

**LabCare PLUS meeting the challenges of
the New Normal
September 6, 2007**

Continued from Part One.....

The Integrated Delivery System



Hospitals

Inpatient Facilities

- Tertiary/Academic Campus
- 3 Owned Community Hospitals
- 1 Affiliate Community Hospital
- 2 JV Hospitals with Physicians

Outpatient Facilities

- Multiple ambulatory sites
- Locations in 3 Counties

Service Lines

- Cardiac, Oncology, Neurology, Ortho, Surgery, Behavioral Health, Women's, Emergency, Seniors

Key Statistics

- 2,000+ Licensed Beds
- 62,000 IP Admissions
- 42,000 Surgeries
- 660,000 OP Visits
- 220,000 ED Visits
- 5,000 Births
- Over 220 Residents

Physicians

Multiple Alignment Options

- Employment
- Joint Ventures
- EMR
- Clinical Integration
- Health Plan

Summa Physicians, Inc.

- 240+ Employed Physician Multi-Specialty Group

Summa Health Network

- PHO with over 1,000 physician members
- EMR/Clinical Integration Program

Health Plan

Geographic Reach

- 17 Counties for Commercial
- 18 Counties for Medicare
- 55-hospital Commercial provider network
- 41-hospital Medicare provider network
- National Accounts in 2 States

155,000

Total Members

- Commercial Self Insured
- Commercial Fully Insured
- Group BPO/PSN
- Medicare Advantage
- Individual PPO

Foundation

System Foundation Focused On:

- Development
- Education
- Research
- Innovation
- Community Benefit
- Diversity
- Government Relations

Recent Accomplishments



- **HealthGrades Top 1%**
 - Summa Akron City & St. Thomas Hospitals have been among the HealthGrades Top 1% for 4 years in a row
 - The hospitals also received the HealthGrades Distinguished Hospital Award for Clinical Excellence 7 Years in a Row

- **Northcoast 99 – The 99 Best Employers in Northeast Ohio**
 - Summa Health System has won this distinction for 6 years
 - Robinson Memorial Hospital has won for 7 years

- **US News/NCQA America's Best Health Plans**
 - SummaCare was the highest-ranked plan in Ohio for its Medicare products in 2009
 - It is also ranked among the highest in Ohio for its Commercial products

- **Top 25 Connected Healthcare Facilities**
 - Summa is a member of the 2009 Health Imaging and IT Magazine Top 25 Connected Healthcare Facilities

- **Press Ganey Summit Award – Patient Satisfaction above the 95th percentile for 3 consecutive years**
 - Awarded to Summa Wadsworth Rittman Hospital for outstanding patient satisfaction for the Emergency Department for the second year in a row

- **SDI's Top 100 Integrated Health Networks**
 - Summa ranked on the 2010 Integrated Health Networks list based on performance level and degree of integration

- **NCQA Accreditation**
 - Following a comprehensive accreditation survey in early February by the NCQA, SummaCare has received three-year "Excellent" accreditation status in the Health Plan category for all lines of business
 - NCQA is a private, non-profit organization dedicated to improving health care quality

Why Summa Is Well Positioned



- **Commitment to the Community**
 - Summa's mission has always had at its core the idea of "contributing to a healthier community" and the fundamentals of healthcare reform align with this mission
- **High Quality at Low Cost**
 - Summa already provides high quality care at low costs, being recognized for quality on a national level while keeping a lower cost structure than comparable local, regional and national health systems
- **Population Management Experience**
 - Through SummaCare, Summa has developed an expertise in managing chronic diseases and the overall health of populations towards effective, lower cost models of care
- **Integration Along the Continuum**
 - Summa's Integrated Delivery System has a head start in aligning the work of hospitals, physicians, patients, the insurance company and community partners
- **Ease of Access**
 - Summa has convenient local access points across a broad geography in Northeast Ohio, including primary care and other physician offices, ambulatory centers, urgent care centers, emergency rooms and community hospitals



11/29/05



SUMMA

Health System

OUR VISION

Summa Health System will be recognized as one of the finest health care organizations in the United States and will be the preferred provider of health care services in our service area.

OUR MISSION

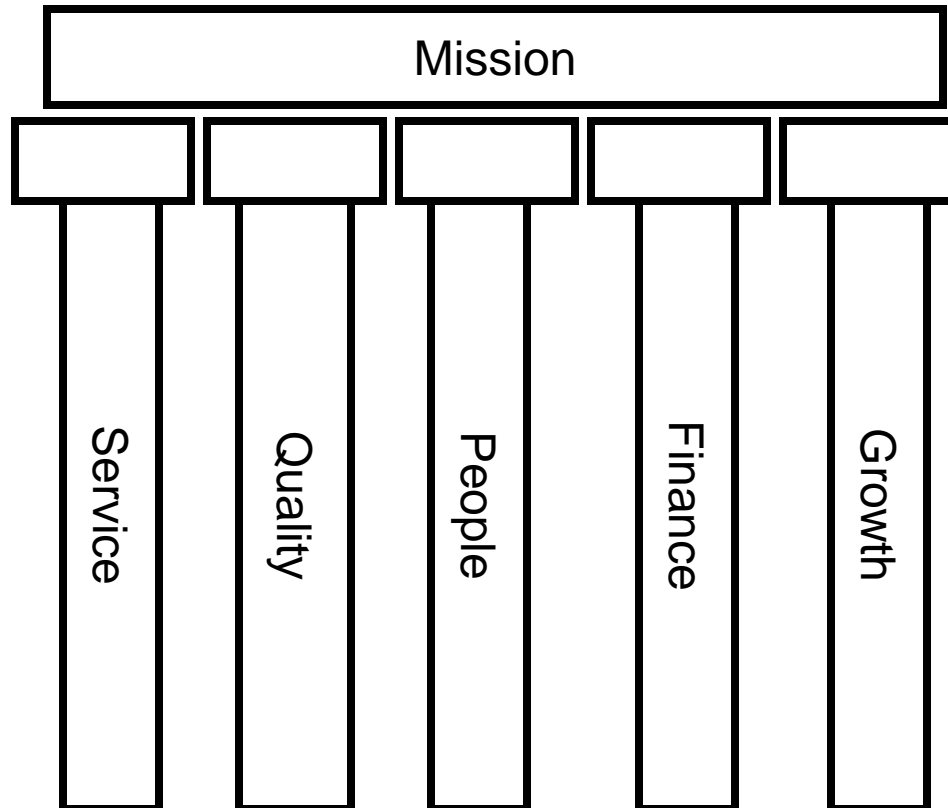
The mission of Summa Health System is to provide the highest quality, compassionate care to our patients and to contribute to a healthier community.

