2016 | AIM NETWORK VALUE REPORT

TABLE OF CONTENTS

Letter from AIM Network leaders

(L-R) Christensen, Rice, Wieland

Welcome to the Allina Integrated Medical Network (AIM Network) Value Report and overview of our shared journey. The AIM Network is operating in a dynamic health care environment that continues to seek greater clinical integration and value for the patients, consumers and purchasers we serve. These demands help shape our priorities and push us to pursue greater advancements in our clinical integration efforts.

To further guide our work, the AIM Network staff and board of directors developed a three-year strategic plan. This collaborative effort established core strategic themes:

- Grow: Expand risk-based membership in ACO populations.

- Perform: Build population health management capabilities and optimize the network's delivery of high quality, affordable care.

- Demonstrate value: Activate and engage consumers through a differentiated experience.

The ability to execute on the strategic plan will position AIM Network to:

- build capabilities that support population health management

- improve access and experience for those in our care

- deliver greater value to the communities we serve.

Data sharing and analytics continue to be a priority for the AIM Network to enable enhanced clinical integration and identify key areas for improvement. The Connect HIE (health information exchange) initiative is ready for launch in 2016 after an extended development process in 2015. The new relationship between Allina Health and Health Catalyst is creating an advanced analytic platform to support physician-level performance reporting and to identify opportunities to improve care and integration. These tools will be critical in our efforts to align shared work and measure the value of our shared network.

In 2015, we renewed our strategic focus and turned insights into opportunities to advance clinical integration goals. Thank you to the more than 50 physicians and administrative leaders who support the governance of the AIM Network. Our network of more than 3,000 physicians across 70 independent organizations are on a path to deliver market-leading results and differentiated experiences for those who entrust us with their care.

Sincerely,

Robert Wieland, MD
President

Brian Rice, MHA
Vice President

Rodney Christensen, MD
Vice President, Medical Operations
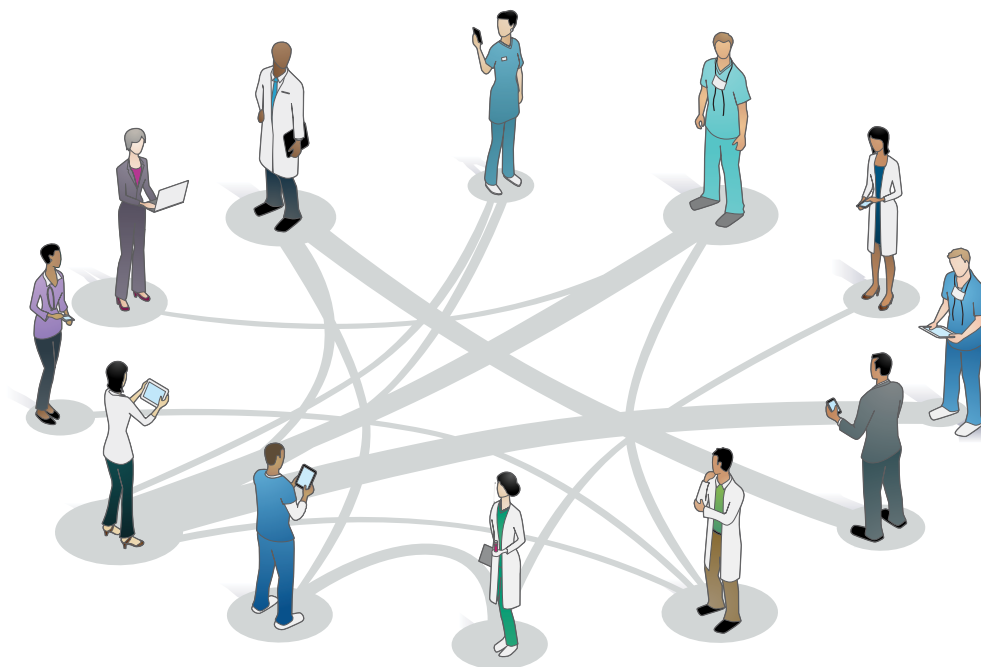
About AIM Network

Incorporated in 2010, the vision of the AIM Network is to align independent physicians, regional health systems and Allina Health to deliver market-leading quality and efficiency in patient care.

- Patients have access to a network of premier primary and specialty care physicians across the Twin Cities metro area as well as in greater Minnesota and western Wisconsin.

- Physicians assume a leadership role in partnership with Allina Health to advance clinical integration strategies.

EXTENSIVE CARE DELIVERY NETWORK

This network supports the achievement of better integration across the care continuum through Connect HIE secure web-based health information exchange, access to value-based contracts, performance improvement and administrative support services.

- Independent organizations include 11 regional health systems, 1,700 physicians from more than 60 practices and more than 20 specialties including allergy, anesthesia, cardiology, emergency medicine, gastroenterology, surgery, pathology, oncology, radiology as well as primary care, obstetrics and pediatrics practices.

