

Required Public Disclosure for the Next Generation ACO Participation Waiver
BRONX ACCOUNTABLE HEALTHCARE NETWORK IPA, INC.
DBA MONTEFIORE ACO IPA

The Bronx Accountable Healthcare Network IPA (“Montefiore ACO”) entered into a Next Generation ACO Agreement with the Centers for Medicare and Medicaid Services (“CMS”) on December 28, 2016, referred to as the Participating Agreement. Centers for Medicaid and Medicare Initiatives (“CMMI”) concluded the Pioneer ACO Model on December 31, 2016, therefore terminating the Pioneer ACO Agreement. This model was replaced with the Next Generation ACO initiative which is a similar model that continues to offer new opportunities in accountable care.

The Secretary of the Department of Health and Human Services (“HHS”) has provided four waivers of federal fraud and abuse laws in connection with the operation of the Next Generation ACO initiative.

The Next Generation ACO Participation Waiver is applicable only when, among other things: The governing authority of the Next Generation ACO has reviewed and made a determination that the financial and other arrangements for which the Next Generation ACO seeks the Next Generation ACO Participation Wavier are reasonably related to the purposes of the ACO. Those purposes include promoting accountability for the quality, cost and overall care for the Medicare (Part A and Part B) population, managing and coordinating care for Medicare fee-for-service beneficiaries through the Next Generation ACO, or encouraging investment in infrastructure and redesigned care process for high quality and efficient service delivery for patients, including Medicare beneficiaries; and descriptions of all arrangements for which waiver protection is sought are publically disclosed.

Comparable waivers under state law are available as a result of Montefiore ACO holding State certification under New York State Department of Health ACO regulations

The Montefiore ACO Board of Directors has duly authorized the arrangements below and made a bona fide determination that each arrangement is reasonably related to the purposes of the Next Generation ACO Model because the arrangements will improve care management and coordination for Medicare beneficiaries assigned to the Montefiore ACO. The descriptions of relevant arrangements are set forth below for the purpose of the Montefiore ACO availing itself of the protections afforded under the ACO Participation Waiver.

1. The Montefiore ACO will continue certain programs and initiatives under the Next Generation ACO program which the Montefiore ACO previously implemented while operating pursuant to the Pioneer ACO Agreement. The Board of Directors recognizes the nature and terms of the Next Generation ACO Participation Waiver and the obligations of the Montefiore ACO Board to oversee governance and operations of the Montefiore ACO initiatives in a manner which is consistent with the Next Generation ACO Agreement with CMS, and all applicable federal and state laws, the arrangements previously approved by the Board of Directors under the Pioneer ACO program shall be continued under the Next Generation ACO program and ACO Agreements with Other Payers and

are reasonably related to ACO activities because the arrangements will improve care management and coordination for Medicare beneficiaries assigned to the Montefiore ACO, as previously declared by the Board of Directors.

2. The Montefiore ACO is preparing to offer a benefit to certain providers cooperating with the Montefiore ACO, in particular physicians and certain other health professionals (as selected by criteria utilized by Montefiore AOC and CMO management, such as nurse practitioners with a NPI number) who are participating providers in the ACO operated by the Montefiore ACO pursuant to the CMS Agreements, but are not employed by Montefiore Health System or its affiliates. The benefit to be offered will be in-kind (without expense to those participating providers) payments of the one-time fee for establishing an electronic transmission connection between the electronic medical record system utilized by the physicians and the regional electronic medical record database maintained by one or more Regional Health Information Organizations (RHIOs) The Montefiore ACO will make payment to the one or more RHIOs as the RHIO' fee for connection to the RHIO services are reasonably related to the purposes of the Next Generation and Next Generation ACO Model and ACO agreements with Other Payers and ACO activities because the arrangement will improve care management and coordination for Medicare beneficiaries assigned to the Montefiore ACO.
3. The Montefiore ACO is preparing to offer certain physicians who are participating providers in the Next Generation ACO an in-kind benefit of the use of handheld retinal cameras. The Diabetic Retinopathy Screening Program services are intended to promote the use of diabetes retinopathy services by the physicians participating in the Next Generation ACO, and the patients will benefit from increased usage of diabetes eye exams, early detection and intervention regarding problems discovered during the exams, overall improvement of the quality of care for diabetic patients, and will ideally contribute to improved patient engagement in their own care as well as shared decision-making by patients with their physicians. The Diabetic Retinopathy Screening Program services are reasonably related to ACO activities because the arrangements will improve care management and coordination for Medicare fee-for-service (Part A/B) beneficiaries aligned with the Montefiore ACO and for persons covered by Other Payors.
4. The Montefiore ACO is preparing to offer certain primary care physicians who are participating providers in the Next Generation ACO an in-kind benefit of the use of a software package which identifies for each particular primary care physician the risk factors for their patients. The 3M 360 ENCOMPASS services are intended to promote the creation of data reports which are simple and easy for a physician to use, and which provide information a physician is most likely to desire as the physician prepares to meet with particular patients, or as a physician contemplates which of the physician's patients would most benefit from the limited time the physician and the physician's staff have available for care management. The 3M 360 ENCOMPASS services are reasonably related to ACO activities because the arrangements will improve care management and coordination for

Medicare fee-for-service (Part A/B) beneficiaries aligned with the Montefiore ACO, and for persons covered by Other Payors.

