agilon health

Improving Outcomes for Medicare Patients With Diabetes: agilon health's Total Care Model

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Contents

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Benjamin Kornitzer, MD; Heidi Hittner, MPT; Renee Henderson, MS; Jack Rowe, MD MPH; Lauren Polt, MA; Karthik Rao, MD; Deborah Peikes, PhD, MPA

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Introduction

An estimated 85% of older adults have a chronic disease.[1] Chronic diseases are the leading cause of death and disability in the U.S.,[2] and account for 90% of the $4.3 trillion annual national health care expenditures.[3, 4]

agilon health (agilon) partners with primary care physicians (PCPs) to deliver a promising new model of primary care that can improve patient outcomes by preventing, delaying, and mitigating complications of chronic disease.

This research paper describes the agilon Total Care Model (agilon model) and examines its effects on Medicare Advantage (MA) patients, focusing on one highly prevalent, costly, and preventable chronic illness—diabetes. Results for patients with diabetes demonstrate:

1. **Better quality of care** for patients in the agilon model compared with both all MA and Medicare Fee-For-Service (FFS) patients;
2. **Lower cost and acute service use** for patients in the agilon model with consistent hemoglobin A1c (HbA1c ≤9%) control versus patients who are not controlled; and
3. **Enhanced equity in access to care and outcomes** for patients in the agilon model who live in medically underserved areas.

Summary of agilon's Performance for Medicare Advantage Patients With Diabetes in 2021

1. Better quality of care compared to Medicare Advantage and Medicare FFS:
A. Hemoglobin A1c control (HbA1c≤9%)

2.1x better rate of improvement than all MA from 2020 to 2021

9 percentage points better than all MA

3.8x better rate of improvement from 2020 to 2021 than advanced practices in the FFS Comprehensive Primary Care Plus (CPC+) model

88th percentile of Shared Savings Program accountable care organization benchmark

9th decile of Merit-Based Incentive Payment System (MIPS) benchmark in FFS

B. Eye exams

3.2x better rate of improvement than all MA from 2020 to 2021

8 percentage points better than all MA

9th decile of MIPS benchmark in FFS

2. Lower cost and acute service use: MA patients in the agilon model with consistent hemoglobin A1c control in both 2020 and 2021 had better cost and service use than patients without consistent control.

19% lower total cost of care

19% less patient out-of-pocket spend

47% fewer acute inpatient admissions

65% fewer potentially avoidable admissions for any cause

84% fewer diabetes-related potentially avoidable admissions

3. Enhanced equity in access to care and outcomes for MA patients who live in medically underserved areas: Despite being in underserved areas, MA patients with diabetes in the agilon model receive excellent care compared to patients who live in other areas.

≈ statistically identical proportion of patients with HbA1c control

8% more annual primary care visits at the practice of their attributed physician

2% more annual wellness visits

42% fewer avoidable admissions

14% fewer admissions

10% fewer emergency department visits

The differences between groups are each statistically significant at p<0.01 or better. The exception is that the difference in HbA1c control in medically underserved and other areas is not statistically significant (p=0.14).

Background

Diabetes Is a Serious Epidemic

Diabetes has risen to epidemic levels in the U.S. About one-third of Medicare beneficiaries aged 65 and over have diabetes,[5] and agilon's physician partners currently serve nearly 112,000 patients with diabetes. Part of the insidious nature of diabetes is that patients often have no symptoms from elevated blood sugar levels until serious complications arise, underscoring the importance of proactive diagnosis and management. Left untreated, over time, elevated blood sugar in patients with diabetes damages blood vessels and nerves that, in turn, can harm virtually any organ system. Consequently, adults with diabetes face a two-fold increased risk of heart attacks and strokes.[6] Diabetes is the number one cause of kidney failure, lower-limb amputations, and adult blindness and the number seven cause of death in the U.S.[7] In addition to the well-documented vascular damage, for individual patients, diabetes can be an overwhelming diagnosis, leading to high levels of distress from self-care responsibilities and increased rates of depression.[8]

More health care resources are spent on diabetes than on any other medical condition.[9] People with diabetes have more than twice the average medical costs as people without diabetes.[10] Care for people with diabetes accounts for one in four health care dollars in the U.S., and more than half of that expenditure is directly attributable to diabetes.[11] A study from the American Diabetes Association (ADA) shows the total costs of diabetes rose 26% between 2012 and 2017, to $327 billion.[11] And, as the U.S. population ages and the obesity epidemic shows no signs of abating, the burden of chronic conditions like diabetes are expected to increase.[12, 13, 14] Most importantly, uncontrolled diabetes harms patients and their loved ones, due to illness, loss of independence, financial strain, and premature death.

Effective Primary Care Is Critical for Patients With Diabetes

Like many chronic conditions, diabetes is treatable. Healthy diet, exercise, use of indicated medications, smoking avoidance, regular screening, and treatment of complications can avoid the adverse sequelae that are all too common with uncontrolled diabetes.

