



Mosaic Health: Elevance Health's bold move to transform primary-care delivery

Market Event Summary

Sweta Kannepalli & Ankush Agarwal | September 2024

Revolutionizing value-based care nationwide with Mosaic Health

Mosaic Health launch

Event

Elevance Health is joining the growing number of payviders with the launch of Mosaic Health, a national primary-care delivery platform. On Aug. 14, 2024, Elevance Health and Clayton, Dubilier & Rice announced combining apree health (which includes Vera Whole Health) and Millennium Physician Group to establish the entity that will serve nearly 1 million lives in 19 states. Mosaic Health will integrate the advanced primary-care solution of Elevance Health's Caredon Health into its platform.

Key features

- Mosaic Health aims to serve patients across various health plan types, including commercial, individual exchange, Medicare, and Medicaid.
- The national platform will integrate clinical and digital capabilities to innovate risk-based care models and deliver community-focused primary care.

Background and context

National insurers in the U.S. are increasingly entering the payvider space by launching their own healthcare delivery organizations. For example, UnitedHealth Group has rapidly expanded its OptumCare network, which now operates over 90,000 physicians along with the SCA Health chain of ambulatory surgery centers and MedExpress urgent-care clinics nationwide. Similarly, CVS Health, which acquired Aetna in 2018, operates HealthHUBs—retail health clinics that provide primary-care services across 1,100 locations in 35 states and D.C.—and more than 200 Oak Street Health clinics. Humana also has taken significant steps into primary care, notably through its CenterWell and Conviva brands, which serve seniors through value-based primary-care clinics, particularly in Medicare Advantage markets. Cigna also has followed suit with its Evernorth Health Services division, which integrates primary care with mental health and pharmacy services, aiming to provide holistic patient care.

+ Patients

Patients stand to benefit from more personalized care, preventive services, and better chronic disease management, which aligns with the broader industry shift toward value-based care.

- Providers

The platform may accelerate physician adoption of value-based care models, potentially reshaping reimbursement structures and care delivery approaches across multiple states.

+ Payers

Mosaic Health may reshape payer-provider relationships, and payers could exercise greater control over healthcare outcomes through this platform, such as patient experience and care coordination, thus driving efficiency and cost- savings across its network.

- Pharma

Given the value-based care arrangement, pharmaceutical companies may need to demonstrate the effectiveness of their products, potentially impacting pricing strategies and formulary placements.

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Open questions

- **Industry norm**

How will Mosaic Health affect the competitive dynamics in the primary-care market? Will it pose a significant challenge to its competitors, who heavily invested in provider networks?

What innovations will Mosaic Health introduce in existing risk-based care delivery models?

- **Provider perception**

How will Mosaic Health integrate apree health's and Millennium Physician Group's capabilities to ensure seamless care coordination and resource sharing?

Does this launch signal further consolidation in the primary-care sector? How might this impact smaller, independent primary-care practices?

- **Patient behavior**

Will Mosaic Health's expansion affect access to affordable primary care, especially for the underserved?

How will the platform leverage digital health technologies to enhance primary-care delivery and patient engagement, care coordination, and navigation?

Strategic implications

The launch of Mosaic Health continues the shift toward value-based care models, emphasizing the critical role of primary care in enhancing health outcomes and managing costs.

By prioritizing preventive and primary care over fee-for-service models, Mosaic Health challenges other healthcare organizations to innovate their approaches, potentially accelerating the industry's transition to outcome-based care.

As the platform scales, it could serve as a model for integrating payers, providers, and technology to achieve higher value in healthcare delivery.

Factors for consideration

As a national platform, Mosaic Health will serve patients across multiple states, potentially improving access to care in diverse geographic areas. By combining apree health and Millennium Physician Group, Mosaic Health would leverage these entities' existing capabilities, expertise, and patient bases.

However, Mosaic Health will need to compete with well-established players in the primary-care market, including other insurers who have invested in provider networks. Additionally, vertical integration between payers and providers may face increased regulatory oversight.

About the Author



Sweta Kannepalli

Healthcare Research & Data Analyst

LinkedIn:

[linkedin.com/in/dr-sweta-kannepalli-7755a4163/](https://www.linkedin.com/in/dr-sweta-kannepalli-7755a4163/)

Sweta.Kannepalli@Clarivate.com

Author Bio

Sweta, a seasoned Healthcare Research & Data Analyst, brings her unique perspective to the U.S. Market Access Insights team. Since joining Clarivate in 2018, Sweta has been instrumental in authoring the company's Health Plan Profiles, PBM profiles, Power Profiles, state-level Medicaid reports, Health Plan Analysis, and PBE suites. Sweta's expertise lies in the realm of accountable care organizations in the U.S. healthcare market. She diligently tracks and analyzes key shifts in value-based contracts across various U.S. markets and is responsible for maintaining the value-based care database. In addition, Sweta contributes to thought leadership pieces, with a focus on the evolving payer landscape and strategies in value-based care.

Did you know?

Sweta's academic background in dentistry, complemented by an MBA in hospital and healthcare management from IIHMR University, has equipped her with the necessary skills to navigate the complex U.S. health insurance industry.

About the Author



Ankush Agarwal

Healthcare Research & Data Analyst

LinkedIn:

[linkedin.com/in/ankush-agarwal-3351a3101/](https://www.linkedin.com/in/ankush-agarwal-3351a3101/)

Ankush.Agarwal@Clarivate.com

Author Bio

Ankush is an analyst on Clarivate's Market Access Insights team who tracks and analyzes U.S. managed care markets. He contributes to products like Health Plan Profiles, Health Plan Analysis, Pharmacy Benefit Manager Profiles, PowerProfiles, and state-level Medicaid profiles.

Did you know?

Ankush hold a master's degree in biotechnology. Before joining Clarivate, he was worked with S&P Global and Sears Holdings for eight years.



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healthcare.support@clarivate.com
clarivate.com

+1 215 386 0100 (U.S.)

+44 (0) 20 7433 4000 (Europe)

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