

MANAGED CARE OUTLOOK

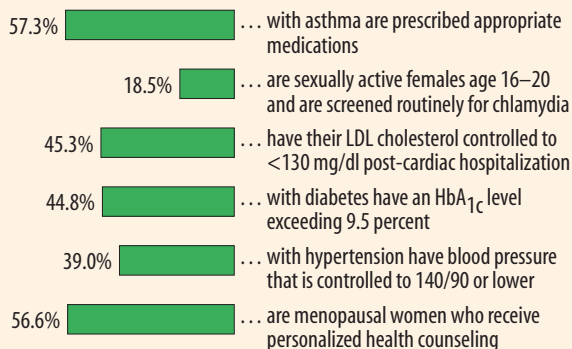
HEDIS PERFORMANCE

Routine reporting drives improvement

The National Committee for Quality Assurance introduced several new measures in HEDIS 1999, many focusing on management of chronic conditions. Results of these first-year measures, published in NCQA's *State of Managed Care Quality 2000*, put a stake in the ground in terms of how well health plans care for members with costly chronic conditions — and established how much room exists for improvement. Unfortunately, there is a lot of room, as evidenced by the numbers. But annual reporting can have the effect of generating performance improvement; indeed, on some older process measures, health plans posted their best on-the-whole improvement since the first *State of Managed Care Quality* was published in 1997.

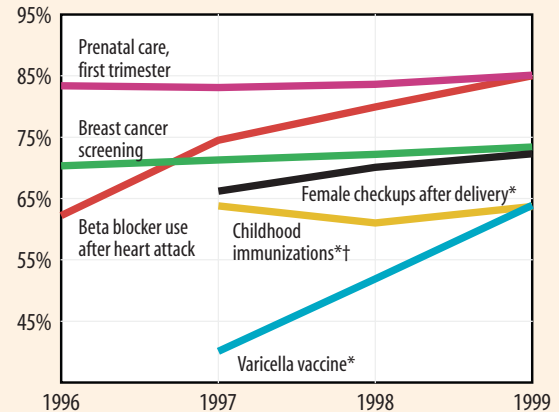
First-year measures: the benchmarks

Percentage of health plans whose members...



Established measures: improvement over time

Average health plan compliance, by percentage of members receiving service



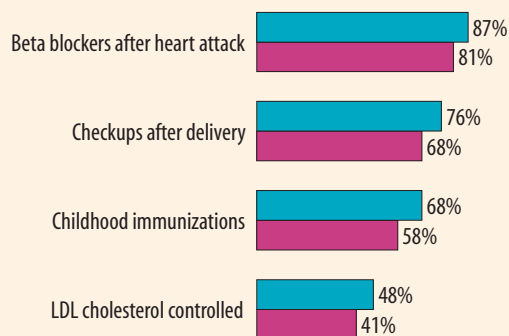
* Not measured in 1996.

† Specifications changed from 1998 to 1999.

NCQA accreditation inspires HEDIS performance

Not surprising, given that HEDIS counts toward NCQA accreditation score

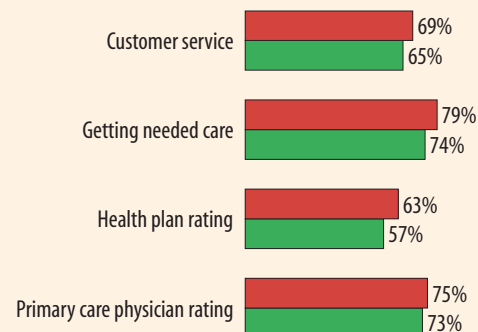
■ Average of accredited plans ■ Average of nonaccredited plans



Plans that keep people healthy also keep them happy

Top HEDIS performers score higher on customer satisfaction

■ Top 25% of plans ■ Average of all plans



SOURCE: STATE OF MANAGED CARE QUALITY 2000, NATIONAL COMMITTEE FOR QUALITY ASSURANCE, WASHINGTON