Primary care providers are uniquely situated to diagnose and prevent the progression of chronic diseases like diabetes.[15] Building on their trusted relationships, PCPs play a crucial role in helping their patients initiate and adhere to medication and self-management regimens. However, in the Medicare FFS model, patients frequently fall through the cracks; physicians often do not have the resources to identify their at-risk patients, and there is no funding mechanism to invest in additional care team members or technology.

The agilon Model Leverages People, Process, and Technology to Improve Care

agilon partners with PCP groups to be at risk, together, for the total quality and cost of patients' care. Recent studies indicate that PCPs participating in value-based MA models that include two-sided risk deliver better outcomes than Medicare FFS,[16] and better than shared savings or FFS payment arrangements within MA.[17]

agilon provides robust data-driven insight, infrastructure, and care process improvements through an aligned partnership model that empowers PCPs to rapidly transition from FFS to a full-risk VBC model. The agilon model is designed to give PCPs more time with their patients, allowing them to offer more preventive and holistic care compared to the Medicare FFS model. Since complications from chronic conditions like diabetes, hypertension, and hyperlipidemia develop over years, PCPs in the agilon model commit to partnering on VBC for a period of decades. The model empowers these PCPs to shift their focus to the entire health of their patients and invest in long-term preventive care. Appendix A features several key elements of the agilon care model that support better outcomes for patients with diabetes.

Methods

This paper examines two sets of outcomes for MA beneficiaries with diabetes attributed to PCPs that partner with agilon:*

1 **Quality-of-care outcomes.** The paper examines the Centers for Medicare & Medicaid Services Star Ratings measures of diabetes blood sugar controlled (hemoglobin A1c≤9%) and eye exam (receipt of a retinal eye exam), as defined by the National Committee for Quality Assurance (NCQA).[18] The sample ranges from 10,493 to 14,870 depending on the measure and year. CMS's Star Ratings program measures are useful to compare quality. CMS selected the measures based on the reliability of the data, clinical recommendations, and stakeholder feedback.[19] Appendix B provides more details about the program and its importance to payors.

2 **Service use and costs.** Measures include acute inpatient admissions, emergency department visits, and the Agency for Healthcare Research and Quality (AHRQ) prevention quality indicators preventable admissions and preventable diabetes-related admissions per 1,000. Total medical paid includes Part A and B Medicare claims and excludes Part D Pharmacy. To explore access in medically underserved areas per year, visits with the attributed PCP and with any PCP in the practice, and percentage with annual wellness visits were also assessed. The sample used for these outcomes contains the 4,841 patients that were eligible for both the HbA1c and eye exam measures in both 2020 and 2021.

Patient outcomes were compared to available aggregate benchmarks in MA and Medicare FFS. An alpha level of 0.05 was used when determining statistically significant differences between groups or over time. Appendix C presents more details about methods.

*Patients are typically attributed based on personal choice or payor algorithms that select the PCP the patient has seen the most.

Results

Better Diabetes Quality of Care

This section presents how the quality of care that patients with diabetes receive from agilon partner PCPs compares to (1) MA nationwide and (2) select providers in Medicare FFS models.

Performance of agilon Model Relative to Medicare Advantage

Comparing patients in the agilon model with all MA patients demonstrates that agilon is improving the quality of diabetes care and doing so at a faster pace than all MA. Figure 2 shows that from 2020 to 2021, the proportion of patients with diabetes in the agilon model who had an eye exam improved from 72% to 80%. This was 3.2 times greater than the improvement CMS reported among all MA patients during this same period (from 71% to 72%) (p<0.0001).*, [20]

Turning to the proportion of patients with HbA1c control (≤9%), patients in the agilon model increased 7 percentage points from 81% to 88%. This was 2.1 times the increase among all MA patients during this same period.**, [20] HbA1c is the definitive laboratory test that records if patients' blood sugars are controlled over time.

Performance of agilon Model Relative to Providers in Advanced Medicare Fee-For-Service Models

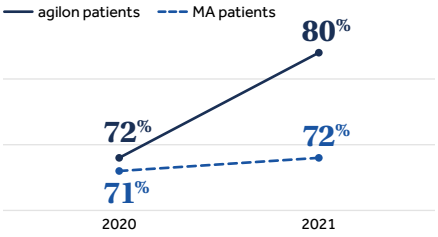
The agilon model was compared to the most advanced providers in FFS. CMS sets performance benchmarks for Shared Savings Program (SSP) accountable care organizations (ACOs) and for the Merit-Based Incentive Payment System (MIPS). The agilon model is in the 88th percentile of CMS's SSP benchmark for HbA1c control (the only measure in the set),[21] and is in the 9th decile of both eye exams and HbA1c control measures in the MIPS benchmarks (Figure 3).[22]

agilon physician partners also performed better on Star Ratings quality measures than advanced primary care practices that participated in CMS's multi-payor Comprehensive Primary Care Plus (CPC+). CPC+ practices improved care delivery, supported by approximately 13% in additional revenue. Yet, 16% more patients with diabetes received an eye exam from agilon physician partners than from CPC+ practices in 2020, the most recent year the CPC+ statistic is available (p<.0001) (Figure 4, left panel).[23]

