



Humana Announces Two Milestones in Value-Based Orthopedic Specialty Care, Launching Bundled Payment Model for Spinal Fusion Surgeries, and Expanding Total Joint Replacement Program

Designed to Benefit Humana Medicare Advantage Members

LOUISVILLE, Ky. — March 12, 2019 — Leading health and well-being company [Humana Inc.](#) (NYSE: HUM) is announcing two key milestones as it expands value-based orthopedic specialty care for Humana Medicare Advantage members, launching a bundled payment model for spinal fusion surgeries, and broadening the reach of its Total Joint Replacement Episode-Based Model for total hip or knee joint replacement procedures.

Humana Launches Spinal Fusion Episode-Based Model, Announces First Program Participants

Humana is teaming up with orthopedic and neurosurgery practices to launch a value-based care bundled payment initiative designed specifically to provide coordinated care for Humana Medicare Advantage members undergoing spinal fusion surgery.

The Spinal Fusion Episode-Based Model (EBM) offers the opportunity for additional payment to physicians and clinicians for improved health outcomes and cost across a member's entire spinal surgery episode-of-care. Improvement is measured based on three clinical indication rates – readmissions, cervical complications, and lumbar complications – as well as by average risk-adjusted episodic cost-of-care.

The program's inaugural participants are [Fort Wayne Orthopedics](#) and [Ortho NorthEast](#) (Indiana), [Mayfield Brain & Spine](#) (Ohio), and [OrthoVirginia](#) (Virginia).

“We’re excited to focus on spinal fusion surgery with our newest orthopedic episode-of-care model,” said Oraida Roman, Vice President of Humana’s Value-Based Strategies Organization. “This program is a logical ‘next step’ for us in value-based care, considering the prevalence of spine surgeries and, therefore, the need for a coordinated, quality patient experience. We’re deeply committed to sharing our knowledge and experience with participating providers, as we have a mutual dedication to improving clinical outcomes and lowering the cost of spinal care.”

Humana Expands Availability of Total Joint Replacement Episode-Based Model

Humana also is announcing the expansion of its first orthopedic bundled payment program, the Total Joint Replacement Episode-Based Model for Humana Medicare Advantage members undergoing total hip or knee joint replacement procedures.

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Through eight additional agreements with orthopedic specialty groups across the nation, the program now is offered at more than 60 medical practices in 19 states, including, for the first time, in Michigan. Humana's newest agreements are with [Southern Bone and Joint Specialists](#) (Alabama); [Florida Orthopaedic Institute](#) and [Watson Clinic LLP](#) (Florida); [Louisiana Orthopaedic Specialists](#) (Louisiana); [Michigan Orthopaedic Surgeons](#) (Michigan); [Signature Medical Group](#)'s Kansas City-area practices (Missouri); [MSK Group, P.C.](#) and [Tennessee Orthopaedic Alliance \(TOA\)](#) (Tennessee); [Orthopedic Associates of Central Texas](#), Rio Grande Orthopedic Center, and [The Orthopaedic Center of Corpus Christi](#) (Texas).

[Initially launched in 2016](#), the Total Joint Replacement Episode-Based Model has expanded each year since then. The program is designed to improve quality, outcomes, and cost across a member's entire joint replacement episode of care, and it offers the opportunity for additional payment for better outcomes.

"We're pleased to support additional orthopedic practices with robust data and analytics regarding total joint replacement procedures," said Roman. "Our mutual goal is to reduce readmissions and complication rates through a program designed to offer a coordinated patient experience, from diagnosis to recovery."

Humana's Longstanding Commitment to Value-Based Care

Humana's Total Joint Replacement and Spinal Fusion episode-based models are two of the company's three specialty-care bundled payment models. The third is its [Maternity Episode-Based Model](#), launched in 2018 for Humana commercial members with low-to-moderate-risk pregnancies.

The programs are in keeping with Humana's longstanding commitment to value-based care, which emphasizes:

- More personal time with health professionals and personalized care that is tailored to each person's unique health situation;
- Access to proactive health screenings and programs that are focused on preventing illness;
- Improved care for people living with chronic conditions with a focus on avoiding health complications;
- Leveraging technologies, such as data analytics, that connect physicians and help them work as a team to coordinate care around the patient; and
- Reimbursement to physicians linked to the health outcomes of their patients rather than based solely on the quantity of services they provide (fee-for-service).

Humana has an extensive and growing value-based care presence. As of Dec. 31, 2018, Humana has more than two million individual Medicare Advantage members and approximately 115,000 commercial members who are cared for by more than 53,000 primary care physicians in more than 1,000 value-based relationships across 43 states and Puerto Rico. Humana's total Medicare Advantage membership is approximately 3.6 million members, which includes members affiliated with providers in value-based and standard Medicare Advantage settings. For more information, visit humana.com/provider/support/vbc.

About Humana

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Humana Inc. is committed to helping our millions of medical and specialty members achieve their best health. Our successful history in care delivery and health plan administration is helping us create a new kind of integrated care with the power to improve health and well-being and lower costs. Our efforts are leading to a better quality of life for people with Medicare, families, individuals, military service personnel, and communities at large.

To accomplish that, we support physicians and other health care professionals as they work to deliver the right care in the right place for their patients, our members. Our range of clinical capabilities, resources and tools – such as in-home care, behavioral health, pharmacy services, data analytics and wellness solutions – combine to produce a simplified experience that makes health care easier to navigate and more effective.

More information regarding Humana is available to investors via the Investor Relations page of the company's web site at www.humana.com, including copies of:

- Annual reports to stockholders
- Securities and Exchange Commission filings
- Most recent investor conference presentations
- Quarterly earnings news releases and conference calls
- Calendar of events
- Corporate Governance information

Additional Information

Humana is a Medicare Advantage HMO and PPO organization with a Medicare contract. Enrollment in a Humana plan depends on contract renewal.

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