AMGA 2014 Annual Conference, April 4, 2014

It Takes Two to ACO

A Unique Management Partnership

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Collaborative Health Systems

MKMG
MOUNT KISCO MEDICAL GROUP PC

Version 3.5

COLLABORATIVE HEALTH SYSTEMS

Mount Kisco Medical Group

- Multi-specialty group practice founded in 1946 and servicing Westchester, Dutchess and Putnam Counties in New York State
- 280 primary care and specialty physicians, 25 office locations servicing 300,000 patients
- In-group ancillary services include diagnostic imaging, laboratory/pathology, anesthesiology, ambulatory surgery center
- Two fully staffed Urgent Care Centers
- NCQA Recognized Level 3 Patient Centered Medical Home

MKMG
MOUNT KISCO MEDICAL GROUP PC

Mount Kisco Medical Group

- Affiliated with 4 local community hospitals and academic affiliation with Massachusetts General Hospital
- Practice Data:
  - 760,000 patient visits
  - 2 million lab tests, 125K imaging tests
  - $425 million in gross revenue
- Recently implemented:
  - NextGen EMR
  - 3rd EMR in over 15 years

MKMG
MOUNT KISCO MEDICAL GROUP PC

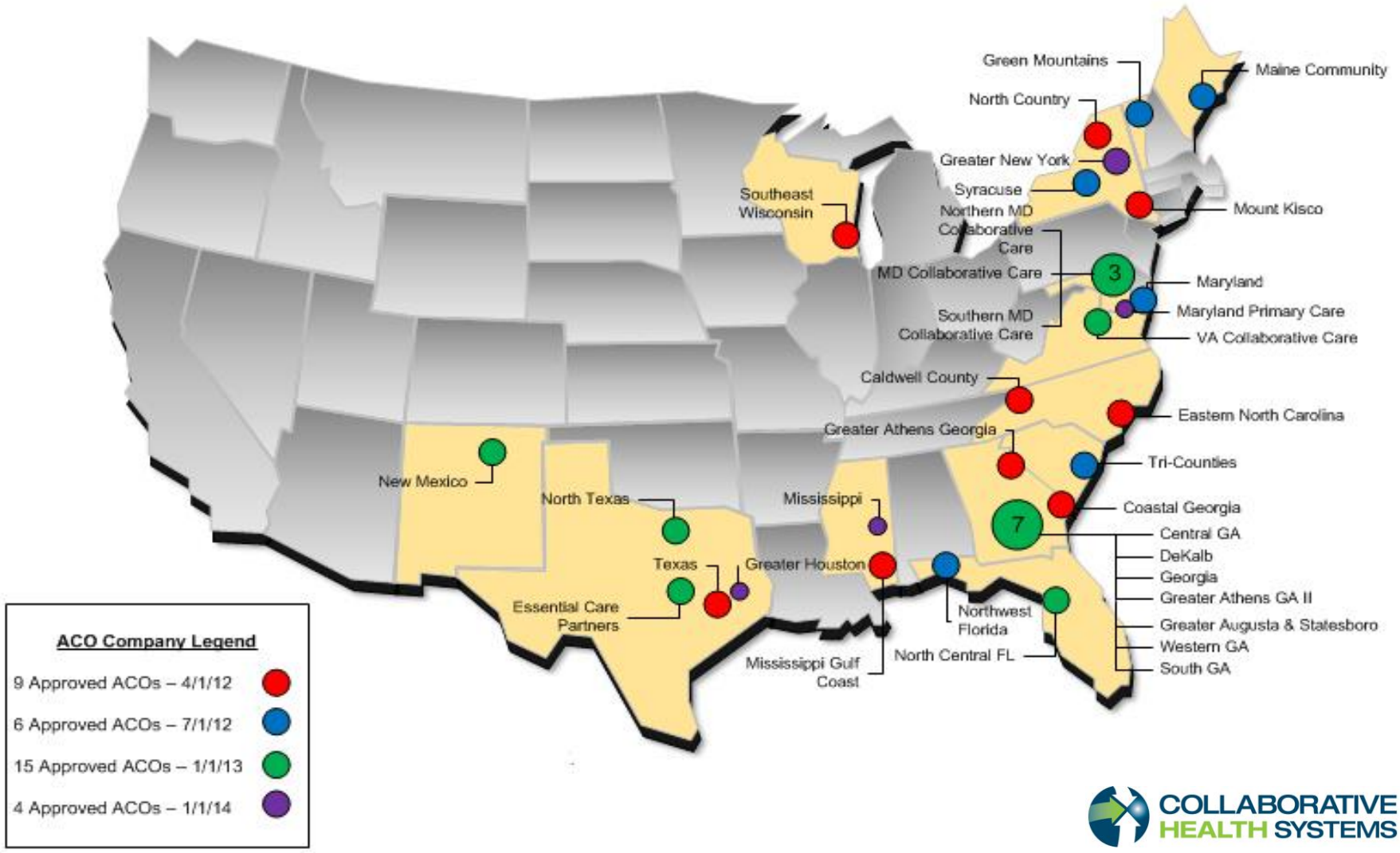
Collaborative Health Systems (CHS)

- CHS, a subsidiary of Universal American (NYSE: UAM), has created 30+ Medicare Shared Savings Program ACOs in 13 states. Our ACO partnerships are based on the same successful Healthy Collaboration® model that supports our TexanPlus® Medicare Advantage plan, rated 4-Star Quality by Medicare.
- We are champions of empowering primary care physicians, working collaboratively to reduce healthcare costs and improve the health and well-being of people with Medicare
- We offer transformative analytics and services to help doctors improve health outcomes, increase patient satisfaction, and lower healthcare costs
- We engage the people we serve to help them make smart, proactive, and economical choices about their healthcare
- Current ACO partnerships support more than 3,000 providers and approximately 330,000 beneficiaries throughout the U.S.