Turning to HbA1c control, from 2020 to 2021, the rate of improvement for patients in the agilon model was 3.8 times greater than for CPC+ patients (Figure 4, right panel). In 2021, the agilon model rate is 8 percentage points better than the CPC+ rate, an increase from 3 percentage points better in 2020 (p<.0001).[24]

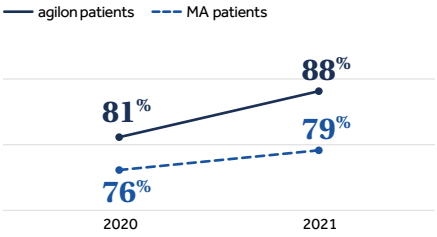
Figure 2: agilon improves CMS diabetes Star Ratings measures and outpaces overall MA

Eye Exam for Patients With Diabetes



agilon % improvement in eye exams is **over 3.2x greater** than national MA (p<.0001)

Hemoglobin A1c Control for Patients With Diabetes



agilon % improvement in HbA1c control is **over 2.1x greater** than national MA (p<.0001)

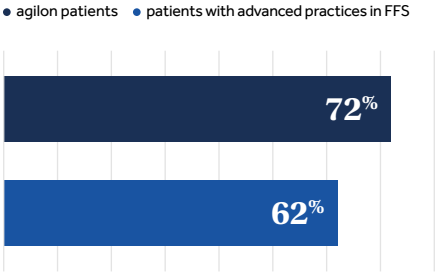
Figure 3: agilon delivers care at the top of CMS benchmarks for Medicare FFS

	agilon vs. the Shared Savings Program ACO benchmarks	agilon vs. the Merit-based Incentive Payment System (MIPS) benchmarks
Eye Exam	Not in ACO measures	2020 & 2021: agilon is in the 9th decile
HbA1c control	2020: agilon is at the 81st percentile 2021: agilon is at the 88th percentile	2020 & 2021: agilon is in the 9th decile

Note: It's important to point out that these benchmarks are likely to be higher than typical FFS outcomes: Providers who elect to join SSP face shared savings incentives which may lead to better performance, and providers can elect which MIPS measures to report, so likely report their best-performing measures.

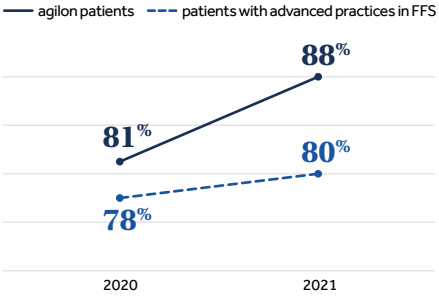
Figure 4: agilon outperforms the top of the Medicare FFS pack

Eye Exam for Patients With Diabetes, 2020



16% more patients with diabetes in the agilon model had an eye exam than patients of highly selective Medicare FFS practices in 2020 (p<.0001)

Hemoglobin A1c Control for Patients With Diabetes



agilon % improvement in HbA1c control is **over 3.8x greater** than advanced practices in FFS (p<.0001)

*We report the actual measure scores, not the Star Ratings cut points, because CMS changes the cut points over time.

**The proportion who met the adherence to diabetes medication measure was higher for patients in the agilon model than MA patients in both years, and stayed high (in both years, 90% versus 86% for MA (p<.0001), data not shown).

Lower Cost and Acute Service Use

High-value primary care focuses on the long-term health of patients. While Star Ratings measures focus on a single year, looking at consistent control is also important. This section compares cost and service use for patients with and without consistent diabetes control in 2020 and 2021.*

Lower Cost

Patients in the agilon model who had consistent HbA1c control in both 2020 and 2021 cost 19% less than patients who did not have evidence of control in one or both years (p<0.0001) (Figure 5).

This reduction in overall costs corresponds to an important 19% reduction in patients' out-of-pocket costs.

