

ARIZONA CARE NETWORK IMPROVES HEALTHCARE QUALITY, SAVES MONEY

UNDER 2016 MEDICARE SHARED SAVINGS MODEL

(October 18, 2017) – Phoenix, AZ – The US Centers for Medicare and Medicaid Services (CMS) has released its results for the 2016 Medicare Shared Savings Program (MSSP), a federal program that rewards accountable care organizations for their ability to reduce the rising cost of healthcare while achieving meaningful metrics on the care they deliver.

For the 2016 MSSP performance year, Arizona Care Network (ACN), an accountable care organization serving the greater Phoenix area, posted an 89.9 percent score for quality of patient care while reducing the cost of Medicare spending by more than \$5.78 million. This is the third year in a row ACN has delivered improved performance under this federal program.

“I’m very pleased that ACN is delivering consistently high quality care that costs less to the federal government than they would expect to achieve without the care model delivered by ACN providers,” explained David Hanekom, MD, ACN’s chief executive officer. “Our care coordination helps ensure that patients, especially the chronically ill, get the right care at the right time, with the goal of avoiding unnecessary duplication of services. This level of coordination is highly effective and reduces costs.”

ACN has experienced growing success on a wide variety of both federally funded and commercial value based arrangements. In addition to MSSP, ACN has demonstrated success in:

- A **Medicaid** contract that integrates medical and behavioral healthcare to better serve our residents with behavioral health conditions. ACN manages approximately 100,000 Medicaid patients on behalf of Mercy Maricopa, more than 8,000 of which were determined to have serious mental illness (SMI). Mercy Care Plan will announce results for 2016 soon but ACN’s internal records indicate continued improvement year over year.
- Medicare’s **Next Generation ACO** model, which added new opportunities for ACOs to provide patient-centered, coordinated care to original Medicare beneficiaries while assuming greater financial risk for their outcomes. ACN is one of only 44 Next Generation ACOs in the country; the program launched in January 2017.
- Several commercial value-based contracts, including one with **UnitedHealthcare**, where ACN posted double-digit decreases in acute hospital admissions and acute hospital bed days for UnitedHealthcare members over the 2016 plan year. This resulted in a \$3.9 million decrease in total medical costs for covered populations.

Accountable Care Organizations were created to change the incentives for how medical care is delivered and paid for in the United States, moving away from a system that rewards the quantity of services to one that rewards the quality of health outcomes. ACN is co-owned by Dignity Health

Arizona and Abrazo Community Health Network and is comprised of approximately 5,000 participating providers who have come together to provide high quality, coordinated care.

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About Arizona Care Network

Arizona Care Network is a physician-led and governed accountable care organization, with more than 5,000 clinicians providing a broad range of clinical and care coordination services to adult and pediatric patients in Maricopa and Pinal counties. ACN is a partnership between Dignity Health Arizona and Abrazo Community Health Network, and also includes Phoenix Children's Hospital, one of the nation's largest children's hospitals and Maricopa Integrated Health System. The network is comprised of primary care and specialty physicians, along with skilled nursing and home health agencies, imaging centers, retail clinics, urgent care and emergency centers, two children's hospitals, and 14 acute care and specialty hospitals. For more information, visit www.azcarenetwork.org.