

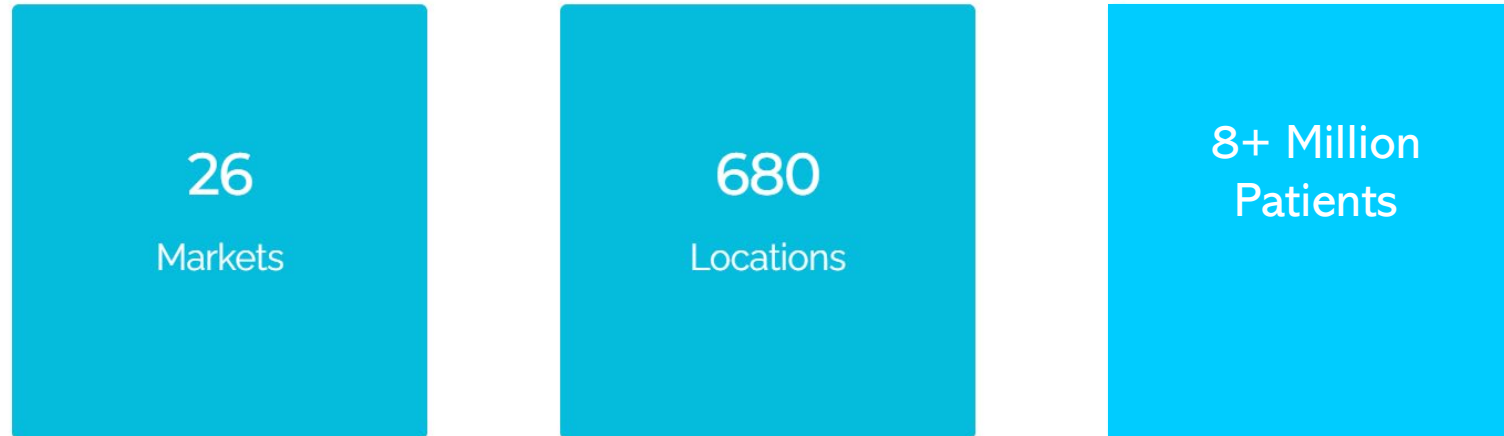


Network Development – Building Relationships, Powered by Analytics

Stefanie C. Edwards and Vinod Shenai

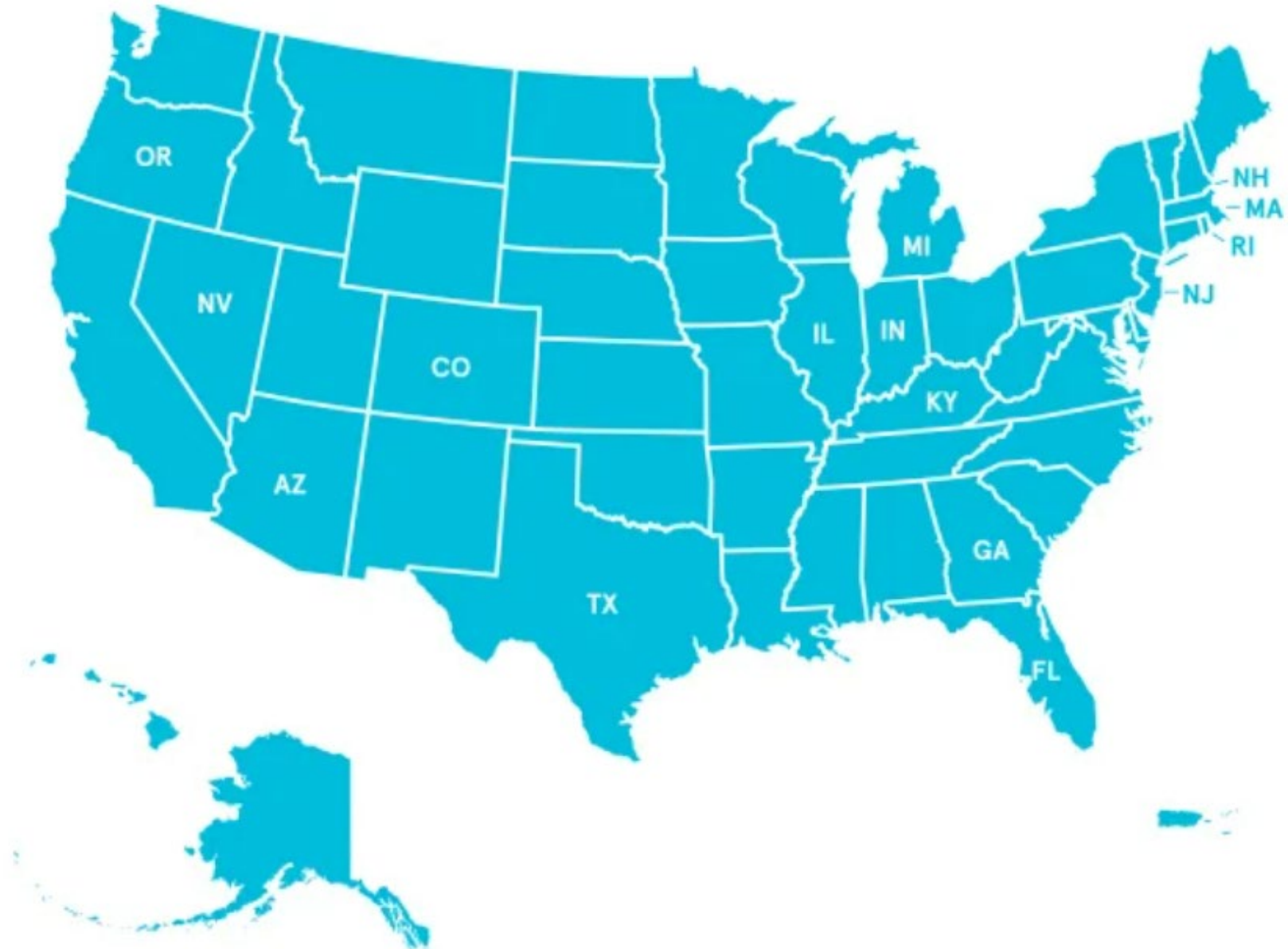
OUR MARKETS

Neighborhood focus. National impact. Noted model.



Across the country, VillageMD's platform supports primary care patients and providers. We're continuously expanding our impact by bringing our proprietary solutions to more people.

Across the Country



Our Model



