

## Medicare Shared Savings Program

### Required Public Disclosure for Waivers of the Fraud and Abuse Laws

#### MERITUS HEALTH ACO, LLC

Meritus Health ACO, LLC (“ACO”) entered into a three-year Participation Agreement with the Centers for Medicare and Medicaid Services (“CMS”) effective January 1, 2017, as part of CMS’s Medicare Shared Savings Program (“MSSP”) created under section 3022 of the Patient Protection and Affordable Care Act (Pub. Law No. 111-148, as amended by Pub. Law No. 111-152 (2010)).

The Secretary of the Department of Health and Human Services (“HHS”), through a rule released by CMS and the Office of Inspector General, has provided two (2) waivers of federal fraud and abuse laws in connection with the operation of the MSSP during the three-year Participation Agreement term (80 Fed. Reg. 66726 (Oct. 29, 2015)) which require public disclosure of the underlying arrangement for which waiver protection is sought:

(1) the ACO Pre-Participation Waiver; and (2) the ACO Participation Waiver.

These waivers are applicable only when, among other things, the governing body of the ACO has reviewed and made a *bona fide* determination that an arrangement is reasonably related to the purposes of the MSSP. The ACO governing body can make this determination for a wide range of arrangements, including, without limitation, start-up arrangements and ACO activities, as well as performance based compensation dependent upon achieving quality thresholds or efficiency measures evaluated under the MSSP. The purposes of the MSSP consist of promoting accountability for the quality, cost and overall care through initiatives, including those described at 80 Fed. Reg. 66730-66731 for Medicare beneficiaries assigned to the ACO under the applicable regulations at 42 C.F.R. Part E.

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#### DISCLOSED ARRANGEMENTS

The ACO Board of Managers has duly authorized the arrangements below and made a bona fide determination that each arrangement is reasonably related to the purposes of the MSSP because the arrangements will promote accountability for the quality, cost and overall care for Medicare beneficiaries assigned to ACO. The descriptions of relevant arrangements are set forth below for the purpose of the ACO availing itself of the protections afforded under the waivers specified for each arrangement.

**Arrangement #1 (ACO Participation Waiver):** On December 5, 2016, the ACO Board of Managers approved an arrangement whereby Meritus Medical Center, Inc., beginning January 1, 2017, provides certain care management services to patients/residents of ACO Participants, ACO Providers/Suppliers, and Other Entities. The arrangement enables the ACO to better manage and coordinate care for its Medicare beneficiaries.

**Arrangement #2 (ACO Participation Waiver):** On August 28, 2017, the ACO Board of Managers approved an arrangement whereby Meritus Medical Center, Inc., beginning August 28, 2017, will provide certain electronic health record (EHR) Support Services to ACO Participants, ACO Providers/Suppliers, or Other Entities. The arrangement encourages investment in infrastructure and redesigned care processes for high-quality and efficient service delivery to patients, including Medicare beneficiaries.

**Arrangement #3 (ACO Participation Waiver):** On September 17, 2018, the ACO Board of Managers approved a Professional Services Agreement (the “PSA”) between Meritus Medical Center, Inc. (Meritus) and St. Paul Place Specialists, Inc. (SPPS), an outside provider participating in the ACO as an “other entity.” Under the PSA, a gynecologic oncologist, employed by SPPS, shall provide medical direction and call coverage to Meritus, both at the hospital and at an outpatient location. Further, the ACO Board of Managers approved a Lease Agreement (the “Lease”) between Meritus and SPPS. Under the Lease, SPPS shall rent from Meritus office space, along with certain staffing and other support services, in which to operate a gynecologic oncology practice. Both agreements are effective November 1, 2018. As SPPS is the sole provider of gynecologic oncology services in the ACO’s geographic area, the arrangement ensures beneficiaries have access to quality care in the community in which they live.

**Future arrangements will be added to this list.**