

**Required Public Disclosure for the Pioneer ACO Participation Waiver**  
**BRONX ACCOUNTABLE HEALTHCARE NETWORK IPA, INC.**  
**DBA MONTEFIORE ACO IPA**

The Bronx Accountable Healthcare Network IPA (BAHN) entered into a Pioneer ACO Agreement with the Centers for Medicare and Medicaid Services (“CMS”) on December 19, 2011, referred to as the Participating Agreement.

The Secretary of the Department of Health and Human Services (“HHS”) has provided four waivers of federal fraud and abuse laws in connection with the operation of the Pioneer ACO model.

The Pioneer ACO Participation Waiver is applicable only when, among other things: The governing authority of the Pioneer ACO has reviewed and made a determination that the financial and other arrangements for which the Pioneer ACO seeks the Pioneer ACO Participation Wavier are reasonably related to the purposes of the ACO. Those purposes include promoting accountability for the quality, cost and overall care for the Medicare (Part A and Part B) population, managing and coordinating care for Medicare fee-for-service beneficiaries through the Pioneer ACO, or encouraging investment in infrastructure and redesigned care process for high quality and efficient service delivery for patients, including Medicare beneficiaries; and descriptions of all arrangements for which waiver protection is sought are publically disclosed.

The BAHN Board of Directors has duly authorized the arrangements below and made a bona fide determination that each arrangement is reasonably related to the purposes of the Pioneer ACO Model because the arrangements will improve care management and coordination for Medicare beneficiaries assigned to the BAHN. The descriptions of relevant arrangements are set forth below for the purpose of the BAHN availing itself of the protections afforded under the ACO Participation Waiver.

1. The BAHN has executed a final contractual agreement for participation in the Pioneer ACO with St. Barnabas Hospital, effective December 10, 2012 under which Montefiore’s care management affiliate (CMO) will provide care management services, disease management services, and quality management services for Medicare beneficiaries assigned to the BAHN under the Participating Agreement with St. Barnabas.
2. The BAHN is in the process of negotiating and executing a final contractual agreement, with an effective date of January 1, 2013 for participation in the Pioneer ACO with North Shore-LIJ Clinical Integration Network IPA (CIIPA) under which CMO will provide care management services, disease management services, and quality management services for Medicare beneficiaries assigned to the BAHN under the Participating Agreement with CIIPA.

3. The BAHN will offer primary care physicians and certain specialists (as selected by criteria utilized by BAHN and CMO management) who are participating providers in the Pioneer ACO a per member per month payment. The payment is compensation for the time, effort and expense of the physicians and their staff in fully engaging in and facilitating the care coordination, quality improvement and data reporting requested by BAHN IPA in an effort to deliver better care for individuals, better health for populations and reduced expenditures for Medicare, pursuant to the goals and contractual obligations of the Pioneer ACO program. This practice commenced on December 11, 2012 and is expected to expand as additional physicians join the BAHN and are considered for inclusion in this arrangement.
4. The BAHN will provide certain physicians (as selected by criteria utilized by BAHN and CMO management) who are participating providers in the Pioneer ACO complimentary access to a vendor-administrated electronic system for communication with the physician's patients. The services include, but are not limited to, secure email from patients regarding patient health concerns, electronic requests from patients for appointments, and communication by the physician to the patients of test results in an effort to deliver better care for individuals, better health for populations and reduced expenditures for Medicare, pursuant to the goals and contractual obligations of the Pioneer ACO program. This practice is anticipated to commence in the month of April 2013 and is expected to expand as additional physicians join the BAHN and are considered for inclusion in this arrangement.
5. The BAHN is preparing to offer Skilled Nursing Care Facilities (as selected by criteria utilized by BAHN and CMO management) who are participating providers in the Pioneer ACO a payment per member per month as compensation for the time, effort and expense of the facility and their staff in fully engaging in and facilitating the care coordination, quality improvement and data reporting requested by BAHN IPA in an effort to deliver better care for individuals, better health for populations and reduced expenditures for Medicare, pursuant to the goals and contractual obligations of the Pioneer ACO program, and such payments may be offset by future shared savings payments, if any. This practice is anticipated to commence in the fourth quarter of 2013 and is expected to expand as additional Skilled Nursing Care Facilities join the BAHN and are considered for inclusion in this arrangement.
6. The BAHN has received a year-end shared savings payment attributable to calendar year 2012 in the amount of fourteen million dollars (\$14 million) and will make a distribution as follows pursuant to a resolution of the Board of Directors: Three and a half million dollars (\$3.5 million) shall be set aside and held in reserve for future ACO purposes; four million seven hundred thousand dollars (\$4.7 million) shall be paid to CMO as compensation for care coordination, financial and other administrative services, as rendered pursuant to a contract entered into between BAHN IPA and CMO; in addition to the amounts previously paid to certain primary care physicians on a per member per month basis, up to one million two hundred thousand dollars (\$1.2 million) shall be paid