VILLAGE MEDICAL

Our primary care experience is provided in practices, with support at home and through virtual visits.



VILLAGE MEDICAL AT WALGREENS

Many of our full-service primary care practices are accessibly located next to Walgreens pharmacies throughout neighborhoods in the U.S.



AFFILIATE PROVIDERS

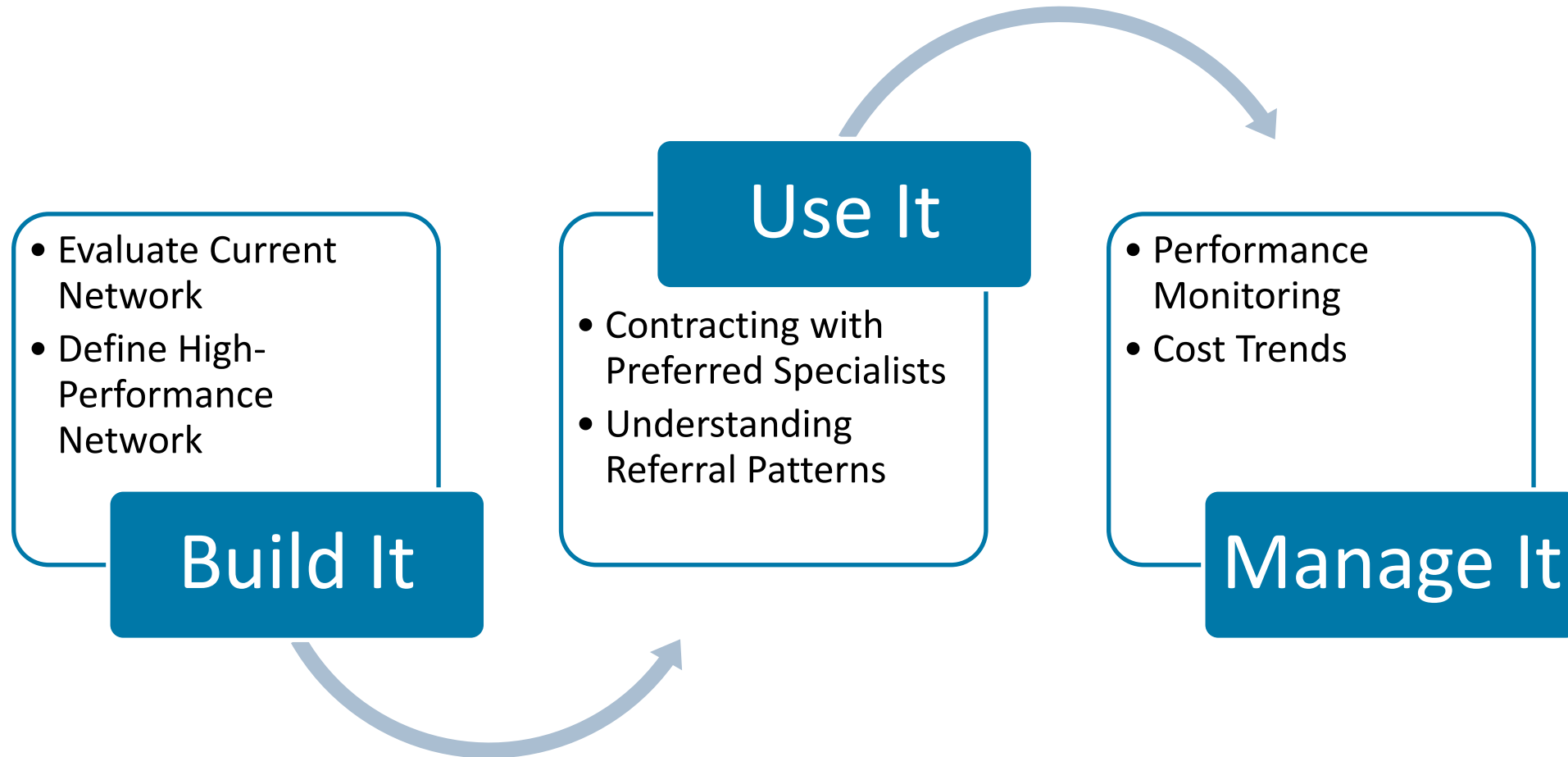
VillageMD strengthens independent practices with the tools they need to become leaders in value-based care.

