

DELAWARE VALLEY ACO

RESOLUTION

August 2, 2016

RE: Determination that Establishment of a Preferred Skilled Nursing Facility Network is Reasonably Related to the Purposes of the Medicare Shared Savings Program

WHEREAS, DVACO currently participates in the Medicare Shared Savings Program (“MSSP”) for a three-year period which began on January 1, 2014;

WHEREAS, DVACO has filed an application to continue participation in the MSSP for an additional three-year period, beginning January 1, 2017;

WHEREAS, the U.S. Department of Health and Human Services' Centers for Medicare & Medicaid Services and Office of Inspector General have promulgated MSSP “pre-participation” and “participation” waivers (“Waivers”) that waive the application of the federal physician self-referral law, the federal health care program anti-kickback statute, and certain federal civil monetary penalty laws as to certain financial arrangements involving MSSP ACOs;

WHEREAS, the Waivers require, *inter alia*, that the ACO’s governing body make and duly authorize a *bona fide* determination that the financial arrangements to be protected by the Waivers are reasonably related to the purposes of MSSP;

WHEREAS, the Waivers further require that the financial arrangements be disclosed on the ACO’s website within sixty days of the date of the arrangements;

WHEREAS, the purposes of the MSSP are promoting accountability for the quality, cost, and overall care for a Medicare patient population as described in the MSSP; managing and coordinating care for Medicare fee-for-service beneficiaries through an ACO; and encouraging investment in infrastructure and redesigned care processes for high quality and efficient service delivery for patients, including Medicare fee-for-service beneficiaries;

WHEREAS, DVACO has identified evidence informed clinical criteria reflecting optimal care in the skilled nursing setting that includes, but is not limited to clinical capabilities (e.g., patient complexity, high tech, LVAD), physician/Advanced Nurse Practitioner presence; advanced illness management (e.g, end of life care); performance against CMS Nursing Home Compare metrics; and cooperation with care coordination goals

WHEREAS, DVACO seeks to use this information to invite skilled nursing providers to become part of a network of skilled nursing providers who exemplify the optimal processes, qualifications and criteria that have been identified and who are similarly aligned with the DVACO mission of promoting health services quality, reducing the cost of care and improving the care delivery experience for patients (the “Preferred Network”);

WHEREAS, in order to be in the Preferred Network Skilled Nursing Facility providers will sign an agreement (“Preferred Network Agreement”) with DVACO where they will agree to commit to the participation criteria outlined in the DVACO Proposal, which focuses on:

- Clinical Capabilities and Medical Coverage
- Communication and Collaboration
- Access and Transitional Care Management
- Quality Performance Measures

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(“Preferred Network Obligations”) and in return DVACO will agree to evaluate the performance of the Skilled Nursing Facilities, in conjunction with the participating health systems, to share the quality performance information with the respective Skilled Nursing Facilities, inpatient and ambulatory care coordinators, patients and caregivers who are selecting a Skilled Nursing Facility provider;

WHEREAS, skilled nursing providers within the Preferred Network may , as a result of being in the Preferred Network, receive referrals of DVACO patients who are MSSP Beneficiaries as well as participants under certain commercial agreements held by DVACO (based on participation with said commercial payers) from DVACO hospitals; and

WHEREAS, DVACO’s goals in establishing the Preferred Network and requiring the skilled nursing providers in the Preferred Network to perform the Preferred Network Obligations are to promote accountability for the quality, cost, and overall care of patients in the community that DVACO serves, including but not limited to Medicare fee-for-service beneficiaries, and to promote redesigned care processes for high quality and efficient service delivery for patients all of which are reasonably related to the purposes of the MSSP.

BE IT THEREFORE RESOLVED that the Board determines that the development of a Preferred Network for skilled nursing services and the Preferred Network Agreements are reasonably related to the purposes of the MSSP.

BE IT FURTHER RESOLVED that the Board approves the establishment of a Preferred Network and the public disclosure of the Preferred Network on the DVACO website in a manner that satisfies all requirements of the Waivers.

BE IT FURTHER RESOLVED that the Board approves the execution of Preferred Network Agreements with certain skilled nursing providers, in connection with the establishment and maintenance of Preferred Network on terms acceptable to DVACO management.