- Allina Health serves the Twin Cities metro area, greater Minnesota and western Wisconsin through 1,300 physicians across more than 60 Allina Health clinic locations; as well as 13 hospitals, pharmacies, hospice, emergency medical transportation, specialty and ambulatory care centers.
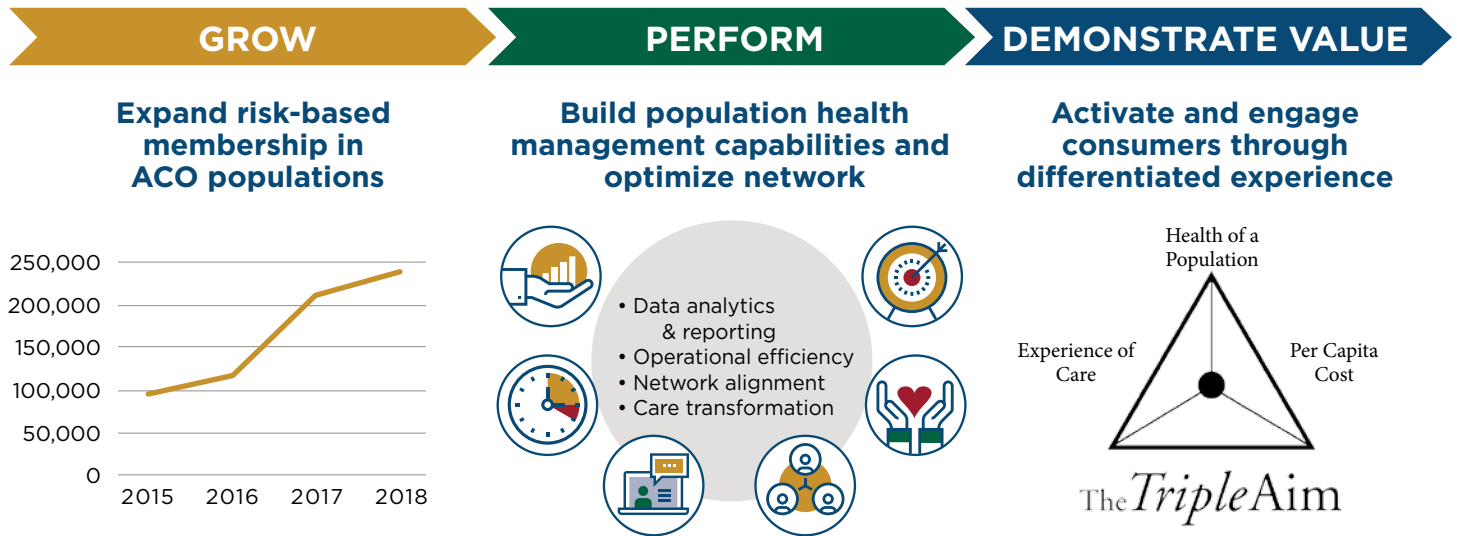
- Allina Health features innovative services through the Penny George™ Institute for Health and Healing, Courage Kenny Rehabilitation Institute®, Minneapolis Heart Institute®, Virginia Piper Cancer Institute® and John Nasseff Neuroscience Institute.

PERFORMANCE IMPROVEMENT

The AIM Network's measurement system demonstrates its overall commitment to delivering the best care for patients. This measurement approach is our self-evaluation to ensure that we deliver the care for patients that we would want for ourselves and our families.

- More than 50 key indicators of health care quality drive our performance improvement efforts.

- Measurement based on national and state standards for safety.

- Partner with patients who have complex and chronic conditions to help them manage their conditions and return to optimal health.

- Offer accessible and affordable health care services and medications.

- Actively support transitions of care (e.g., from hospital or outpatient centers to home) offering world-class treatment options for patients suffering with more complex diseases (e.g., protocols for cancer management).

AIM Network strategic plan 2016 – 2018

GROW	PERFORM	DEMONSTRATE VALUE

Expand risk-based membership in ACO populations

Build population health management capabilities and optimize network

Activate and engage consumers through differentiated experience

The AIM Network macro-strategies – grow, perform and demonstrate value – are for accountable care organization (ACO) populations in an outcomes-based risk payment model or a value-based risk payment model. Allina Health anticipates growth in ACO membership for commercial and government segments to expand to nearly 240,000 by the end of 2018. The AIM Network board of directors endorsed the 2016-2018 strategies in November 2015.

AIM NETWORK STRATEGIES 2016 - 2018

- Membership: Grow ACO membership and AIM Network participation in specific value-based payment arrangements.

- Population health: Build population health capabilities and readiness to perform under value-based payment.

- Access: Deliver differentiated member access to care for ACO populations.

- In-network care: Optimize network configuration and integration to meet the needs of ACO populations.

- Member retention: Enhance consumer activation and loyalty to drive ACO membership growth.

- New revenue: Create a portfolio of alternative payment and care model solutions for employers and health plans.

Clinical data integration

Fundamental to the development of AIM Network is the ability to enable and advance clinical integration for Allina Health employed physicians, independent physician practices and regional health system members. The AIM Network clinical information technology integration strategy is a multi-step journey to integrate clinical systems across the network.

INFORM PROJECT

The first step of clinical integration was to build a measurement system for tracking performance across the network:

- This is accomplished through connecting clinical data across the network to track triple aim performance.

- This model moved away from a claims-based data approach and towards a model built on data extraction from electronic health record and practice management systems.

The "integrating of our network for outcomes, results and measures" (INFORM) project is our measurement system. INFORM is also the first step in integrating AIM Network through a broader health information exchange strategy, which is a key strategy for long-term success in the marketplace.

HEALTH INFORMATION EXCHANGE

The value of electronically exchanging information is standardizing data and reducing barriers to sharing information.

- Health information exchange (HIE) allows physicians, nurses, pharmacists, other health care providers and patients to appropriately access and securely share a patient's medical record.

- Appropriate and timely sharing of patient medical information can better inform decision making at the point of care and allow providers to avoid readmissions, avoid medication errors, improve diagnoses and decrease duplicate testing.