Medicare evaluates plans based on a 5-Star rating system. Star Ratings are calculated each year and may change from one year to the next.

COLLABORATIVE HEALTH SYSTEMS

CHS Operations Include ~ 3,000 Physicians and ~ 330,000 Assigned Medicare FFS Patients



COLLABORATIVE HEALTH SYSTEMS

Accountable Care Coalition of Mount Kisco

- Medicare ACO formed in April 2012 – 1st contract runs through 2015
  - » CHS provided up front start-up capital
  - » Joint governance with CHS
  - » Split shared savings after deducting ACO shared expense

Partnership Roles & Responsibilities

Mount Kisco Medical Group	Collaborative Health Systems
• Physician & Financial Leadership • NextGen EMR • Strong market presence & hospital relationships • Practice management system	• Risk management expertise • Analytics & patient risk stratification • Care coordination resources and programs • CHS ACO benchmarking and best practices • Quality measure collection

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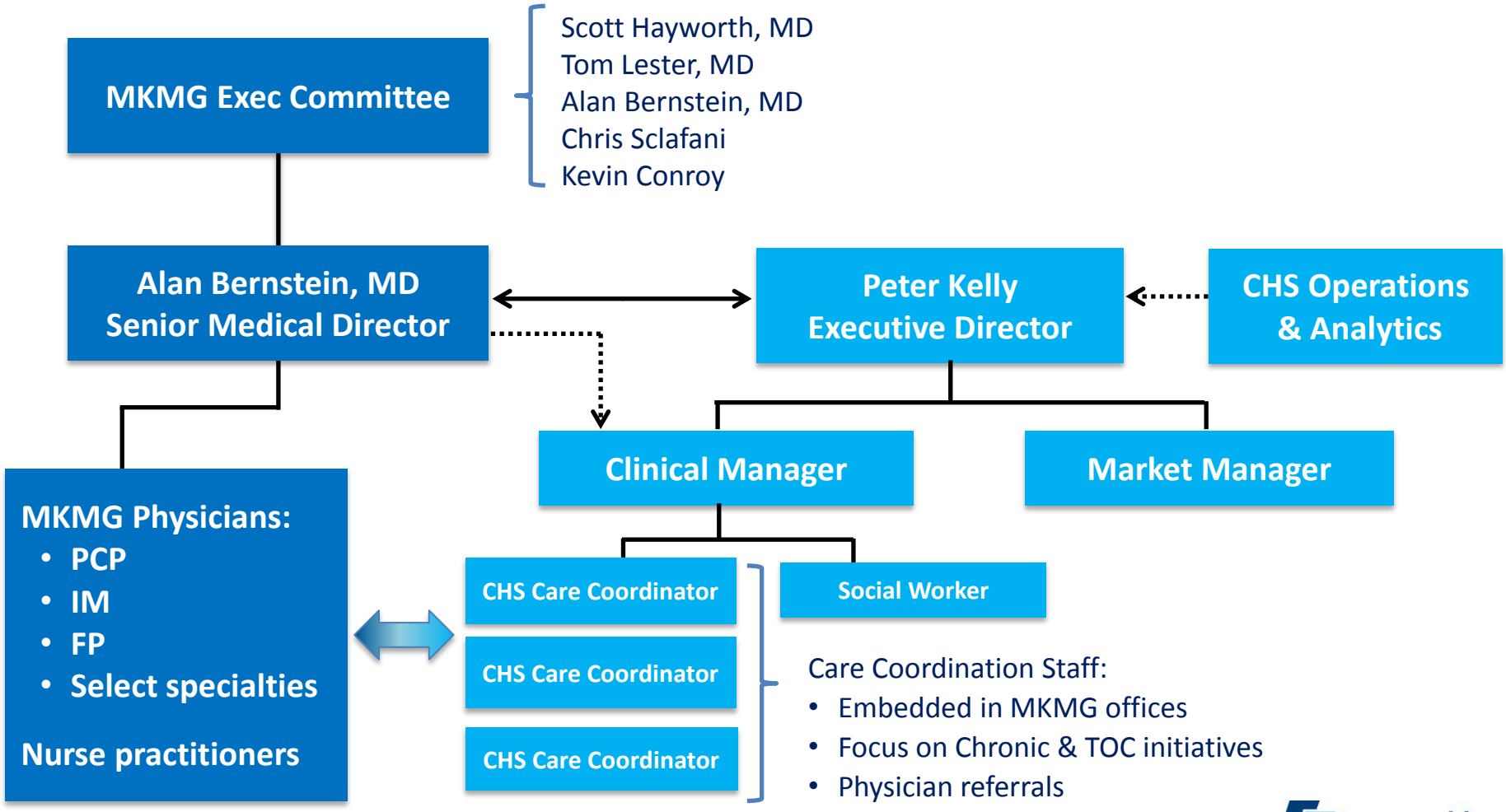
ACCMK – Organization and Staffing