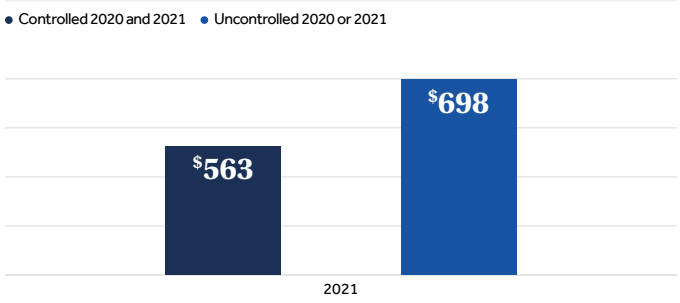
Lower Unnecessary Hospitalizations

Patients in the agilon model with consistently controlled diabetes experienced roughly half of the acute inpatient admissions of those that were not (p<0.0001). This translates directly to lower costs and more days the patient is at home, preserving independence for vulnerable seniors.

Patients in the agilon model with consistent control also had fewer ambulatory care-sensitive admissions. AHRQ defines potentially avoidable admissions as those that could be avoided through appropriate outpatient care. Using AHRQ's definition, patients in the agilon model with consistent HbA1c control had 65% fewer potentially avoidable admissions for any cause (p<0.0001) and 84% fewer diabetes-related potentially avoidable admissions than patients without consistent control (p<0.0001) (Figure 6). Moving patients from uncontrolled HbA1c in 2020 to controlled in 2021 is associated with a large drop in diabetes-related potentially avoidable hospitalizations (p<0.0001) (Figure 7).

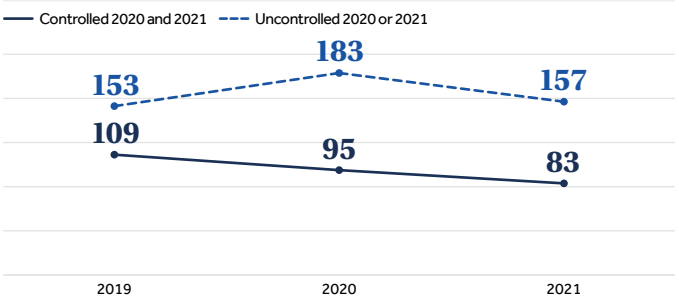
Figure 5: Patients with controlled HbA1c in both years have lower expenditures and acute utilization

Total Medical Paid Per Patient Per Month, 2021



Patients with consistent HbA1c control **cost 19% less** than patients who are not controlled (p<0.0001). Patients with consistent control have **19% lower out-of-pocket costs** (p<0.0001).

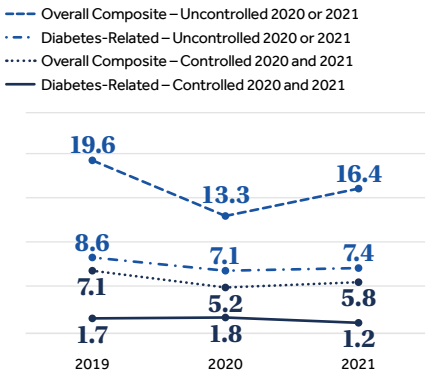
Acute Inpatient Admissions Per 1,000, 2019–2021



Less acute utilization is a primary driver of lower costs. Controlled patients had **nearly half of the acute inpatient admissions** as uncontrolled patients in 2020 and 2021 (p<0.0001).

Figure 6: Patients with consistent HbA1c control have fewer avoidable admissions

Avoidable Admissions Per 1,000, 2019–2021



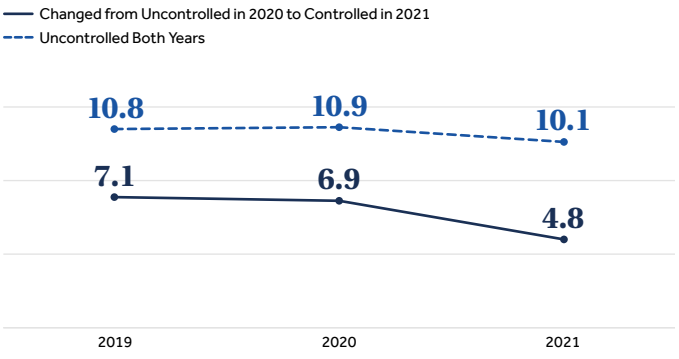
In 2021, patients with consistent HbA1c control had fewer avoidable admissions

- 65% fewer overall (p<0.0001)
- 84% fewer diabetes-related (p<0.0001)

AHRQ defines potentially avoidable admissions as those that may have been prevented through high-quality outpatient care. The overall composite includes potentially avoidable admissions for conditions such as diabetes, CHF, hypertension, COPD, and UTIs. These measures are part of AHRQ's prevention quality indicators.

Figure 7: Patients who move from uncontrolled to controlled HbA1c experience fewer diabetes-related avoidable admissions than those that remain consistently uncontrolled

Diabetes-Related Avoidable Admissions Per 1,000, 2019–2021



Patients changing from uncontrolled to controlled experience **4.8x greater improvement in diabetes-related avoidable admissions** than patients remaining uncontrolled in both years (p<0.0001).