The ultimate goal is to provide the right care, at the right time, at the right place. Shared information, systems and data are important precursors to achieving that goal.

Connect HIE, the HIE used by the AIM Network, will go live in spring 2016 with an initial set of participants, including Allina Health, regional affiliates and several independent physician practices. In 2016, we will engage other AIM Network members to join Connect HIE and break down barriers to sharing health information.

Quality and performance

AIM Network measure development, pay-for-performance and quality improvement agenda

MEASURE DEVELOPMENT

AIM Network, representing more than 30 clinical specialties, has developed triple aim-focused specialty care quality measures. The objectives were to create a specialty measure set supported by physicians, with easily collectible data with triple aim impact. The AIM Network Clinical Performance Committee selected an initial set of more than 40 measures.

In 2016, AIM Network will enter a new phase of quality measurement by identifying and building measures that continue to drive reductions to the total cost of care and improve quality.

1. BMI Documentation and Plan
2. Tobacco use Documentation and Plan
3. Hypertension Optimal Care
4. MD Communication (CG-CAHPS)
5. Overall Provider Rating (CG-CAHPS)
6. Blood Transfusion Utilization
7. OBGYN - Primary C-Section Rate
8. Mental Health – IP Depression LOS
9. Neurology/ED - Stroke Door to Needle
10. Neurology/ED – IV tPA Administration*
11. Blood Pressure Recorded
12. Generics Drug Use Rate
13. Potentially Preventable Complications
14. Potentially Preventable Readmissions
15. Diabetes Optimal Care

16. Cardiology - Optimal Vascular Care
17. Critical Care - VTE Prophylaxis
18. OBGYN - Laparoscopic Hysterectomy Same Day Discharge
19. Anesthesia - Antibiotic before surgery
20. Peds - Antibiotic Use for URI
21. Mental Health -Continuing Care Plan*
22. IP Rehab - Preparedness for Community Living*
23. ED - HTD Imaging Reduction*
24. CV - Compliance to ASCVD Risk Estimator*
25. Radiology - Critical test results
26. Pathology - Frozen Sections Turnaround
27. Radiology - Mammography Callback Rate
28. GI - Adenoma Detection Rate

29. Allergy - Asthma Control Test rate
30. Neurology – Female Epilepsy Counseling
31. Ophthalmology - Diabetes eye care
32. Orthopedics – Oxford Knee Score
33. Oncology – Breast Pathway Adherence
34. Oncology – Colon Pathway Adherence
35. Oncology – Lung Pathway Adherence
36. Oncology – Ovarian Pathway Adherence*
37. Oncology – Rectal Pathway Adherence*
38. Neurosurgery - Oswestry Dis Index
39. Pathology - Stat Turnaround time
40. Pathology - Prospective 2nd review
41. Dermatology – Melanoma Recall System
42. Rehab – Non-surgical ODI

PAY-FOR-PERFORMANCE

AIM Network had two pay-for-performance arrangements in 2015. A sub-set group of measures were selected from the list on the previous page. The Allina Employee Health Plan and Blue Cross and Blue Shield of Minnesota selected a group of measures from the list on the previous page that would have payment incentives tied to performance. Measures selection was based on impact to population health, patient experience and outcomes for high total cost of care areas. The AIM Network Clinical Performance Committee recommended baselines and targets for these measures and the payers approved baselines and targets for the 2015 performance year (displayed below).

MEASURE NAME	2014 BASELINE	2015 TARGET
Global – BMI Documentation and Plan	43.9%	47.0%
Global – Tobacco Use Documentation and Plan	92.4%	94.8%
Global – Provider Communication (CG-CAHPS)	84.7%	91.1%
Global – Overall Provider Rating (CG-CAHPS)	80.4%	81.4%
Global – Blood Transfusion Utilization	36.4%	39.0%
Global – Potentially Preventable Readmissions	.97 A/E	.94 A/E
OBGYN – Primary C-Section Rate	14.3%	14.2%
Neuro/ED - IV tPA Administration for stroke*	15.1%	17.8%
Radiology - Mammography Callback Rate	7 Outliers	2 Outliers
GI & Gen Surg- Adenoma Detection Rate	Male: 45.0% Female: 31.9%	Male: 48.0% Female: 35.0%
Oncology - Ovarian Cancer Pathway Adherence*	57.0%	70.0%
Oncology - Rectal Cancer Pathway Adherence*	74.0%	80.0%
Orthopedics – Oxford Knee Score	15.3	Maintain above 14.8
Gynecology – Lap Hyst Same Day Discharge	32.3%	37.0%
Mental Health - HBIPs 7a-Continuing Care Plan*	76.4%	87.1%
IP Rehab - Preparedness for Community Living*	55.4%	60.0%
ED – Low Back Pain HTD Imaging Reduction	7.1%	6.2%
CV - Compliance to ASCVD Risk Estimator*	N/A	Establish Baseline

Personalized, guided care

BluePrint[SM]

CO-DEVELOPMENT/INFLUENCED BENEFIT DESIGN

Compared to other broad-access insurance plans, BluePrint features an integrated approach in which AIM Network and Blue Cross and Blue Shield of Minnesota work together to:

- Eliminate confusion and frustration by coordinating care in a convenient, efficient and holistic way.
- Align benefits with the care model.
- Remove barriers of getting the right care, at the right place, at the right time.

