



ENVISION HEALTHCARE: PUTTING PATIENTS FIRST

Revolutionizing healthcare delivery through a continuum of care

Envision Healthcare: Ushering in the Next Generation of Comprehensive, Quality Patient Care

Envision Healthcare is a national physician-led organization of clinical professionals who work alongside hospitals, health systems and insurance companies in our pursuit of creating healthier communities. We deliver customized solutions to improve quality, drive operational excellence and empower clinicians to deliver outstanding patient care.

As one of the largest healthcare providers in the United States, we support our partners in delivering local, high-quality care. This means working collaboratively with health systems, healthcare providers, insurance companies, patients and communities to form high-performing networks that benefit the patients we serve.

Our Commitment to Comprehensive, Quality Care Is Unparalleled

At Envision Healthcare, nothing is more important than our caregivers providing the highest quality of care to our patients. It is at the core of everything we do – from measuring clinical quality and reviewing data to continuously improving care and assessing the patient care experience. We are changing the face of healthcare by assisting our caregivers in delivering high-quality care that elevates the patient experience and reduces the overall cost.

As the Centers for Medicare and Medicaid Services – the nation’s largest single payor of healthcare – moves alongside the rest of the healthcare industry from volume-based payments to value-based payments, Envision Healthcare has readily embraced this change. Envision is one of the largest single contributors to ‘Qualified Clinical Data Registries,’ established as part of the Medicare Access and CHIP Reauthorization Act of 2015 to increase the quality of patient care. Our submission of large volumes of clinical quality data will assist in defining and refining quality thresholds to further promulgate this transition. In fact, as of 2018, we developed our own registry for emergency medicine and hospital medicine called the Physician’s Quality Registry. We are fully committed to the delivery of the highest quality of patient care and being part of the broader solutions surrounding the ongoing transformation of healthcare nationwide.

The following are some statistics that demonstrate the reach and impact of Envision Healthcare across the country. All of these service lines have robust Clinical Quality Committees that review clinical data and generate case summaries to continuously enhance patient care.

- Approximately 30 million annual patient visits.
- 19.3 million annual Emergency Department visits.
- 2.9 million annual anesthetic cases.
- 9.9 million annual radiology studies.
- Approximately 300,000 annual neonatal intensive care unit (NICU) patient days.
- Over 1.7 million annual surgical procedures.
- Over 25,000 physicians and advanced practitioners.
- 1,800 clinical departments in healthcare facilities.
- Over 850 emergency medicine and hospital medicine programs.
- Over 550 anesthesia programs.
- 90 women's and children's programs.
- 264 ambulatory surgery centers.

What Sets Envision Apart: Our Ability to Care for Patients Across the Healthcare Continuum

The breadth, scale and scope of services that our caregivers provide are unparalleled. Our ability to care for patients across the healthcare continuum and work with health systems in a holistic manner is what sets us apart. We are able to provide the highest level of care to our patients precisely because we have so many specialties and capabilities under one roof. We are consistently evaluating and implementing better ways to coordinate care across specialties in order to reduce costs and achieve better outcomes for patients.

Physician Services

We are a leading provider of multispecialty physician services to our health system clients, including hospitals, ambulatory surgery centers (ASCs) and other healthcare facilities. We have physician services contracts covering more than 1,800 clinical departments in healthcare facilities across the nation and more than 25,000 employed or affiliated physicians and other healthcare professionals.

Emergency Medicine and Hospital Medicine Services

We are a leading national provider of emergency medicine services to hospitals, freestanding emergency care facilities and urgent care facilities. As the healthcare safety net, Emergency Departments are an essential access point for medical services and are a primary source of patient admissions to hospitals and other facilities. Consequently, hospitals require efficient and effectively operated Emergency Departments, often turning to third-party providers with greater experience and resources. In 2017, our emergency and hospital medicine providers cared for more than 19.3 million Emergency Department visits.

Anesthesiology Services

We are a national provider of anesthesia services, with teams typically comprised of board-certified physicians and allied health professionals. Our anesthesia care teams provide anesthesiology services to hospitals, ASCs and other healthcare facilities. During 2017, our anesthesia professionals handled more than 2.9 million anesthetic cases.

Radiology/Teleradiology Services

We are a national provider of radiology services, including diagnostic, interventional and teleradiology services to hospitals, imaging centers and physician group practices. During 2017, our radiology professionals interpreted 16 million studies.