Employed and Affiliate PCPs Value-Based Risk Contracting Delegation

The Cost Case for Network Management

Total Premium PMPM	\$1,000
Risk Pool	85%
Medical Fund	\$850
IP PMPM	(\$361)
OP PMPM	(\$199)
Prof PMPM	(\$349)
Total Medical Cost	<u>(\$909)</u>
Surplus/Deficit	(\$59)

The Secret Sauce = Analytics and Operations



Build It- Define Current Network

Top **Cardiology** Practices for
 Attributed Practice: **All**
 PCP: **All**

Specialist Practice	% of Total Cost
	10.2%
	8.3%
	5.6%
	4.6%
	4.2%
	3.7%
	3.6%
	3.3%
	3.2%
	3.1%
	3.1%
	3.0%
	2.3%
	2.3%
	1.9%
	1.7%
	1.6%
	1.5%
	1.5%
	1.4%
	1.3%
	1.2%
	1.0%
	1.0%
	1.0%
	1.0%

Top **Orthopedic Surgery** Practices for
 Attributed Practice: **All**
 PCP: **All**

Specialist Practice	% of Total Cost
	70.9%
	8.9%
	4.7%
	4.2%
	2.7%
	2.5%
	1.3%
	1.1%
	0.9%
	0.7%
	0.3%
	0.3%
	0.2%
	0.2%
	0.2%
	0.2%
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	0.2%
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	0.1%
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	0.1%
	0.1%
	0.0%
	0.0%
	0.0%

Top **Gynecological Oncology, Hematology/Oncology, Medical Oncology and 2 more** Practices for
 Attributed Practice: **All**
 PCP: **All**

Specialist Practice	% of Total Cost
	31.2%
	29.9%
	23.1%
	5.8%
	1.7%
	1.7%
	1.0%
	0.5%
	0.5%
	0.5%
	0.4%
	0.4%
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	0.2%
	0.1%
	0.1%