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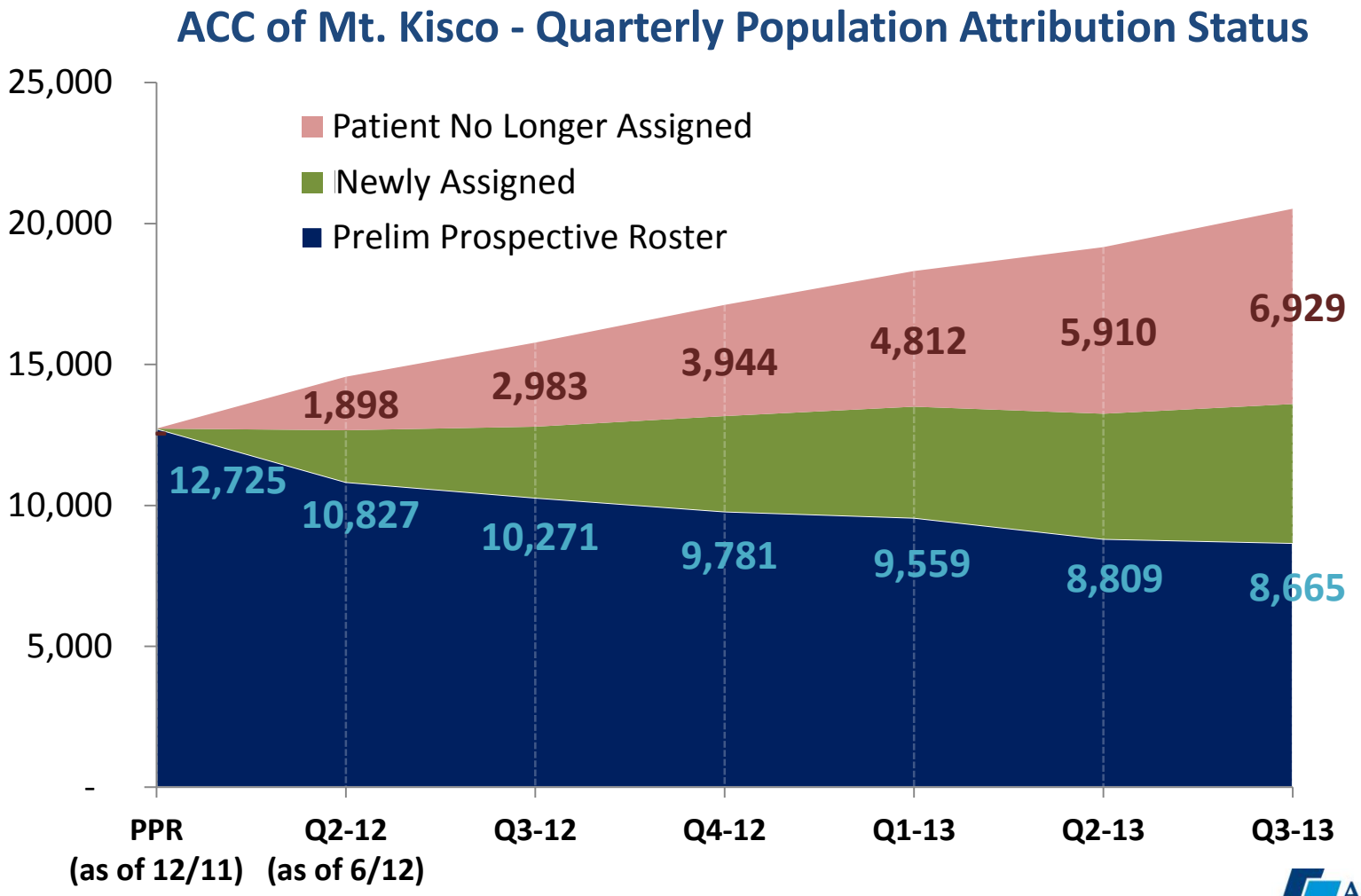
Examples of Data Analytic Reports

- Population Attribution
- Per Patient Per Month (PPPM) Costs By Setting of Care
- PPPM Cost Compared to CHS Benchmarks
- Annual Spend by Acute Hospital Facility
- Annual Spend by Diagnosis
- Physician Profiles

2012-13 Lesson Learned – High Churn and Unmeasurable Results Due to Problems with Population Attribution



Source: CHS Analysis of 2013 CMS Claims Files and ACO Rosters received through November 2013.
Note: PPR roster based on patient attribution from 1/1/11-12/31/11.

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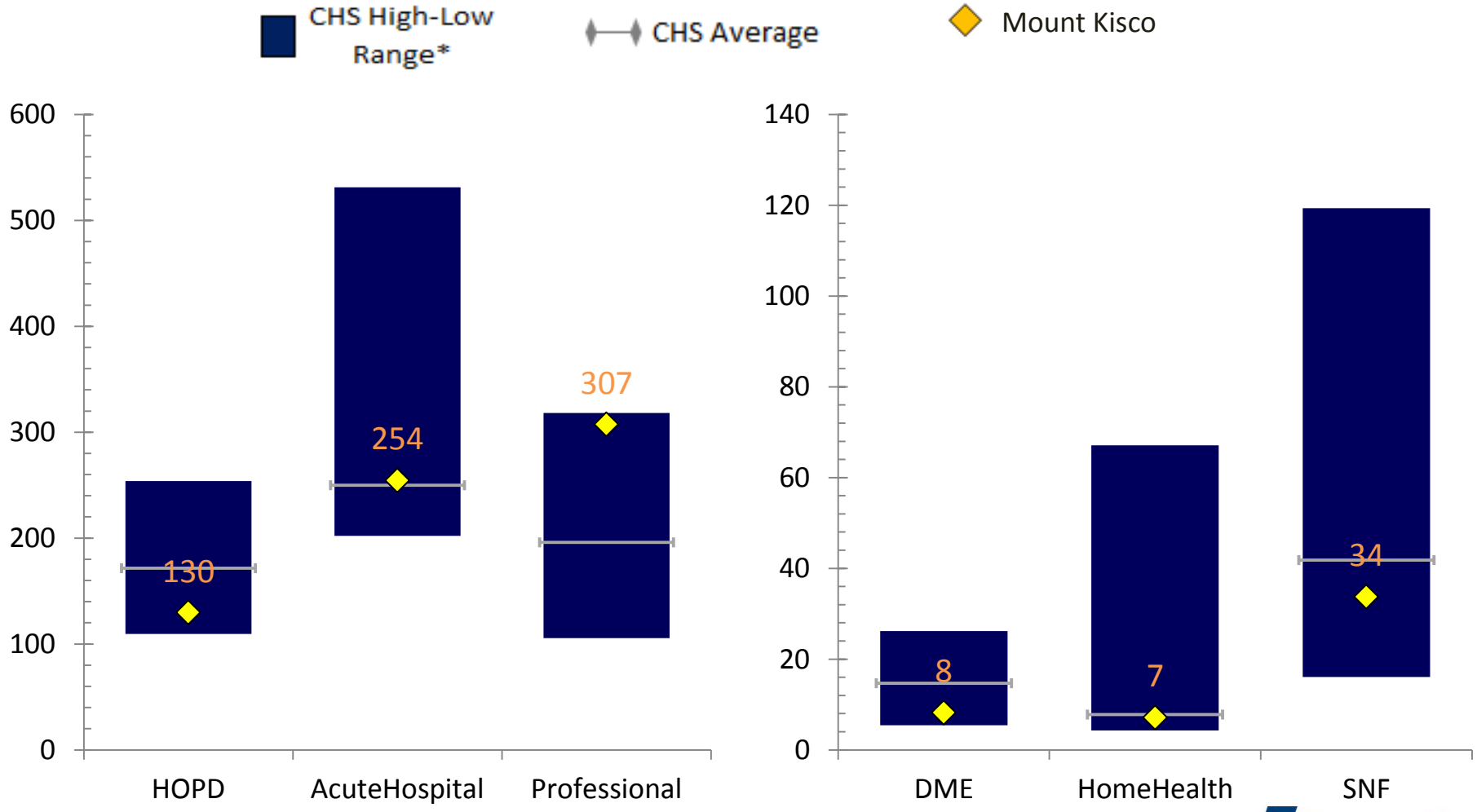
PPPM by Setting of Care Compared to CHS Benchmarks