Children's Services

We are a national provider of children's services. Through our children's services teams, which include on-site medical directors, physicians and nurse practitioners, we provide neonatal management services at our healthcare facility partners' neonatal intensive care units (NICU). Our children's services professionals support approximately 300,000 annual NICU patient days.

Women's Services

We operate groups of office-based medical practices that primarily focus on women's health and provide services in the areas of gynecology and obstetrics.

Support Services

We provide a full range of hospital-based physician staffing, ambulatory surgery center management and related management services for each of our physician services specialties, including contract management, staffing, recruiting, scheduling, operational improvement assessments, professional liability insurance and practice support services.

Advancing Scientific Knowledge for the Common Good

At Envision, we have a responsibility to contribute to the development and advancement of medical knowledge for the common good. It is part and parcel of our DNA to continually develop clinical knowledge and invest in the quality of care we deliver.

Currently, our Clinical Research and Scientific Intelligence units are participating in 150 studies with the objective of increasing the quality of care across the board for the benefit of all. The Envision Healthcare Center for Quality and Patient Safety has been listed and certified by the Agency for Healthcare Research and Quality (AHRQ) as a Patient Safety Organization (PSO).

Ensuring the Highest Quality of Care in America's Rural Communities

Patients in rural areas are entitled to the same standard of care as those living in larger, urban areas. In order to ensure that standard of care, Envision Healthcare works across the system with its physicians to:

- Assure the providers' willingness, experience and desire to work in an environment generally with fewer resources and specialty backup than in more urban practice settings.
- Orient the physicians thoroughly to the dynamics, unique needs and priorities of the community and the hospital before they enter the practice.
- Work collaboratively with the hospitals in a timely manner to resolve any potential issues that may arise, providing feedback to providers and learning opportunities for the emergency care team.
- Maximize efficiency in terms of time management, resource utilization and clinical decision making.
- Focus on spending more quality time with patients and family members given the opportunity, especially in a lower volume facility, to enhance the patient experience and exceed their expectations.
- Reduce wait times, assure the providers are utilizing electronic health records as efficiently as possible and reduce readmissions.

At Envision Healthcare, we believe that in order to provide the best patient care, we have to place providers that best fit with the dynamics of the community to set them up to succeed. To do this, we must have the proper infrastructure, including community-focused recruiting and strong local leadership in place. This is particularly true when partnering with rural healthcare facilities to provide quality healthcare services to the diverse and unique communities they serve, often with variable resources and distances from higher levels of care, such as trauma, cardiac and stroke centers.

The Problem with the Current Healthcare Reimbursement System: Insurers Continue to Shift Costs to the Patient

Currently, patients are caught in the middle of a dispute between insurance companies and the medical professionals seeking fair coverage for their patients. The result is that patients may be subject to unexpected billing for care they have received at no fault of their own.

We know there are challenges with the current healthcare reimbursement system, and there are a number of driving forces behind the widespread problem:

- The balance of power in the current healthcare system currently rests with the insurance companies, who often refuse to use an independent and transparent system to determine reimbursement rates. This means that many times they

can – and do – simply refuse to contract with providers at a reasonable, sustainable rate.

- Other times, the insurance companies leverage overly narrow networks, a tactic designed specifically to exclude a significant percentage of the hospitals in a market and/or physicians who provide services in those markets. This becomes particularly problematic in emergency situations when patients are faced with life-and-death situations and often have no choice in the hospital or provider.
- Insurance companies regularly shift additional costs to patients by selling high deductible health plans without explaining the potential surprise gaps in coverage to the patient.
- Insurance companies use the imbalance of power in contracting to take unilateral reductions in negotiated payment rates or other adjustments, negating the predictability of bargained for reimbursement, and leaving providers with little choice at times but to terminate the contracts.

In fact, in a March 2, 2017, issue of *The New England Journal of Medicine* (Vol. 376, No. 9), then President of the American College of Emergency Physicians Rebecca Parker, M.D., stated, “The health insurance industry caused surprise billing by raising deductibles and arbitrarily reducing reimbursement to unacceptable levels for emergency physicians.”

Patients seeking quality care – particularly emergency care – should not have to fear surprise gaps in insurance coverage as a result of current practices by the insurance industry that have put them in the crosshairs. We are working to be part of a solution that ensures patients are not burdened by unexpected bills that may put them in financial distress.

Case in Point: State of New York Takes on Ingenix

As providers, we simply advocate that a minimum benefit standard be set at a percentile of an independent, objective, third-party database while insurance companies and providers negotiate to in-network rates. That solution is working effectively in a number of states to remove the patient from the middle of this dispute.

