

Required Public Disclosure for Waiver of the Fraud and Abuse Laws Abacus Health, LLC, a wholly owned subsidiary of Arizona Community Physicians.

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Background. The U.S. Department of Health and Human Services established a waiver of certain fraud and abuse laws (the “ACO Participation Waiver”) in connection with the operation of an Accountable Care Organization (“ACO”) participating in the Medicare Shared Savings Program (“MSSP”).

Requirements to Grant Waiver. Abacus Health, LLC (ACO) a subsidiary of Arizona Community Physicians (ACP) meets the necessary requirements to grant an ACO Participation Waiver; namely, that (1) ACO has entered into an MSSP participation agreement with the Centers for Medicare & Medicaid Services – which agreement remains in good standing, (2) ACO’s governance, leadership and management meet the ACO requirements set forth in the MSSP regulations, and (3) ACO’s governing body has made a bona fide determination that the arrangement described below is reasonably related to the purposes of MSSP participation.

Parties to the Affiliate Agreement; Description of the Affiliate Agreement. The parties seeking waiver protection are Northwest Hospital, LLC d/b/a Northwest Medical Center (NWMC) and Oro Valley Hospital, LLC d/b/a Oro Valley Hospital (OV). Under the agreement, NW and OV shall act as an “Other Entity” for purposes of MSSP and with respect to ACO’s Agreement with the MSSP, which therefore promotes accountability for the quality, cost and overall care for a Medicare patient population as described in the Shared Savings Plan.

Date of the Arrangement. The effective date of the arrangement is July 1, 2016, with renewals on a yearly basis under the Requirements to Grant Waiver listed above.

Items, Services, Facilities, and/or Goods Covered by the Arrangement. As of July 1, 2016, NWMC and OV have agreed to provide financial support in the form of a Care Coordination Payment (CCP) to the ACO to undertake the following arrangements and initiatives: The CCP will be used solely to fund the salaries and employee benefits of two embedded RN Care Coordinators, one located at NWMC and one located at OV, to enable targeted interventions intended to reduce readmissions, facilitate patient transitions, and coordinate care to improve health outcomes reasonably related to the purposes of MSSP participation. 76 FR 68002.