



2017 ANNUAL VALUE REPORT

A PHYSICIAN-DRIVEN CLINICALLY INTEGRATED NETWORK

| CREATING HEALTHIER COMMUNITIES



WELCOME MESSAGE



DANIEL FELTON, MD
BOARD CHAIR

It is with great pleasure that all of us at Arkansas Health Network present you with our third annual Value Report for the 2017 Performance year. The goal of this report to provide patients, providers, employers, and other future partners with some insight into Arkansas Health Network's financial and quality indicators across several of our key contracts, including our Medicare Shared Savings Program, CPC+, Direct-to-Employer initiatives, and Bundled Payments.

Arkansas Health Network remains a market leader in population health management and clinical integration as evidenced by our growing network of providers and programmatic success. As of January 2019, our network has grown to **1642 providers** throughout the Central Arkansas region. We partner with these providers to manage **92,298 unique patient lives**. Furthermore, AHN still remains the only Medicare Shared Savings Program to be rewarded with Shared Savings by the Center for Medicare and Medicaid Services. We also have the distinction of receiving Shared Savings for the second time.



BOB SARKAR, MBA, FACHE
PRESIDENT

The upcoming year is ripe with new growth opportunities and we will be excited to share them with you. Among many excited projects, some of the most notable include the launch of Coreo, our new advanced analytics platform, recruitment of a full-time Chief Medical Officer, creation of a post-acute Continuing Care Network, and further expansion of our Direct-to-Employer portfolio in partnership with Arkansas Children's Care Network. Please continue to visit our website and review our quarterly Value Connection newsletter to stay up to date.

We owe a great deal of our success to the ongoing support of our member providers — primary care and specialty physicians, advanced practice providers and hospital partners. Our future is bright as we continue to collaborate across the continuum of care to provide our patients with the highest-quality healthcare.

The 2017 Value Report is designed and written by Rachel Longfellow, Market Director of Operations, Arkansas Health Network. Please email her with any questions or comments (rldlongfellow@stvincenthealth.com). For more information, visit AHN's website— www.arkansashealthnetwork.com or call 501-552-8400.

MEDICARE SHARED SAVINGS PROGRAM (MSSP) - ACCOUNTABLE CARE ORGANIZATION

2017 marked Arkansas Health Network's fourth year as a Track 1 ACO in the Medicare Shared Savings Program (MSSP). The ACO is comprised of 486 providers based in the Little Rock, Hot Springs, and Conway regions of the state. For the 2017 performance year, 25,369 patients were attributed to the ACO based on their plurality of primary care visits. 21 clinics within the ACO were also simultaneously participating in the CPC+ Program.

Throughout the performance year, Arkansas Health Network continued to apply its proven "high-tech" and "high-touch" model of care. Analytics from McKesson Risk Manager identified at-risk patients within the population and utilization trends which showed opportunities to reduce overall costs. These same findings were leveraged by the Arkansas Health Network multi-disciplinary Care Management Team including RN Health Coaches, RN Transition Coaches, and Social Workers. The Care Management team focused on providing education and coaching to the top tier of high risk and rising risk patients. Through longitudinal care plans and motivational interviewing, patients can achieve their health goals and ultimately improve their state of health.

As a result of their comprehensive approach, Arkansas Health Network successfully saved Medicare over **\$6.4 million**. Due to a high quality score of 92.5%, Arkansas Health Network was awarded \$2.9 million of those total savings. The funds were reinvested in developing additional advanced infrastructure which will allow the CIN to continue taking more advanced levels of risk. With this success, AHN remains the most successful ACO in the state of Arkansas.