Build It – Identify High Performing Specialist Practices and Providers

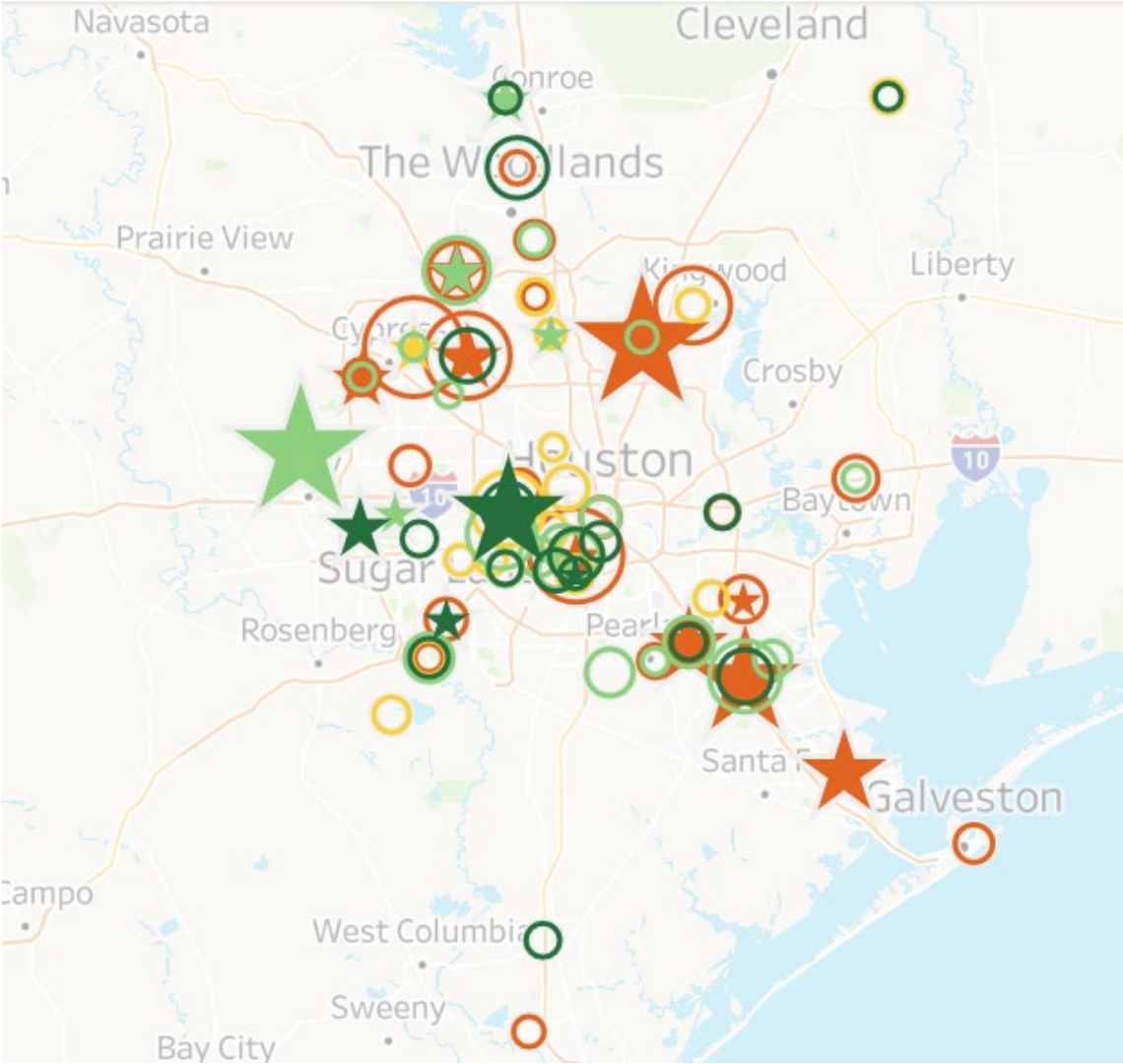
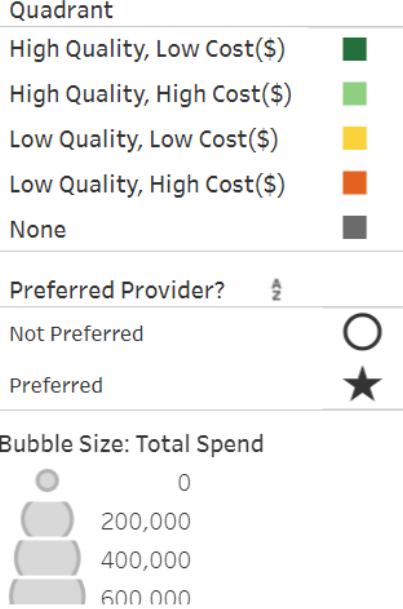
Specialist Professional | Specialist Cost & Outcomes

User Note: Data Limited to Specialist Claims in the Office, Telehealth & Home Settings.