Source: CHS analysis of Q2 2013 CMS ACO Claims Files.

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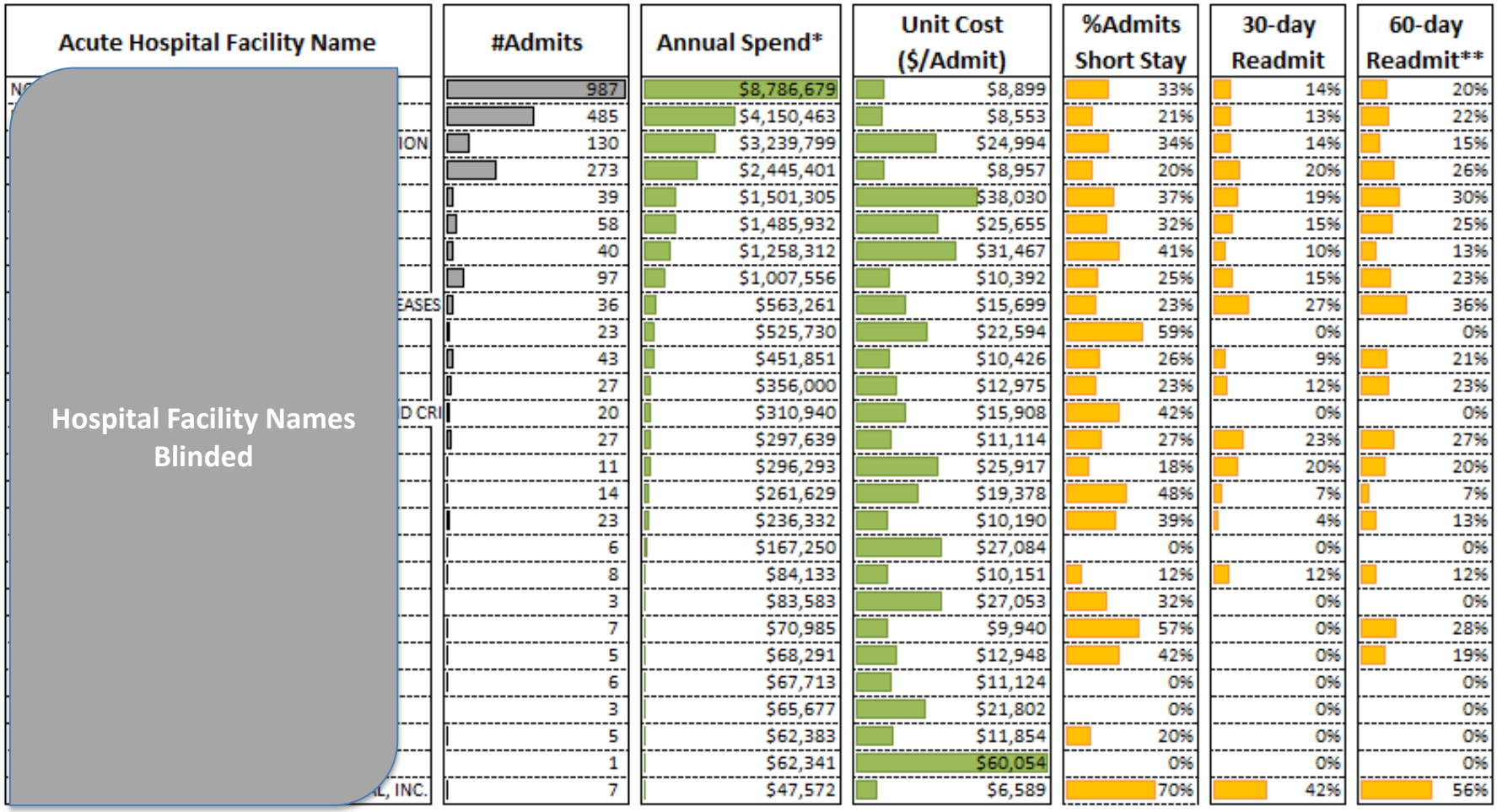
ACCMK Annual Spend by Acute Hospital Facility