*This and the remaining analyses examine 4,841 MA patients with Type 1 or 2 diabetes who meet CMS Star Ratings quality measures eligibility for HbA1c control and receipt of a retinal eye exam in both 2020 and 2021.

Enhanced Health Equity

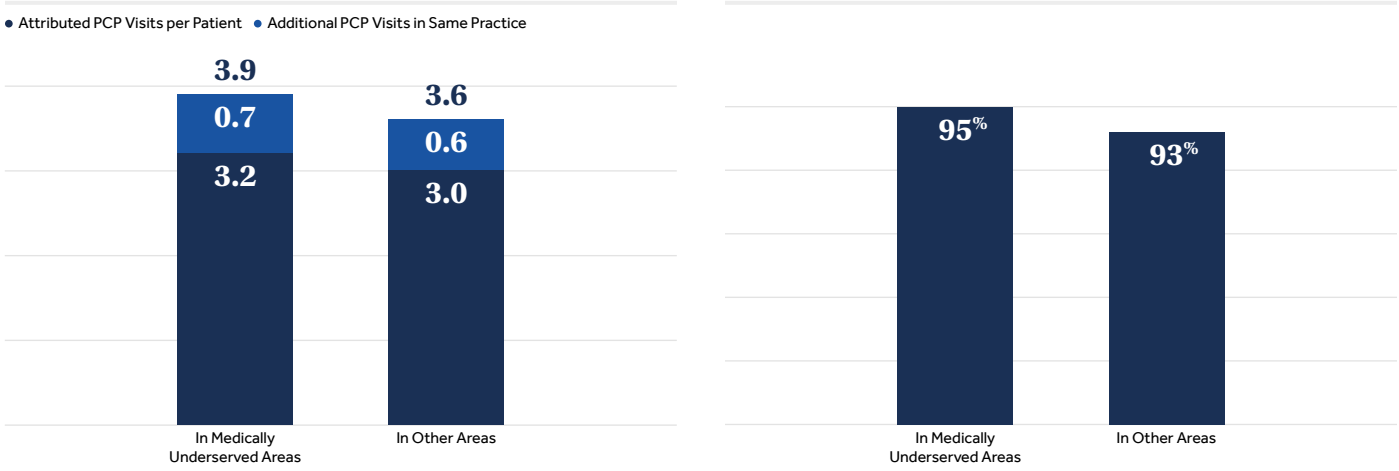
The Health Resources and Services Administration (HRSA) designates medically underserved areas because patients in underserved areas are on average more vulnerable and have less access to primary care, both of which contribute to more avoidable acute care.[25, 26, 27] Twenty-two percent of agilon physician partners practice in a medically underserved area and they care for 28% of patients in the model with diabetes.

These agilon physician partners advance health equity by providing the same quality of care that patients in the model in other areas receive. Despite being in underserved areas, patients in the agilon model received 8% more primary care visits per year at the practice of their agilon partner physician (3.9 versus 3.6, p<0.0001), and 2% more annual wellness visits (95% versus 93% of patients received an AWV, p=0.007) (Figure 8).

Providing access to primary care regardless of location allows agilon's physician partners to achieve similar proportions of patients with HbA1c control (within 2 percentage points, p=0.14).

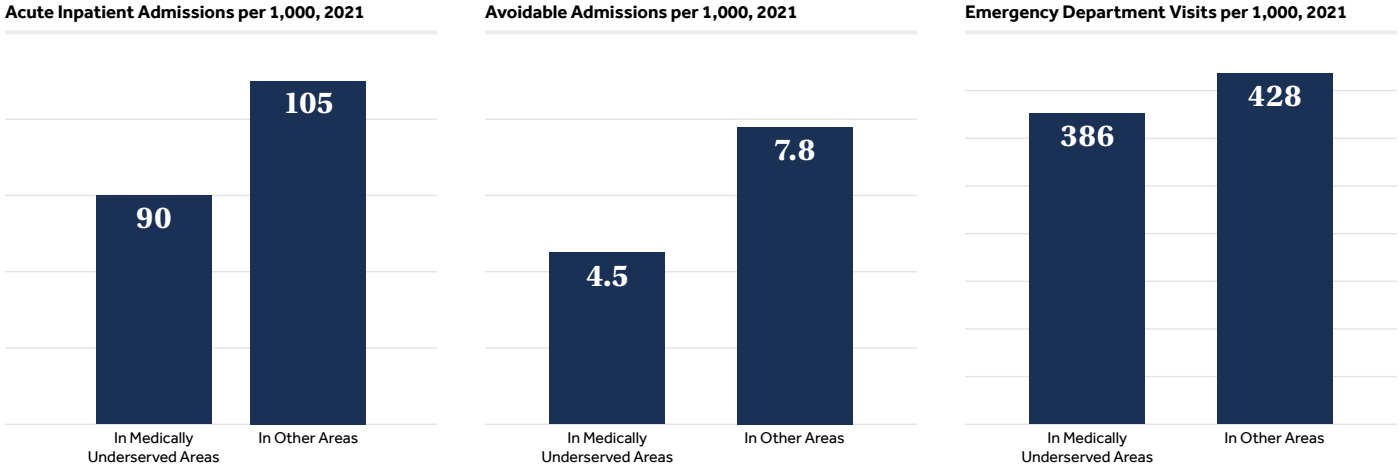
With access to appropriate ambulatory care, patients with diabetes are able to avoid acute care: patients in underserved areas had 14% fewer admissions (p=0.002), 42% fewer avoidable admissions (p<0.0001), and 10% fewer emergency department visits (p<0.0001) than patients in other areas (Figure 9).