OUR VALUES

Our values provide the framework for each of us to support the mission in our day-to-day work by emphasizing the beliefs and attitudes which govern the operations of the system. They are an affirmation of what is most important for the success of our organization and reflect a belief that success is a personal standard compelling us to strive to reach our highest potential as individuals in service to our community.

- We believe in the highest standards of personal and organizational integrity. Honesty and fairness are expected from all of us.
- We believe in preserving a quality, caring organizational environment. Each of us will take responsibility for continuously improving the quality of care and service he or she provides.
- We believe in excellence in leadership throughout the organization. All who lead must also facilitate the efforts of our employees in best serving our patients, as well as serve in a mentoring and educating role to support all employees in achieving their full potential.
- We believe in valuing one another. Each of us will value the knowledge, experience and ability of other employees and the contribution that each makes to Summa.
- We believe that we all deserve respect and fair treatment. Each of us will support these fundamental premises by being an example of this positive behavior.
- We believe in open communication. Each of us will continually strive to remove communication barriers. Group participation is encouraged in the resolution of issues.
- We believe in teamwork. We value the participative process and consensus building. It is through cooperation that our greatest successes will be derived.
- We believe in community service. We encourage all of our employees to be good community citizens and seek opportunities of service to others.
- We believe in individuality. We value diversity in experience and perspectives at all levels of our work force. Differing points of view will be sought and respected.

The Summa Health System business model is based on the core principle of value to employees, physicians, and the region but most importantly to Summa's patients

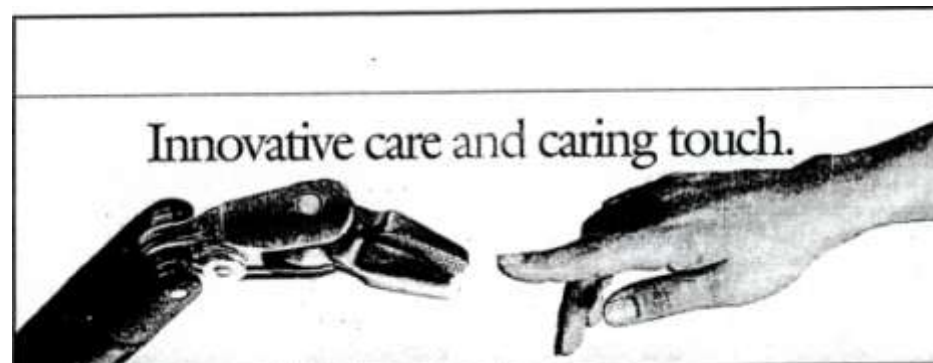


Integrating and connecting the vision, value, and goals of the organization into daily decisions, behaviors and actions

Benefits of Goal Integration

1. Company goals are known and contributed to by all business units and administrative functions.
2. Functional unit and department goals fit together, support each other, and contribute to business goals.

- Summa Health System has championed comprehensive integration to reduce fragmentation and redundancy, while at the same time promote through synergy an even greater continuity of care.
- The integration plan must be comprehensive at the outset but incrementally rolled out to maximize performance.



LabCare PLUS System-wide Mission

- To establish a Summa Health system-wide operation utilizing the expertise of the existing LabCare PLUS management operations and systems. The primary objective was to create a Summa Health System market through a single point entry system eliminating the fragmentation that exists in the outreach laboratory market.
- The system-wide lab outreach consolidation has its core objective to improve on patient safety and client satisfaction and specifically evaluate and enhance the specimen tracking process, customer service performance, and meet the physician-client connectivity and interfacing requirements.

LabCare PLUS Integration Objectives

- **Establish a Summa Health system-wide operation entity utilizing the expertise of the current LabCarePLUS process**
- **Compete with the competitive threats from the national outreach organizations and the regional hospital outreach programs in bordering periphery counties**
- **Create a means to redistribute outreach revenues to improve the net financial results to the system and its individual hospitals**
- **Consolidate services to enhance the quality of service being provided to our patients by meeting and exceeding expectations and satisfaction with timely reporting and testing accuracy**
- **Consolidate in a fashion to permit rapid expansion to other external locations based on strategic planning of SHS and its health network products**
- **Re-evaluate all external or referred testing for “make vs. buy” in concert with the economies-of-scale produced by the consolidation**
- **Establish fee schedules competitive to other national & regional outreach providers**

Our Goal

- To consolidate services
- Enhance the quality of service
- Exceed physician expectations
 - timely reporting
 - testing accuracy
 - Electronic gateway establishment

Tying it together

BARBERTON LCP

- ❑ **Front End: Customer Service, Client Connectivity, Courier, Registration, Marketing, Infrastructure**
- ❑ **Cytology offers both liquid PAP technologies (Cytyc and SurePath).**
- ❑ **Sizable test menu done on site**
- ❑ **Back End: Reporting, Service, Communication Automated and Flexible**

SUMMA LCP

- ❑ **Comprehensive menu, many, specialized technologies esoteric tests available; Toxicology, Flow Cytometry, etc.**
- ❑ **Established technical skill sets for the above with potential to create more by reallocating staff from Core Lab, “Make vs. Buy”**
- ❑ **Access to PhD level Clinical laboratory professionals, Pathology Residency Program – an asset**

LabCare PLUS Service Strategy

- In crafting a strategy geared to the vision, mission and values of the Summa Health System, LabCare PLUS further identified specific service strategies for our varied LabCarePLUS departments.
- We identified the scope and depth of our services and individually and collectively focused on what we do best.
 1. Align and direct our services to the real priorities of the client and patient they serve
 2. Demonstrate value to the client through consistently responsive services
 3. Understand and operate on premise that we are “differently better”

LabCare PLUS Standards of Behavior

Appearance and Environment

- I will always make sure my appearance is clean and professional in accordance with the applicable dress code policy
- I will not eat, drink, chew gum during any customer involvement

Attitude and Courtesy

- I will treat everyone as the most important I will see today
 - I will demonstrate respect and compassion in my words, my tone of voice and my body language

Communication

- I will promptly welcome people in a friendly manner; smiling warmly, maintaining eye contact and by introducing myself by my name and my role as appropriate
- I will not gossip or spread rumors

