

KANSAS SURGERY & RECOVERY CENTER A SURGICAL SPECIALTY HOSPITAL	POLICY: CJR Gainsharing Distribution Process		
	Effective Date:	Reviewed Date:	Revised Date:
	1/18		

PURPOSE: Inform all Kansas Surgery & Recovery Center (KSRC) Administrative Staff and Medical Staff members of the CJR Collaborator gainsharing arrangements available under CJR.

POLICY: KSRC personnel will follow the CJR gainsharing distribution process.

PROCEDURE:

KSRC's Compliance Program includes oversight of the sharing arrangement and requirements of the CJR model. The Board of Managers has the responsibility for overseeing the hospital's participation in the CJR model, its arrangements with CJR collaborators, its payment of gainsharing payments and its use of beneficiary incentives in the CJR model.

The sharing arrangement will comply with all relevant laws and regulations, including the applicable fraud and abuse laws and all applicable payment and coverage requirements. An individual or entity's participation in such sharing arrangement is voluntary and without penalty for nonparticipation.

All parties will enter into such sharing arrangement before care is furnished to CJR beneficiaries under the terms of the sharing arrangement. To be eligible to receive a gainsharing payment, a CJR collaborator must meet quality criteria for the calendar year for which the gainsharing payment is determined by the participant hospital. Such quality criteria has been established by KSRC and is directly related to CJR episodes of care. No entity or individual, whether a party to a collaborator agreement or not, may condition the opportunity to make or receive gainsharing payments on the volume or value of referrals or business otherwise generated by, between or among KSRC, CJR collaborators, and any individual or entity affiliated with KSRC or CJR collaborator.

Gainsharing payments, if any, will be:

- Derived solely from reconciliation payments, or internal cost savings, or both;
- Actually and proportionally related to the care of beneficiaries in a CJR episode;
- Distributed on an annual basis (not more than once per calendar year)
- Not be a loan, advance payments, or payments for referrals or other business; and
- Be clearly identified and comply with all provisions of 42 CFR 510.500, as well as all applicable laws, statutes, and rules.

KSRC will not make a gainsharing payment to a CJR collaborator that is subject to any action for noncompliance with 42 CFR 510.500 or the fraud and abuse laws, or for the provision of

substandard care in CJR episodes or other integrity problems. In a calendar year, the aggregate amount of all gainsharing payments distributed by KSRC from a CJR reconciliation payment will not exceed the amount of the reconciliation payment received from CMS. Further the sharing arrangement will not induce KSRC, CJR collaborator, or any employees or contractors of KSRC or CJR collaborator to reduce or limit medically necessary services to any Medicare beneficiary. The sharing arrangement will not restrict the ability of a CJR collaborator to make decisions in the best interests of its patients, including the selection of devices, supplies, and treatments.

The methodology for determining gainsharing payments will be based, at least in part, on criteria related to, and inclusive of, the quality of care to be delivered to CJR beneficiaries during an episode and will not directly account for the volume or value of referrals or business otherwise generated by, between or among KSRC, CJR collaborators, and any individual or entity affiliated with KSRC or CJR collaborator. The total amount of a gainsharing payment for a calendar year paid to an individual physician, nonphysician practitioner or PGP who is a CJR collaborator must not exceed fifty percent (50%) of the total Medicare approved amounts under the Physician Fee Schedule for services furnished to KSRC's CJR beneficiaries during a CJR episode by that physician, nonphysician practitioner or PGP.

KSRC's determination of internal cost savings will satisfy the following criteria:

- Internal cost savings are calculated in accordance with generally accepted accounting principles and Government Auditing Standards.
- All amounts determined to be internal cost savings must reflect actual, internal cost savings achieved by KSRC through implementation of care redesign elements identified and documented by KSRC. Internal cost savings does not include savings realized by any individual or entity that is not KSRC.
- Internal cost savings may not reflect "paper" savings from accounting conventions or past investment or fixed costs.