BluePrint product design included consumer research, incorporation of best practice in care management for complex patients, forward-thinking benefit design

and an integrated member experience between health plan and providers. Through product design, three BluePrint product differentiators were established:

- personalized experience
- guided care
- network of excellence.

A significant achievement for the collaboration was made related to care and disease management for complex patients. One of the goals was to improve patient engagement and eliminate redundancy of work. We streamlined patient outreach, provided seamless transitions and achieve early identification of complex patients. The output is a program whereby AIM Network takes the lead role in outreach and care management providing an enhanced member experience. The outcome is a product designed by and for all health care participants while achieving the triple aim.

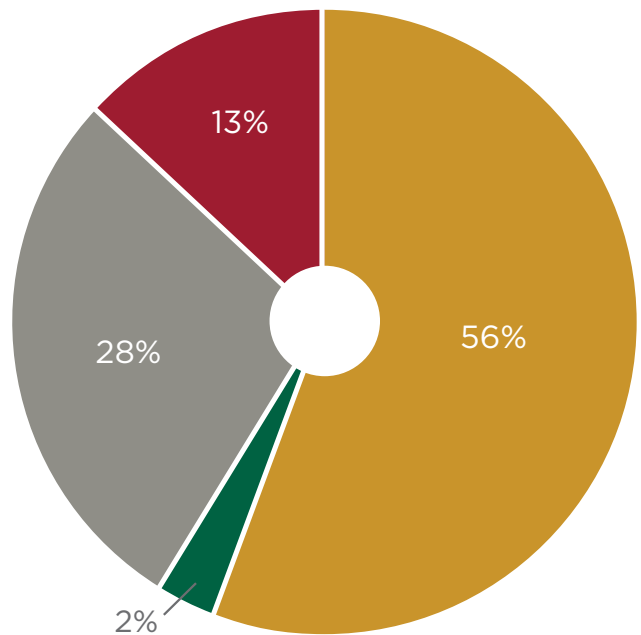# SALES

In 2015, BluePrint sales focus expanded beyond the Twin Cities 11-county metropolitan area to include Brown, Kanabec, Nicollet and McLeod counties in Minnesota.

DISTRIBUTION OF DECEMBER ENROLLED BLUEPRINT MEMBERS

44%

56%
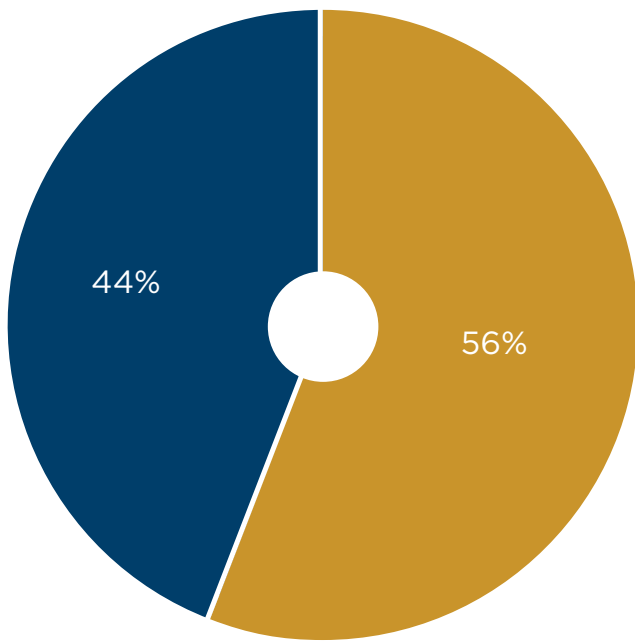
- Individual
- Employer group

DISTRIBUTION OF BLUEPRINT MEMBERS BY MARKET SEGMENT

13%

28%

56%

2%

- Individual
- Small group
- Large goup
- Public sector

Population health

AIM Network has adopted the Institute for Healthcare Improvement triple aim framework to guide our population health strategy:

- better care and experience for individuals
- better health for populations through addressing "upstream" causes of poor health
- reduce per capita costs of care for populations.