Teamwork

- I will work in collaboration with my co-workers being positive in finding solutions to problems and supporting a blame-free environment
- I will treat all other Summa team members as professionals and show respect and appreciation for what they do

Customer Service

- I will attempt to anticipate the needs of customers and offer assistance before being asked
- I will provide my customers with my undivided attention while I am with them regardless of how my day is going

Improving Lab and Care Process Data Accessibility by Standardization

Organizational Goal of Standardization

- Achieve a high degree of accountability for aspects of care known to positively impact health of individuals served regionally

Operational Goal of Standardization

- Accurately capture all test results or process of care actions that contribute to quality outcomes for high impact health conditions
- Move toward Accountable Care Delivery, highlighting the need for hospitals, providers along the care continuation and patients to work collaboratively to ensure appropriate high quality, efficient and cost-effective delivery of healthcare

Clinical Goals of Standardized Care

Need to demonstrate care that is

- Safe
- Effective
- Patient-centered
- Timely
- Efficient
- Equitable

- Develop and publish workflows that capture all actions of quality providers that are already being performed
- Promote capturing both interfaced and non-interfaced lab results with our physician client practices

Sales Strategies and Initiatives in the New Summa Environment

- Re-define Market and analyze growth opportunities
- Increased market awareness and visibility
- Focus on patient/client valued services
- Leverage market by cross-selling of Summa products and services
- Focus on reducing of out-migration to competitive providers

Capability of Service and public perception are key elements of success

- Build and emphasize reputation and Brand Equity
- Sales Representative training and continued education
 - Visibility builds comfort
 - Trust of client
 - Credibility
 - Consistently responsive

Focus on Patient and client valued services

Description of the unique services we offer “selling proposition”

TEST RESULTS WITHIN HOURS in most cases. Being a local laboratory affords us the ability to pick up and immediately process specimens and provides for stat testing on a 24/7 basis. Physician clients are able to customize how they are alerted to results to best meet their practice needs. We provide comprehensive test and diagnostic profile offerings and the ability to modify profile components for each patient with add-on testing. Reflex testing is performed by physician request thus accelerating the diagnostic process and providing patient convenience. Our customized test request forms are bar-coded and provided with peel off labels and can include specimen requirement codes. Physician pathology consultation is available upon request with over 95% of the testing performed locally.

BI-DIRECTIONAL INTERFACING with your NextGen EMR and Practice Management systems for improved efficiencies and quality patient services. LabCare**PLUS** provides an innovative and comprehensive menu of connectivity options. By utilizing electronic ordering and resulting, together with an extensive specimen bar-coding identification process, we are able to efficiently process over 1700 patient registrations per day with an almost non-existent error rate. We currently accept 45% of our orders via electronic gateway with over 70% of the results being reported electronically to our physician clients.

CLINICAL INFORMATION VIA THE WEB. LabCare**PLUS** has partnered with CareEvolve’s web-based application allowing physicians to retrieve results anytime, anywhere, via the Internet. We will implement a complete computer system at our expense for your office including Internet connectivity if necessary. Together, we provide a state-of-the-art, point-of-care solution for lab ordering and resulting.

On-site PHLEBOTOMY SERVICES are scheduled to meet your specific daily and hourly needs. Training of our phlebotomists is an on-going process that emphasizes clinical skill and personal customer service improvement. The provision of a phlebotomist is also complemented by the availability of ongoing training of the office staff if desired.

CUSTOMER SERVICE calls are answered personally by local representatives, 24 hours a day, 7 days a week, without the aid of an automated attendant. Our experienced CSR staff receives specialized training in handling issues for both our physician practices and our patients. These inquiries or requests may range from specimen collection and transport to varied patient result reporting and billing issues.

On-site Account Bill LABORATORY TESTING services are available. Ohio State law permits the practice to direct bill either the insurance company or the patient. This provision may be used to improve upon practice revenue and/or provide indigent patients services at significantly discounted pricing. LabCare**PLUS** will assist in establishing a discounted set of test fees that can also be billed to insurers and managed care payers that permit physician fee schedules by the physician office. LabCare**PLUS** must provide these discounted fees above our costs to meet varied anti-kickback compliance requirements.

We accept all national and local INSURANCE PLANS.

LabCare**PLUS** has the distinction of having in-network participating agreements with all insurance plans in the region. This provides the practice with a “one stop shop” avoiding confusion for the physician practice and ensures its patients with the highest benefit available through their individual health plans.

COMPETITIVE PRICING structure. LabCare**PLUS** pricing has been, and continues to be, very competitive when compared to the national laboratory outreach providers. This has been achieved through a highly specialized and automated core laboratory and the extensive technologic registration and billing processes that are made available by owning the code to the Laboratory Information System (LIS). The pricing provides patients with affordable service in the face of the expanding patient contribution requirements for commercial and managed care health plans.

CLIA license for waived tests is available for the practice and will be supported by systems provided to the practice by LabCare**PLUS**. This permits the practice to increase revenues for in-office testing and provides for patient convenience and immediate diagnostic resulting and turnaround. These tests include; AI-C, Coumadin Prottime levels, urine analysis etc.

Dedicated COURIER SYSTEM between our laboratory and your practice that may be modified to best meet your practice needs. Couriers utilize a scanning system to ensure proper specimen tracking, identification and order correlation following the American College of Pathologists (CAP) requirements. All laboratory supplies are provided upon request and delivered in a timely manner via courier.

Web-based DIRECTORY OF SERVICES is available either online or in hard copy format. The information is continually updated with regard to new tests and changes in test procedures together with a clinical decision support system providing a guide to test selection and interpretation.

PATIENT CARE CENTERS and CO-MARKETING STRATEGIES may be established in partnership with the office practice in mutually agreed upon programs and locations. The centers will provide collection services in close proximity to the office location and will be supplied with staff, equipment and furnishings by LabCare**PLUS**. Lease or rental of office space from the practice is acceptable if meeting regulatory requirements and is paid at fair market rates.

