



News from:
COMPTROLLER KEVIN LEMBO

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COMPTROLLER LEMBO ANNOUNCES NEW CONTRACT WITH ANTHEM THAT REDEFINES STATE HEALTH CARE DYNAMIC

Comptroller Kevin Lembo today announced that, after a highly competitive selection process, the state has selected Anthem Blue Cross and Blue Shield (Anthem) to administer the state health plan under terms that will alter the way state health care is administered to realign costs directly with quality patient care.

Lembo said this new dynamic between the state, insurance carriers and providers means that the state will have a direct seat at the negotiating table alongside the state's insurance carrier, providers and other key partners to ensure that reimbursement rates to providers are directly linked to quality care and efficiency.

“This new market-altering shift ensures that corporate health care interests are better aligned with the interests of patients – not only for the good of the 210,000 people on the state health plan, but for every Connecticut resident,” Lembo said. “Reimbursement arrangements will no longer be negotiated in the dark – but with the state directly at the table to ensure that cost and quality are directly aligned.”

The state health plan, which services approximately 210,000 lives of state and municipal employees, retirees and their dependents, is a self-insured plan. The state currently contracts with Anthem and UnitedHealthcare to administer patient claims and negotiate reimbursement payments with health care providers.

As of July 1, pending successful contract negotiations, Anthem will administer all health benefits for active state, municipal and pre-Medicare retirees and their dependents on the state plan, while UnitedHealthcare will continue to administer benefits for retirees and

dependents on the fully insured Medicare Advantage plan.

Lembo said that a key driver in the decision to contract exclusively with Anthem was the company's willingness to collaborate on key new innovations through the state health plan, including:

- The creation of a network of distinction for quality and cost and a Centers of Excellence program that will drive patients to those providers that verifiably and most efficiently deliver the best care with the best outcomes.
- Anthem will be working alongside the state, Remedy Partners, Health Advocate and Carrum Health to support the utilization of these quality networks in order to improve health care delivery while also reducing the use of low-value care.
- Anthem has also agreed to partner with the Office of the State Comptroller to develop a new option in the state health plan that connects plan participants with only the highest-quality and efficient primary-care providers and specialists.

Lembo thanked state labor and management for their participation and assistance through the review process leading to this decision.

“These innovations will not only create networks of high-quality providers, but significantly reduce health care costs for the state and those towns and cities participating in the Connecticut Partnership Plan,” Lembo said.

“Anthem is deeply committed to serving the State of Connecticut as a trusted and effective partner,” said Jill Hummel, president, Anthem Blue Cross and Blue Shield. “Having served the state for more than 50 years, we are proud the state has once again selected Anthem to administer the health benefits for their active employees, early retirees and their families and are excited that the state has now expanded our partnership to include administration of the Connecticut Partnership Plan. During our long partnership, Anthem has been privileged to be a part of the state's journey to transform from a sponsor of traditional health benefits to a leader in value-based benefit designs. We're thrilled to continue our work together to drive down costs, while improving health care outcomes and the quality of life for those we serve across Connecticut.”

Lembo said that his office, in collaboration with the state's new team of partners, is preparing to implement most, if not all, of these new programs before the new plan term, which is scheduled to begin July 1.

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