2017 MSSP OVERALL PERFORMANCE:

Total ACO Savings:	\$6,401,881
ACO Savings Rate:	2.74%
Overall Quality Score:	92.5%
Earned Shared Savings:	\$2,901,786

ACO PARTICIPANTS

Arkansas Neurology
Arkansas Urology
B. Brooks Lawrence, MD
Carroll Family Practice
Central AR Hematology-Oncology
Conway Digestive Health Center
Conway Heart Clinic
Conway Hematology-Oncology
Conway Ortho & Sports Medicine
Conway Regional Medical Center
Conway Regional Rehab Hospital

Conway Urology
Family First Primary Care
Hilman Family Clinic
Homer Fleisher, MD
Jack Stephens Heart Institute
Radiology Associates, PA
Roy Denton, MD
CHI St. Vincent Infirmary
CHI St. Vincent Physician Clinics
CHI St. Vincent Medical Group
Hot Springs

MEDICARE SHARED SAVINGS PROGRAM (MSSP) - ACCOUNTABLE CARE ORGANIZATION

2017 QUALITY PERFORMANCE DETAIL: 92.50% OVERALL SCORE

DOMAIN: PATIENT/CARE GIVER EXPERIENCE

Domain Improvement Score: 12.5%

Measure Title	2017 AHN Performance	Mean Performance Rate (all MSSP ACOs)
CAHPS: Getting Timely Care, Appointments, and Information	77.50	80.60
CAHPS: How Well Your Providers Communicate	92.49	93.13
CAHPS: Patients' Rating of Provider	92.28	92.31
CAHPS: Access to Specialists	80.51	83.32
CAHPS: Health Promotion and Education	57.85	62.30
CAHPS: Shared Decision Making	76.03	75.85
CAHPS: Health Status/Functional Status	70.91	73.05
CAHPS: Stewardship of Patient Resources	32.14	25.68

DOMAIN: CARE COORDINATION/PATIENT SAFETY

Domain Improvement Score: 50%

Measure Title	2017 AHN Performance	Mean Performance Rate (all MSSP ACOs)
Risk Standardized, All Condition Readmission*	14.93	15.01
Skilled Nursing Facility 30-day All-Cause Readmission measure (SNFRM)*	20.96	18.46
All-Cause Unplanned Admissions for Patients with Diabetes*	49.77	53.95
All-Cause Unplanned Admissions for Patients with Heart Failure*	78.46	79.16
All-Cause Unplanned Admissions for Patients with Multiple Chronic Conditions*	61.13	61.74

*Indicates Inverse Measure = Lower score is better



Indicates AHN Performance exceeded Performance Rate of other MSSP ACOs

MEDICARE SHARED SAVINGS PROGRAM (MSSP) - ACCOUNTABLE CARE ORGANIZATION

DOMAIN: CARE COORDINATION/PATIENT SAFETY CONTINUED

Domain Improvement Score: 50%

Measure Title	2017 AHN Performance	Mean Performance Rate (all MSSP ACOs)
Ambulatory Sensitive Condition Acute Composite (AHRQ PQI #91)*	2.02	1.93
Use of Certified EHR Technology	100.00%	91.17%
Medication Reconciliation	8.91%	75.32%
Falls: Screening for Future Fall Risk	66.34%	74.38%
Imaging Studies for Low Back Pain	60.00%	67.32%

DOMAIN: PREVENTATIVE HEALTH

Domain Improvement Score: 12.5%

Measure Title	2017 AHN Performance	Mean Performance Rate (all MSSP ACOs)
Preventive Care and Screening: Influenza Immunization	76.28%	72.52%
Pneumonia Vaccination Status for Older Adults	77.91%	72.92%
Body Mass Index (BMI) Screening and Follow-Up	71.75%	70.69%
Tobacco Use: Screening and Cessation Intervention	92.94%	90.48%
Screening for Clinical Depression and Follow-up Plan	60.57%	61.98%
Colorectal Cancer Screening	68.11%	64.58%
Breast Cancer Screening	70.07%	70.05%
Statin Therapy for the Prevention and Treatment of Cardiovascular Disease	84.27%	79.89%

*Indicates Inverse Measure = Lower score is better



Indicates AHN Performance exceeded Performance Rate of other MSSP ACOs

MEDICARE SHARED SAVINGS PROGRAM (MSSP) - ACCOUNTABLE CARE ORGANIZATION

DOMAIN: AT-RISK POPULATION

Domain Improvement Score: 75%

Measure Title	2017 AHN Performance	Mean Performance Rate (all MSSP ACOs)
Depression Remission at Twelve Months	7.14%	7.93%
Diabetes Composite (All or Nothing Scoring)	41.73%	44.55%
Diabetes Mellitus: Hemoglobin A1c Poor Control*	15.49%	16.74%
Diabetes: Eye Exam	47.51%	50.37%
Hypertension (HTN): Controlling High Blood Pressure	65.86%	71.47%
Ischemic Vascular Disease (IVD): Use of Aspirin or Another Antithrombotic	89.22%	86.86%