The advantages LabCare**PLUS** offers to the medical community are innumerable. Sometimes it is the smallest detail that a physician appreciates. Other benefits that are not often identified include:

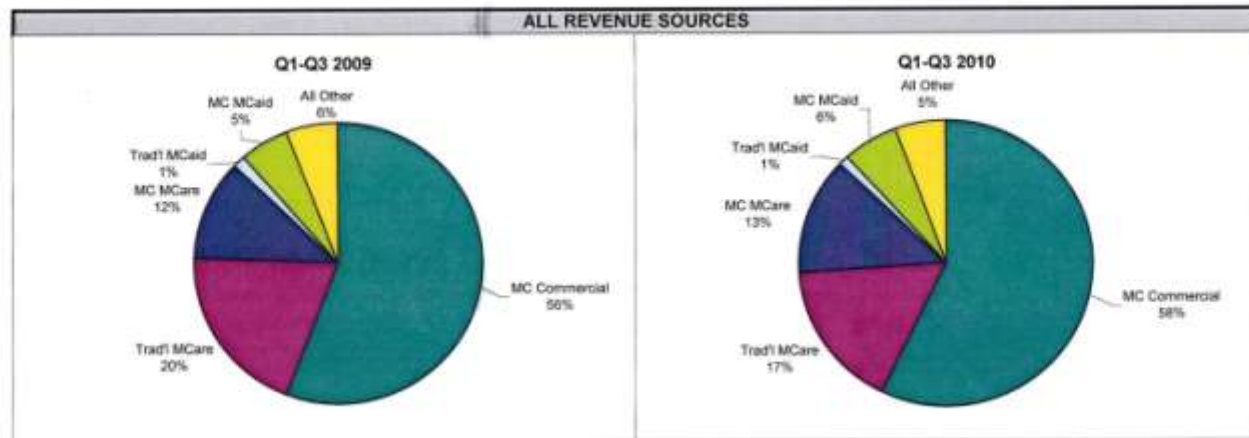
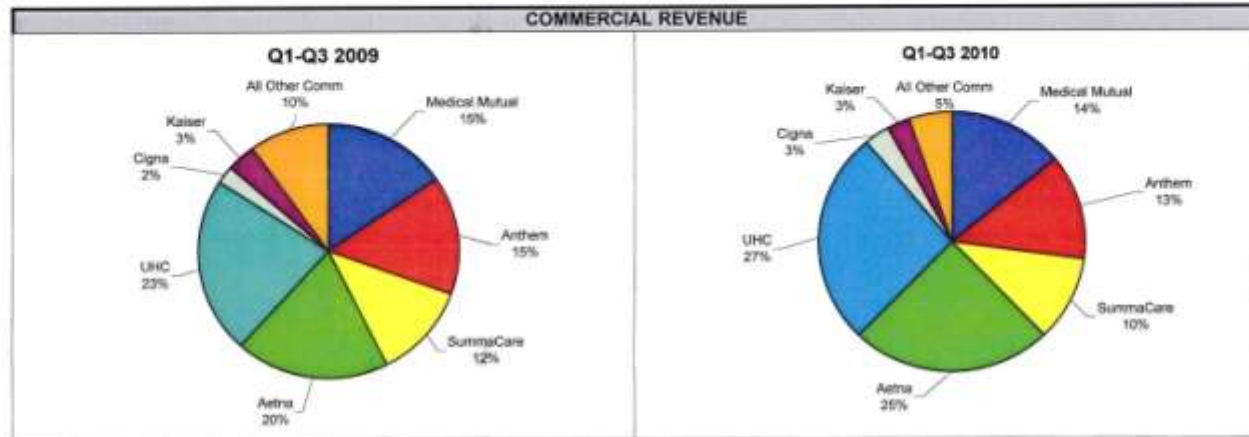
- Physicians and practice will have a name at LabCare**PLUS**, not just an account number
- Our Client Services representatives will know the client by name
- One person will be managing all of your supply needs
- The account team, comprised of the sales associate, technical support staff, client service representatives and courier and supply agents, are committed to providing solutions that satisfy the practice's needs.
- The practice will recognize the partnership our team strives to establish in managing patient services.
- The practice will have a dedicated Information System representative to meet technological needs.

Revenue Cycle Management

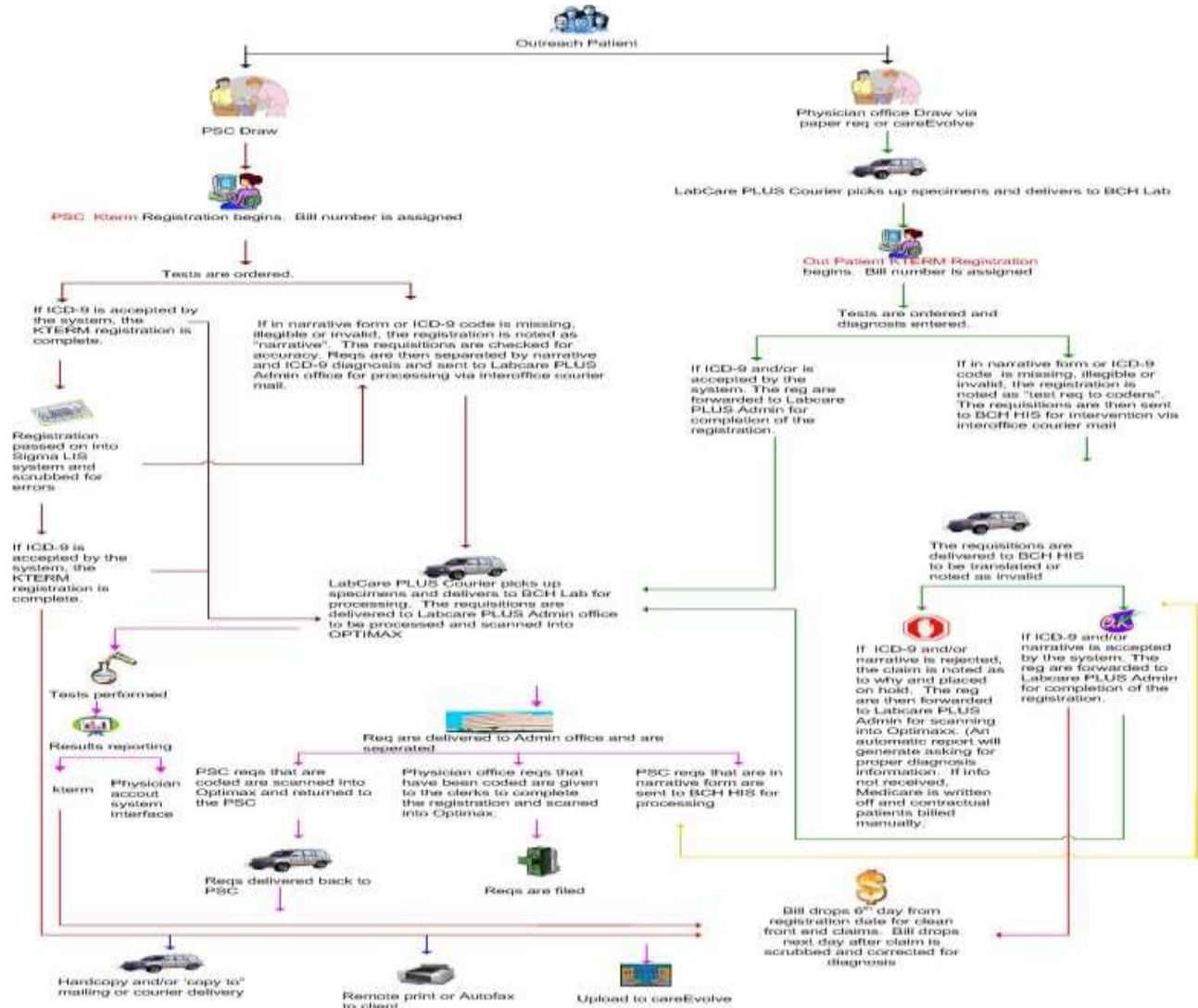
- Fair and thoughtful Competitive pricing
- Capture Data on registration
- Coding eligibility/adjudication
- Patient flow model business office, denial management and payor analysis
- Negotiating contracts with relevant cost data
- Leverage through Summa Health System
- Client Billing