HEALTHY PLANET

Supporting expansion into population health management, Allina Health is implementing Epic's Healthy Planet™ in 2016. Healthy Planet is a new set of tools in Excellian that will help us define, engage and manage populations through tools like patient registries and risk stratification.
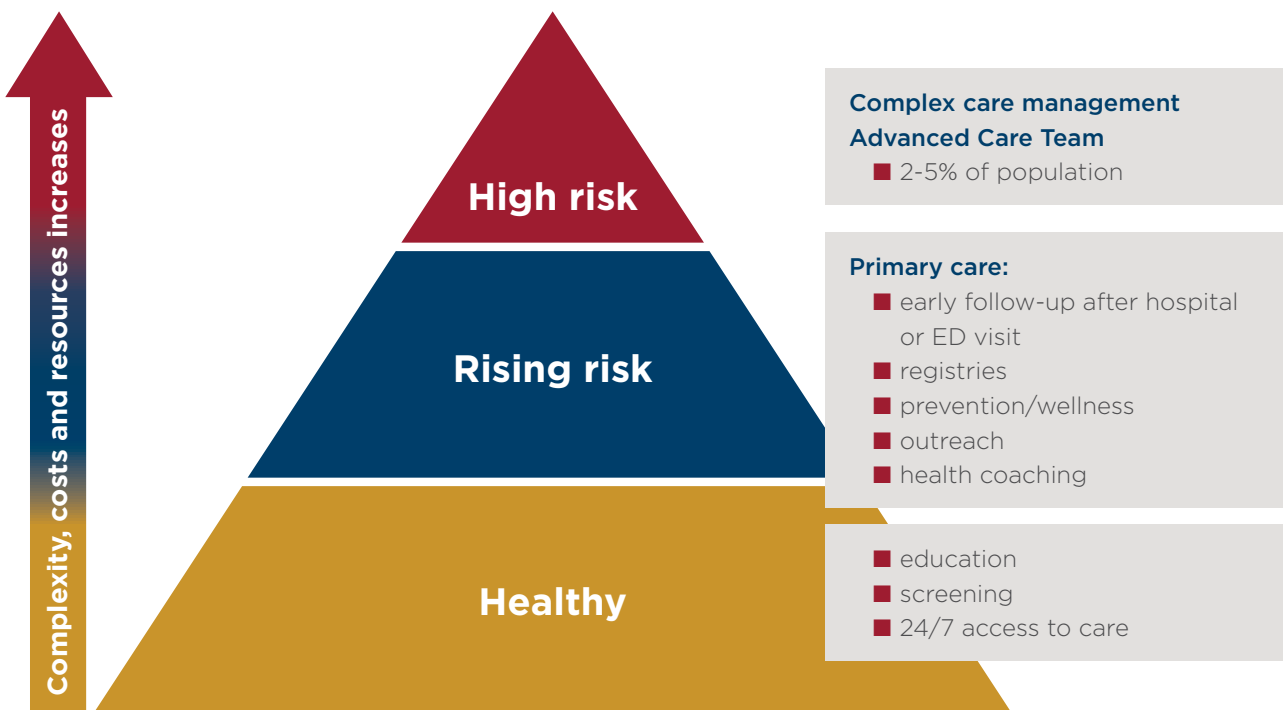
In its first phase, Healthy Planet will help providers identify when a patient is a part of an ACO. It will also expand the tools available to our hybrid care management program.

HYBRID CARE MANAGEMENT

In 2015, Allina developed its hybrid care management program that utilizes the capabilities of a health plan and a health system to better coordinate care for members. Hybrid care management has had rapid growth over two years. Hybrid care management uses an evidence-based model of care management that has shown positive patient and financial outcomes.

Using claims and medical record data, patients are stratified into risk categories. High-risk patients are assigned to a skilled, multidisciplinary Advanced Care Team (ACT) that can help them manage and understand their illness. ACT has supported reductions in the readmission rate and improved member engagement compared to the historical care management model.

In 2016, the hybrid care management model began supporting Allina Employee Health Plan members, with the goal of preparing for future value-based contracts through the AIM Network.

Complexity, costs and resources increases

High risk

Rising risk

Healthy

**Complex care management
Advanced Care Team**
- 2-5% of population

Primary care:
- early follow-up after hospital or ED visit
- registries
- prevention/wellness
- outreach
- health coaching

- education
- screening
- 24/7 access to care

Telehealth

Telehealth is one way Allina Health and AIM Network are expanding care and service to achieve the triple aim:
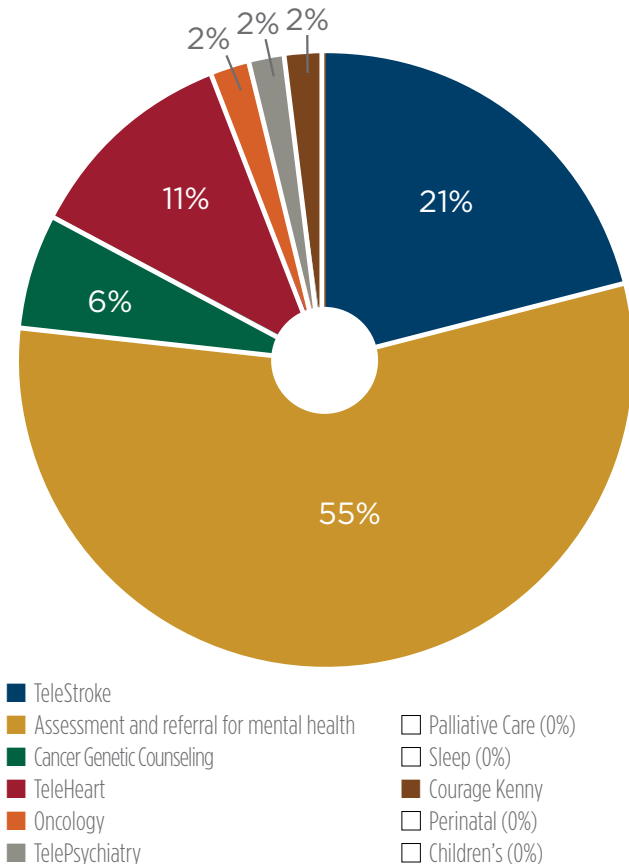
- Right care: Enhance and increase patient care by using best practice protocols and improve clinical outcomes for more people.

- Right place: Keep care local while providing needed expertise.

- Right time: Provide timely and differentiating care and service.

Telehealth services are available in cardiology, neurology, mental health, oncology and other specialties:

- TeleHeart: Outpatient heart consultations for new and existing patients are deployed at six regional locations, with sub-specialty services like advanced heart failure, electrophysiology and vascular medicine added in 2015.

- TeleStroke: Doctors and patients in regional hospitals are able to see and interact virtually with our Allina Health on-call neurologist to quickly determine if a patient is having a stroke.

