictive data analytics and accurate coding and documentation to circumvent the large degree of uncertainty while maintaining positive ROI."

To share the financial risk and help stabilize premiums between health insurance issuers that cover higher-cost and higher-risk population, the PPACA established a transitional reinsurance program and a permanent risk adjustment program. Results of these programs were released by CMS on June 30, 2015 in the report **Transitional Reinsurance Payments and Permanent Risk Adjustment Transfers for the 2014 Benefit Year** which used data submitted as part of the first full year of the PPACA. According to this report, both the risk adjustment methodology and the transitional reinsurance program are working as intended. The Transitional Reinsurance Program is providing protection to issuers with exceptionally high costs, and the Permanent Risk Adjustment Program is compensating issuers that enrolled higher risk individuals and is protecting against adverse selection within a market within a state.

Although CMS announced that programs are working as intended, some of the major health plans issuing marketplace plans have reported unplanned results – a significant disparity in reimbursement under CMS' reinsurance program as compared to their estimates.

"A discrepancy in reimbursement is problematic not only for investors but for the members and better health outcomes," said Carroll. "We're very excited to be a vendor of choice for plans offering this coverage and to work with health plans on and off the exchange to create flexible, customized risk adjustment and high-risk population care delivery solutions that provide accurate revenue, improved quality scores and reduced medical costs."

About PopHealthCare: PopHealthCare offers groundbreaking programs in high risk population management that drive rapid, large, and demonstrable improvements in member quality of life and satisfaction, while helping its partnering health organizations realize appropriately enhanced revenues, enhanced quality scores, and reduced medical costs. With decades of experience, PopHealthCare is led by a team of long-standing leaders in health care analytics, field-based high-risk population care delivery, and both prospective and retrospective risk adjustment services. PopHealthCare has designed its high impact services to meet the needs of local, regional and national health plans and provider organizations and currently partners with over 30 health plans across the U.S. and in Puerto Rico.

To learn more, please visit us at PopHealthCare.com and watch for more exciting news from us soon!

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