to MIPA as compensation for rendering primary care and primary specialist physician services to BAHN IPA; up to six hundred thousand dollars (\$600,000.00) shall be paid to MIPA as compensation for rendering specialty physician services to BAHN IPA; up to four million dollars (\$4.0 million) shall be paid to MIPA as compensation for rendering hospital services to BAHN IPA.

7. The BAHN has received a year-end shared savings payment attributable to calendar year 2013 in the amount of thirteen million four hundred thousand dollars (\$13.4 million) and will make a distribution as follows pursuant to a resolution of the Board of Directors: Two million and nine hundred thousand dollars (\$2.9 million) shall be set aside and held in reserve for future ACO purposes; eight million eight hundred thousand dollars (\$8.8 million) shall be paid to CMO as compensation for care coordination, financial and other administrative services pursuant to a contract entered into between BAHN IPA and CMO; in addition to the amounts previously paid to certain primary care physicians on a per member per month basis, up to six hundred and seventy thousand dollars (\$670 thousand) shall be paid to MIPA as compensation for rendering primary care and primary specialist physician services to BAHN IPA; up to three hundred and thirty-five thousand dollars (\$335,000) shall be paid to MIPA as compensation for rendering specialty physician services to BAHN IPA; up to two million and three hundred and fifty thousand dollars (\$2.35 million) shall be paid to MIPA as compensation for rendering hospital services to BAHN IPA; up to one million and nine hundred and fifty thousand dollars (\$1.95 million) shall be paid to North Shore-LIJ Clinical Integration Network IPA as compensation for rendering medical services to BAHN IPA.
8. By prior resolution on October 12, 2012, the BAHN decided to offer primary care physicians and certain specialists (as selected by criteria utilized by BAHN and CMO management) who are participating providers in the Pioneer ACO a per member per month payment. The BAHN wishes to continue that program with certain additional conditions, effective May 29, 2015. The program shall be available only to primary care physicians and certain specialists who also have a stage 2 Electronic Medical Record (EMR) system in their practice, and where the physician practice or group has a minimum of one hundred ACO patients, Groups eligible for the incentive program in PY3 (2014) will continue to do so under the previous threshold of twenty five ACO patients.
9. On April 20, 2015 BAHN was notified that the BAHN was certified by the New York State Department of Health as a Medicare-only Accountable Care Organization pursuant to 10 NYCRR Part 1003 of the Department's regulations. Under the State ACO certification process the BAHN may obtain protection under State fraud and abuse and related laws which provide essentially the same legal protections as are available under comparable federal fraud and abuse and related laws applicable to a Pioneer ACO. To obtain those comparable protections under state law pursuant to 10 NYCRR Part 1003.14 (b), (c), and (d) the BAHN must conduct essentially the same reviews, draw essentially the same conclusions, and follow essentially the same procedural steps, as BAHN is

required to take in order to invoke the similar protections under federal law. By Resolutions adopted on Oct. 22, 2012, December 11, 2012, April 5, 2013 and January 23, 2015, the Board of Directors previously recognized the nature and terms of the Pioneer ACO Participation Waiver and the obligations of the Board to oversee governance and operations of the Pioneer ACO in a manner which is consistent with the Participating Agreement, and all applicable federal and state laws. By Resolutions adopted on September 13, 2013 and October 10, 2014 the Board of Directors previously authorized distributions of shared savings funds remitted to BAHN by CMS. All the reviews and conclusions of this Board as reflected in all such prior resolutions by this Board regarding Pioneer ACO Participation Waiver activities governed by federal law are intended to apply equally to the operations of the BAHN regarding state law, and that all the prior resolutions previously adopted by this Board in the context of federal Pioneer ACO Participation Waivers are hereby adopted and ratified as also applying in the context of state ACO regulations as well effective May 29, 2015. All the reviews and conclusions of this Board as reflected in all such prior resolutions by this Board regarding Pioneer ACO shared savings distribution waivers are intended to apply equally to the distributions by the BAHN regarding state law, and that all the prior resolutions previously adopted by this Board in the context of federal Pioneer ACO shared savings waivers are hereby adopted and ratified as also applying in the context of state ACO regulations as well effective May 29, 2015.