All gainsharing payments will meet the requirements set forth in 42 CFR 510.500 and be administered by KSRC in accordance with generally accepted accounting principles. All gainsharing payments will be made through EFT.

Reference: 42 C.F.R 510

Attachments: CJR Collaborator Agreement, Exhibit A, Exhibit B, Exhibit C

CJR COLLABORATOR AGREEMENT

On the ____ day of _____, 20____ (the "Effective Date") this CJR Collaborator Agreement (the "Agreement") is entered between Kansas Surgery & Recovery Center ("KSRC") and _____ ("Collaborator").

1. Recitals.

A. KSRC is a health care facility in Wichita, Kansas, and as of April 1, 2016, became a "Participant Hospital" in the Centers for Medicare and Medicaid's ("CMS") mandatory Comprehensive Joint Replacement ("CJR") payment model ("Model") defined at 42 C.F.R. § 510 *et seq.* ("Regulations").

B. The purposes of the Model is to test innovative payment and service delivery models that may reduce federal health care program costs while maintaining or improving the quality of care provided to CJR Beneficiaries undergoing lower extremity joint replacement (which is any procedure that is within MS-DRGs 469 or 470) including lower-extremity joint replacement procedures or reattachment of a lower extremity ("LEJR").

C. KSRC and Collaborator, to further the goals and based on the application of quality-based Selection Criteria, desire to cooperate and improve the care of CJR Beneficiaries LEJR services delivery through care redesign within the Model;

D. KSRC and Collaborator desire to implement a compliant Sharing Arrangement as defined in the Regulations and Waivers.

The Parties agree as follows:

2. Definitions.

"CJR Collaborator" means Collaborator as defined in the Regulations without particular reference to Collaborator as a party to this Agreement.

"CJR" means comprehensive joint replacement.

"CJR Beneficiary" means a Medicare fee-for-service beneficiary undergoing LEJR who: (i) enrolled in Medicare Part A and Part B; (ii) has Medicare as their primary payor; (iii) receive a LEJR at KSRC during a CJR Episode subject to the Model, and who is not: (x) eligible for Medicare based on end state renal disease ("ESRD"); (y) enrolled in any managed care plan (*e.g.*, Medicare Advantage); or (z) covered under a United Mine Workers of America health care plan.

"CJR Episode" means all Medicare Part A and Part B items and services described in 42 C.F.R. § 510.200(b) of the CJR Regulations that are furnished to a CJR Beneficiary during the time period that begins with the CJR Beneficiary's admission to an Anchor Hospitalization and ends on the ninetieth (90th) day after the date of discharge from the Anchor Hospitalization, with the day of discharge itself being counted as the first day of the ninety (90) day post discharge period.

"CMS" means Centers for Medicare & Medicaid.

"ESRD" means end state renal disease.

"Gainsharing Payment" is defined in the Regulations.

"KSRC" means the Kansas Surgery & Recovery Center located at 2770 N. Webb Road, Wichita, Kansas 67226.

"Law" or "Laws" means any and all applicable statutes, laws, ordinances, proclamations, regulations, published requirements, orders, decrees, and rules of any federal, state, or local government, political subdivision, or governmental or regulatory authority, agency, board, bureau, commission, instrumentality, or court or quasi-governmental authority.

"LEJR" is defined in the Preamble.

"Medical Staff" means the medical staff at KSRC.

"Model" means the CMS Mandatory CJR Payment Model as defined in the Regulations.

"Participant Hospital" means a health care facility identified in the Model.

"Regulations" means 42 C.F.R. § 510 *et seq.*

"Selection Criteria" means the selection criteria attached as Exhibit A.

"Sharing Arrangement" means a financial arrangement between a Participant Hospital and CJR Collaborator for the purpose of making Gainsharing Payments under the Model.

"Waiver" means an OIG and CMS Fraud and Abuse and Abuse Waiver granted in connection with the Model for the purpose of making Gainsharing Payments to Collaborator.