Figure 8: Health equity: agilon's model delivers primary care access for patients in medically underserved communities



In 2021, patients in MUAs received 8% more primary care visits at the practice of their attributed PCP (p<0.0001) and were 2% more likely to receive an annual wellness visit (p=0.007) than patients in other areas.

Figure 9: The agilon model provides patients with diabetes in medically underserved communities with comprehensive primary care that reduces admissions and emergency department visits



In 2021, patients in MUAs had 14% fewer admissions (p=0.002), 42% fewer avoidable admissions (p<0.0001), and 10% fewer emergency department visits (p<0.0001).

Note: The federal Health Resources and Services Administration (HRSA) designates an area as a MUA because it lacks access to primary care services based on the ratio of providers to the population, poverty rate, proportion of the population age 65 and over, and the infant mortality rate.[28]

Discussion of Results

Medicare FFS care has failed to improve health care quality and lower costs. This research paper describes how agilon health and primary care physicians (PCPs) partner to operate under a Total Care Model placing them at risk, together, for the total quality and cost of patients' care. The model also provides PCPs with additional people, processes, and technology to improve patient care. The paper examines MA patients with diabetes because like many chronic conditions, diabetes is prevalent and costly, and complications are preventable with ongoing, comprehensive primary care.

Better Diabetes Quality of Care

The results demonstrate that the agilon model delivered through its physician partners improved clinical outcomes for patients with diabetes. We hypothesized that agilon patients in MA with diabetes would fare better than patients in Medicare FFS because a recent systematic review of the literature indicates that patients generally receive better quality of care in MA than in Medicare FFS,[29] and a recent study shows the same specifically for diabetes.[30] CMS designed the Star Ratings program and annual increases in thresholds needed to qualify for higher ratings to improve quality of care in MA year on year. We also hypothesized that patients in the agilon model with diabetes would improve even more than MA in general, because agilon physician partners benefit from the resources, insights, care process improvements, and aligned incentives to provide better chronic care to their patients.

Quality outcomes for agilon's physician partners exceeded those of both MA providers nationwide and providers in the most advanced alternative payment models in Medicare FFS. Better managing diabetes today is important because the most serious complications of diabetes develop over years. The investments agilon makes today to improve key measures like HbA1c control and annual eye exams mean fewer patients will lose their vision or a limb or require dialysis in the future.

Lower Cost and Acute Service Use

Better management of blood glucose levels resulted in less acute utilization. Reducing hospitalizations is beneficial because hospitalizations often worsen patients' health and independence. A recent U.S. Department of Health and Human Services report highlighted the hazards of hospitalization: nearly one-quarter of hospitalized Medicare patients experienced harm from adverse drug events, medical mistakes, procedures, or hospital-acquired infections.[31] Hospitalizations too often start a downward spiral for patients who become deconditioned or delirious due to disrupted routines.[32] Approximately 40% of hospitalized seniors leave the hospital no longer able to independently perform one basic activity of daily living, such as bathing, dressing, eating, transferring, and ambulating.[33]

Patients in the agilon model also benefit directly from lower health care costs. Many Medicare patients are on fixed incomes and suffer from financial strain,[34, 35] which worsens during periods of high inflation. These savings could mean the difference between being able to buy food and pay for utilities or not. In 2018, MA beneficiaries nationwide spent an average of $3,354 a year on out-of-pocket health care costs and premiums.[36] These health care costs accounted for a sizable one of every five dollars of the average Social Security benefit that year of $16,848.[37] In addition, the overall savings to the health system, also 19%, can be reinvested in care delivery, including care managers, social workers, pharmacists, technologies, meals on wheels, and other benefits to patients.

Enhanced Health Equity

Finally, results show this model is a promising way to ensure patients with diabetes who live in underserved communities receive the primary care they need to avoid poor health outcomes. Stakeholders from the CMS to the American Medical Association are committed to a health system that is equitable regardless of a person's race, ethnicity, location, or other characteristics.[38, 39]

Implications for Chronic Care

The same features of the agilon ecosystem that drove improved outcomes in diabetes are equally relevant to better managing other significant chronic conditions, such as heart failure, hypertension, and obstructive lung disease. This holistic approach to care results in what matters most for seniors: more healthy days at home living their best lives.