5. The Montefiore ACO is preparing to offer patients who are aligned with MACO an in-kind benefit (without expense to those patients) of telephone reminders to utilize preventive care, as well as the use of a software application which guides patients through the available choices of treatment options. Payments by check to the vendor for the EMMI Interactive Patient Tool will be made by the MACO in the amount of approximately \$853,855 per year, and the value of the services the vendor is providing to the patients and physicians (without charge to the patient or physician) is approximately \$2.50 pmpm for the total number of risk lives being managed by designated practices using the EMMI Interactive Patient Tool services. The EMMI Interactive Patient Tool services are reasonably related to ACO activities because the arrangements will improve care management and coordination for Medicare fee-for-service (Part A/B) beneficiaries aligned with the MACO and are in kind and related to preventive care or advancing the identified clinical goals persons covered by the Other Payors.
6. The Montefiore ACO is preparing to offer primary care physicians who are participating providers in the NextGeneration ACO an in-kind benefit (without expense to those participating physicians) of the use of a software application to be used on mobile phones and other devices which notifies each particular PCP of key events in the course of patient care where physician attention and intervention may be useful, such as arrival at the emergency room, departure from the emergency room, admission to acute care inpatient hospitals and discharge from an acute care hospital. Payments by check to the vendor for the Cureatr Care Transitions Notification will be made by the MACO in the amount of approximately \$220,000 per year, and the value of the services the vendor is providing to the physicians (without charge to the physician) is approximately \$2 pmpm for the total number of risk lives being managed by designated practices using the Cureatr Care Transitions Notification services. the NextGeneration ACO Participation Wavier are reasonably related to ACO activities, which include activities related to promoting accountability for the quality, cost, and overall care for a patient population of aligned Medicare fee-for-service (Part A/B) beneficiaries and by the Other Payors.
7. The Montefiore ACO has engaged in such efforts pursuant to agreements executed in November 2011 with CMO-The Care Management Organization, LLC (“CMO”), as well as in conjunction with other IPAs and other organizations and providers of care which have entered into agreements to participate in the ACO. CMS has informed MACO that CMS will make a shared savings payment of eleven million seven hundred thousand dollars (\$11.7 M) attributable to the 2017 performance by MACO. CMS already made advance payments (“Prepaid Infrastructure Payments”) to MACO in the amount of three million dollars (\$3.0M) attributable to MACO’s operational expenses for performance year 2017, and those funds have already been transferred by MACO to CMO. The aggregate amount of such payments in 2017 was approximately one hundred seventy six thousand dollars (\$0.176M). That

the net sum to be distributed pursuant to this resolution shall be eight million seven hundred thousand dollars (\$8.7 M). shared savings payments received, and in addition to the amounts previously paid to certain primary care physicians on a per member per month basis, the amount of up to six hundred thousand dollars (\$0.6 M). To be paid to HVIPA as compensation for rendering primary care and primary specialist physician services to MACO. The amount of up to eight hundred fifty thousand dollars (\$0.85 M) shall be paid to North Shore-LIJ Clinical Integration Network IPA as compensation for rendering medical services to MACO, in accordance with the terms of the MACO agreement with North Shore-LIJ CIN IPA. The amount of five million six hundred thousand dollars (\$5.6 M) shall be set aside from shared savings receipts attributable to performance during the 2017 calendar year and maintained as retained earnings of MACO which may be necessary for MACO to utilize in the future for purposes.

8. The Montefiore ACO is preparing to offer and recognizes the nature and terms of the NextGeneration ACO Agreement (including Appendix O) and the obligations of the MACO Board to oversee governance and operations of the MACO initiatives in a manner which is consistent with the NextGeneration ACO Agreement with CMS, and all applicable federal and state laws, and The Chronic Disease Management Reward services are intended by MACO to stimulate patients to be active participants in seeking care when appropriate, to reduce hospital readmissions, to significantly increase patient adherence rates to recommended medications following discharge from a hospital, and to otherwise be actively engaged with their physicians in the treatment process, and with a value of fifty dollars or less per month as a reward for medication adherence and similar adherence to recommended care.

In order to earn the gift card reward, the patient must be responsive to electronic reminders from Wellth and must submit to Wellth daily smart-phone photographs of the medication taken each day, and vPayments by check from MACO to the vendor Wellth under contract to MACO will be made for the gift cards in the amount of approximately \$175,000 per year for the total number of affected NextGeneration ACO patients (estimated at approximately half of the estimated 700 MACO congestive heart failure cases per year) earning the gift cards That the Chronic Disease Management Reward services are a part of the applicable NextGeneration ACO Agreement which MACO has elected to utilize, and the Chronic Disease Management Reward services will have a reasonable connection to the medical care of the beneficiaries and will advance clinical goals because the arrangements will likely produce adherence to treatment regimes, adherence to follow-up care plans, and management of chronic diseases or conditions for Medicare fee-for-service (Part A/B) beneficiaries aligned with the MACO, and are arranged for in accordance with the requirements of Appendix O of the NextGeneration ACO Agreement.

Future arrangements will be added to this list.