Leverage through Summa Health system

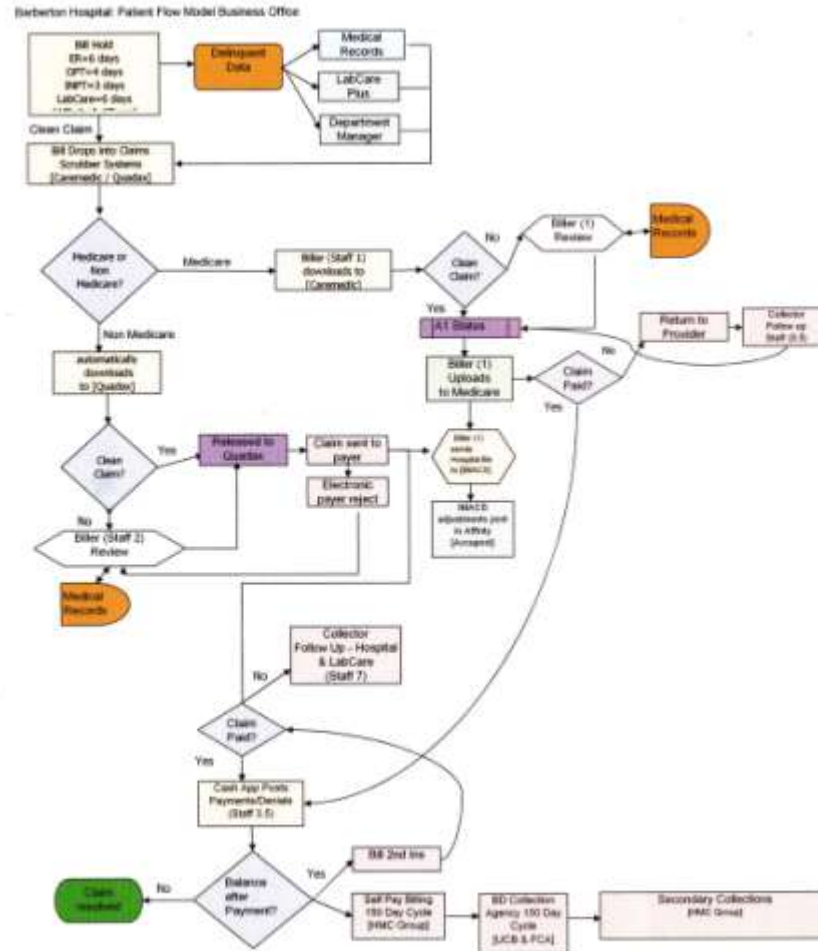
LABCARE PLUS
Financial Performance Highlights
1/1/2010 - 9/30/2010

