



Amy Harris

Illinois Department of Healthcare

And Family Services

September 30, 2013

Dear Amy,

I have attached the requested information for the ACE Program Letter of Intent (LOI) for Thorek Memorial Hospital. I will be the primary contact for Thorek on this initiative. If there are any questions on the LOI or any of the information included herein, please do not hesitate to contact me at (773) 975-6705 or nedb@thorek.org.

Sincerely,

A handwritten signature in black ink, appearing to read "E. Budd", is written over a light blue horizontal line.

Edward Budd, President and CEO

Section A : Contact Information

Thorek Family Health Network (TFHN)

(Wholly owned and operated by Thorek Memorial Hospital)

Primary Contact Information:

Edward Budd

President and CEO

Thorek Memorial Hospital

850 W. Irving Park Rd. Chicago IL, 60613

nedb@thorek.org

(773) 975-6705

Primary Contact Person for Data:

Same as above

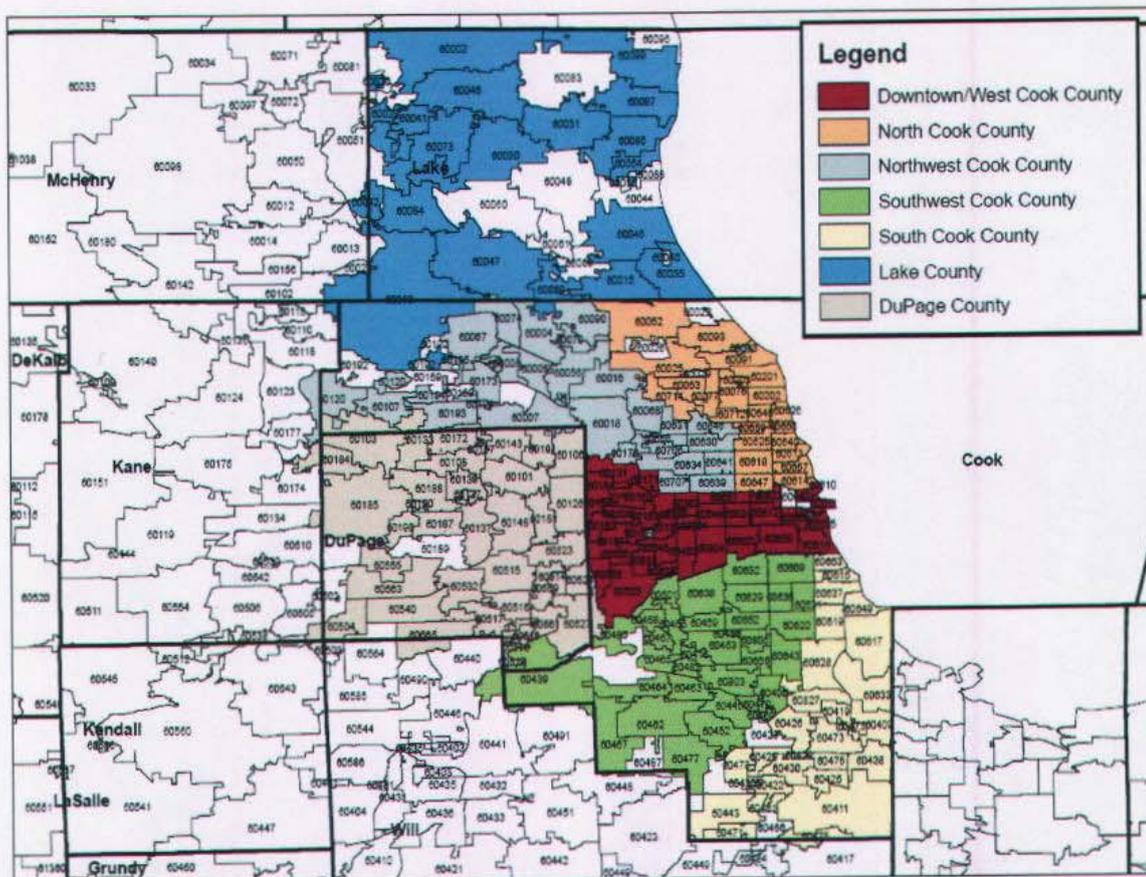
EXHIBIT A

COMMUNITY DEFINED FOR THIS ASSESSMENT:

The service area for the ACE initiative includes a request for data for the following zip codes:

60018, 60606, 60607, 60612, 60613, 60614, 60618, 60622, 60625, 60634, 60640, 60641, 60647, 60657, 60644, 60624, 60626, 60660, 60637, 60653, 60616, 60645, 60620, 60639, 60619, 60651, 60628, 60636, 60621, 60623, 60609, 60615, 60608, and 60659.

A geographic description is illustrated in the following map. These zip codes account for over 75% of the admissions to the Hospital in 2011 and 2012 TFHN would serve patients throughout the Chicago metropolitan area and as far away as Indiana and Wisconsin.