Capitalized words and phrases which are not defined in the Agreement including all schedules and exhibits shall have the meanings stated in the Regulations.

3. Agreement.

A. This Agreement is intended by the parties to comply with the Regulations including specifically 42 C.F.R. § 510.500(c). KSRC is a participant hospital, and Collaborator is a CJR Collaborator. Collaborator will participate in a Sharing Arrangement related to the care of CJR Beneficiaries. Collaborator shall participate in the Sharing Arrangement such that Collaborator may be eligible for a Gainsharing Payment. Each Gainsharing Payment shall be identified as such. KSRC has selected Collaborator to be a CJR Collaborator based on Collaborator's agreement to make reasonable and meaningful efforts to satisfy and maintain compliance with the Selection Criteria. Collaborator shall support and participate in KSRC's Plan for Care Redesign attached as Exhibit A and B.

B. Acknowledgments.

The parties agree:

- (i) Collaborator's participation in this Agreement is voluntary and not subject to penalty.

- (ii) The Parties must enter into a Sharing Arrangement before care is furnished to CJR Beneficiaries under the Sharing Arrangement, and the calculation of Collaborator's Gainsharing Cap shall only apply to the Collaborator's Medicare approved amounts under the Medicare Physician Fee Schedule ("PFS") for professional services furnished to KSRC CJR Beneficiaries by Collaborator during the Term for CJR Episodes that start on or after the Effective Date.
- (iii) The opportunity to become a Collaborator and participate in the Sharing Arrangement is not based directly or indirectly on volume or value of referrals or business generated among the KSRC, Collaborator and any Affiliate of either.
- (iv) The opportunity used to receive any Gainsharing Payment is not conditioned directly or indirectly upon the volume or value of referrals of business generated among the KSRC, Collaborator, and any Affiliate of either.
- (v) The methodology used in determining Gainsharing Payments does not directly account for the volume or value of referrals or business generated among the KSRC, Collaborator, or any Affiliate of either.
- (vi) No Gainsharing Payment shall be a loan, advance payment, or actual payment in exchange for Collaborator's referrals or other generation of business for KSRC, or made to Collaborator in the event Collaborator is subject to any action for noncompliance with the federal fraud and abuse laws or for the provision of substandard care in a CJR Episode or other integrity problems.
- (vii) No provision of this Agreement shall be interpreted to induce any party or any party's employees or contractors to reduce or limit medically necessary services to any Medicare beneficiary.

4. Representations and Warranties of Collaborator. Collaborator represents and warrants that Collaborator:

- A. is an individual health care provider duly licensed, certified, accredited, or otherwise duly authorized to practice medicine in Kansas,
- B. is a member in good standing of the medical staff of KSRC and has all privileges under the KSRC Bylaws to provide the Services contemplated by the Agreement,
- C. has a current DEA Registration or narcotics number issued by the appropriate state and federal agencies,
- D. is not excluded, debarred, or otherwise ineligible to participate in the Federal Healthcare Programs as defined in 42 U.S.C. § 1320a-7b(f),

