

Case Study

Payer/ Provider Partnership

Background

Hawaii Health Network (HHN), based in O'ahu, HI, is a recently formed Clinically Integrated Network (CIN) composed of four partner medical groups/IPAs and is the state's largest post-acute care provider. HHN's mission is to be a clinically integrated network that systematically supports independent physicians and provides others in the transition from volume to value, minimizes administrative burdens and demonstrates positive health outcomes for patients.

After completing the legal entity structure in early 2021, the CIN engaged with the local risk-bearing MSO, MDX (subsidiary of Agilon), to pursue a Medicare risk contract covering 14,000+ lives (split between Medicare Advantage and ACO REACH).

Challenge

As a recently formed CIN, while guided by expert clinical leadership, HHN sought the support of an advisor to support financial modelling and brokering of contract negotiations with the lead risk-bearing entity, which represents two national Medicare carriers: Humana and United.

Additional areas of focus included:

- Network adequacy and geospatial mapping to understand network composition against member distribution and regulatory requirements.
- Detailing division of responsibilities (DOR) between the risk-bearing MSO and the CIN at the functional level to determine both share of administrative funds, as well as capabilities gap assessment and role clarity for effective delivery
- Evaluation of population health analytics requirements and solutions
- Early governance formation and implementation readiness planning

Approach

As a trusted partner of one the CIN's founding members, Adventist Health Castle, a part of the Adventist Health system, the COPE Health Solutions (CHS) team had been actively engaged in multiple value-based payment and health plan partnership initiatives in California and Oregon, working with multiple national and regional carriers through the system's hospital, medical foundation and IPA/ACO. Our team brought national experience, proven contracting models and industry payer perspective to the approach of deal point development.

Outcomes

Our team designed and facilitated the execution of a win-win agreement and alignment strategy between HHN & private equity backed MSO partner MDX, resulting in a shared risk arrangement for 14,000 Medicare lives and an increase of \$59M to CIN through a combination of premium share, capital investment and incentives over the seven year agreement. HHN also selected CHS' Analytics for Risk Contracting (ARC) platform as its analytics solution.



To learn more about how we can help you with payer/provider partnerships, contact info@copehealthsolutions.com or call 213-259-0245.