



Newsletter February 2017

A HEALTHY MICHIGAN AT AN AFFORDABLE COST

Message from the CEO

Dear Affirmant Team,

It is hard to believe it is already the end of February! Only two months into the year and we are already making great progress on our objectives for 2017. Hopefully you were able to catch my last video blog earlier this month. In past blogs I have talked about data analytics and our Clinical Transformation System but there is one last element that helps us achieve our vision of a healthy Michigan at an affordable cost— our health plan partnerships.



Clinical Transformation

Why are health plan partnerships important?

These partnerships with health plans are key because they enable us to share in the rewards for improving cost-effectiveness of care (including reductions in unnecessary care) and because they allow us to meet the needs of state-wide customers with a single signature contract.

The Contracting Committee and our negotiating team have been working for

months with selected health plans, beginning with our Member-owned health plans—HAP, PHP and Priority Health—to agree on the key elements of a partnership.

Our destination over the next few years is a state-wide health plan product with:

- Agreed upon targets for quality and total cost of medical care
- Upside gain-sharing and downside risk sharing, within agreed upon corridors, for achieving these targets
- Affirmant- and Member-led utilization and care management programs
- Lower out-of-pocket costs for patients receiving care from Affirmantparticipating providers

How do we get there?

In January the Board unanimously approved our health plan strategy recommended by the Contracting committee. You may have heard the term "runway to value"; this is how we propose we partner over the next three years.

2017— Collaboration with health plan partners on our clinical transformation priorities, including targeted gain-sharing

2018—Limited gain-sharing and downside risk-sharing, within agreed upon corridors, on our clinical transformation priorities and bundled payments

2019—Gain-sharing and downside risksharing on total cost of care, within an agreed upon corridor of risk that expands over time

How does this relate to clinical transformation?

Securing health plan partnerships is foundational to what we want to accomplish at Affirmant. It aligns the focus of Affirmant and our health plan partners to our clinical transformation program priorities—chronic disease management, pharmacy and post acute care. It also enables us to share in the value we create through these clinical transformation programs. This means that when we are talking with health plans about partnership, we are specifically talking about collaboration in our areas of focus in clinical transformation and about how to measure the impact of this transformation!

As always, we appreciate your patience while we work to finalize our health plan agreements and align them with our plans for clinical transformation and data analytics. Thank you for all you do for our patients, our communities and for Affirmant.

Best regards,

Dr. Bill Mayer President and CEO

Millia May

Leader Spotlight

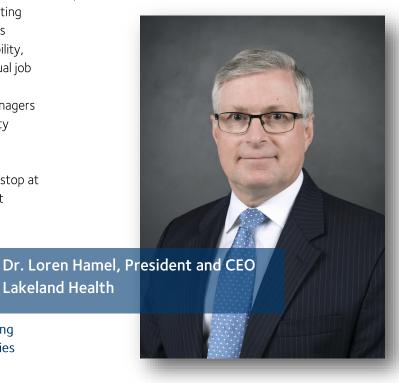
Loren B. Hamel, MD, has been president and chief executive Dr. Hamel graduated with honors from Andrews University in officer of Lakeland Health, based in southwest Michigan, since 2009 and served in various other executive roles at the health system during the previous decade. In addition to his role as CEO at Lakeland Health, Dr. Hamel was also named Vice-Chair of Affirmant Health Partners' Board in July 2015. We are honored to have Dr. Hamel as part of our leadership team and to feature him in this month's Leader Spotlight.

Organizational culture improvements are a hallmark of Dr. Hamel's leadership. Through his "Bring Your Heart to Work" initiative, he shared with associates his vision for connecting their tasks to the heartfelt needs of those they serve. His TRAITS plan – reflecting Teamwork, Respect, Accountability, Inspiration, Trust and Safety – is part of associates' annual job performance evaluations. Dr. Hamel also helped create Lakeland's "Daily Safety Checks," where patient care managers and the senior leadership team discuss and address safety concerns.

Dr. Hamel's passion for culture and people does not just stop at Lakeland Health. He has been a driving force behind best practice sharing and collaboration within our network.