- E. has not been convicted of a criminal offense related to the provision of healthcare items or services,
 - F. is not under investigation or otherwise aware of any circumstances which will result in Collaborator being excluded from participation from Federal Healthcare Programs, and
 - G. provides equal opportunity to persons regardless of race, religion, age, gender, disability, or other classification in compliance with all Laws.
5. Collaborator Obligations. Collaborator shall during the Term:
- A. ensure that all representations and warranties made by Collaborator under this Agreement remain true and correct, and immediately notify KSRC if any representation or warranty ceases to be true and correct, or Collaborator becomes aware of facts or circumstances which with the passage of time or the giving of notice, or both, would render a representation or warranty no longer be true and correct,
 - B. maintain compliance with all Medicare Provider enrollment requirements found at 42 C.F.R. § 424.500,
 - C. comply with all applicable Model requirements,
 - D. comply with KSRC's quality-based Selection Criteria,
 - E. adhere to the Sharing Arrangement requirements,
 - F. participate in any Model related committee requested by KSRC,
 - G. comply with all applicable Laws,
 - H. comply with the requirements of all Waivers,
 - I. prepare administrative and business records and reports relating to its participation in the Sharing Arrangement in format and at intervals as KSRC requests,
 - J. furnish all information, records, and documents which KSRC may reasonably request in furtherance of KSRC's quality assurance, utilization review, risk management, and any other plans or programs adopted by KSRC to assess and improve the quality and efficiency of KSRC's services, and participate in all such plans and programs as requested by KSRC,
 - K. inform KSRC of any arrangement which may present a conflict of interest or materially interfere with Collaborator's performance of its duties under this Agreement,
 - L. not use KSRC or its facility as an office for private practice or delivery or care of non-KSRC patients or for any purpose other than performance of

Services related to the Sharing Arrangement and the practice of medicine in accordance with the privileges granted by KSRC,

- M. enter into any contract or commitment which would bind KSRC without the express written consent of KSRC,
- N. perform its obligations under this Agreement in accordance with all regulatory and accreditation standards applicable to KSRC and the Model including requirements of The Joint Commission, the Medicare/Medicaid Conditions of Participation, and all Laws,
- O. comply with the bylaws, rules, regulations, policies, and directives of KSRC and its medical staff to the extent they do not conflict with this Agreement,
- P. notify CJR Beneficiaries of the structure of the Model and the Sharing Arrangement at or prior to the time the Beneficiary decides to undergo LEJR. A sample notification form is attached as Exhibit C,
- Q. cooperate as requested with KSRC to provide notices required of KSRC under the Model.
- R. to the extent required by law, upon the written request of the Secretary of Health and Human Services, the Comptroller General or any of their duly authorized representatives, make available those contracts, books, documents and records necessary to verify the nature and extent of the costs of providing services under this Agreement (the "Records") for inspection for at least four (4) years after the rendering of services. If Collaborator is requested to disclose Records pursuant to this subsection, Collaborator must notify KSRC of the nature and scope of the request, and Collaborator shall make available, to KSRC all such Records. Collaborator shall pay KSRC the amount of reimbursement denied, plus interest, penalties, and legal costs, if any reimbursement is denied or disallowed because of Collaborator's failure to comply. If Collaborator carries out any of the duties of this Agreement through a subcontract with a value of Ten Thousand Dollars (\$10,000.00) or more in a twelve (12) month period with a related individual organization, Collaborator shall include this requirement in the subcontract. This subsection is included pursuant to and is governed by the requirements to 42 U.S.C. § 1395x(v)(l) and the regulations thereto. No attorney-client, accountant-client, or other legal privilege will be deemed to have been waived by KSRC or Collaborator by virtue of this Agreement,
- S. provide CMS, the OIG and the Comptroller General or their designees scheduled and unscheduled access to all Records and other evidence (including data related to utilization and payments, quality criteria billings, sharing arrangements and distribution arrangements and the documentation required to be maintained by the Model requirements and Regulations,), sufficient to enable the audit, evaluation, inspection or investigation of Collaborator's compliance with the Model requirements and Regulations, the quality of services furnished, the obligation to repay

any monies received as part of the Model to CMS or the calculation, distribution, receipt or recoupment of monies pursuant to a Sharing Arrangement,

