CATHOLIC MEDICAL PARTNERS – ACCOUNTABLE CARE

Disclosure of Use of Participation Waiver

Catholic Medical Partners-Accountable Care, Inc. entered into an ACO Agreement with the Centers for Medicare and Medicaid Service (“CMS”) on January 1, 2016.

On or about November 22, 2016, the Board of Directors of Catholic Medical Partners-Accountable CMP’s (CMP-AC) reviewed and made a determination that the ACO Participation Waiver sought to be applied to collaboration agreements between the CMP-AC orthopedic surgeons (“orthopedic surgeons”) and the Catholic Health hospitals is reasonably related to the purposes of the ACO. Those purposes of cost reduction and increase/maintain quality, including reduction from previous years of the sub-acute utilization rate and a maintenance/reduction in complication rates, of orthopedic surgery at Catholic Health hospitals.

The Orthopedic Care Cost-Savings Program if offered to CMP-AC orthopedic providers providing total hip or knee arthroplasty. To benefit from the program, providers will be expected to have a complication rate that is at or below the system average or demonstrate a statistically significant improvement towards the system average complication rates and achieve at least a 1% reduction in the rate of SNF utilization for post-acute care from that physician’s prior year’s rate.

The Catholic Health hospitals are in the process of negotiation and executing final contracts with the orthopedic surgeons, a listing of physicians with executed contracts with effective dates will be set forth below.

Providers will be expected to meet quality metric goals and will be monitored in order to continue with the waiver and include cost, patient satisfaction, national orthopedic care measures. A defined quality metric to be measured is an estimate of the hospital-level complication rate for patients, regardless of payer, who undergo total hip arthroplasty or total knee arthroplasty as a primary procedure. If the metrics are not met, the Board has the ability to revoke the waiver.

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<th>Physician</th>
<th>Date of Agreement</th>
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No executed contracts at this time.