The importance of an independent, objective, third-party database dates back to a 2009 settlement of an investigation brought by the State of New York, and then-Attorney General Andrew Cuomo, against UnitedHealth Group subsidiary Ingenix. That case was brought because United’s subsidiary, Ingenix – which was used by many insurance companies to determine payments to providers – was manipulating claims data for out-of-network claims to justify lowball payments.

In a settlement with Cuomo, UnitedHealth Group agreed to pay \$50 million toward the creation of an independent, transparent database of physician charges that would replace databases that were administered by its subsidiary Ingenix and long used by insurers to calculate what they paid for out-of-network care.

Case in Point: American College of Emergency Physicians v. Price

After five years of attempting to work with the Center for Consumer Information and Insurance Oversight (CCIIO) to no avail, in May 2016, the American College of Emergency Physicians (ACEP) sued the federal government to challenge a regulation that prevents emergency physicians from receiving reasonable payment for out-of-network services. ACEP was concerned that the government did not require insurers to disclose how the out-of-network payments were calculated and that insurers were likely to manipulate the rate downward. ACEP argued before the district court that the government ignored these concerns, and the court agreed. On Aug. 31, 2017, the court remanded to the three agencies that promulgated the rule and ordered them to provide a meaningful response.

The Time for a Solution Is Now

We agree with the solution provided by the American Medical Association and the National Council of Insurance Legislators to establish a minimum benefits standard that keeps the patient out of the middle of payor-provider disputes. We look forward to continuing our work on behalf of doctors and the patients they serve to address this problem in a bipartisan manner in Congress and statehouses across the country.

The Solution to the Problem: Working Together to Protect the Patient

We are proud of our physicians and clinicians and the excellent services they provide. We believe that no patient seeking quality care should be caught in the middle of any discrepancy or dispute between providers and insurance companies – no matter the circumstance. That is why we are working together with insurance companies and legislators – both on the state and federal levels – in a productive and fair manner to ensure that patients are not burdened by unexpected bills that they cannot pay or that prevent them from seeking the additional care that they need.

An Independent Charge Database

In order to prevent gaps in coverage due to out-of-network billing, it is critical that we use a fair and independent charge database. This will ensure that doctors are fairly compensated for the high-quality care they provide to patients across the country. Envision Healthcare is advocating for an independent, transparent charge database on both the federal and state levels.

Federal Legislation

In addition to advocating for an independent charge database in state legislatures across the country, we support language in the House Appropriations bills calling on the Center for Consumer Information and Insurance Oversight (CCIIO) to clarify the method of determining usual, customary and reasonable (UCR) payments using a transparent and fair standard, such as an independent, unbiased charge database. For purposes of this legislation, the term “usual, customary, and reasonable amount” (UCR) is defined as the 80th percentile of all billed physician charges for the particular healthcare service performed by a provider in the same or similar specialty and provided in the same geographical area as reported in either the FAIR Health database or another database approved by the Department of Health and Human Services.

The database must contain sufficient data for the geographic area to serve as a benchmarking database, be publicly available and be maintained by an independent, nonprofit organization that is not financially sponsored or organizationally affiliated with an insurance carrier, group health benefits plan or administrator or payor of health insurance claims.

The Patient Protections and Transparency Act of 2018

As providers, our first priority is always our patients. This is why we are committed to providing the highest quality of care without any surprises with regard to billing. To address this issue, we have joined with Physicians for Fair Coverage to support proactive model legislation titled “The Patient Protections and Transparency Act of 2018.” This legislation would:

- End the surprise insurance gap.
- Establish a Minimum Benefit Standard (MBS) that is the usual and customary rate defined as the 80th percentile of all charges for the particular healthcare service performed by a healthcare professional in the same or similar specialty and provided in the same geographical area as reported in a benchmarking database maintained by a nonprofit organization specified by the commissioner.
- Direct the insurance company to reimburse the healthcare professional directly, rather than creating confusion by sending payment to the patient that the provider then has to collect.
- Ensure the health insurance company reimburses the healthcare professional at the Minimum Benefit Standard.
- Ensure that cost-sharing payments to the healthcare professional shall be treated by the health insurance company as though they were paid to an in-network healthcare professional.

