Attachment D
Letter of Intent (LOI)

In order to allow for appropriate planning around this component of the ACE Program, the Department is requiring a Letter of Intent (LOI) from each entity that anticipates or is seriously considering submitting a Proposal for providing services under the ACE Program. While submitting a LOI does not commit an entity to actually submit a Proposal, HFS will not accept a Proposal from nor provide data to an entity that has not submitted a LOI by the due date of October 1, 2013.

The Department wants one LOI per entity, irrespective of the number of members within the entity. The organization and person submitting the LOI will be the Department's primary contact unless the contact information is subsequently changed. If an entity determines it is no longer interested in making a Proposal, it should withdraw its LOI.

The LOI must include the following items:

- Section A (Contact Information)
- Section B (Proposal Summary/Self-Assessment Form)
- Section C (HIPAA Data Use Agreement*)

* *The Department will provide what HIPAA defines as a 'limited data set'. The data will not contain directly identifiable information, but will have sufficient granularity that HIPAA protections still apply.*

Other than sections marked with < > symbols, you must sign the Data Use Agreement without changes to format or language. We have provided a separate Word document for your use. Remove the < > symbols and content and insert your content as instructed.

The expected high-level timeline of the ACE Program is as follows:

- Last date to submit LOI – October 1, 2013
- Data sharing – As the LOI are received
- Proposals due – January 3, 2014
- Award Announcement – Anticipate February 2014
- Contract Start – Anticipate July 2014

Please send the completed LOI to Amy Harris at Amy.Harris@illinois.gov. If you have questions about the LOI submission, please contact Amy Harris.

Section A: Contact Information

Name of Accountable Care Entity (ACE) (working name is acceptable)
Advocate Physician Partners

Primary Contact Information:
Name Dana Gilbert
Title Chief Operating Officer
Organization Advocate Physician Partners
Address 1701 W Golf Rd. Suite 2-1100, Rolling Meadows, IL 60008
Email dana.gilbert@advocatehealth.com
Phone (847) 699-4395
Other information (e.g., assistant) Barbara Hancock 847-699-4342

Primary Contact Person for Data (if different):
Name Dennis Gilge
Title Director, Decision Support
Organization Advocate Physician Partners
Address 1701 W Golf Rd. Suite 2-1100, Rolling Meadows, IL 60008
Email dennis.gilge@advocatehealth.com
Phone 847-635-5920
Other information (e.g., assistant)

Section B: Proposal Outline/Self-Assessment

The Department is not seeking exhaustive detail on any of the following—that will be the purpose of the Proposal. However, high-level answers will:

- help the State understand who is likely to submit Proposals; and
- help interested entities understand the range of issues that must be addressed in the Proposal, thus giving them a chance to prepare for the eventual submission.

This Section B is simply a list of topic areas that we assume you will address in a separate document. Sections A and C must be completed and returned along with the document in which you answer the questions below.

1. **Geography and Population.** Define your service area by county or zip code. Describe, at a high level, the anticipated number of Enrollees (i.e. minimum and maximum) and your plan for recruiting Potential Enrollees. If different than your expected service area, specify the county(ies) or zip codes for which you are requesting data.

2. **Organization/Governance.** List and describe the background of any primary members of the ACE and their responsibilities. Provide a high-level description of your expected governance structure including who will participate on the governing board and the responsibilities of the governing board. What are the main operating agreements that will have to be developed with the primary members? To what extent has work started on developing these arrangements? When will the remaining work be completed?

3. **Network.** Provide a high-level summary of the Providers who have agreed to participate in your network and a summary of other Providers that the ACE plans on recruiting to participate in their network.

4. **Financial.** Please provide a description of the financial resources available to the ACE including the sources of funding for upfront expenses.

5. **Care Model.** Give an outline of your care model, including your plan for care coordination and care management and how your governance structure and financial reimbursement structure support your care model. At this point, we are not expecting a full description of your care model, just a high-level summary of the major components of your expected Proposal.

6. **Health Information Technology.** How will clinical data be exchanged? ACEs must have the capacity to securely pass clinical information among its network of Providers, and to aggregate and analyze data to coordinate care, both to make clinical decisions and to provide feedback to Providers.

7. **Other Information.** Please provide any other information that you think will better enable the Department to understand and meet your needs or the general needs of potential ACEs.