Houston Market: Top 20 Cardiology Practices | Year: 2023



Build It – Define High Performance, Geo Adequate Network



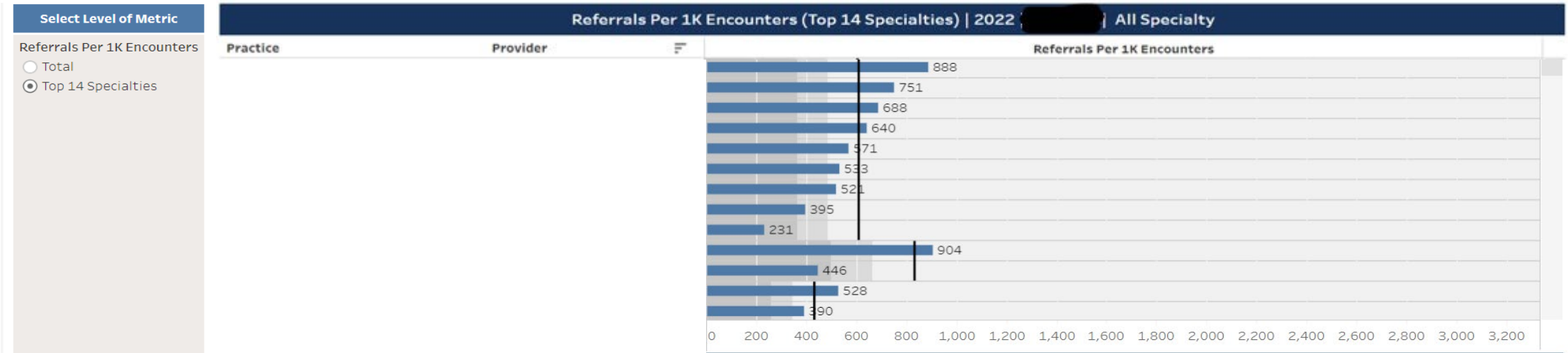
Use It – Understanding Referral Patterns



Rendering Practice & Provider Level Referral Scorecard



787 Market Level Referrals Per 1K Encounters Benchmark (Fixed on the year x market level)	737 VMD Overall Referrals Per 1K Encounters Benchmark (Fixed on the year level)	787 Market Level Referrals Per 1K Encounters Benchmark (Subject to filters, excl. practice & provider)	737 VMD Overall Referrals Per 1K Encounters Benchmark (Subject to filters, excl. plan, practice & provider)
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Percent of Referrals Preferred | *Click on a practice in dashboard above to look at details here

Practice	Provider	% of Referrals Preferred	Referral Count	Encounter Count	Referrals Per 1K Encounters
		4%	758	753	888
		5%	362	402	751
		10%	428	568	688
		3%	166	228	640
		16%	322	436	571
		14%	276	442	533
		2%	137	234	521

25%

Market Level % of Referrals Preferred

17%

VMD Overall % of Referrals Preferred

% of Referrals Preferred

Manage It - Data to Drive Relationships

OP to ASC - Savings Potential

Procedure Group	Procedure Category	Total # ASC Eligible Services	% Procedures in ASC	Savings Potential
Cardio	Endovascular Procedures	1,502	15%	
	Pacemaker and Similar Pr..	108	8%	
	Vascular Procedures	352	12%	
Gastro	Lower GI Procedures	5,338	56%	
	Upper GI Procedures	2,900	40%	
Oph	Intraocular Procedures	3,502	88%	
Ortho	Musculoskeletal Procedur..	2,188	23%	
Others	Breast/Lymphatic Surgery..	249	12%	
	Excision/ Biopsy/ Incision ..	1,008	7%	
	Laparoscopy and Related ..	405	11%	
	Nerve Injections	2,451	38%	
	Nerve Procedures	360	44%	
	Urology and Related Servi..	1,059	30%	
Grand Total		21,422	45%	

Manage It – Data to Drive Relationships

Specialist [REDACTED] Comparison

Note: Users can expand the 'Name' column to see provider and plan-level detail.