Working With the States to Fix the Problem

In addition to working with members of Congress to establish a fair and independent charge database, we continue to work with Republican and Democratic state legislators and executives across the country to ensure healthcare providers are fairly compensated and patients are protected from surprise gaps in insurance coverage. Following are some specific examples of the work we have been doing at the state level.

Connecticut: We supported a Connecticut law that uses an independent and transparent charge database that ensures fair coverage for patients by the insurance industry.

Florida: We supported a set of standards to determine provider reimbursement that is usual and customary for similar services in the community where the services were provided. We also supported the establishment of a dispute resolution process.

Georgia: We supported “The Consumer Coverage for Out-of-Network Medical Care Act,” a bill based on model legislation supported by Envision Healthcare, Physicians for Fair Coverage, the American Medical Association and the National Council of Insurance Legislators.

Tennessee: We supported the “Network Adequacy and Out-of-Network Balance Billing Transparency Act,” a bill based on model legislation supported by Envision Healthcare and Physicians for Fair Coverage.

Envision Is Going In-Network

The health and well-being of our patients are at the core of everything we do – both clinically and with regard to our business practices. In an effort to do our part and make sure our patients are protected, Envision has committed to going in-network. We have already converted 40 percent of previously out-of-network revenue to in-network status, and we plan to convert 75 percent of that amount by the end of 2018.

Conclusion

The healthcare delivery system continues to change, and this presents challenges for the healthcare community. It also presents opportunities for us to work together with our partners to better serve our communities and our patients.

As healthcare moves from traditional, single-specialty group practices to comprehensive multispecialty provider groups, partnering with health systems to build solutions in communities nationwide, our goal is to change the face of healthcare by delivering high-quality care that elevates the patient experience and reduces the

overall cost.

In order to better serve our patients, we must resolve the issue of surprise gaps in insurance coverage. Patients who receive unexpected bills due to a gap in coverage are suffering. While we must diagnose the problem to address it properly, we are 100 percent committed to being a productive partner with health systems, healthcare providers, insurance companies, patients and communities to develop a solution that works for everyone.

We look forward to continuing our work with our partners and policymakers nationwide not only to address this critical issue but also to ensure that we are continuing to evolve and advance the quality of care for patients across the country.

Envision Healthcare Partners

American College of Emergency Physicians (ACEP)

<https://www.acep.org/>

Physicians for Fair Coverage (PFC)

<https://endtheinsurancegap.org/>

Emergency Department Practice Management Association (EDPMA)

<http://www.edpma.org/>

American Society of Anesthesiologists (ASA)

<https://www.asahq.org/>

American College of Radiology (ACR)

<https://www.acr.org/>

Testimonials

“The group effort of the emergency department leadership, nurses, staff and physicians was outstanding. The work accomplished here will ensure these new practices are more efficient, easier for our teams and positive for our patients. From day one with the new process, the metrics clearly indicate the determination of this team to deliver quality care. It’s working and it’s fascinating.”

- Director of Emergency Services, Large Facility, Virginia

“I can state without reservation that the physicians strive continuously to work toward improving communication with all members of the medical staff and administration and as well toward improving quality initiatives and outcomes in the Emergency Department.”

- General Surgeon, President of the Medical Staff, Large Facility, Virginia

“My transition from residency to working full time as an attending has been a lot smoother than I initially thought. Envision has been a great support system for me as a new attending in terms of answering all of my questions and being available to do so. It’s really nice to have that kind of relationship with your employers because you feel like a valuable part of the team.”

- Neha Patel, D.O.—2015 IM resident

“Finding and keeping great emergency medicine physicians and providing the training and support they need can be a challenge. Since outsourcing to Envision, I am pleased to say the emergency department has been the least of my worries. Our hospital has a great reputation in the community, but it’s still difficult to recruit physicians from outside the local area. Envision has maintained a stable practice with strong recruiting support and qualified physicians.

Both the clinical leadership and operational support that Envision provides the on-site medical director has helped us improve metrics and the quality of patient care in our emergency department. The Director of Clinical Services has held several training events for communication and service excellence and has helped our nurse leaders implement lean process redesign.

The fast response time of the EPS division executive team at Envision is very impressive. When we call them they are there for us, not a recorder with a menu; a live person who responds and responds quickly! In addition to the fast response times, knowing that Envision is always available as resource regarding regulatory compliance and patient satisfaction provides a strong measure of comfort as well. Most importantly, anytime we have had a provider concern, Envision has addressed the situation quickly and effectively with a positive outcome.”

- Steven L. Smith, CEO, Matagorda Regional Medical Center