- Virginia Piper Cancer Institute

  • Cancer genetic counseling: Expanded to two additional regional locations, for a total of 10 locations. This service provides individual cancer risk assessment and a management plan based on personal and family history. If indicated, our expert can also facilitate informed choices about genetic testing.

  • Medical oncology: Outpatient oncology consultations at two locations for new and existing patients focused on extending access to regional locations.

- Mental health assessment and referral: Affiliates have access to licensed mental health experts that provide comprehensive risk assessments and disposition planning.

- New programs were developed, including palliative care, sleep medicine, perinatal care and Courage Kenny Rehabilitation Institute.

TELEHEALTH ACTIVITY BY TYPE 2015

Pie chart legend:
- TeleStroke
- Assessment and referral for mental health
- Cancer Genetic Counseling
- TeleHeart
- Oncology
- TelePsychiatry
- Palliative Care (0%)
- Sleep (0%)
- Courage Kenny
- Perinatal (0%)
- Children's (0%)

Chart values: 21%, 55%, 6%, 11%, 2%, 2%, 2%

TELEHEALTH PROGRAM 2015 STATUS AND 2016 GROWTH

Strengthening foundation

- selected new vendor to standardize telehealth solution across services

Grew existing services

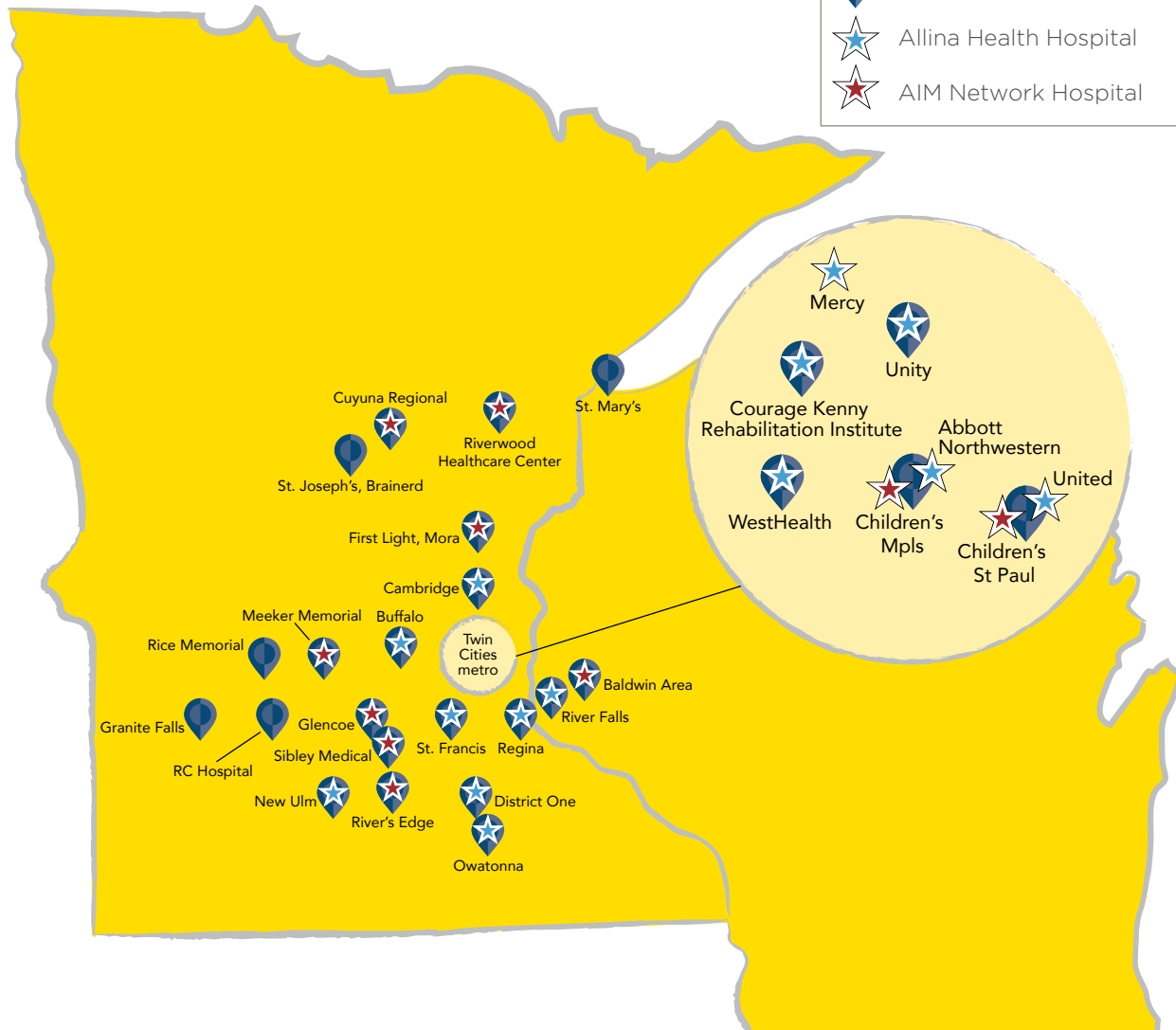- 84% growth in telehealth encounters in 2015
- added five new locations

Developed new services

- cardiology subspecialty (advanced heart failure)
- electrophysiology and vascular
- medical oncology
- palliative care
- perinatal
- sleep medicine

Telehealth TELEHEALTH PROGRAM 2015

KEY

- Allina Health Telehealth Network
- Allina Health Hospital
- AIM Network Hospital

