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To: Family Choice Health Network (FCHN) Specialists
From: Toan Q. Tran, President FCHN
Re: SCP Forum Meeting Minutes
Date: March 14, 2018

FCHN held a Specialist forum on March 13, 2018. This business meeting included presentations by Dr. Toan Tran, President, Dr. Alan Tran, Specialist Board Member and Dr. Lowell Gordon, Medical Director. Dr. Toan Tran recounted another successful year for FCHN. He made the following points:

- Merit-based incentives: The distribution formula is being increasingly weighted to include availability for inpatient consultation and Emergency Room call; these activities result in savings to the hospital risk pool which are then re-distributed to the network participants.
- Medi-Cal rates on the expansion (ObamaCare) population have been reduced by 50% from the initiation of the program, however, FCHN has not only continued to distribute merit-based incentives but has also held specialty rates steady. This is possible because FCHN consistently maintains low overhead and as demonstrated by a CalOptima audit, regularly allocates the least amount of money to administration. FCHN commits to reimbursing specialists at the highest rates in Orange County.
- FCHN was recently awarded \$370,000 from CalOptima for improving its overall RAF score (finally, >1) and over \$700,000 for HEDIS, all of which was passed through to providers. Despite these good results, RAF improvement needs to continue and lists of members who have no HCCs or dropped HCCs were distributed to PCPs. Each calendar year, chronic conditions need to be re-listed in the medical record.

Dr. Alan Tran spoke about the three different types of contracts that FCHN offers each more integrated:

- LOA/LOI: Letter of Intent used for one-time (or short-term) services not available in the network.
- Non-standard: Contracts can have individualized provider rates but no sharing in the risk pool.
- Standard: Rates same across the specialty and align with payor source i.e. Medicare for senior and MediCal for CalOptima; contracts eligible for participation in the risk pools.
- Dr. Tran also thanked the GI doctors for support during the closing of the hospital outpatient GI lab.

Dr. Gordon focused on ACO as FCHN was awarded a physician-led ACO contract with CMS beginning January 1, 2018. Activities to date include:

- Creating a team led by Dr. Toan Tran including Dr. Gordon, Jordan Hall, Barry Luong & Phuong Dinh.
- Contracting with two database companies to assist with managing the 24 months of patients' data sent to FCHN by CMS and notifications of ACO member hospitalization.
- Chronic case management (CCM) is a FFS benefit for Medicare ACO members. FCHN will perform CCM requirements, including identifying which members have 2 chronic conditions, for ACO PCPs.
- Since ACO is FFS, there are no panels as with managed care but scorekeeping is done through "attribution" which tracks which MD gave the most E&M care to beneficiaries.
- A separate ACO-focused training will be announced in the next several weeks.

FCHN wants to thank the Specialists for their continued support, loyalty and for the excellent care provided to our Members and for making the year a great success!!