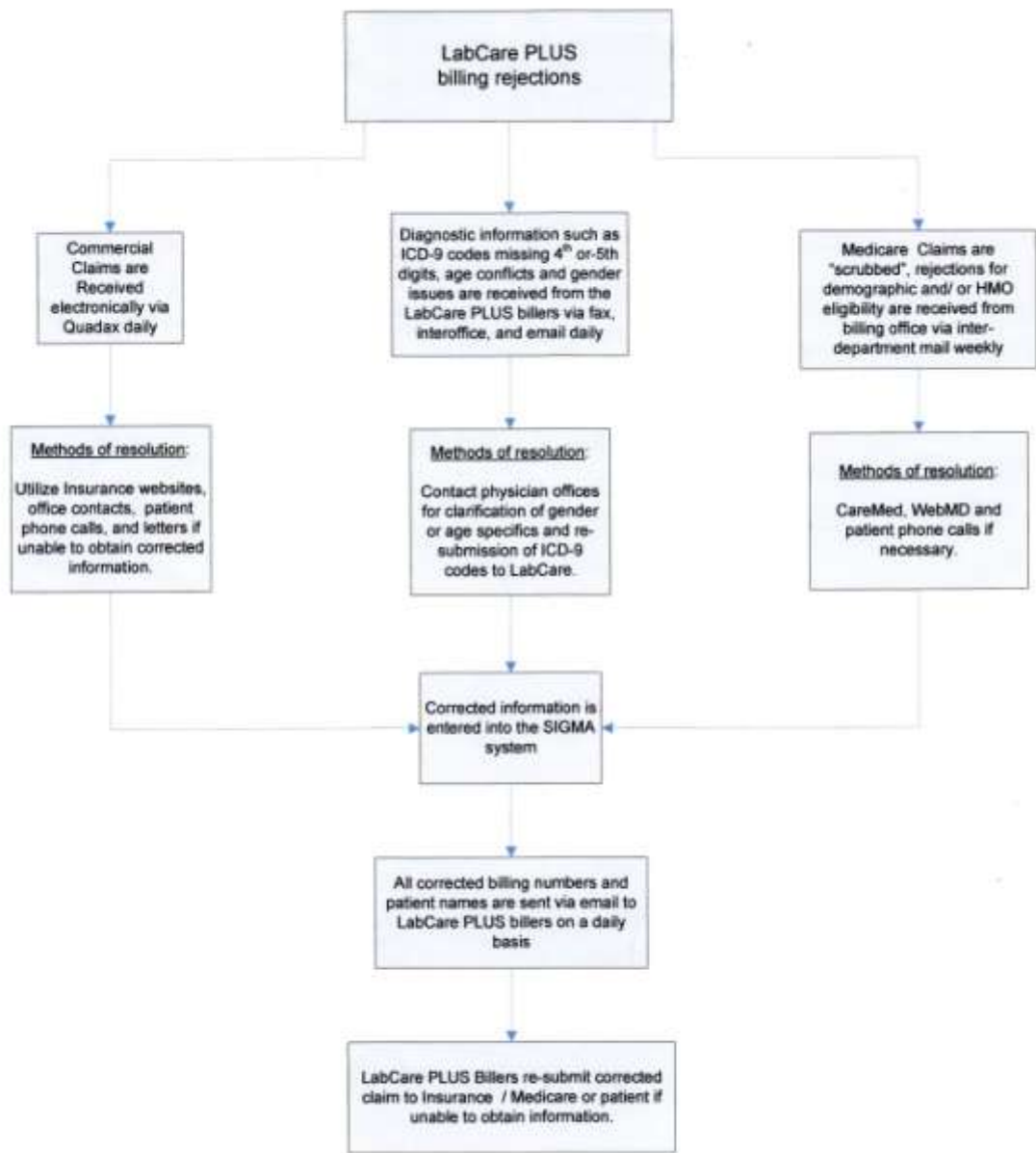


Capture data on Registration, coding/eligibility adjudication

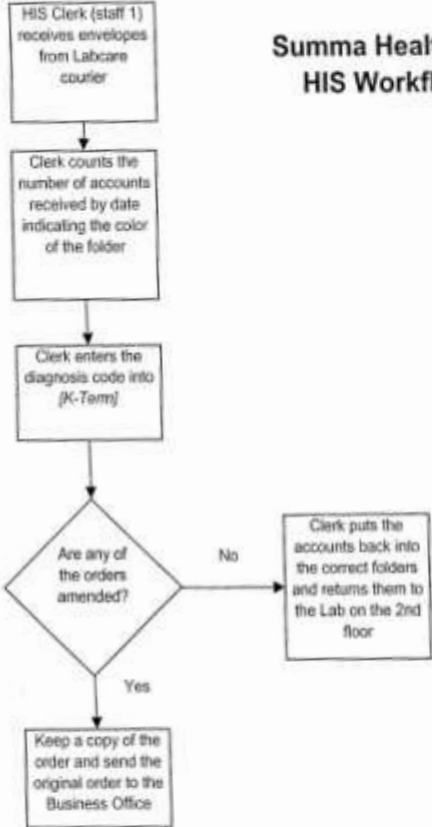


Patient flow model denial management and analysis





Summa Health System - Barberton Hospital HIS Workflow - Labcare Plus Accounts



Client Billing



- Offers the practice affordable lab testing to the uninsured and under insured indigent population as many uninsured and under insured patients do not qualify for the HCAP plan. The discounted fee offered to the indigent patient provides the physician practice revenue, although less than most third party rates, that otherwise may never be recovered.
- Affordable discounted lab testing access for professional and physician office staff
- Provides the ability to bill a fee schedule to the few commercial and managed care plans that continue to permit account billing arrangements .
- Physician practice errors in test ordering and resulting may be account billed avoiding patient dissatisfaction with uncovered test expenses.
- Re-direction of lab specimens otherwise being sent to our national competitors due to lower test pricing.
- Matching benefits alignment with our national competition and avoiding outreach account attrition.
- Cooperatively minimizing client/patient frustration and promoting physician client/patient satisfaction.

Name Branding



 **LABCARE**

 **LABCARE PLUS**TM
PLUS MEANS MORE


SUMMA
Health System


SUMMA
Health System
Barberton Hospital

Logos May Change, but Brands Endure

Successful branding simply reinforces existing consumer perceptions. Long-lived brands may change logos and taglines but retain their brand essence in consumers' minds.



Your Regional Community Laboratory Provider

SERVICE BENEFITS

REPORTING

- Same day and overnight reporting for many tests
- No batching for In House Testing
- STAT processing service available
- Reliable and flexible courier service
- Critical results phoned immediately
- Rapid TAT on reflex testing results
- Printer and data retrieval terminals available
- Auto faxing capability

REFLEX TESTING

- Performed by physician request
- Accelerates diagnostic process
- Patient convenience
- Less phlebotomy service required

CUSTOM TEST REQUEST FORMS

- Bar-coded, peel-off labels
- Specimen requirement codes on form
- Personalized request forms



CLIENT CONVENIENCE

CLIENT SERVICE

- All calls are answered personally 24 hours a day, 7 days a week
- Customer Service Representatives trained in the TLC (The Lifetime CustomerSM) philosophy

COURIER SERVICE

- Daily courier service designed to meet your needs

PHLEBOTOMY SERVICE

- Phlebotomy training and instruction offered for new office personnel
- Curb side phlebotomy service at the patient service center for patients with limited mobility
- 10 patient service center locations
- Patient Test Preparation and Instruction Handbook

ADDITIONAL SERVICE

- Customized services based on the customers needs
- Contracted with most major Managed Care Plans
- Laboratory testing performed locally
- On line test directory
- User friendly website www.LabcarePlus.org with managed care listing, patient service center locator and contact directory



LabCare processes 60,000 tests a month on state-of-the-art instrumentation using the latest computer automation to ensure quality, accuracy and patient safety.

CONSULTING AND TESTING

- Technical assistance and pathology consultation available upon request
- Written pathologist interpretation available
- Comprehensive profile offerings
- State-of-the-art laboratory instrumentation
- Specimens handled by highly automated interface systems
- Diagnostic profiles available
- Ability to modify profile components for each patient with add-on tests
- 97% of testing performed locally

"We go above and beyond standard customer service."

Mark E. Parker, MD
Medical Director of LabCare

Client Satisfaction Commitment

In the event a LabCare error causes a specimen to be unavailable or invalid for testing, the physician will be notified and have the option of requesting LabCare to send a phlebotomist to the patient's home or place of work to collect another specimen. There would be no charge for this house call.

For Our Patients...