Ophthalmology: Specialist Practice Comparison [REDACTED] Market | Year: 2021 & 2022

Name	Total # Injections (Eylea, Avastin or Lucentis)		% of Inj using Avastin (Low Cost Alternative) Larger % is better		Annual Potential Cost Savings	
	2021	2022	2021	2022	2021	2022
	2,353	3,474	32%	30%		
	941	1,330	16%	14%		
	347	570	31%	45%		
	108	286	17%	18%		
	238	277	29%	21%		
	101	227	73%	67%		
	124	204	85%	73%		
	96	170	60%	35%		
	54	106	7%	4%		
	93	95	65%	34%		
	38	61	45%	57%		
	46	53	13%	21%		
	24	50	25%	38%		
	13	29		31%		
	27	16	26%			
	103		79%			

Average Cost of Top 3 Injections:

Inj Name	2021	2022
J1078-Eylea	\$1,727	\$1,769
J2778-Lucentis	\$1,514	\$1,389
J9035-Avastin	\$69	\$63

Note:

The potential total cost savings is showing the dollars that could have been saved for the year if the lost cost alternative (Avastin) was used for every Injection.

Potential Total Cost Savings = [Total Cost of Injections (Eylea, Avastin or Lucentis)] - [Total # Injections (Eylea, Avastin or Lucentis) * Avg Cost of Avastin]

Manage It – Data to Drive Relationships

Specialist [REDACTED] Comparison

Note: Users can expand the 'Name' column to see provider and plan-level detail.

Cardiology: Specialist Practice Comparison [REDACTED] Market | Year: 2021 & 2022

Name	Service Provider / Plan Name	Total Patient Count (Office, TH, Home)		Pts with Remote Monitoring (% of Total Patients)		% Pts with EKG/Stress Test/Echo	
		2021	2022	2021	2022	2021	2022
Grand Total		3,525	6,032	7%	7%	82%	85%
		180	505	0%	1%	71%	77%
		143	348	5%	9%	73%	79%
		79	331	0%	2%	77%	84%
		79	200	1%	3%	65%	76%
		88	112	1%	6%	75%	61%
		32	30	0%	0%	59%	37%
		3	10	0%	0%	100%	90%
		205	255	8%	6%	78%	82%
		188	236	1%	3%	94%	95%
		71	235	8%	5%	79%	93%
		64	198	33%	23%	66%	69%
		165	198	11%	7%	88%	91%
		70	98	1%	1%	100%	98%
		21	76	0%	1%	62%	80%
		9	28	0%	0%	89%	64%
		140	212	6%	7%	58%	64%
		102	208	4%	7%	83%	80%
		78	154	12%	5%	64%	75%

Note:

There is an opportunity to engage patients in Remote Monitoring through the PCP office instead of cardiologist.

EKG/Stress Tests/Echos are not recommended for all patients, especially low-risk, asymptomatic patients.

Manage It – Data to Drive Relationships

Professional Specialist | High Utilizer Overview - by Market, Plan & Practice

Data Limited to 6 month time period defined at the bottom of the page. Also limited to Specialist Claims in the Office, Telehealth & Home Settings.
 User note: In the table views, users can expand the Market / LOB column to display Plan Name or Attributed Practice.

[Navigate to Patient Level Detail](#)

Prevalence of High Utilizer Patients

Market / LOB	% Pts with Visit Count > Threshold	% Total Cost of Pts with Visit Count > Threshold	% Pts with 3+ visits with 3+ Specialties	% of Total Cost of Pts with 3+ Visits with 3+ Specialties	% Pts with 2+ Vists at 2+ Practices (Same Specialty)	% Total Cost of Pts with 2+ Vists at 2+ Practices (Same Specialty)
Grand Total	3%	25%	3%	20%	1%	5%
[REDACTED]	2%	21%	2%	16%	1%	4%
[REDACTED]	6%	31%	5%	24%	2%	6%

Manage It – Potential financial arrangements with Specialists

Contracting Strategy	Description	Pros	Risks/Challenges
Reduced FFS rates	FFS @ 80%	Lower unit costs	Providers over utilize to compensate for low rates
Pay for Performance	Incentive payments for metric performance	Financially incentivizes our actionable priorities	Must have administrative support to measure/monitor
Bundles	A single payment for an episode of care (usually a surgery)	Cost predictability; Incentivizes the specialists to find the most cost-effective components: sites, implants	Finding a competitive rate, limiting carve-outs
Sub-Cap	Monthly member rate that covers the cost of professional services	Cost predictability; Should prevent over-utilization	Finding a competitive rate, limiting carve-outs Maintaining patient access Administrative burdens
Shared Savings	Risk arrangement with upside	Improvement in overall performance	Organizations must be sophisticated enough to administer

Questions