- T. maintain all documentation referenced in subsections R and S, above, for a period of ten (10) years from the last day of KSRC participation in the Model or from the date of the completion of any audit, evaluation, inspection, or investigation, whichever is later unless:
- (i) CMS determines a longer retention period is required and notifies KSRC at least thirty (30) days before the normal disposition date which notification shall be timely communicated to Collaborator; or
 - (ii) There is a dispute or allegation of fraud or similar fault against either party in which case the Records must be maintained for an additional six (6) years from the date of any final resolution of the dispute or allegation of fraud or similar fault,
- U. notify KSRC in writing within twenty-four (24) hours after the occurrence of any of the following events:
- (i) the medical staff membership or clinical privileges of Collaborator at any facility are denied, suspended, restricted, revoked, or voluntarily relinquished,
 - (ii) Collaborator becomes the subject of any suit, action or other legal proceeding arising out of Collaborator's professional services,
 - (iii) Collaborator or its insurer is required to pay damages or any other amount in malpractice action by way of judgment or settlement,
 - (iv) Collaborator becomes the subject of any disciplinary proceeding or action before any state's medical board or similar agency responsible for professional standards or behavior,
 - (v) Collaborator becomes incapacitated or disabled from practicing medicine,
 - (vi) any act of nature or any other event occurs which has a material adverse effect on Collaborator's ability to participate in this Agreement,
 - (vii) Collaborator is charged with or convicted of a criminal offense,
 - (viii) Collaborator has a guardian or trustee of its person or estate appointed by a court of competent jurisdiction,
 - (ix) Collaborator fails to maintain professional liability insurance required by this Agreement,

- (x) Collaborator fails to maintain eligibility to participate in federal or state health care programs, or
 - (xi) Collaborator fails to comply with the terms and conditions of this Agreement,
- V. comply with the Health Information Technology for the Economic and Clinical Health Act of 2009 (the "HITECH Act"), the Administrative Simplification Provisions of the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C.A. § 1320d *et seq.* ("HIPAA") and any current and future regulations promulgated under the HITECH Act or HIPAA, including without limitation the federal privacy regulations contained in 45 C.F.R. Parts 160, 162, and 164 (the "Federal Privacy Regulations"), the federal standards for electronic transactions contained in 45 C.F.R. parts 160 and 162 (the "Federal Electronic Transaction Regulations"), all as amended from time to time and collectively referred to herein as the "HIPAA Requirements". Collaborator agrees not to use or further disclose any "Protected Health Information," including "Electronic Protected Health Information," (as such terms are defined in the HIPAA Requirements) other than as permitted by the HIPAA Requirements and this Agreement. Collaborator will make its internal practices, books, and records relating to the use and disclosure of Protected Health Information available to the Secretary of Health and Human Services to the extent required for determining compliance with the HIPAA Requirements,
- W. not employ or engage any individual to perform services contemplated by this Agreement who is not legally authorized to work in the United States in the capacity indicated,
- X. to apply or reapply for medical staff privileges at KSRC through KSRC's Credentialing online website where available,
- Y. comply with any evaluation, monitoring, compliance, corrective action plan or enforcement activities performed by CMS or its designees,
- Z. comply with all applicable Laws in the performance of and the billing for professional services rendered within the Model,
- AA. maintain compliance with all applicable state Medicaid program enrollment requirements,
- BB. maintain and follow Collaborator's own compliance program that includes oversight of Collaborator's performance and compliance with all applicable Model requirements, and report any potential compliance issues or questions pursuant to KSRC's compliance reporting process,
- CC. maintain Collaborator's licenses, certifications, accreditations, and other authorizations necessary or desirable to practice medicine in Kansas,
- DD. maintain a valid license to engage in the practice of medicine in Kansas,

- EE. be a member in good standing of the medical staff of KSRC and have privileges as may be required under the bylaws of KSRC, and
- FF. maintain professional liability insurance (including tail and prior acts coverage if insurance is on a claims-made basis) in such amounts and in such forms as may be required by KSRC and provide KSRC certificates of insurance or other form of evidence acceptable to KSRC that such insurance is properly maintained.

6. Term.

A. Term. The term of this Agreement ("Term") shall begin on January 3, 2017 and continue thereafter until the earliest of:

- (i) notice by either party to the other of termination, with or without cause, which notice shall state a date which date may be the effective date of the notice,
- (ii) termination of KSRC's participation in the Model, or
- (iii) termination otherwise pursuant to this Agreement.