Map labels:
- Cuyuna Regional
- St. Mary's
- Riverwood Healthcare Center
- St. Joseph's, Brainerd
- First Light, Mora
- Cambridge
- Meeker Memorial
- Buffalo
- Rice Memorial
- Granite Falls
- Glencoe
- RC Hospital
- Sibley Medical
- New Ulm
- River's Edge
- St. Francis
- Regina
- District One
- Owatonna
- Baldwin Area
- River Falls
- Twin Cities metro
- Mercy
- Unity
- Courage Kenny Rehabilitation Institute
- Abbott Northwestern
- United
- WestHealth
- Children's Mpls
- Children's St Paul

LOOKING FORWARD: TELEHEALTH

Allina Health has invested in and built its telehealth network as a key strategy to succeed in value-based care. Telehealth allows physicians and other caregivers to provide access to care where that access may not have existed in the past.

In 2016, Allina Health will complete a three-year strategic plan to ensure its telehealth network is positioned to meet the needs of providers and consumers while retaining a focus on the triple aim.

To execute in this strategic plan, key 2016 goals include:

- transition to a single telehealth vendor, in preparation for new mobile services
- expand our existing capabilities to six to eight new sites in the Upper Midwest
- enable four to six new clinical services
- build operational dashboard to measure the value of telehealth.

As the health care market increasingly emphasizes value-based care, telehealth will continue to emerge as a key strategy. Technological innovations in virtual health will allow the AIM Network and Allina Health to provide high quality care in the communities served.

Looking forward
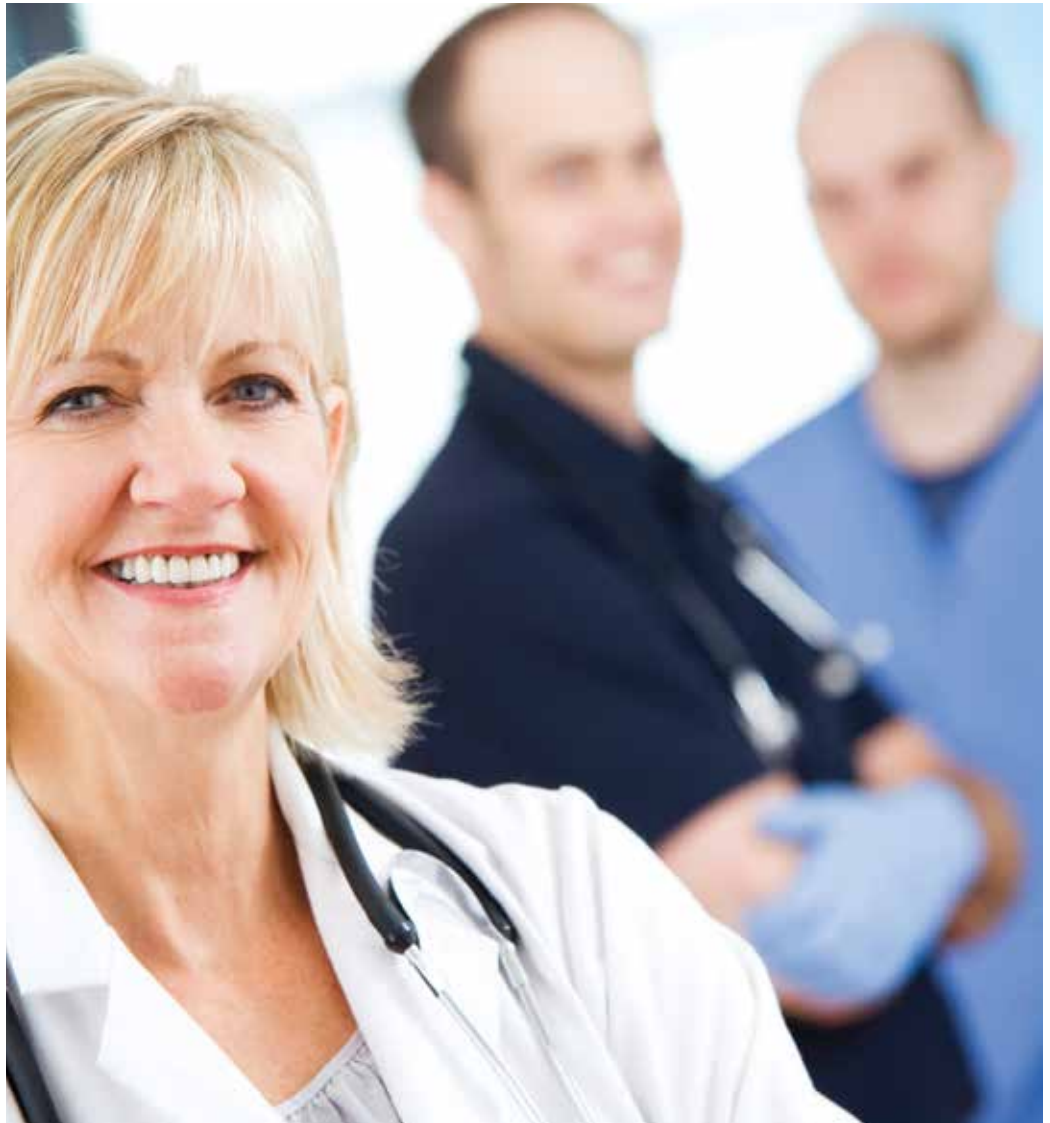
LOOKING FORWARD: VALUE-BASED CONTRACTING

As a clinically integrated network, AIM Network continues to evolve the way care is delivered to be more connected and coordinated. Shifting the way care is delivered will require changes in operations, infrastructure and resource allocation. To support these shifts, AIM Network will continue to seek contracts that reward for quality, outcomes and value.