"Together as a team, Affirmant Health Partners can offer the scale and expertise needed to align Lakeland Health evidence-based best practices aimed at keeping people well," said Dr. Hamel. "We feel strongly that we can be most efficient and most effective by working together. Every member organization has opportunities where it can learn, and where it can teach."

Berrien Springs, Michigan, before going on to the Loma Linda University School of Medicine in Loma Linda, California. He also holds a Masters in Health Services Administration degree from the University of Michigan School of Public Health. An experienced family physician, Dr. Hamel treated southwest Michigan residents for 23 years at University Medical Specialties in Berrien Springs. In addition to seeing patients, he served Andrews University in a number of roles, including as a clinical professor, director of the university's health services, and president of the alumni association.



Affirmant Town Hall at Lakeland Health



Affirmant Health Partners will host a town hall at Lakeland Health on March 23, from 1 – 2 pm. The town hall concept is designed to give the Affirmant team an update on our progress and an opportunity for our members to ask questions. The most exciting part is, it will be live-streamed so everyone within our network can participate!

The town hall series will be hosted quarterly at a different member site. We are thrilled to offer this unique opportunity to interact with Affirmant leadership and hope you will save the date! WebEx information will be distributed shortly.

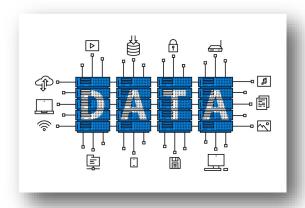
Primary Care in the News

Programs like CPC+ are designed to support practices along the continuum of their transformation to deliver better health and smarter spending. This topic is also gaining attention in the press. Atul Gawande, a surgeon and public-health researcher, explains how primary care works today in "The Heroism of Incremental Care." The article features CPC+ Senior Advisor Asaf Bitton, MD, who offers his insights around why having a primary-care clinician as a patient's main source of care is better for beneficiaries.

Nearly 120 practices and well over 200 physicians participating in Affirmant were accepted into the CPC+ program.



IT/BI Update



The Information Technology and Business Intelligence Committee and work groups have been busy defining performance measures and gathering data from existing Member systems, as well as developing a long term IT/BI strategy. To date, we have received data on standardized measures from Bronson, Covenant, Henry Ford, Lakeland, MidMichigan and Sparrow. Analysis of the data received is underway. Receipt of data from all Affirmant partners will be necessary to demonstrate compliance with Federal Trade Commission requirements for clinical integration. At its February meeting, the Board of Managers unanimously accepted the long term IT/BI strategy recommended by the IT/BI Committee. This strategy includes initial collaboration with Henry Ford Health System (HFHS) for analysis of Medicare Shared Savings Program

(MSSP) data with appropriate protections for proprietary and confidential information. Last month, Affirmant received the first historical claims data files for the more than 71,000 Medicare beneficiaries attributed to our Federation ACO physicians. We expect to have our first reports on MSSP data from HFHS by the end of March.

through sentences. The pain would

oradually subside but often not

Affirmant is also working with Fetch Data in Quick Base software to develop reliable tools for CIN operational workflow, project management, document management, data sharing, contract management, customer relationship management, expense tracking and other administrative services. We anticipate this software will be helpful to our local CINs for their administration.

HQEP Webinar

Did you miss the HQEP webinar, hosted by Affirmant Health Partners, presented by Navigant? Don't worry, we have a copy of the slide deck and a link to the recording on our SharePoint siteBi.

The webinar focused on the following questions:

- What is a Hospital Quality & Efficiency Program? What makes it unique from historical co-management and gainsharing agreements?
- Why is HQEP an effective strategy for CIN/ACOs to consider?
- What are the initiatives that may be included within an HQEP?
- What is the compensation model and funds flow for an HOFP?
- What provisions should be built into an HQEP to ensure regulatory compliance?
- What does the HQEP development process look like?





Congratulations

Suzie Knoff, RN, BSN from MidMichigan

for correctly identifying the Federation Mug in the video blog!



A \$10 BIGGBY GIFT CARD IS ON ITS WAY!