More than ever, our nation needs bold health care solutions. National expenditures on health care continue to skyrocket.[40] There are unprecedented levels of physician burnout and, with an aging population and more physicians leaving the workforce[41, 42] continued pressure on access for patients who live in underserved rural and urban areas.[43] Rapidly transitioning our health care ecosystem to value-based care (VBC)—with PCPs at the helm—is our best hope as a nation to meet the health care needs of our seniors. The agilon model empowers PCPs with resources, technology, and aligned incentives that reward them for improving patient outcomes.

This analysis provides compelling proof that the agilon model meaningfully improves patient outcomes. The ability to drive this transformation at scale has national implications for how primary care can be sustained and ensure the health and well-being of seniors and their communities.

About agilon health

agilon health is the trusted partner empowering physicians to transform health in our communities. Through our partnerships and purpose-built platform, agilon is accelerating at scale how physician groups transition to a value-based, **Total Care Model** for senior patients. Learn more about how agilon health can **empower your practice** to achieve a sustainable and successful future.

Appendix A

The agilon Model: A Purpose-Built Ecosystem for Driving Quality Outcomes

By reorienting care delivery for seniors around PCPs and high-value care, physicians in the agilon model can focus on overall wellness for each patient and preventive treatments to achieve better outcomes and reduce costs.

Several elements of agilon's more comprehensive, integrated care model that support better quality results for patients with diabetes include:

1. Physician activation: The agilon model is predicated on the belief that driving meaningful improvements in outcomes requires tight alignment of the clinical and economic model for PCPs. Recent studies suggest traditional fee-for-service reimbursement and one-sided risk models do not provide sufficient resources for PCPs to make investments to improve cost and quality outcomes for patients. By transitioning an entire panel of seniors to full-risk VBC in under a year, agilon physician partners assume complete accountability for total costs and quality outcomes for their patients. This rapid re-alignment of incentives focuses PCPs on the value of care delivered to an entire population rather than on the volume of services billed on an FFS basis.

2. Focus on attribution: agilon has an entire team devoted to patient attribution to a PCP, so PCPs know exactly who they are accountable for. Armed with accurate panel data, PCPs can actively manage at a population level. This means PCPs are not only able to effectively manage patients who are in the office for visits, but those who are too infirm to leave home, suffer from anxiety or dementia, cannot afford transportation, or may be getting care from the healthcare system without the benefit of a PCP to quarterback that care. The agilon attribution team identifies patients lost to follow-up and reconnects them with their PCP for in-person or virtual visits.

3. Leveraging data to understand and address patients' burden of illness: The agilon model integrates multi-payor claims data and clinical electronic medical record (EMR) data to create a comprehensive picture of each patient's needs and gaps in care, such as the need for screening or follow-up diagnostic exams, labs, or medication titration. Data is aggregated from all contracted MA plans, along with Medicare FFS ACO REACH, so each PCP can see a single view of their panel of Medicare patients. This is notable because in most markets, agilon consolidates reports from five to seven different payors into one report. In addition, prior to selected visits, agilon physician partners comprehensively review patients' medical records and provide evidence-based recommendations to their peers. These activities reduce the cognitive overload PCPs face from multiple data sources, so they can truly focus on the patient.

4. Structured and prioritized encounters: agilon employs proprietary technology to analyze patient-level data and predict which patients are at highest risk of poor outcomes and would benefit from specific care interventions. Using this information, agilon's embedded personnel work with practice staff to proactively schedule PCP visits based on patient needs. To ensure that patient encounters are structured to optimize care outcomes, these specific care recommendations are then delivered to the PCP through a point-of-care tool. For example, for patients with diabetes, these targeted recommendations could include eye exams or labs for monitoring blood glucose levels. In addition, selected patients may be recommended for interventions such as enrollment in a complex care management program, or other clinical programs.

5. Intensive measurement and performance management: Since the processes above are automated and standardized, agilon's quality team, including dedicated staff embedded at the practice level, is able to drill down to monitor performance and interventions at the market, practice, physician, and patient levels. In addition, the team collaborates with each partner's practice on their annual quality plan, to help them on a road map to closing care gaps and achieve 4.5 or higher Star Ratings. The team provides monthly quality gap reports at the practice, PCP, regional, and enterprise levels. These monthly management reports include a predictive model to increase certainty markets are on track to their final goals for year end. When gaps in care are identified, the broader team supporting the PCP can intervene, for example, by scheduling lab draws to better monitor HbA1c levels of patients with diabetes.

> The annual wellness visit is a type of structured encounter during which the PCP creates or updates a personalized plan for chronic disease management and prevention. Patients in the agilon model are nearly twice as likely as patients in FFS to get an AWV—84% versus 45% in 2021 ($p<0.0001$).* Prior studies indicate AWVs may improve diabetes control and reduce total costs of care.

