



ST. LOUIS POST-DISPATCH

Wednesday • 10.23.2024

WHERE YOUR STORY LIVES

stltoday.com • \$3

A4 | WEDNESDAY, OCTOBER 23, 2024 | M 1

LOCAL

ST. LOUIS POST-DISPATCH

Mercy announces new partnership with health plan Centivo

MICHELE MUNZ
St. Louis Post-Dispatch

ST. LOUIS — Mercy, one of the largest health systems in St. Louis region and in the U.S., announced Tuesday it has teamed up with health insurance plan Centivo as its contract with Anthem Blue Cross is set to expire at the end of the year.

Centivo will offer a health insurance plan to employers and employees in the city of St. Louis and St. Louis, Jefferson, Franklin and Lincoln counties, with coverage at Mercy facilities throughout Missouri with hopes to eventually expand across Mercy's four-state footprint.

"Centivo is proud to work with Mercy to expand our network of strategic collaborations and address unmet insurance needs of those who call St. Louis home," said Ashok Subramanian, who co-founded Centivo in 2017 with a mission to bring affordable and quality health care to millions of workers struggling to pay medical bills.

"About half of small and medium-sized business owners have seen their health insurance costs

rise by 10% or more this past year," Ashok stated in a news release announcing the partnership. "This current trajectory is not sustainable and collaborations like this are essential for keeping costs down."

Mercy and Centivo's agreement marks the 49th national partnership for the Buffalo, New York-based Centivo, as well as the sixth network partnership in Missouri, according to Centivo officials.

Centivo says it brings down cost by prioritizing primary care and financial transparency, where patients know the cost of their care upfront. Customers pay no deductibles, are required to have a primary care physician and get free primary care.

Centivo customers, according to the company, see a 45% increase in primary care visits, resulting in a 30% rise in preventive care use and a 30% decrease in emergency and urgent care visits.

The company says its model has saved employers an average of 23% to 36% in total cost of care and reduced annual employee out-of-pocket costs by an average of nearly \$1,200.

Laurel Pickering, president of the St. Louis Area Business Health Coalition and Midwest Health Initiative, said Centivo usually works with one health system in a market and gets better rates than the national health plans do.

"We applaud Centivo and Mercy for coming together to provide a new, innovative health plan for St. Louis area employers that is focused on affordability and primary care," Pickering said. "We know that employees are struggling to pay for health care bills and primary care is the best way to improve health and lower costs."

Centivo officials say the company also partners with five other Missouri health systems, primarily in the Kansas City metropolitan area, including the clinical network Centrus Health.

Mercy operates more than 50 acute care and specialty hospitals in Arkansas, Kansas, Missouri and Oklahoma, in addition to over 900 physician practice and outpatient facilities.

In a news release, Steve Mackin, Mercy's president and CEO, stated that Centivo provides "flexibility

to employers who want the Mercy network of providers for their employees.

"By Centivo offering in-person and virtual primary care visits at no cost to our patients, Centivo members will be encouraged to create strong relationships with their primary care providers and prevent health issues from escalating," Mackin stated. "This ensures patients receive the right care at the right time and at the right price."

Earlier this month, Mercy announced it was cutting ties with Anthem after being locked in contract dispute for more than half a year, though both sides say they are continuing to try and reach an agreement before the current contract ends Jan. 1.

Parting ways will leave half a million Missourians without in-network insurance coverage at Mercy, including those with Medicaid and Medicare Advantage plans though Anthem.

Mercy officials have complained about having to notify Anthem within 48 hours if one of its members receives emergency care, or Anthem won't pay; and

disagreements over how on how other types of care — including new approaches like virtual health care — are covered.

Anthem officials have accused Mercy of wanting to increase the prices they charge commercial members and employers by five times the current inflation rate.

Anthem released information this month about the negotiations, stating it has offered Mercy "annual payment increase, in excess of inflation, for a multi-year period" and remains optimistic an agreement can be reached.

"However, if an agreement cannot be reached," Anthem officials said, "our members can rest assured that our care provider network includes nearly all Missouri hospitals and doctors."

Nancy Dixon, media relations director of Mercy, said, "We want to ensure our patients maintain their access to insurance coverage for Mercy doctors and facilities, whether that's with Anthem or one of the many other options, which now includes Centivo."

Michele Munz - 314-340-8263
mmunz@post-dispatch.com