Acute Hospital Facility Name	#Admits	Annual Spend*	Unit Cost ($/Admit)	%Admits Short Stay	30-day Readmit	60-day Readmit**
N[illegible]	987	$8,786,679	$8,899	33%	14%	20%
[illegible]	485	$4,150,463	$8,553	21%	13%	22%
[illegible]ION	130	$3,239,799	$24,994	34%	14%	15%
[illegible]	273	$2,445,401	$8,957	20%	20%	26%
[illegible]	39	$1,501,305	$38,030	37%	19%	30%
[illegible]	58	$1,485,932	$25,655	32%	15%	25%
[illegible]	40	$1,258,312	$31,467	41%	10%	13%
[illegible]	97	$1,007,556	$10,392	25%	15%	23%
[illegible]EASES	36	$563,261	$15,699	23%	27%	36%
[illegible]	23	$525,730	$22,594	59%	0%	0%
[illegible]	43	$451,851	$10,426	26%	9%	21%
[illegible]	27	$356,000	$12,975	23%	12%	23%
[illegible]D CRI	20	$310,940	$15,908	42%	0%	0%
[illegible]	27	$297,639	$11,114	27%	23%	27%
[illegible]	11	$296,293	$25,917	18%	20%	20%
[illegible]	14	$261,629	$19,378	48%	7%	7%
[illegible]	23	$236,332	$10,190	39%	4%	13%
[illegible]	6	$167,250	$27,084	0%	0%	0%
[illegible]	8	$84,133	$10,151	12%	12%	12%
[illegible]	3	$83,583	$27,053	32%	0%	0%
[illegible]	7	$70,985	$9,940	57%	0%	28%
[illegible]	5	$68,291	$12,948	42%	0%	19%
[illegible]	6	$67,713	$11,124	0%	0%	0%
[illegible]	3	$65,677	$21,802	0%	0%	0%
[illegible]	5	$62,383	$11,854	20%	0%	0%
[illegible]	1	$62,341	$60,054	0%	0%	0%
[illegible]L, INC.	7	$47,572	$6,589	70%	42%	56%
Annual Spend on Claims Received		$27,955,052				

Source: CHS analysis of CMS ACO Claims Files based on rolling 12 months through November 2013.
*60-day readmit rate represents all readmissions that occur within 60-day period from prior episode

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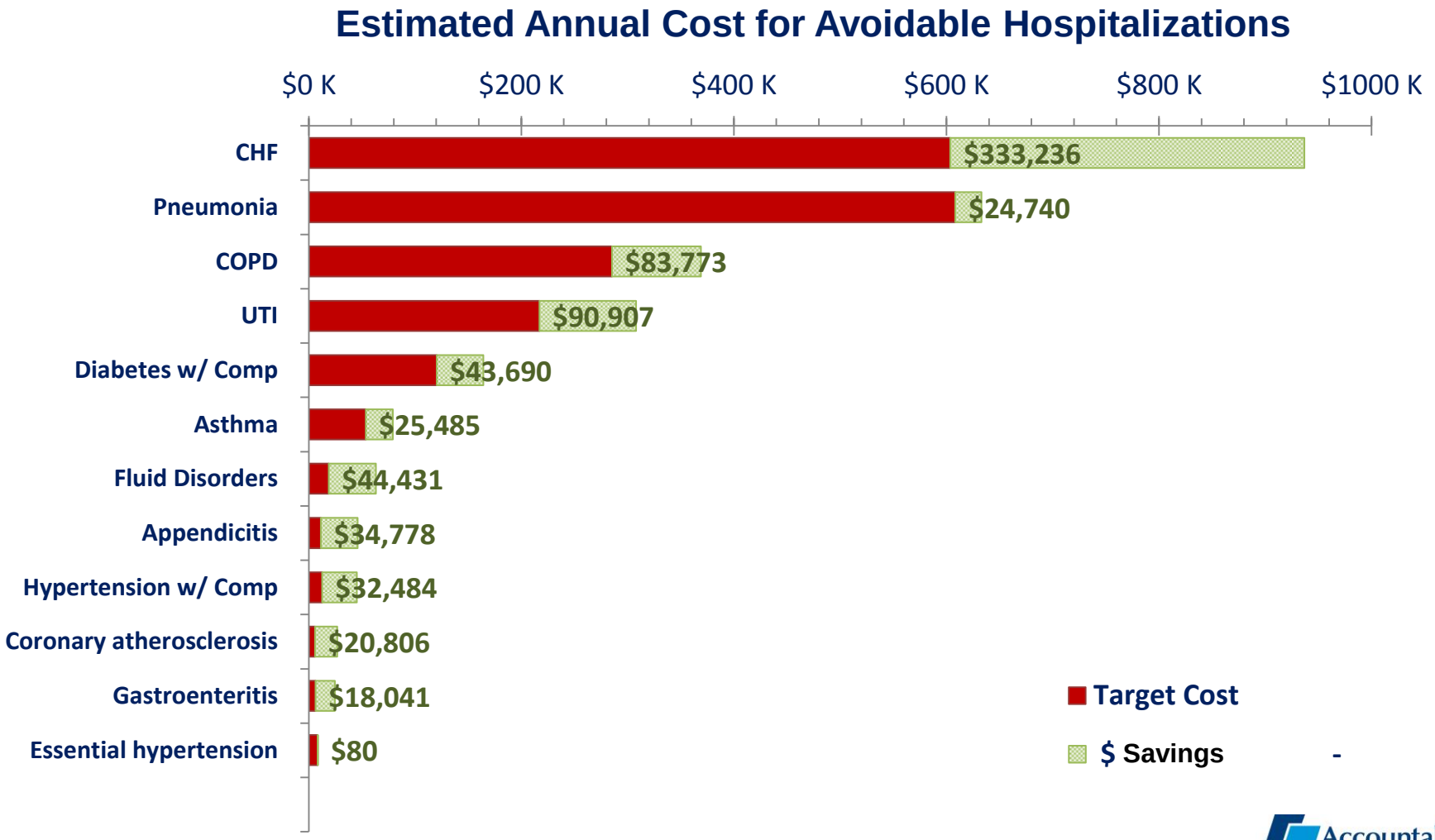
ACSC Hospitalizations Cost ~$2.7M Annually – Achieving CHS Lowest Cost ACO Creates $800k Savings



Source: CHS analysis of CMS ACO Claims Files based on rolling 12 months through November 2013.
- Based on actual ACSC hospital admissions from Q3 2012 – Q3 2013. Annual cost estimated for 100% of claims.
- Defined using Ambulatory Care Sensitive Conditions (ACSC) ICD-9 coding guidelines.