Section B: Proposal Outline/Self-Assessment

I. Geography and Population

The service area contemplated for the TFHN is highlighted in Exhibit A attached and includes the following zip codes:

60018, 60606, 60607, 60612, 60613, 60614, 60618, 60622, 60625, 60634, 60640, 60641, 60647, 60657, 60644, 60624, 60626, 60660, 60637, 60653, 60616, 60645, 60620, 60639, 60619, 60651, 60628, 60636, 60621, 60623, 60609, 60615, 60608, and 60659

Thorek requests data on these zip codes from the Department. We anticipate supporting a minimum of 40,000 and a maximum of 75,000 lives at this time. The recruitment of members is anticipated to consist of a variety of HIPAA appropriate approaches. General recruitment will consist of communication through the Hospital and TFHN websites as well as communications through focused media endeavors including local community newspapers, blogs, community groups, chambers of commerce, and outreach to other organizations (schools, churches, employers, and other community organizations) within the communities defined in Exhibit A. We will also complement this general approach with written, email, and direct face to face communication with the entire medical staff, employees, and visitors to the Hospital and all related facilities and providers that will be part of TFHN. We, and assume other providers, also look to collaborate with DFS in a joint communication to current enrollees as appropriate and determined in the future.

II. Organization and Governance

TFHN will be organized and governed by primarily through the clinical and administrative leaders at Thorek Memorial Hospital. There will also likely include a community presence on the governance staff to ensure the needs of the community and patients are considered. The clinical background will include a representative from the Departments of Medicine and Surgery from the Hospital to ensure that both primary and special care services are represented. The administrative members of governance staff will include those with financial and operational expertise to ensure that startup and management of the organization have oversight, experience, and expertise at the executive level.

The main operating agreements that will be needed include primarily the services that are required on the complete continuum of care that are not currently provided by the Hospital. The Hospital already has some of these operating agreements or arrangements in place, however, additional agreements will be required and are currently in process of development. It is anticipated that these additional agreements will be in place by the end of calendar year 2013. These include disease management, durable medical equipment, and certain long-term care and other services.

III. Network

The provider network for TFHN will include the provision of primary care and all appropriate specialty physicians, inpatient and outpatient hospital services, home health, inpatient and outpatient pharmacies, dieticians, behavioral health physicians, counselors, social workers, utilization review nurses, specialists in wellness and disease management, and others depending on the patient condition and needs. TFHN will recruit other providers as required based upon the needs of the patients all along the continuum of care.

IV. Financial

TFHN will be supported by the financial resources of Thorek Memorial Hospital and it is anticipated that all upfront and ongoing expenses of this organization will be met through these resources of the Hospital and will not require any additional borrowing or other sources of funding. Any ongoing expenses of TFHN will be provided through its own operations and supplemented if necessary by Thorek Memorial Hospital similarly to the upfront expenditures.

V. Care Model

The care model that TFHN proposes seeks to and achieve the “triple aim” goals initiated by IHI (Berwick, Nolan, and Whittington) and promulgated by many others of:

- 1) Improving population health
- 2) Improving the experience of care (quality outcomes and patient satisfaction)
- 3) Reducing and managing costs of care

Furthermore, many concepts of the Patient Centered Medical Home will be a focus of the care model of TFHN.

TFHN seeks to integrate a network of physicians, whose inclusion will focus on compliance with performance criteria, including but not limited to:

- 1) Clinical utilization (referral to specialists, hospital admissions, high cost drugs and outpatient services, etc.)
- 2) Quality outcomes and patient satisfaction
- 3) Patient health
- 4) Cost management

For those healthcare needs identified as existing acute care conditions, the Care Team at TFHN will be responsible for the planning, coordination, and management of care both at the hospital’s facilities (including physician offices) as well as at home and other sites of care. In this way, TFHN will take ownership and will be accountable for the member’s health.

Care coordination and management will be enhanced when members and their families take a more active role. TFHN can provide education and engage members on their health care condition, the reasons for the treatment protocols, and the expected outcomes that are anticipated. Furthermore, TFHN seeks to assist all patients in the engagement of resources within the community they live. Often, many resources are available for the patient (smoking cessation, weight loss, etc.) within their own community at little or no cost.

TFHN has the clinical, operational, governance, and financial resources to provide this environment of continuous performance improvement and has the agility to do so on a patient by patient basis so that care is indeed individualized and members are not left feeling lost or “just a number” in their healthcare experience.

Based on the model selected by DFS, TFHN stands ready to operate under any and multiple types of reimbursement structures and to accept and manage appropriate risk as necessary as part of the ACE going forward. TFHN would embrace a structure that provides for rewards as well as places our

physician and facility reimbursement at risk if agreed upon performance measures that cover quality outcomes, patient and member satisfaction, cost management, and other metrics are not met.

As an organization, with oversight and involvement by the Board of Trustees and Medical Staff, TFHN recognizes and embraces that 1) improving the overall patient population health, 2) providing the highest attainable patient quality outcomes and satisfaction are critical now and in the future for all of our patients, and 3) managing the cost of care.

VI. Health Information Technology

TFHN will exchange and share data primarily through its Meditech Operating System. This system will function as the primary EHR and has the capacity to securely communicate and share clinical information amongst all providers with TFHN (in accordance with all HIPAA regulations). The data in Meditech can be aggregated through its modules and the data repository and allow for this data to be used by the various providers within TFHN to make clinical decisions, coordinate care, and review outcomes.

TFHN Performance Improvement Department will track the outcomes, measure them, and implement protocols and pathways for improvements to provide feedback to providers which will assist in the improvement of population health overall. TFHN will track and monitor these outcomes through a dashboard reporting mechanism. This dashboard will track and monitor healthcare activity and can serve as an ongoing performance measurement tool. The TFHN healthcare team will build upon its successes and learn from its failures, all the while continuing to improve its performance. Certainly, there will be a learning curve as some methodologies may produce the expected or exceed the expected results while others will fall short, however, the consistent and ongoing improvement of the members health will remain a top priority for this accountable care entity.