Section C: HIPAA Limited Data Set Agreement

Medicaid ACE LOI
Section B: Proposal Outline/Self-Assessment

1. ***Geography and Population.*** *Define your service area by county or zip code. Describe, at a high level, the anticipated number of Enrollees (i.e. minimum and maximum) and your plan for recruiting Potential Enrollees. If different than your expected service area, specify the county(ies) or zip codes for which you are requesting data.*

   Advocate Health Care serves patients in metropolitan Chicago and in Central Illinois. Advocate is evaluating participation in the ACE program throughout its service area and is requesting data the following counties: Cook, Lake, McHenry, Kane, DuPage, Kendall, Will, McLean and Woodford. Advocate will determine the relationship of Medicaid recipients to Advocate hospitals and participating primary care physicians, obstetricians, and specialists. Emphasis will be placed on ensuring resources are available to serve the needs of the communities identified which includes existing relationships with FQHCs, social services, and other community resources.

   The minimum number of expected enrollees is 40,000. The maximum number of potential enrollees and recruitment process will be based on existing Advocate Physician Partners (APP) patient-physician relationships as well as those patients currently using the Advocate network of hospitals and outpatient clinics.

2. ***Organization/Governance.*** *List and describe the background of any primary members of the ACE and their responsibilities. Provide a high-level description of your expected governance structure including who will participate on the governing board and the responsibilities of the governing board. What are the main operating agreements that will have to be developed with the primary members? To what extent has work started on developing these arrangements? When will the remaining work be completed?*

   Advocate Health Partners, doing business as Advocate Physician Partners (APP), is an Illinois not-for-profit corporation which was incorporated on May 19, 1995. APP is a Clinically Integrated entity comprised of the twelve hospitals within the Advocate Health Care (Advocate) network and more than 4,000 independent and Advocate employed physicians, including primary care, specialty care and hospital-based physicians. Each Advocate hospital participates in its own Physician Hospital Organization (PHO) which executes a corporate membership agreement with APP. Both individual and group physicians apply to APP for membership. Physicians accepted by APP for membership, following completion of APP's application and credentialing process, execute a Participating Physician Agreement with APP and the applicable Advocate PHO.

   The APP governing board sets the strategic direction for the organization and approves major policies and procedures and includes APP physician members and Advocate Health Care members. Standing committees of the board include the Utilization Management Committee, the Quality Improvement, Patient Safety and Clinical Integration Committee, the Credentialing Committee and the Contracting and Finance Committee. Each committee is chaired by a physician and includes physician representatives from each PHO, as well as Advocate system representatives. Each PHO has a local board which is comprised of Advocate Health Care and APP physician members. The PHO boards provide oversight of local performance and work with APP management to continually improve performance.

   The strength and discipline of APP's governance structure and committed physician membership has contributed significantly to the success of APP and will be critical to the development of an Accountable Care Entity in partnership with HFS.

3. ***Network.*** *Provide a high-level summary of the Providers who have agreed to participate in your network and a summary of other Providers that the ACE plans on recruiting to participate in their network.*

APP's ACE network will include a subset of the APP primary care physicians, specialists, behavioral health providers, and hospitals most prepared to meet the needs of the ACE population. A market specific approach will be used to focus on the needs of the individual communities Advocate serves. APP is meeting with physician and hospital leaders to develop plans for ACE participation. Considerations include existing patient relationships within the APP network as well as organizational relationships with FQHCs and community health providers and needs such as behavioral health and care management resources.

4. ***Financial.*** *Please provide a description of the financial resources available to the ACE including the sources of funding for upfront expenses.*

APP has an existing organizational infrastructure to support over 550,000 patients covered under value-based arrangement. These arrangements include public and private payers and global risk and Accountable Care approaches. APP's administrative infrastructure for its Clinical Integration and Advocate**Care** population health programs is funded through a variety of mechanisms, including funds generated by APP's Clinical Integration contracts with commercial insurance companies, HMO risk contract surpluses, and shared savings dollars (Medicare Shared Savings Program, Blue Cross Blue Shield of Illinois ACO). APP's infrastructure costs are covered before determining the amount of incentive funds for distributing to member physicians and hospitals through APP's Clinical Integration pay-for-performance program. It is anticipated that upfront ACE infrastructure expenses will be funded from the existing funds described earlier. It is also anticipated that any shared savings from the ACE contract would be commingled with funds generated from the commercial insurance contracts and MSSP program described above, so that there is a single pay-for-performance incentive fund paid out according to a common set of measures and performance targets.

The ACE Care Coordination fee will be used to fund incremental investments in the organization's comprehensive care model (see Care Model for further description) including a health information exchange, disease registries, and additional staff resources for care management functions with a focus on at-risk maternity and pediatric care.

5. ***Care Model.*** *Give an outline of your care model, including your plan for care coordination and care management and how your governance structure and financial reimbursement structure support your care model. At this point, we are not expecting a full description of your care model, just a high-level summary of the major components of your expected Proposal.*

Advocate has taken many progressive steps to elevate clinical quality, improve care coordination, and reduce the total cost of care. The Clinical Integration (CI) program has positioned Advocate to take on population health management by providing the metrics and tools to manage care. Advocate**Care**, Advocate's transformational approach to care coordination, promotes a fee-for-value model that rewards collaboration, quality, and efficiency. APP views Patient-Centered Medical Home (PCMH) as the method to bring together Clinical Integration, Advocate**Care**/care management, and Meaningful Use demonstration into an organized model of care in physician offices.

