

Exhibit A
Provider Incentive Program

The Provider Incentive Program has been developed understanding that all services that impact any of the Incentives will be based on i) services that are medically necessary, ii) appropriately documented, iii) improvement of efficiency, and iv) improvement of quality. The overall goal of the Provider Incentive Program is to ensure only medically necessary services are ordered, documented, and performed. The objective of the Provider Incentive Program is correct and accurate coding and documentation. The Incentives are intended to be aligned with similar programs by other third-party payers, including such programs from the Medicare program. Based on these overriding criteria, several safeguards will be implemented. First, no participating physician will receive any Incentive Compensation if such participating physician's HEDIS scores during the applicable Incentive Year are at or less than such score as it exists at the beginning of the calendar year. The intention of the Program is to improve quality and efficiency and a decrease in a physician's HEDIS scores will not accomplish such primary objective. Second, HMI will institute an Incentive Program Oversight Committee that will audit, review, and monitor each participating physician's adherence to i) – iv) above. The Incentive Program Oversight Committee's activities will be documented and maintained for at least ten years.

Some of the Incentives are in recognition of participating physicians' treatment and medical oversight of patients with higher acuity and to provide treatment at the right time at the right place of service. Some of the Incentives are in recognition of alternative and holistic treatment regimens instead of focusing on pharmaceuticals. The goal is overall patient wellness and satisfaction instead of simply focusing on productivity.

Based on the above guiding principles, the Provider Incentives are as follows:

1. RAF Scores

- a. Physician shall be paid semi-annually on total average RAF scores for his patient population as follows:
 - i. \$15 per 0.1 increase in RAF>1.2 per patient; or,
 - ii. \$20 per 0.1 increase in RAF>1.6 per patient
 - iii. Max incentive is \$100 per patient
 - iv. The above schedule shall be evaluated and paid twice per year at 6 month intervals

2. HEDIS Scores

- a. The incentive is based on the percentage of open gaps that are closed for the entire patient population attributed to the provider / provider group. *If there are members with no HEDIS gaps, they are excluded from the percentage calculation.* Gap lists will be provided from the HMI monthly between April – December, enabling providers to monitor progress and coordinate care gap closure. HEDIS measures change periodically with CMS regulations. For the purposes of the compensation the number of HEDIS measures for incentive shall not exceed twenty (20). Specific measures included will be identified each year by the HMI prior to Jan 15 based on CMS measure changes. by Network
- b. HEDIS incentive schedules is as follows:
 - i. 95% of gaps closed = \$1 per attributed member in an annual payment
 - ii. 96% of gaps closed = \$2 per attributed member in an annual payment
 - iii. 97% of gaps closed = \$3 per attributed member in an annual payment
 - iv. 98% of gaps closed = \$4 per attributed member in an annual payment
 - v. 99 – 100% of gaps closed = \$5 per attributed member in an annual payment
- c. Max incentive is \$100 per patient annually

3. Medical Loss Ratio

- a. The medical loss ratio shall be determined by three factors:
 - i. Number of admissions per one thousand patients (“APT”)
 - ii. Length of stay in a SNF or inpatient facility (“LOS”) averaged over all patients
 - iii. Pharmacy cost per member per month (“Pharmacy PMPM”) averaged over all patients
- b. APT bonus as follows:
 - i. <300 APT then a \$10,000 per annum; or,
 - ii. <250 APT then a \$15,000 per annum; or,
 - iii. <200 APT then a \$20,000 per annum
- c. Average LOS bonus as follows:
 - i. LOS <4 days, then \$10,000; or
- d. Pharmacy PMPM
 - i. <\$100 Pharmacy PMPM then a bonus of \$20,000

Exhibit B

Staff Incentives

1. **Provider Bonus**

- a. The office staff of a provider shall receive 10% of the Exhibit A Provider Bonus Incentive total payment

2. **Annual Wellness Visits (AWVs)**

- a. The percentage of HMI members that receive AWVs
 - i. 90-95% then \$1 per member annually
 - ii. 96-100% then \$10 per member annually

3. **CAHPS and HOS**

- a. Incentives for CAHPS and HOS survey measures will be based on HMI member responses to **after visit surveys** conducted by the Health Plan or CMS certified vendor. Survey items will be based on the actual surveys conducted in the official Star Rating process and will focus on activities providers' influence.

b. CAHPS Incentive Value

- i. 90% of all targets met = \$1 per attributed member in an annual payment
- ii. 94% of all targets met = \$2 per attributed member in an annual payment
- iii. 98% or more of all targets met = \$3 per attributed member in an annual payment

c. HOS Incentive Value

- i. 90% of all targets met = \$1 per attributed member in an annual payment
- ii. 94% of all targets met = \$2 per attributed member in an annual payment