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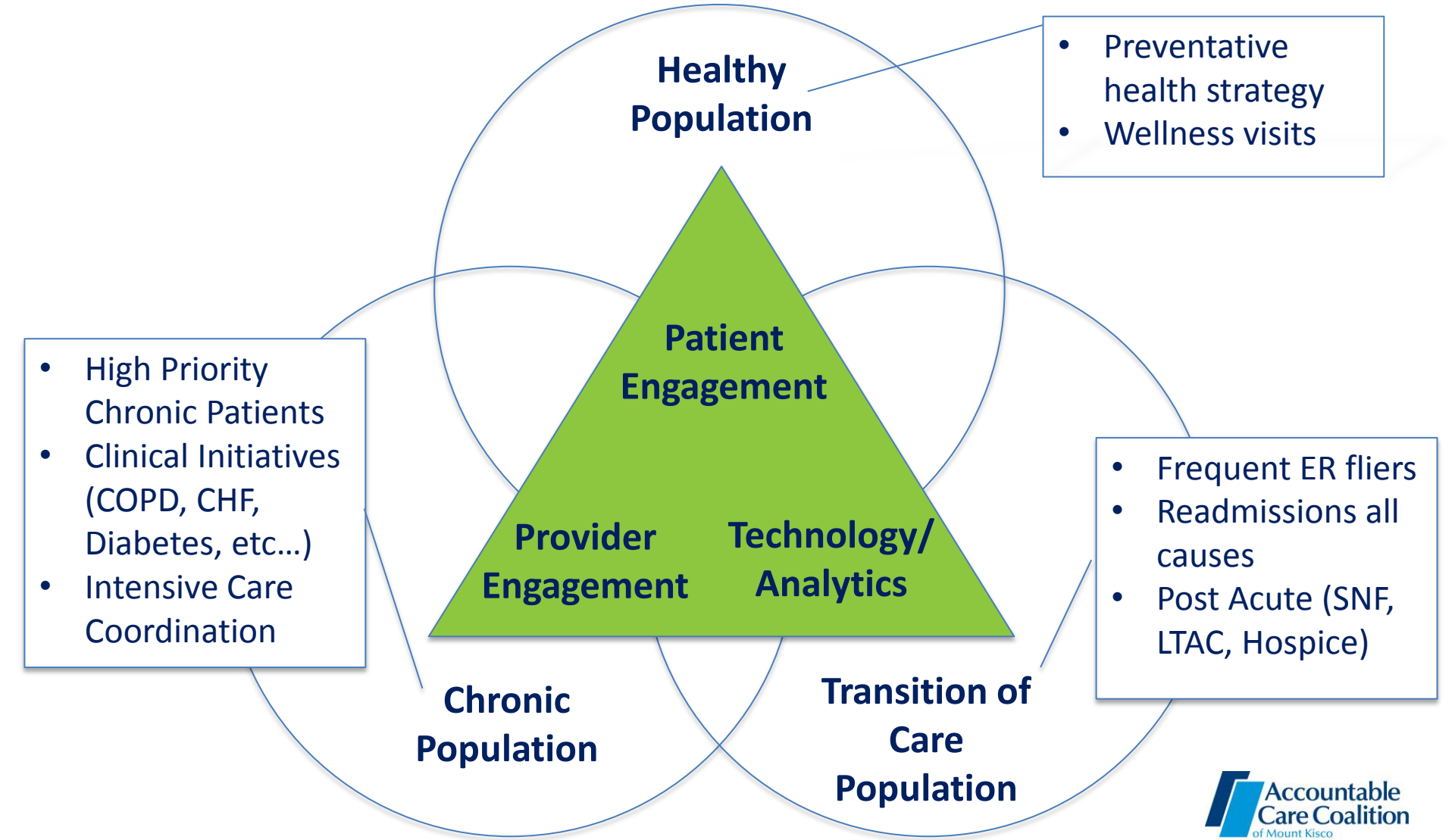
2014 Three-Pronged Strategy for Population Health