10. The BAHN has received a year-end shared savings payment attributable to calendar year 2014 in the amount of eight million four hundred thousand dollars (\$8.4 million) and will make a distribution as follows pursuant to a resolution of the Board of Directors: The sum total to be distributed shall be eleven million two hundred thousand dollars (\$11.2 million), consisting of eight million four hundred thousand dollars (\$8.4 million) representing the shared savings payment received from CMS attributable to calendar year 2014 performance, plus the release of two million eight hundred thousand dollars (\$2.8 million) from the reserve set aside from shared savings receipts attributable to calendar year 2013 performance. One million dollars (\$1.0 million) shall be set aside and held in reserve for future ACO purposes; seven million five hundred thousand dollars (\$7.5 million) shall be paid to CMO as compensation for care coordination, financial and other administrative services pursuant to a contract entered into between BAHN IPA and CMO; in addition to the amounts previously paid to certain primary care physicians on a per member per month basis, up to six hundred and sixty four thousand dollars (\$664 thousand) shall be paid to MIPA as compensation for rendering primary care and primary specialist physician services to BAHN IPA; up to one hundred and thirty-three thousand dollars (\$133,000) shall be paid to MIPA as compensation for rendering specialty physician services to BAHN IPA; up to one million and nine thousand dollars (\$1.9 million) dollars shall be paid to MIPA as compensation for rendering hospital services to BAHN IPA; up to twenty eight thousand dollars (\$28,000) shall be paid to North Shore-LIJ Clinical Integration Network IPA as compensation for rendering medical services to BAHN IPA.
11. By prior resolution on October 12, 2012 and May 29, 2015, the BAHN decided to offer primary care physicians and certain specialists (as selected by criteria utilized by BAHN and CMO management)

who are participating providers in the Pioneer ACO a per member per month payment. The BAHN wishes to continue that program with certain additional conditions, effective January 1, 2016. The program shall be available only to a physician practice or group that is composed of primary care physicians or attributable specialists as determined by the CMS/CMMI attribution methodology that are not employed by a hospital controlled by Montefiore Health System, Inc.; who execute an Incentive Agreement requiring connection to a health information exchange by May 2017 and where Calendar Year 2016 is the first performance year in the Pioneer ACO program. The program has been revised to focus on first year participants. ACO leadership may allow participation to select physician practices or groups that are not first year participants but are identified as requiring additional assistance to meet program requirements.

12. The BAHN previously set aside from shared savings receipts attributable to performance during the 2014 calendar year, the amount of one million dollars (\$1 million) which shall be released to offset administrative expenses incurred during the 2015 performance year where no savings were achieved. The BAHN has received a year-end shared savings payment attributable to calendar year 2016 in the amount of seven million four hundred thousand dollars (\$7.4 million) and will make a distribution as follows pursuant to a resolution of the Board of Directors: Five million four hundred thousand dollars (\$5.4 million) shall be paid to CMO as compensation for care coordination, financial and other administrative services pursuant to a contract entered into between BAHN IPA and CMO; in addition to the amounts previously paid to certain primary care physicians on a per member per month basis, up to one million dollars (\$1 million) shall be paid to MIPA as compensation for rendering primary care and primary specialist physician services to BAHN IPA; up to eight hundred ninety seven thousand dollars (\$897,000) shall be paid to North Shore-LIJ Clinical Integration Network IPA as compensation for rendering medical services to BAHN IPA.

Centers for Medicaid and Medicare Initiatives (CMMI) concluded the Pioneer ACO Model on December 31, 2016, therefore terminating the Pioneer ACO Agreement. This model was replaced with the Next Generation ACO initiative which is a similar model that continues to offer new opportunities in accountable care. The Next Generation ACO Agreement with CMS is effective January 1, 2017.

[Click Here for Public Disclosure Waivers for the Next Generation ACO](#)