B. Automatic Termination. This Agreement shall terminate automatically without notice in the event of:

- (i) Collaborator's breach or failure under Section 5,
- (ii) KSRC's loss of certification as a Medicare Provider,
- (iii) the closure of KSRC,
- (iv) the death, disability, inability, or other failure of Collaborator to perform its duties under this Agreement,
- (v) Collaborator's general assignment for the benefit of creditors, Collaborator filing a petition in bankruptcy or other similar law, or upon the initiation of such proceedings against Collaborator if the proceedings are not dismissed within forty-five (45) days after initiation, or
- (vi) KSRC's ceasing to participate in the Model.

7. Survivability. Upon termination of this Agreement, neither party shall have further rights against, or obligations to, the other party except for rights or obligations accruing prior to termination and any obligations which expressly extend beyond termination. However, this Agreement shall remain in full force and effect for the purposes of:

- A. calculating, reconciling and making payments, if any, due and payable to Collaborator related to items or services rendered prior to the date of termination or expiration in accordance with the terms of the Agreement,

- B. calculating and reconciling any amounts that Collaborator may owe KSRC in accordance with the terms of this Agreement, and
- C. recouping (and offsetting against future payments) such amounts from Collaborator that are due and payable to KSRC.

8. Limitation on Control. KSRC shall not have control or direction over Collaborator's professional medical judgment or the methods by which Collaborator performs professional medical services; provided, however; that Collaborator shall be subject to and shall at all times comply with the protocols, bylaws, guidelines, policies and rules applicable to other members of the Medical Staff.

9. Regulatory Requirements. Nothing in this Agreement shall be construed to require Collaborator to refer or admit patients to KSRC or the facility of any other Affiliate, or any other facility or provider, or to utilize KSRC or any other Affiliate or any other facility or provider, to provide inpatient, outpatient or other services to patients or otherwise generate business for KSRC or any other Affiliate, or any other facility or provider. Notwithstanding the unanticipated effect of any of the provisions herein, the Parties intend to comply with 42 U.S.C. § 1320a-7b(b) (commonly known as the Anti-Kickback Statute), 42 U.S.C. § 1395nn (commonly known as the Stark law), and any other federal or state law or provision governing fraud and abuse or self-referrals under the Medicare or Medicaid programs, as such provisions may be amended from time to time. The Parties further intend that this Agreement comply with the OIG and CMS Fraud and Abuse Waivers incorporated herein, and in the alternative, to comply with:

- (i) as many as reasonably practicable of the conditions for meeting the personal services and management contract safe harbor to the Anti-Kickback Statute, which is set forth in 42 C.F.R. § 1001.952(d), and
- (ii) all of the requirements for meeting applicable exceptions to the Stark law, 42 U.S.C. § 1395nn as interpreted in its Final Regulations, as such regulations may be amended.

This Agreement shall be construed in a manner consistent with compliance with Laws and Regulations, and the Parties shall take such actions necessary to construe and administer this Agreement therewith. In the event any portion of this Agreement, its exhibits or attachments, are not in accord with the Laws or Regulations, this Agreement, that exhibit or addenda, and any other document shall be deemed to be and have been modified such that it is in compliance with the Law and Regulations.

10. Notice. Any notice, desired or necessary hereunder, shall be given in writing and either hand-delivered, facsimile transmitted, telexed, electronically mailed or mailed with proper postage prepaid, certified, return-receipt requested. If hand-delivered, facsimile transmitted, telexed, or electronically mailed any such notice shall be effective upon delivery. If mailed, such notice shall be effective on the second business day following mailing. Notices to parties hereto shall be to the address stated below or such successor address as may be specified by notice hereunder. The addresses are as follows:

If to KSRC: Kansas Surgery & Recovery Center
Attn: CEO
2770 North Webb Road
Wichita, KS 67226
Phone: 316-634-0090
Facsimile: 316-630-1961
E-mail: asimon@ksrc.org

If to Collaborator: _____
Attn: _____

Phone: _____
Facsimile: _____
E-mail: _____

11. Confidentiality. Collaborator shall not disclose this agreement or any terms hereof to any third party except as may be necessary to obtain advice and counseling from Collaborator's attorneys, accountants, financial advisors, or as may otherwise be required through legal process.

