



Adirondacks ACO, LLC

Board of Managers Meeting Minutes

Tuesday, July 9, 2019

Board Managers in Attendance:

Ambler, MD, Kris
Beguín, MD, David
Buck, MD, Elizabeth
Burton, Eric
Filion, MD, Paul
Getman, Sylvia
Hammond, Patti
LeBeau, Michelle
Mannix, Marty
Rugge, MD, John
Schapiro, MD, Howard
Slingerland, MD, Tucker
Tournier, Chris

Board Managers Excused:

Bulris-Allen, Amanda
Brumsted, MD, John

Staff in Attendance:

Ashline, Karen
Daniels, Gregory
Dickie, Robert
Lee, Karen
Murphy, Megan
Rietsema, Wouter
Stiles, Brenda

Guests:

Wildridge, William – Fust Charles Chambers

1. CALL TO ORDER, ESTABLISH A QUORUM

Dr. Rugge called the meeting of the Board of Managers of the Adirondacks ACO to order at 5:32 pm and established a quorum.

2. CONSENT AGENDA

- a) BOM Minutes of June 4, 2019 Meeting

There being no further questions or concerns, the Board approved the Consent Agenda on a motion by Ms. Sylvia Getman, seconded by Mr. David Slingerland, MD and carried.

3. FINANCE

a) **TAX/AUDIT UPDATE**

- i. **FUST CHARLES CHAMBERS – AUDIT REVIEW**

Mr. William Wildridge, Partner with Fust Charles Chambers presented the 2018 audited financials and findings to the Board, noting they are issuing an unmodified opinion and that the audit went very well and commended all personnel who assisted in the audit process.

Mr. Wildridge reviewed the qualitative aspects of accounting practices, evaluating the key factors and assumptions used to develop the estimates in determining they are reasonable in relation to the financial statements as a whole.

There being no further questions or concerns, the Board approved the audit findings on a motion by Mr. Chris Tournier, seconded by Mr. Tucker Slingerland, MD and carried.

b) FINANCIAL REPORT (P&L) FOR MONTH ENDING APRIL 2019

Ms. Lee reviewed the financial statements for the month ending April, 2019. She noted that the financials include all 2018 audit entries with the exception of one made this week for an additional \$37K owed from Empire BCBS's 2018 settlement as a result of receiving our final fourth quarter data and settlement report last week.

Performance YTD remains positive; with higher revenue and lower salary and consulting expenses; driving a positive variance to budget of \$344k.

c) REVIEW OF BOARD DECISIONS REGARDING SHARED SAVINGS/RISK POLICY

The Adirondacks ACO Board of Managers previously approved a Shared Savings/Loss Distribution Policy, with a one year deviation from the policy providing for an additional \$1 pmpm to be kept from the 2018 shared savings to cover budgeted 2019 expenses. Ms. Lee documented these two approvals and recommended a proposed revision for the Board's consideration. The revision stipulated that the ACO would only retain the portion of the 2018 shared savings needed to cover 2019 actual incurred infrastructure costs up to \$1.00 PMPM. Any remaining funds available from the budgeted \$1 PMPM not needed to cover actual costs would be distributed to the network.

An updated shared savings calculation was presented according to the previously agreed upon policy so the board could see the impact if the ACO were to keep the full \$1 pmpm; which resulted in a handful of providers owing additional money.

There being no further questions or concerns, the Board approved the modification to the shared savings/loss distribution policy on a motion by Mr. Marty Mannix, seconded by Mr. David Beguin, MD and carried.

4. PAYER PROGRAMS UPDATES

a) 2018 MAXIMUM RISK AND PERFORMANCE DASHBOARD

Mrs. Lee reviewed the 2018 Maximum Surplus and Risk Dashboard. The two changes were with the Fidelis settlement which decreased from \$549k to \$177k, and for Empire BCBS which increased from \$302k to \$339k. Once we received our final settlement proposal from Fidelis, two significant changes were noted:

- The largest financial impact was an additional \$2.80 pmpm Fidelis added in claims cost for the Health Care Reform Act (HCRA) surcharge; something that is included per the terms of the agreement, but never previously reported.
- A lower quality score was calculated than previously used, decreasing from 52.5% to 48.5%. The net surplus of \$913K, multiplied by the 40% allowable to share and multiplied by the quality score of 48.5% resulted in \$177 in shared savings.

Ms. Lee approached the board for their recommendation to accept the \$177K in shared savings or dispute the agreement as allowed by contract prior to September 2, 2019.

The Board would like hold off voting on the proposed shared savings until the August 6, 2019 Board meeting pending the feedback Ms. Lee may receive from Fidelis after pursuing a reduction of the HCRA surcharge.

Empire BCBS: After submitting both the 4th quarter results and their proposed settlement, Empire BCBS shows an additional \$37K owed to the ACO. A note accompanied the proposed settlement stating the payment had been issued on June 28, 2019. However, Ms. Lee noted that the ACO has 60 days to dispute the settlement, from the date provided of July 1, 2019.

There being no further questions or concerns, the Board approved the proposed settlement on a motion by Mr. David Beguin, MD, seconded by Mr. Chris Tournier and carried.

Excellus: The Board had previously agreed to accept the quality score offered by Excellus which lowered the settlement by approximately \$79k, however this was not officially approved by the Board. Once a settlement document is executed, the final payment will be made via a claims add-on to CVPH inpatient and outpatient claims for ease of tracking and collection.