Because agilon physician partners are at risk for the quality of care provided (including specific targets and thresholds), they invest upstream to ensure improved clinical outcomes. For example, many practices have invested in retinal cameras to save their patients a separate trip to an ophthalmologist's office. PCPs refer patients whose images show signs of early retinal damage for intervention (such as medications and laser therapy) to prevent or delay vision loss.

6. Expanding access to care: agilon invests with its physician partners in expanding access to care with a team-based approach, including transition of care nurses, high-risk care managers, advanced practice providers, pharmacists, social workers, and same-day urgent care. For example, starting in October 2020, a targeted pharmacy program was deployed in a market that had not previously been able to invest in pharmacist resources to help patients, including those with diabetes, make sure that they were taking their medications appropriately and had refills when needed. In addition to a pharmacist working with individual patients, medications were also mailed directly to patients' homes, so they did not have to travel in person to the pharmacy, thereby reducing the risk of missed doses. This pharmacy program is now available to all markets that need help closing gaps to achieve 5-star performance for medication adherence and HbA1c control.

*Benchmarks from Care Journey analyses of 100% FFS claims data in 2021, limited to agilon geographies. An analysis of the Medicare Current Beneficiary Survey for all community-dwelling FFS beneficiaries indicates a similar benchmark, 37%, for 2019.[44]

Appendix B

Star Ratings Program: Why Quality Performance Is So Important to agilon's Payor Partners

Many payors use standardized quality measures to hold providers accountable for providing high quality care and to understand their performance relative to benchmarks. The CMS established the Medicare Star Ratings program to monitor and reward ongoing improvement in the quality of care in health plans with MA enrollees. CMS rates plans on a scale of 1 to 5 stars, with 5 being the highest, based on performance on a standardized set of measures. Better care results in higher Star Ratings. For example, research shows that increased HbA1c monitoring and treatment intensification for Medicare patients with diabetes increases the share of patients meeting the CMS 5-star standard for HbA1c control.[45] Each year, CMS calculates the results from all participating health plans and assigns the Star cut points based on the nation's performance on each measure. Qualifying thresholds are raised over time to propel improvements.

Payor partners benefit from primary care providers delivering better quality to their patients. Health plans are rewarded bonus dollars based on their overall Star Ratings performance each year that they can use to provide richer patient benefits.[46] Plans can use these incentives to provide better care to patients. CMS also provides the 5-star ratings to consumers so they can compare the quality of Medicare health and drug plans being offered, and studies suggest that higher ratings increase enrollment, moving more patients to better plans and rewarding those plans with more customers.[47]

Appendix C

Methods

Setting. This paper examines primary care practices that began to partner with agilon in 2019 and 2020. These practices are in Akron, Columbus, Dayton, and southeast Ohio; Austin, Texas; Pittsburgh, Pennsylvania; and Wilmington, North Carolina. Practices in Hawaii were excluded because they are not part of a partnership model with comparable value-based incentives. The practices in the research sample have full-risk value-based care arrangements with 19 payors including national, regional, and local payors for their MA lines of business. A small percentage of members were excluded because their payor does not supply agilon with detailed member-level information. Included practice groups are all independent primary care or multi-specialty groups ranging from medium groups (15 PCPs) to large groups (240 PCPs).

Sample. MA patients (1) attributed to a PCP that partners with agilon, (2) have Type 1 or 2 diabetes, and (3) meet CMS's Star Ratings eligibility criteria for diabetes measures.

The Star Ratings measures examined here, HbA1c control and receipt of an eye exam, use National Committee for Quality Assurance (NCQA) criteria: (1) age 75 and under, (2) if age 65+, do not have advanced illness AND frailty, and (3) not on hospice or palliative care.

CMS purposefully focuses on younger Medicare patients for these measures because diabetes complications take time to develop. These are the patients whose outcomes are most impactable. As a result, these patients are generally healthier than all of agilon's patients with diabetes, but still face considerable risk.

We analyzed two sets of samples. The first set is for the Star Ratings measures. The 2020 sample includes patients who meet the criteria in 2020; the 2021 sample meets the criteria in 2021. Sample sizes are listed in the table below.

The second sample is used for other patient outcomes. This sample contains the 4,841 patients that were eligible for both the HbA1c and eye exam measures in both 2020 and 2021.

Table 1: Sample sizes for Star Ratings measures

Measure	Year	
	2020	2021
Eye Exam for Patients With Diabetes (n)	11,024	14,870
Hemoglobin A1c Control for Patients With Diabetes ≤9.0% (n)	10,493	14,553

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6210 E. US Highway 290
Suite 450
Austin, TX 78723
562.256.3800

agilonhealth.com
media@agilonhealth.com