The AIM Network payer contracting strategy planned to start with pay-for-performance arrangements, and then evolve to arrangements in which AIM Network would be responsible – clinically and financially – for a defined population. As changes in the health care market continue to accelerate, AIM Network providers have recognized a hastened need to shift momentum towards value-based arrangements.

In 2015, the Department of Health and Human Services (HHS) announced that it would be accelerating the transition from fee-for-service to value-based payments. HHS has set a goal to have 90 percent of Medicare fee-for-service payments linked to quality or in alternative payment models by 2018. This accelerated transition toward value-based contracting continues to align with AIM Network's goals and continued growth in value-based contracts.

The first AIM Network payer contracts began in 2014 and included several value-based elements. In 2015 AIM Network continued to operate in these value-based arrangements. In 2016 and beyond, the network plans to expand value-based contracting in additional market segments, including government and commercial payers.

AIM Network value-based arrangements	2014	2015	2016	2017+
Value payment opportunities				
pay for performance	■	■		
total cost of care	■	■	■	■
population health/capitation			■	■
bundled payments			■	■
Product design elements				
narrow network	■	■	■	■
assigned members (not attributed)	■	■	■	■
aligned benefits	■	■	■	■
Population segments				
government				■
individual	■	■	■	■
commercial	■	■	■	■
Distribution channels				
public exchange	■	■	■	■
direct to employer	■	■	■	■
traditional payer sales	■	■	■	■

AIM Network plans to expand value payment opportunities over the next several years by offering clinical bundles, expanding population segments and exploring new distribution channels.

AIM Network will continue to pursue collaborative relationships with payers that share the same vision and are willing to reward AIM Network providers for the value of clinical integration, more coordinated and collaborative care, improved patient outcomes and improved population health.

Board of directors

AIM NETWORK GOVERNANCE

The AIM Network board of directors was established in December 2010. Board members were selected and appointed based on applications and recommendations. The selection process was guided by composition priorities aimed at achieving a balance of primary care and specialty representation, geographic distribution and a balance of independent and employed physicians.

BOARD OF DIRECTORS:

Scott Anseth, MD, Twin Cities Orthopedics

Merrill Biel, MD, ENT Specialty Care

Pamela (Gigi) Chawla, MD, Children's Hospitals & Clinics of Minnesota

Rod Christensen, MD, Allina Health

Peter Donner, MD, FirstLight Health System

Kurt Elting-Ballard, MD, Allina Health

Toby Freier, New Ulm Medical Center

Duncan Gallagher, CFO, Allina Health

Dean Gesme, MD, Minnesota Oncology

Mark Heggem, MD, Riverwood Healthcare Center

Scott Ketover, MD, Minnesota Gastroenterology

Mike Madison, MD, St. Paul Radiology

John Mrachek, MD, Northwest Anesthesia

Alison Peterson, MD, Allina Health

Ron Peterson, MD, John Haugen and Associates

Michael Phelps, COO, Ridgeview Medical Center

Timothy Remple, MD, Hutchinson Health

Tim Sielaff, MD, Allina Health

John Strickler, MD, Hospital Pathology Associates

Robert Thomas, MD, Emergency Physicians PA

Penny Wheeler, MD, President and CEO, Allina Health

Robert Wieland, MD, Chair, EVP Allina Health and President AIM Network

Contact us

AIM NETWORK STAFF DIRECTORY

2925 Chicago Avenue, Mail Route 10909
Minneapolis, MN 55407
612-262-5254 phone
612-262-4228 fax

Rodney Christensen, MD
Vice President, Medical Operations,
Network Integration
Phone: 612-262-1026
Email: rodney.christensen@allina.com

Miriah Dahlquist
Performance Improvement
Consultant
Phone: 612-262-4878
Email: miriah.dahlquist@allina.com

Amirav Davy
Performance Improvement
Consultant
Phone: 612-262-5161
Email: amirav.davy@allina.com

Marsha Fiala
Executive Assistant
Phone: 612-262-5254
Email: marsha.fiala@allina.com

Kristin Fulton
Manager, Network Operations
& Performance
Phone: 612-262-5281
Email: kristin.fulton@allina.com

Michael Grand
ACO Consultant
Phone: 612-262-5509
Email: michael.grand@allina.com

Andrea Kao
Director, Finance
Phone: 612-262-0641
Email: andrea.kao@allina.com

Colleen Kingsbury
Marketing and Communications
Senior Consultant
Phone: 612-262-5246
Email: colleen.m.kingsbury@
allina.com

Phil Krolik
Director, Operations AIM
Network / ACO Integration
Phone: 612-262-5953
Email: phillip.krolik@allina.com

Brian Rice
Vice President, AIM Network /
ACO Integration
Phone: 612-262-5951
Email: brian.rice@allina.com

Matt Timmel
ACO Consultant
Phone: 612-262-3169
Email: matthew.timmel@allina.com

Robert Wieland, MD
Executive Vice President, Network/
Integration,
AIM Network President
Assistant: Lori Ricard-Swee
612-262-0606
Email: robert.wieland@allina.com

AIM
NETWORK

Mail Route 10909
PO Box 43
Minneapolis, MN 55440-0043

612-262-5254
AIMNetwork@allina.com
aim-network.org