There being no further questions or concerns, the Board approved the proposed settlement via a claims add-on to CVPH inpatient and outpatient claims on a motion made by Mr. Eric Burton, seconded by Mr. David Beguin, MD and carried.

CDPHP: Final settlement was provided to the ACO on May 16, 2019, indicating a \$210k surplus, which was within our 1% Minimum Deficit Rate. The ACO has until July 15, 2019 to dispute this settlement.

There being no further questions or concerns, the Board approved the final settlement on a motion by Mr. Chris Tournier seconded by Mr. David Slingerland, MD and carried.

UHC: Distribution is based solely on the ACO's overall quality score. UHC has agreed to honor ACO calculations and pay the \$1.65 pmpm we believe is owed. As the ACO earned 29 points, we are entitled to additional \$0.15 pmpm for every point over 19, bringing the settlement to \$305K.

There being no further questions or concerns, the Board approved the final settlement on a motion by Mr. David Beguin, MD, seconded by Mr. David Slingerland, MD and carried.

b) 2019 MAXIMUM RISK AND PERFORMANCE DASHBOARD

Ms. Lee reviewed the newly created dashboard with the Board. There are only three payers from whom the ACO has downside risk: Excellus, CDPHP and Empire BCBS. The maximum downside risk is currently estimated at \$1.3M based upon our best attribution estimates.

The ACO has currently created 743k in shared savings, with eligibility to keep up to \$574k.

c) CONTRACTING DECISIONS

i. APPROVAL FOR MVP AND BSNENY 2019 AGREEMENT

Ms. Lee reminded the Board that had the ACO executed the agreements that were previously negotiated for 2018 and 2019 by prior CEOs, the ACO would have lost money. In order to eliminate this likelihood, Ms. Lee negotiated agreements with both MVP and BSNENY to keep the \$7 pmpm flowing with no down side risk through the end of the year. Ms. Lee requested approval for both agreements; albeit retrospectively for MVP.

There being no further questions or concerns, the Board approved negotiating no risk with \$7.00 pmpm for both BSNENY and MVP on a motion by Mr. Chris Tournier, seconded by Mr. Eric Burton and carried.

5. FUTURE ACO NETWORK AND STRATEGY UPDATES

a) NORTH COUNTRY INNOVATIONS PILOT

Mr. John Rugge, MD spoke on the two public forms that were cancelled on June 24, 2019. The decision to cancel was made in an effort to better prepare and be seen as a foundation of credibility that the government can achieve savings through better efficiencies. Upcoming weeks will be spent creating a pro-forma model of care and payment reform and generating a request for consideration in the NY State Budget in the fall. McKinsey is being brought to provide additional support in creating the models and financials over the next eight weeks.

b) MSSP

i. APPLICATION RENEWAL AND TIMELINE AND 2020 BENEFICIARY DECISIONS

Ms. Ashline reviewed the timeline and beneficiary assignments for the 2020 renewal. The assignment methodologies were discussed and weighed for consideration. Prospective assignment, assigns beneficiaries at the start of the performance year, based on the most recent 12 months for which data are available; and preliminary prospective assignments with retrospective reconciliation in which an ACO receives attribution at the beginning of the performance year based on most recent data available and update quarterly based on the most recent 12 months of data. With preliminary prospective attribution, the final list of beneficiaries used in financial reconciliation is determined after the end of the performance year. Beneficiaries that are prospectively assigned to an ACO, will remain assigned at the end of the benchmark or performance year unless they meet any of the exclusion criteria.

Ms. Ashline reviewed the application process, participant list and agreements and timeline for CMS RFI (requests for information). CMS will notify MSSP renewal applicants in November 2019 and the ACO must attest to agreement for full year 2020 in December 2019.

Ms. Karen Ashline advised the board that participant agreement letters have been sent out for signature and should be returned by July 16, 2019 for submission to CMS no later than July 29, 2019.

There being no further questions or concerns, the Board recommended the prospective assignment methodology for 2020 on a motion by Ms. Dianne Shugrue, seconded by Mr. Howard Schapiro, MD and carried.

ii. **ADDITION OF NWIHN TO ACO**

Ms. Ashline advised the Board that Northwinds Integrated Health Network IPA is working with the ACO to become a collaborating partner. CMS requires that for MSSP participants, entities must be eligible to bill as a Medicare provider. If Northwinds providers were eligible and interested in the MSSP arrangement, each would be required to execute a participant agreement. Mr. David Slingerland, MD would like a better understanding of the organization and their ideas surrounding primary care prior to the organization becoming an ACO participant. Mrs. Ashline suggested that the Northwinds leadership be invited to the next Board meeting to provide details on their work to date and plans for collaboration.

6. **COMPLIANCE**

a) **DATA BREACH**

Mr. Daniels provided a status update. The data breach has been reported to the Office of Civil Rights and the Attorney General's Offices of a number of states, including New York. The first batch of Notification letters have been mailed to persons affected by the breach. A call center has been set up to answer questions from affected persons and to sign up qualifying persons for credit monitoring. Any escalations from the call center will be directed to Chief Compliance Officer Greg Daniels.

b) CONFLICTS OF INTEREST

Mr. Daniels reviewed the Conflict of Interest forms. Both the Board and staff will be required to complete and return to Karen Ashline for record keeping.

7. ADJOURN

The meeting adjourned at 7:45 p.m. after a motion by Mr. John Rugge, MD.

Respectfully submitted,

Betsy Lashway