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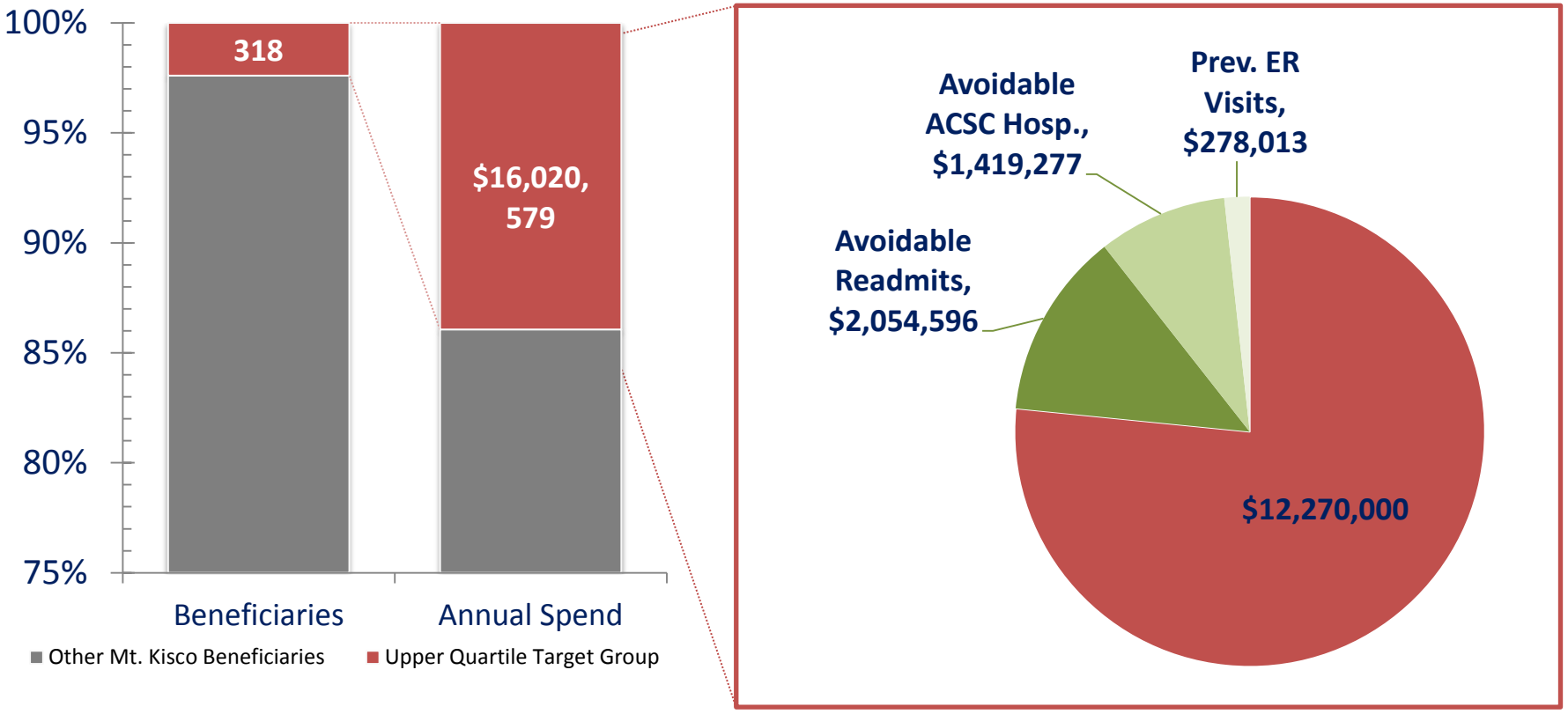
Chronic Population – Disease Management of Highest-risk Patients Represents a $3.8M Savings Opportunity

- CHS identified 1,272 ACO patients with at least 1 Potentially Preventable Service
- Upper Quartile (2% or 318 patients) accounted for $3.8M (28%) of avoidable costs



1. Addendum A: Potentially Preventable Facility Utilization Components. UAM (November 2013)

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Chronic Population – MKMG Role

- Lists of top chronic patients generated by CHS sent to PCPs for review and follow up management, if necessary
- ACO Medical Director works with PCPs closely to insure appropriate clinical follow up
- Clinical feedback from PCPs included in master spreadsheet for tracking outcomes
- PCPs work with care coordinators to insure these patients are getting appropriate follow up telephonically or via home visits

Transitions of Care – Real Time Data Sources

- ACCMK benefits from MKMG's outstanding relationship and data-sharing with surrounding hospitals
- Three primary hospitals send hospital and ED daily census and discharge reports electronically to help manage the TOC population
- CHS is building the technical infrastructure to incorporate hospital data into automated processes to check ACO roster for matches and insertion into care coordination work flow
- MKMG/CHS jointly developing best practices for specific TOC initiatives:
  - » ER frequent visitors
  - » Hospital readmissions – CHF, COPD, All cause cohorts
  - » PAC discharge destination (ongoing)

Changing Physician Behavior with Cost and Utilization Profiles & Reporting

PCP	SPEC	Risk Score	Panel Size	Acute Admit/K	Acute Spend PPPM	% of Short Stay Admits	30 Day Readmit Rate
Names Blinded	FP	0.90	393	254	$ 214	33%	19%
	FP	0.93	351	205	$ 133	21%	13%
	FP	0.88	329	232	$ 189	44%	21%
	IM	0.98	554	283	$ 200	32%	10%
	FP	1.03	454	273	$ 248	40%	13%
	FP	0.91	368	200	$ 157	33%	10%
	FP	1.16	1092	382	$ 295	22%	21%
	FP	0.92	276	208	$ 166	34%	2%
	FP	0.66	243	146	$ 179	33%	9%
	FP	1.01	223	269	$ 233	23%	12%
	FP	0.97	406	294	$ 198	31%	14%
	FP	1.00	392	288	$ 216	34%	22%
	FP	0.96	386	219	$ 155	37%	12%
	FP	0.87	252	246	$ 162	36%	25%
	FP	1.03	473	227	$ 176	25%	22%
	FP	1.11	253	426	$ 363	21%	18%
	FP	0.92	535	191	$ 144	28%	8%
	FP	0.84	152	169	$ 123	37%	5%
	FP	0.86	175	256	$ 180	26%	12%
	IM	1.07	461	303	$ 277	30%	19%
	FP	1.04	213	262	$ 204	25%	17%
	FSM	1.85	406	550	$ 544	19%	22%
	IM	1.17	300	308	$ 268	18%	16%
	IM	1.04	131	319	$ 295	16%	22%
	FP	0.94	327	299	$ 289	32%	13%
	FP	0.94	617	257	$ 204	35%	13%
	FP	0.99	351	343	$ 224	16%	14%
	FP	1.07	514	329	$ 229	27%	12%
	FP	1.01	511	304	$ 255	20%	16%
	FP	0.94	61	381	$ 223	67%	13%
	FP	0.76	412	186	$ 162	38%	12%
	FP	0.97	658	247	$ 217	30%	12%