12. Assignment. Collaborator shall not assign this Agreement. KSRC may assign this Agreement in connection with any reorganization, merger, or sale of all or substantially all of its assets.

13. Independent Contractor. The relationship of the parties is that of independent contractors and is not one of employment or agency, express or implied.

14. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. A party may execute this Agreement and any instrument envisioned in this Agreement electronically by complying with any applicable law providing for the validity of such execution, and each party agrees that any such electronic execution by it shall be valid and binding.

15. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Kansas.

16. Interpretation. The words "include," "includes" and "including" shall be deemed to be followed by "without limitation" and shall not be words of limitation or exclusion. "Shall" is a word of command and indicates mandatory action without discretion. "Or" shall include "and" unless the context requires otherwise within the sentence. The virgule or slash mark between two words such as "and/or" means either or both of the connected words, such that "and/or" means one or more of the items connected. The plural includes the singular and vice versa unless the context requires otherwise.

17. Integration. This Agreement constitutes the full and complete understanding of the parties. Any other oral or written prior agreements or understandings are superseded hereby. Any amendment hereto must be in writing signed by both parties.

This Agreement is executed as of the Effective Date listed above.

Kansas Surgery & Recovery Center

Collaborator

By: _____

By: _____

EXHIBIT "A"

CJR Clinical Criteria

Patient will not be cleared for surgery if these conditions are not met.

- 1) BMI under 50 kg/m²
- 2) Blood Glucose less than 200 mg/dL or A1C less than 7.5%. A1C will be required if the patient is on insulin; test to be performed with ninety (90) days of surgery.
- 3) Hgb higher than 10 g/dL.
- 4) Albumin greater than 3.5 g/dL.
- 5) Stent and MI patients have to wait one year from episode.
- 6) Stroke patient has to wait one year from the episode.
- 7) GFR glomeular filtration rate greater than 40%.
- 8) Patient will be screened for Sleep Apnea, and if needed, patient will be referred for sleep study prior to surgery.

*Exceptions will be reviewed and approved by Kansas Surgery & Recovery Center's Medical Director.

Exhibit "B"

CJR Gainsharing

<u>TRACK 1</u>	<u>SHARE</u>	<u>RISK</u>
Hospital	60.00%	100.00%
Surgeon	30.00%	0.00%
Anesthesia	10.00%	0.00%

<u>TRACK 2</u>	<u>SHARE</u>	<u>RISK</u>
Hospital	40.00%	50.00%
Surgeon	45.00%	40.00%
Anesthesia	15.00%	10.00%

- Percentage (%) distribution to each participating orthopedic and anesthesia provider is based on volume of CJR episodes.
- The following quality parameters must be met globally in order for gainsharing to be achieved:

<u>Quality Metric</u>	<u>Description</u>	<u>Weight</u>
1	Risk standardized complication rates <=1%	35.00%
2	HCAHPS score >= 85%	30.00%
3	Ratio of expected to actual hospitalizations readmission rates <= 3%	35.00%

- Average total joint supply and implant cost should be <= \$1,200 and \$4,000 respectively. Low demand and high demand implants should be used appropriately.
- CJR protocols must be met globally in order for gainsharing to be achieved (attached).