At any given time, over 100 APP member physicians hold governance positions on various boards and committees that guide care model design, measure development, and results monitoring. The boards and committees also oversee implementation efforts and inform and approve the budget and the financial model distribution.

The core components of APP's care model include.

Clinical Integration
APP's CI Program is its pay-for-performance incentive system. The current CI program includes over 100 metrics.

Outpatient Care Management
APP currently has over 100 care managers dedicated to the outpatient setting. These outpatient care managers work closely with APP's primary care physicians to address the needs of high-risk patients.

Inpatient Care Management and Transitions of Care

Inpatient care managers engage in transition planning with physicians and nurses early in the patient's hospital course. Standards for follow-up care have been developed and include medication reconciliation, rapid follow-up of diagnostic tests, and early identification of post-hospital complications.

Post-Acute Care Transitions

While not directly applicable to the ACE population, this program includes rounding by dedicated APP physicians and advanced practice nurses providing on-site care at least five days a week in skilled nursing facilities.

Individual Care Plans and Community Resources
It is part of each care manager's role to understand the resources available to patients in the community. In addition, as part of Advocate's Mission and Spiritual Care, the office of Advocate Parish Nurse Ministry, participates in making real the vision of holistic healing by partnering with congregations of all denominations and religious affiliations. The Parish Nurse Ministry works in 29 diverse congregations throughout the Chicagoland area.

Patient-Centered Medical Home
PCMH provides the "how" to bring together these programs into an organized model in our physician offices. APP is using the NCQA PCMH criteria as its program framework. NCQA PCMH is focused on six essential standards: (1) Enhance Access/Continuity, (2) Identify/Manage Patient Populations, (3) Plan/Manage Care, (4) Provide Self-Care Support/Community Resources, (5) Track/Coordinate Care, and (6) Measure/Improve Performance.

6. ***Health Information Technology.*** *How will clinical data be exchanged? ACEs must have the capacity to securely pass clinical information among its network of Providers, and to aggregate and analyze data to coordinate care, both to make clinical decisions and to provide feedback to Providers.*

Advocate Health Care (Advocate) and Advocate Physician Partners (APP) have invested in the industry's leading capabilities, many co-developed with our vendors, for population health management including disease registries, high-risk patient identification methods, care management, and utilization and cost reporting.

APP will ensure the integrity, security and confidentiality of data by complying with the terms of the Data Use Agreement (DUA) and applicable law, including the Privacy Act and the Health Insurance Portability and Accountability Act (HIPAA). APP has worked with confidential and Protected Health Information (PHI) since its formation in 1995 and has established appropriate administrative, technical, and physical safeguards to protect the confidentiality of the data and to prevent unauthorized use or access to it. All Advocate associates and APP physicians are required to complete annual HIPAA training on the importance of preserving patient privacy of health information and appropriate processes for data sharing.

Tools core to Advocate's ability to share information with providers to better coordinate care include:

- Disease Registries – An online tool that integrates data from hospital and physician EMRs, claims, and eligibility to provide real-time information at the point of care on a patient's health status relative to evidence-based quality standards (e.g. diabetes control, colorectal screening).
- Data Analysis and Reporting– Claims and enrollment data are analyzed and reported monthly to physicians to identify and measure utilization and cost trends.
- Risk-stratification and care management workflow tools - Claims data is analyzed to identify high-risk patients based on diagnosis codes, care compliance, and utilization. APP's outpatient care managers then document patient outreach, conduct assessments, and develop and manage a patient's care plan.
- Physician EMRs – All APP primary care physicians are required to be on a meaningful-use compliant EMR by 2014. Patient portals and data extractions for integration in the disease registries and other population health management tools are at various stages of development.
- Metropolitan Chicago Healthcare Council (MCHC) Health Information Exchange (HIE)—Advocate is a leading member of the development of a health information exchange in the Chicago region. Data sharing will adhere to the industry's leading standards for patient confidentiality and secure data transfer.

7. **Other Information.** Please provide any other information that you think will better enable the Department to understand and meet your needs or the general needs of potential ACEs.

APP has a long track record of success in managing population health and financial risk. Since its inception in 1995 to today, APP has worked to engage physicians to coordinate care and improve quality for all patients. As a recognized leader in Clinical Integration and Accountable Care, APP looks forward to working with the department of Health and Family Services to bring this innovative payment model to Medicaid patients.