- ◆ Walk-ins welcome
- ◆ Early Morning Hours
- ◆ Convenient Free Parking
- ◆ No Appointment Necessary
- ◆ Patient Friendly Registration
- ◆ Professional, Qualified Phlebotomists
(Call 330-753-3649 for Pediatric & Infant Draws)
- ◆ Accepting Orders from ALL Physicians
- ◆ Accepting Most Major Insurances



Patient Checklist...

- ✓ Bring a written order, signed by your physician.
- ✓ Bring your current insurance id card or other payment method. (Cash, check, money order, Visa® or MasterCard® accepted)
- ✓ Glucose Tolerance testing needed? Please call for an appointment.

Discover **LABCARE PLUS**

Call 1-800-522-8318

for more information.

www.labcareplus.org



Plus means...

Faster Results—Customers can expect same-day or overnight reporting for routine results. Our couriers collect specimens, several times a day, from patient service centers and physician offices. The samples are rushed to our local laboratory. Critical results are reported immediately.

Plus means...

Added Convenience—LabCare PLUS offers ten Patient Service Centers, conveniently located in Cuyahoga, Summit, Portage and Medina counties. The patient-friendly centers are open every weekday, with some Saturday hours. Walk-in service is welcomed.

Plus means...

Greater Accuracy—Specimens are analyzed in our state-of-the-art laboratory, which features the most technologically advanced instrumentation and extensive quality controls. Equipment is interfaced with computerized systems to ensure exceptional quality, accuracy and patient safety.

LABCARE PLUS
Patient Service Centers

Patient Service Centers



System Management

- Duplicated the front and back end operations for lab outreach, permitting staff to work on specimens from the Hospital & Outreach without further identification
- Added multiple fee schedules and special pricing for physician account billing
- Couriers are utilizing a scanning system to identify orders from the time of pickup until the time the specimen is un-bagged for testing. This was created to meet CAP requirements and ensures rapid identification of a potential lost specimen and tracking device to locate it.
- Owning our Information System & its code permits our IT&S staff to modify programming to meet user demands & regulatory changes
- More recently, the systems' greatest attribute is its ability to provide physician office connectivity and interfacing capabilities.

LabcarePLUS System Features

- Financial Accounting
- Billing and Collection
- Specimen Tracking
- Bar coding of all specimens
- Scanning documents
- Auto-faxing
- Courier dispatching
- Internet order and resulting
- EMR bi-directional interfacing

Mark E. Parker, M. D.
Director of Pathology

Joel B. Miller, M. D.
Associate Pathologist



133 5th ST. S.E. Suite A
Barberton, Ohio 44203
800-522-8318 Client Service
330-615-3968 Dept of Pathology

Thomas Hlivko, M. D.
Associate Pathologist

Joshua Weaver, M. D.
Dermatopathologist

ACC#: S-02946-11
MRUN: LM3438
LOC: 000502

NAME:

DOB: 09/06/37 (73)

SEX: M

DR:

CLINICAL DX: Benign neoplasm, skin, NOS

OPERATION: Excision of tissue from chest

SPECIMEN: Tissue excised from chest

DATE OF OPERATION: 03/24/2011

REPORT DATE: 03/28/2011

DIAGNOSIS:

SKIN, CHEST - BENIGN LICHENOID KERATOSIS.

JW:js

Tumor Reg: N

MICROSCOPIC:

Microscopic examination performed.

GROSS TISSUES:

Specimen received is labeled "Chest," and is received in formalin. The specimen consists of a shaved portion of tan tissue measuring 0.6 x 0.4 x 0.2 cm. The specimen has a centrally located area of pigmentation measuring 0.2 cm. The specimen is submitted entirely in a single cassette.

MEP/HM:js
03/25/2011

This pathological interpretation was generated at Summa Akron City Hospital.

Signed by

Dermatopathologist on 03/28/2011



Health care reform has passed: what now?

With the recent enactment of sweeping health care reform legislation, the US is undertaking a major overhaul of the health care system that will affect everyone – from insurance companies and health care providers to individuals and employers. All stakeholders should expect, and begin preparing for, substantial changes in the way health care is obtained, delivered, paid for and regulated.

This summary outlines the key elements of the Patient Protection and Affordable Health Care Act¹ (the Act), how the Federal Government will pay for the increased health care spending, and a timeline for when major provisions will take effect.

What does the legislation do?

The primary goals of the Act are to: (i) expand coverage to an estimated 32 million Americans without health insurance; (ii) reform the delivery system to improve quality; and (iii) lower the overall costs of providing health care.

To accomplish the goal of expanding coverage, the legislation mandates that all Americans maintain a minimum level of health coverage. It expands Medicaid coverage and provides federal subsidies to assist low-income individuals in obtaining health insurance. The legislation also implements insurance market reforms, including a ban on exclusions for pre-existing conditions, premium rate restrictions, extension of dependent coverage through age 26, and mandatory coverage of preventive services.

The Act establishes insurance exchanges through which individuals and small employers can shop for health insurance. It also mandates, for the first time, that employers with 50 or more full-time employees provide certain minimum benefits or pay penalty fees. Employers will need to analyze the cost implications of proposed changes to their benefit plans, payroll taxes, administrative functions and other compliance obligations.

Health care cost reductions stem from cuts to Medicare and Medicaid payments, provisions to reduce fraud, waste, and abuse in those public programs, and other delivery reforms to their payment systems. These reforms present both challenges and opportunities for health care industry sectors as they analyze the impact of increased patient volume, reimbursement cuts, changes in relationships between hospitals and other providers, and modifications to their administrative operations and cost structures.