CJR Standardization Protocol for Total Hips & Knees

Equipment Protocol:

If using a drain: Hemovac Drain
- Discontinued early a.m. POD #1
No Polar Packs
No CPM
SCD's/No Ted Hose

Surgical Site Protocol:

Duraprep
If using antibiotic in cement: Zinacef (cefuroxime)
Steri-strips
Occlusive Dressing: Aquacel Or Tegaderm
- If saturated, replaced with gauze dressing
No Bulky Dressing
Ace Wrap

Lab Protocol:

Surgeon will order H&H, BMP for POD #1
IPC will order any other needed lab during patient stay

Physical Therapy Protocol:

Patients will get up on day of surgery when possible

Diet Protocol:

Full diet until midnight prior to surgery
NPO after midnight

Pain Block Protocol:

Saphenous Block postoperatively

Medication Protocol:

IV fluids-NS +20KCL @ 75ml/hr (Dr. Morgan to assess any needed changes)
No PCA
Amicar/TXA
Aspirin 81mg BID with meals to be started the evening of surgery

Exhibit "C"

Centers for Medicare & Medicaid Services

Comprehensive Care for Joint Replacement Model Physician Notification Letter

I, [Physician's name], have entered into a financial arrangement with [Hospital name] for participation in the Comprehensive Care for Joint Replacement (CJR) model. Through this arrangement, [Hospital name] may share with me payments received from Medicare as a result of reduced episode of care spending and hospital internal cost savings. [Hospital name] may also share financial accountability with me for increased episode of care spending.

The CJR model aims to help give you better care.

[Hospital name] is participating in a Medicare initiative called the Comprehensive Care for Joint Replacement model. A CJR episode of care is typically defined as an admission of an eligible Medicare beneficiary to a hospital participating in the CJR model that eventually results in a discharge paid under Medicare Severity-Diagnosis Related Groups (MS-DRG) 469 (major joint replacement or reattachment of lower extremity with major complications or comorbidities) or 470 (major joint replacement or reattachment of lower extremity without major complications or comorbidities). The CJR episode of care continues for 90 days following discharge. The CJR model aims to promote quality and financial accountability for care surrounding lower-extremity joint replacement (LEJR) procedures, commonly referred to as hip and knee replacements and/or other major leg procedures. This model tests bundled payment and quality measurement for an episode of care associated with LEJR procedures to encourage hospitals, physicians, and post-acute care providers to work together to improve the quality and coordination of care from the initial hospitalization through recovery.

Medicare is using the CJR model to encourage [Hospital name] to work more closely with myself and other health care providers that help patients recover after discharge from the hospital, including nursing homes (skilled nursing facilities), home health agencies, inpatient rehabilitation facilities, and long-term care hospitals. By working together, your health care providers and suppliers are planning more efficient, high quality care as you undergo treatment. The model is expected to lower the cost of care to Medicare but your costs for covered care will not increase due to these changes.

Medicare will monitor your care to ensure you and others are receiving high quality care.

It's your choice which hospital, doctor, or other providers you use.

You have the right to choose which hospital, doctor, or other post-hospital stay health care provider you use.

- To find a different doctor, visit Medicare's Physician Compare website, <http://www.medicare.gov/physiciancompare>, or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.
- To find a different hospital, visit <http://www.hospitalcompare.hhs.gov/> or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.
- To find a different skilled nursing facility, visit Medicare's Nursing Home Compare website, <http://www.medicare.gov/nursinghomecompare>, or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

Centers for Medicare & Medicaid Services

- To find a different home health agency, visit Medicare's Home Health Agency Compare website, <http://www.medicare.gov/homehealthcompare>, or call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.
- If you believe that your care is adversely affected, or have concerns about substandard care you may call 1-800-MEDICARE or contact your state's Quality Improvement Organization by going to: <http://www.qioprogram.org/contact-zones>.

For an explanation of how patients can access their health care records and beneficiary claims data, please visit <https://www.healthit.gov/patients-families/blue-button/about-blue-button>.

Get more information

If you have questions or want more information about the Comprehensive Care for Joint Replacement (CJR) model, call [Hospital name] at [Hospital phone number] or call 1-800-MEDICARE. You can also find additional information at <https://innovation.cms.gov/initiatives/cjr>.