*Indicates Inverse Measure = Lower score is better



Indicates AHN Performance exceeded Performance Rate of other MSSP ACOs

COMPREHENSIVE PRIMARY CARE PLUS (CPC+) - MEDICARE

Beginning January 1st, 2017, Arkansas Health Network partnered with 19 clinics from CHI St. Vincent Medical Group which were accepted into the Comprehensive Primary Care Plus (CPC+) program. CPC+, an evolution of the former Comprehensive Primary Care “Classic” program, launched in 2017. As one of the early adopters of the program, Arkansas Health Network and CHI St. Vincent Medical Group have collaboratively developed governance, infrastructure, and workflows to meet the milestones of this program.

As previously mentioned, these clinics are dually participating in CPC+ and the Medicare Shared Savings Program. Per Medicare rules, clinics participating in both programs will forfeit the Performance Based Incentive Payments (PBIP) from CPC+ in lieu of shared savings achieve through the MSSP program. If MSSP were not applicable, clinics would receive these payments based upon performance in two equally weighted Quality and Utilization components. The Quality component is based on performance on CAHPS survey measuring patient experience (25%) and nine Clinical Quality Measures (75%) against national benchmarks. The Utilization Component is based on rates of Inpatient Hospital usage per 1,000 beneficiaries (67%) and Emergency Department Usage per 1,000 beneficiaries (33%).

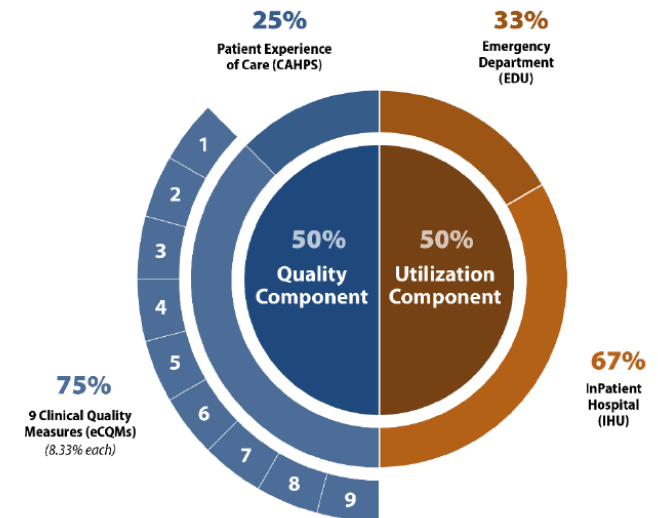
The chart below describes the aggregate performance of the 19 CHI St. Vincent Medical Group CPC+ clinics in the CAHPS, Quality, and Utilization components as well as the projected PBIP that would have been earned if MSSP was not applicable. It is believed the focus and attention on these Quality and Utilization goals for CPC+ were a large part of the 2017 success of the Medicare Shared Savings Program in which Medicare awarded \$2.9 million of shared savings to Arkansas Health Network.

2017 CPC+ OVERALL PERFORMANCE

Total CPC+ Medicare Beneficiaries	15,484
Average CAHPS Summary Score	78.35%
Average Quality Component Earned	44.37%
Average Utilization Component Earned	33.32%
2017 PBIP Total Earned*	\$192,222

**All PBIP figures are hypothetical. 2017 PBIP was forfeited in lieu of MSSP Shared Savings. These figures make projections as if MSSP had not applied.*

Components of the PBIP



DIRECT-TO-EMPLOYER: CHI ST. VINCENT EMPLOYEES & DEPENDENTS

Arkansas Health Network (AHN) has begun exporting its capabilities to serve the health plans of Arkansas businesses. Local self-funded employers can now take advantage of AHN's advanced analytics and population health management capabilities to improve the quality of care being delivered to their health plan members, thus improving member health and driving greater financial efficiency.