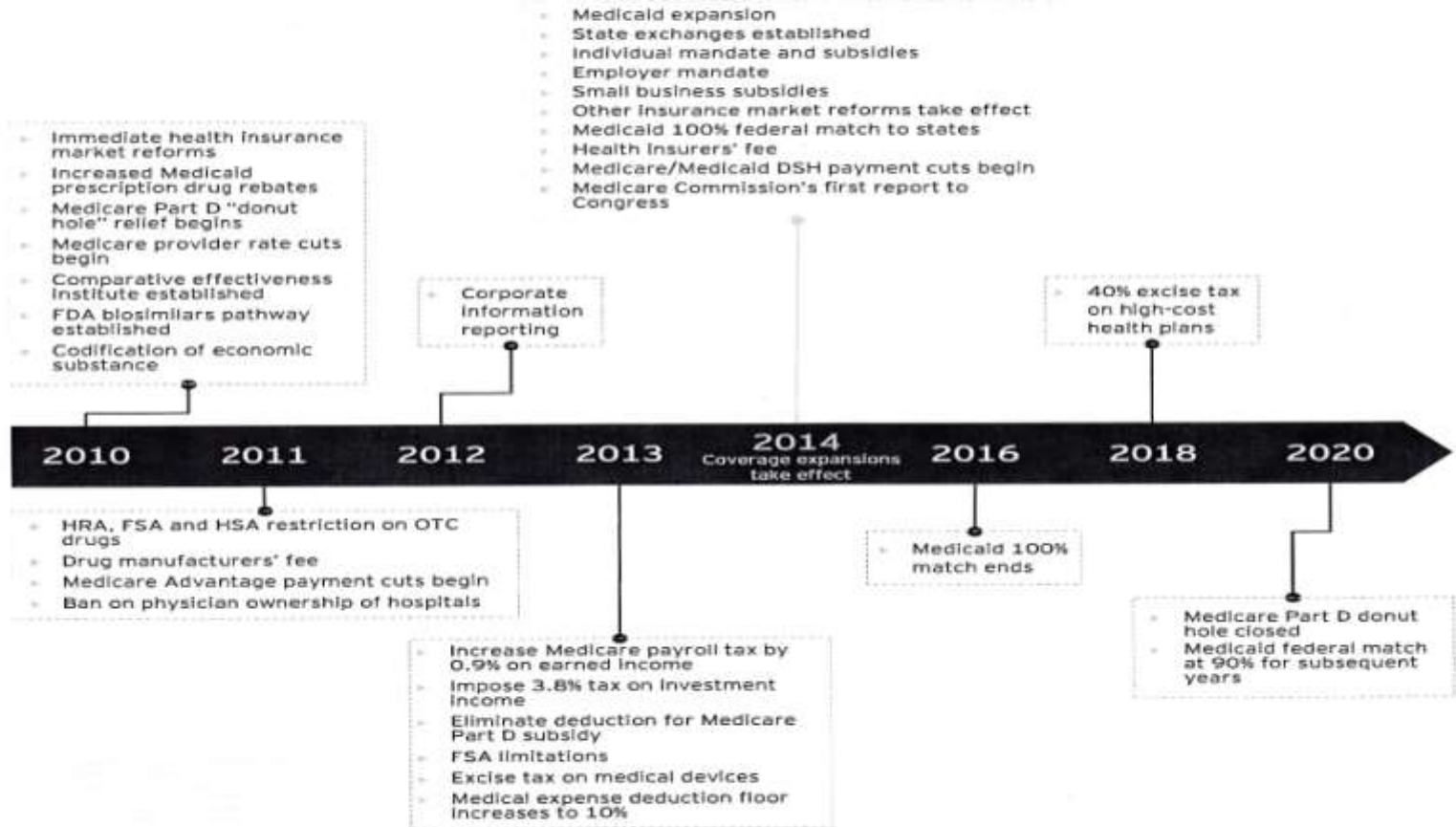


¹ H.R. 3590, the "Patient Protection and Affordable Care Act" (as signed into law on March 23, 2010), including modifications made by H.R. 4872, the "Health Care and Education Reconciliation Act of 2010" (as signed into law on March 30, 2010).

When do these changes take place?

While the coverage expansions and tax subsidies do not go into effect until 2014, a number of reforms take effect immediately or over the next several years. Full implementation of the Act will run through 2020. Federal agencies will be required to develop extensive regulatory guidance to flesh out the details of the numerous new programs created by the Act. The following timeline illustrates when major provisions will take effect.

Key effective dates

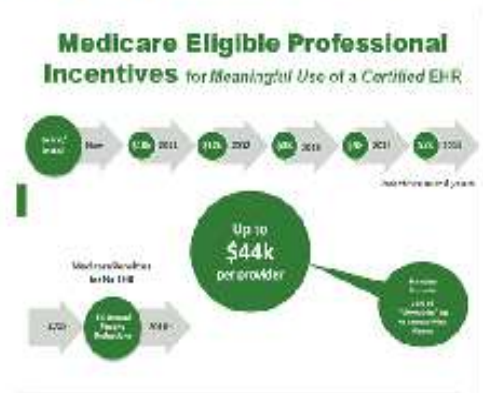


EMR Meaningful use

An eligible professional (EP), hospital and critical access hospital (CAH) must be using a certified EHR in a meaningful manner during prescribed timelines. Each must provide for the electronic exchange of health information, and submit that information based on basic functionality or required clinical thresholds to appropriate CMS-designated registries pertaining to clinical quality measures. Within these overall requirements are Stage One EMR Meaningful Use core and menu sets of mandated and optional functions EHRs must provide, and EPs, hospitals and CAHs must show capability.

Qualify for EMR Meaningful Use - Medicare:

In order for an eligible professional to qualify for stimulus incentives on the Medicare side, he/she must successfully meet the EMR Meaningful Use requirements while reporting Medicare allowables of up to \$24,000. The provisions allow for just a 90-day continuous reporting period, in the first year, to reach that figure and secure the maximum first-year incentive payment of \$18,000. However, each year subsequent, the EP must display meaningful use of the software for the entire calendar year.



Qualify for EMR Meaningful Use - Medicaid:

In order to be eligible to receive stimulus incentives on the Medicaid side, EPs must report a 30% Medicaid patient volume only within a continuous 90-day period to receive the maximum first-year EMR Meaningful Use stimulus amount.



Please note that there is an important exception to this rule and that applies to Pediatricians. If a Pediatrician has a Medicaid patient volume of at least 20%, they will qualify for 2/3 of the stimulus dollars, totaling \$42,500. However, if that Pediatrician is able to show a 30% Medicaid patient volume, they will qualify for the full \$63,750. Also note that in the first year, a practice simply must show adoption, upgrade or implementation of the EHR software in order to receive the first years of stimulus funds. Each year thereafter the EP must then display meaningful use of the software.

Accountable Care Organization

Key Take Aways

- Healthcare reform has highlighted the fact that our current healthcare system is unsustainable at present and certainly in the future
- We face a national imperative around value and providing high quality care at a lower cost
- Clinical led Accountable Care models will move away from our current “sick care” system to a “well care” model that focuses on population health, rewarding prevention and wellness
- Care coordination as a result of the proper tools and clinical data will be required if Accountable Care is to be successful

Early Adopters



Fence Sitters



Old Guard





Proud to be part of the Summa team.

“People wish to be settled; but only as far as they are unsettled, is there any hope for them.”

Ralph Waldo Emerson