Source: CHS Analysis of a rolling 12 months' worth of CMS Claims through January 2014 with dates of service through November 2013.
-Note: SPEC field contains physician specialty abbreviation codes which are defined in Appendix 2.
*Only physicians with more than 30 attributed patients are included in analysis. Note: list truncated to top 20-30 physicians by "Acute Spend"

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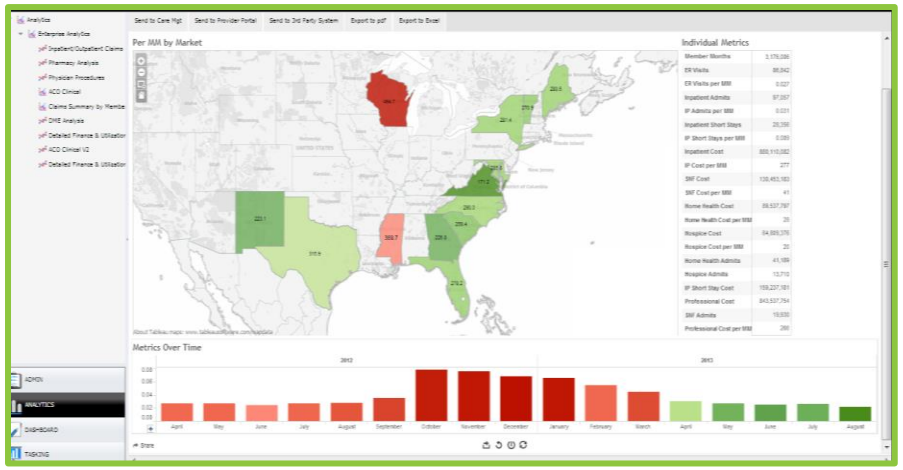
Physician Profiles – MKMG Role

- Physician profiles will be shared blinded with all PCPs
- Individual PCPs profiles will be shared in comparison to their peers for educational (not punitive) purposes
- Profiles will be discussed at PCP Department meetings to foster engagement in management strategies
- Individual meetings will be held between ACO Medical Director and physician outliers to develop corrective action plans
- Profiles will be tracked on a quarterly basis

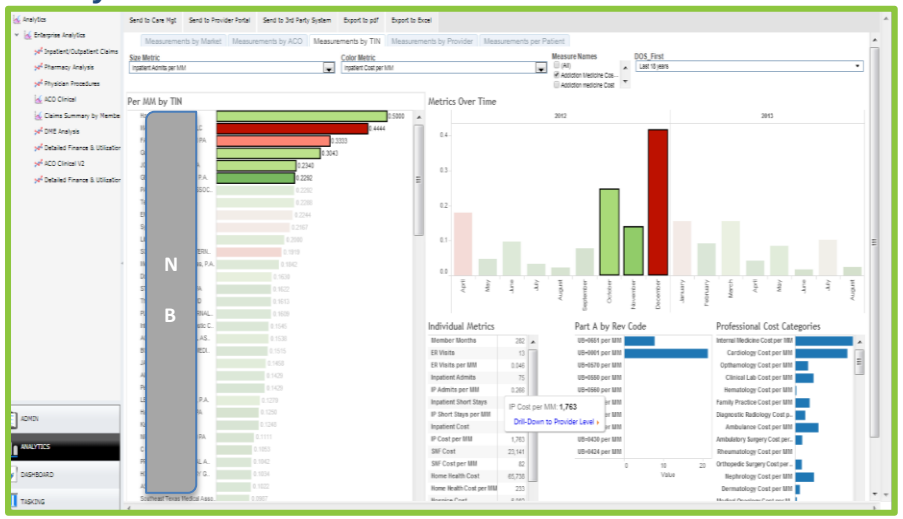
Next Step: Pilot Site for Healthy Impact 360° Platform

ACO-level Analysis

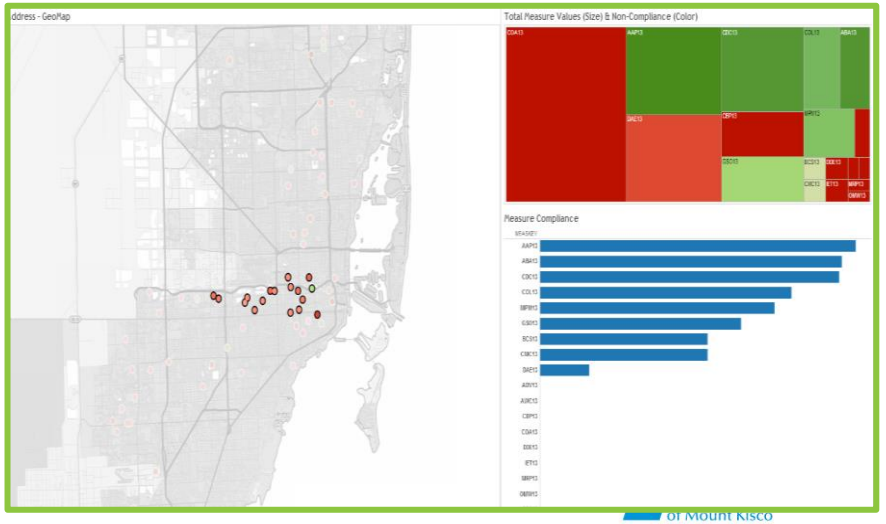


Patient Care Gaps

Physician-level Profile



Mapping and Care Coordination Support



Ongoing Challenges

- Educating and engaging physicians in referral process to care coordination services
- Educating and engaging patients regarding availability of case management services (brochures, web site)
- Linking with affiliated hospitals & SNFs to transition care appropriately and monitor care on ongoing basis
- Moving organization mentality from “volume” driven to “value” driven
- CMS rules evolving; ACO claims data is dated when received

Questions?

Thank You

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