In 2017, AHN served the CHI St. Vincent Health Plan members for the third consecutive year. AHN brings a lot of value to employees and dependents including the following:

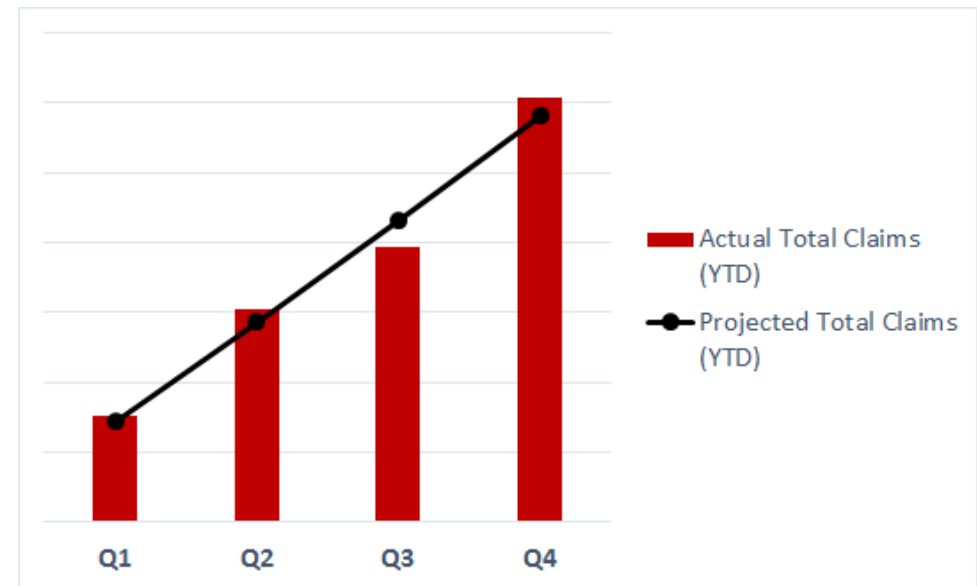
- A robust network of providers practicing evidence-based medicine guidelines
- CHI St. Vincent health plan members can see these providers at a reduced out-of-pocket cost
- Dedicated RN Health Coaches and Social Workers providing year-round outreach as well as in-person participation in health fairs
- Integration with local wellness program to serve patients ranging from those who are healthy to others dealing with multiple chronic conditions

AHN's contributions have played a role in controlling the growth of health plan costs below the rate of inflation.

2017 CHI ST. VINCENT OVERALL PERFORMANCE:

Total Claims PMPM	\$375.14
PMPM Growth Compared to Prior Year	0.6%
Actual Claims vs. Projected Claims	+4.5%
Quality Score	66.6%
HbA1c Testing	85%
Medical Attention for Nephropathy	67%
Diabetic Eye Exam	31%
Breast Cancer Screening	70%

2017 CHI ST. VINCENT ACTUAL VS. PROJECTED CLAIMS TREND



BUNDLED PAYMENTS: BPCI & CJR—TOTAL JOINT REPLACEMENT

BUNDLED PAYMENT FOR CARE IMPROVEMENT—TOTAL JOINT REPLACEMENT: \$343,579 TOTAL SAVINGS THRU QUARTER 3

CHI ST. VINCENT INFIRMARY

FINANCIAL METRICS

	Quarter 1	Quarter 2	Quarter 3	Quarter 4*
# of Episodes	69	50	57	TBD
Final Net Payment Reconciliation Amount	\$92,251	\$101,164	\$150,164	TBD

*2017 Quarter 4 Performance is under review. Value Report will be updated once performance information is available.

COMPREHENSIVE JOINT REPLACEMENT—TOTAL HIP & KNEE: \$575,891 TOTAL SAVINGS

CHI ST. VINCENT HOT SPRINGS

FINANCIAL METRICS

	PY1 (Apr 2016—Sept 2016)	PY2** (Oct 2016—Sept 2017)	Total
# of Episodes	150	310	460
Initial Reconciliation Amount	\$188,698	\$387,192	\$575,891
Final Reconciliation Amounts	\$188,698	TBD	TBD

**Final Episode Counts and Reconciliation Amounts have not yet been released for PY2 of Comprehensive Joint Replacement. Final Reconciliation Payments are subject to change.