

**HHC ACO INC.  
MINUTES OF THE  
BOARD OF DIRECTORS MEETING  
October 31, 2017  
125 Worth Street, Room 532  
New York City**

**ATTENDEES**

**BOARD MEMBERS**

PV Anantharam  
Jeromane Berger-Gaskin  
Stanley Brezenoff  
David Gross  
Gary Kalkut, M.D.  
Luis R. Marcos, M.D.  
Jasmin Moshirpur, M.D.  
Ross M. Wilson, M.D.  
Balavenkatesh Kanna, M.D. (dialed in)

**HHC STAFF**

Machelle Allen, M.D.  
Nancy Barnicle  
Irene Frohlich  
Rob Houston  
Shunsuke Ito  
Israel Rocha  
Salvatore Russo  
Sarah Samis  
Rachael Steimnitz  
Lana Vardanian, M.D.

**OTHER ATTENDEES**

Stephen Williams – Brightpoint Health

**CALL TO ORDER**

The meeting of the Board of Directors of HHC ACO Inc. (the “Board”) was called to order by Stanley Brezenoff, Chair of the Board at 3:00 pm.

## **OLD BUSINESS**

Mr. Brezenoff entertained a motion to adopt the minutes of the June 13, 2017 meeting of the Board. A motion was duly made and seconded. There being no corrections to the minutes offered by the members of the Board, the motion to adopt the minutes was unanimously approved.

## **NEW BUSINESS**

Dr. Wilson, the ACO's CEO, discussed the ACO's Medicare Shared Savings Program (MSSP) performance results for 2016, which were released by the Centers for Medicare and Medicaid Services (CMS) this month. The ACO saved \$3,592,166 in 2016, for which it will receive shared savings of \$1,586,859. The ACO achieved a 90.15% quality score. The amount earned was substantially lower than last year largely due to CMS re-basing the ACO's benchmark during the second contract period. Dr. Wilson also emphasized the extraordinary performance of the ACO achieving savings for the fourth consecutive year, as it was the only Medicare ACO in New York State to earn savings for four consecutive years, and only 18% of MSSP ACOs nationally have earned savings for four consecutive years.

Mr. Brezenoff asked what specifically the ACO has been doing to improve care coordination and go beyond standard practice at H+H facilities. Dr. Wilson indicated that the ACO provides a whole picture of our patient populations' utilization, including if they visit receive services outside our ACO network and provides actionable data to our providers. Dr. Lana Vardanian, the ACO's Chief Medical Officer, added that the ACO provides a daily care transitions report to providers if a patient has an ED visit or inpatient admission so they can follow up with the patient. Dr. Wilson indicated that this is an example of a practice that could be expanded to patients beyond Medicare fee-for-service if the utilization data is available. Dr. Machel Allen asked what it would take to scale up to other populations, and Dr. Wilson responded that it will take a serious investment in data and care management resources.

Dr. Gary Kalkut asked how the ACO's quality performance score was calculated. Dr. Wilson indicated that the scores are calculated using a CMS formula that takes into account performance versus previous results and also year-to-year improvement. Mr. Brezenoff asked whether the ACO had the ability to focus in on particular metrics for improvement. Dr. Vardanian said she believes that there is a

great opportunity in the care coordination domain and we are already meeting with ACO Leads to explore how metrics in this domain can be improved.

The group then moved onto discussion of the shared savings distribution for this year. Dr. Wilson explained that most of the methodology is already laid out in the ACO Participation Agreements. The ACO operational expenses were \$1,341,071, as confirmed by Mr. PV Anantharam, leaving \$245,788 for distribution. Per the agreements, CHN's portion of the payment will be based on the amount of patients it had attributed to its providers relative to the rest of the ACO, while the remaining amount for the remaining shared savings distributees will be determined by FTE and a quality score. Dr. Wilson indicated that, as discussed last year, the proposed distribution for H+H employed physicians and Corporate affiliates will be for 50% on participation and 50% on quality score based on an individual hypertension control metric and CG-CAHPS facility scores. The ACO is in the process of finalizing an FTE headcount to determine how much each individual PCP will receive, but estimates that the average PCP will receive an incentive payment of \$673 per FTE.

Dr. Moshirpur asked what last year's distribution was and Ms. Frohlich indicated that it was about \$12,000 per FTE. Dr. Wilson again explained that the margin was lower because of the benchmark change, and explained that the ACO's spend on Medicare patients is well below national and regional averages. However, the opportunity for increased savings will improve in 2018 once a regional component is added to the MSSP. Dr. Kalkut pointed out that the ACO expenses went up slightly, but also that the costs per patient went up as well versus last year. Mr. David Gross from CHN indicated that he understands in the current contract CHN and "other shared savings distributees" are treated differently from the H+H providers and Corporate Affiliates, and judged in number of attributed patients but in future years, it might be helpful to move forward in a consistent manner. Dr. Wilson indicated that the ACO would welcome that discussion and agrees that it would be helpful to be consistent across employer.

Mr. Brezenoff then asked if there were limitations on what the H+H institutional share could be used for and he would like to explore if it could, for example, be used to further reward quality performance. Dr. Wilson indicated that H+H has discretion over its own share, rather than the Board, and it could choose to reinvest it in a number of different ways.

Dr. Wilson then put forth a resolution #201710-1. A motion was made and duly seconded to adopt the following resolution:

**RESOLVED**, that the Chief Executive Officer of the ACO is hereby authorized to negotiate and execute an amendment to the ACO Participation Agreements or ACO Agreements currently in place with NYC Health + Hospitals and the Shared Savings Distributees consistent with the savings distribution methodology set forth in the Proposed 2016 Shared Savings Allocation (Exhibit B), and distribute the 2016 Performance Payment in accordance with such agreements as amended.

The motion was unanimously approved.

Dr. Wilson indicated that he will negotiate and execute an amendment as directed and report back accordingly. He also informed the group that this meeting would be his last as CEO of the ACO.

#### **ADJOURNMENT**

There being no further business, Dr. Wilson adjourned the meeting at 3:48 pm.