

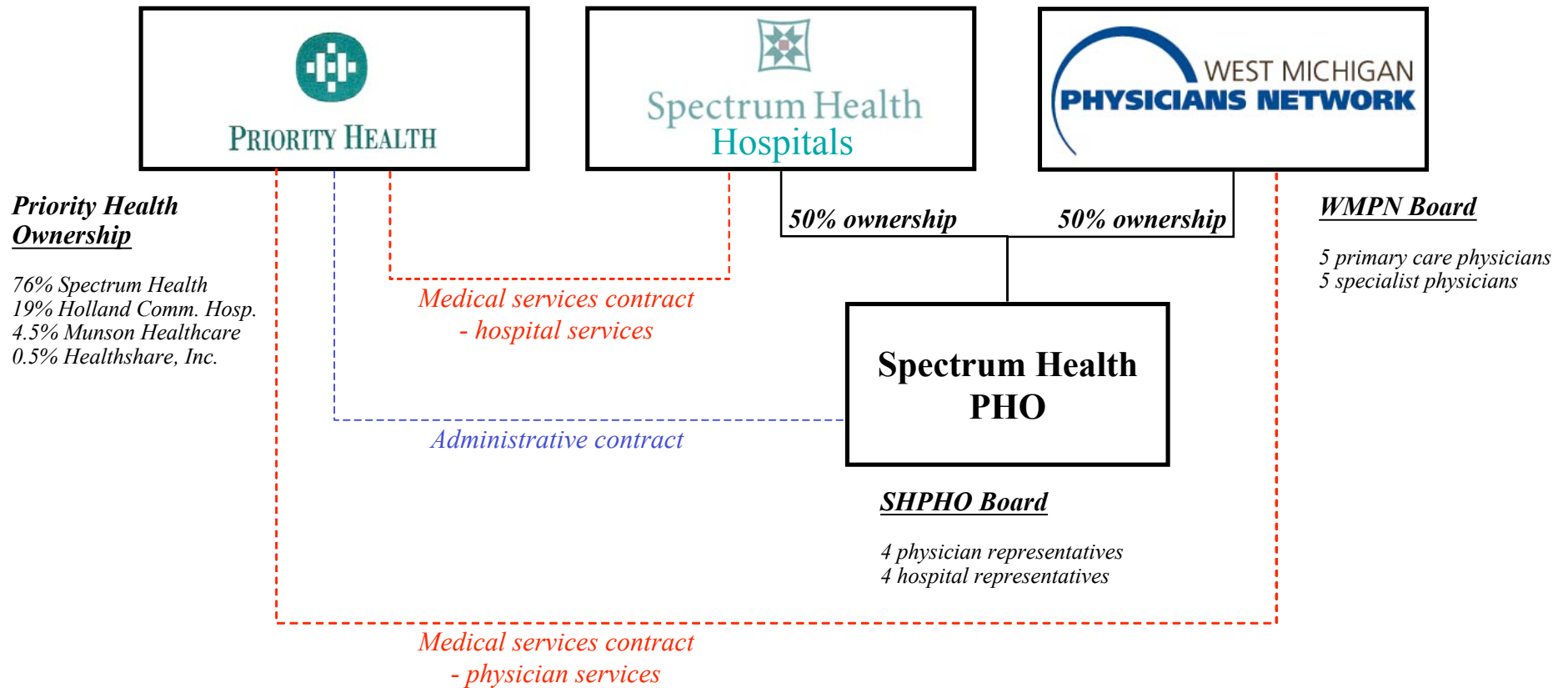


*An Introduction to West Michigan
Physicians Network, Inc. (WMPN)*

What is West Michigan Physicians Network?

- **WMPN is a Grand Rapids-based physicians organization (PO) with membership open to physicians on staff at Spectrum Health.**
- **WMPN was formed in April 1997 for purposes of risk-based contracting on behalf of physician practices.**
- **WMPN has grown in shareholders/members to approximately 430 physicians.**
 - _ Most medical and surgical specialties are represented in WMPN's membership.
- **WMPN developed a 50/50 joint venture with Spectrum Health to form Spectrum Health Physician Hospital Organization (SHPHO).**
 - _ SHPHO is co-owned by WMPN and Spectrum Health and is the vehicle through which the organizations work together to evaluate and manage risk contracts.

WMPN/SHPHO – Organizational structure



WMPN Board of Directors

	Board Member	Specialty	End of Term
<i>Specialists</i>	• Richard Bereza, MD	Orthopedic Surgery	2006
	• Jon Curry, MD	Urology	2006
	• Michael Lojek, MD	Cardiology	2005
	• Lee Oostendorp, MD	General Surgery	2007
	• Ralph Rogers, MD	Emergency Medicine	2005
<i>Primary Care</i>	• George Bruins, MD	Family Practice	2005
	• Mark Evenhouse, MD	IM/Peds	2007
	• Jon Gans, MD	Internal Medicine	2006
	• Phil Henderson, MD	IM/Peds	2005
	• David Kreuze, MD	OB/Gyn	2006

SHPHO Board of Directors

The Spectrum Health PHO Board is made up of 8 voting board members, 4 each from Spectrum and WMPN.



Spectrum Health
Physician Hospital Organization

	<i>PHO Board of Directors</i>	<i>Specialty/Title</i>
WMPN	Mark Evenhouse, MD – Chairman Phil Henderson, MD Ralph Rogers, MD Leon Oostendorp, MD <i>Tom Janda</i>	IM/Peds IM/Peds Emergency Medicine General Surgery <i>Executive Director</i>
Spectrum Health Hospitals	Matt VanVranken Fred Vandenberg Joe Fifer – Vice Chairman <i>Vacancy</i> <i>Rick O'Donnell</i>	President, Spectrum Health Hospitals Special Asst. to CEO – Spectrum Vice President, Hospital Finance <i>Director – Managed Care Contracting</i>

Note: 1-Italicized text denotes non-voting meeting participants.

What are the advantages of belonging to West Michigan Physicians Network?

- Physician owned and operated organization with one voice in contract negotiations, medical management initiatives, and related health system issues.
- Ability to negotiate risk-based contracts - WMPN and Spectrum Health PHO are structures through which physicians can jointly negotiate with payers for risk based products.
- Access to the Priority Health Commercial contract and WMPN's Pay for Performance groups.
 - _ Largest base of Priority Health Commercial covered lives.
- Access to the Priority Health Medicare Advantage contract
- Access to the DirectCare America contract
- Professional management of contracts and opportunities.

What are the advantages of belonging to West Michigan Physicians Network?

- Access to WMPN Pay for Performance (PFP) groups – including 7 primary care PFP groups and one specialist group – designed to maximize physician reimbursement. The WMPN 8 (Specialists) PFP group's withhold return is based on the performance of the top three WMPN PFP primary care groups. *See Exhibit A.*
- Avoidance of the Priority Health Default PFP group – physicians not aligned with a PO or PHO are placed in Priority Health's Central Default group, with no contract representation or infrastructure to manage utilization and support withhold return and surplus.
- Access to WMPN's medical management infrastructure – Unlike other POs/PHOs, WMPN has a medical management structure where PFP group physician representatives meet to review data, develop initiatives, discuss clinical issues and ways to manage utilization effectively.
- Access to WMPN's claims management infrastructure – WMPN has the ability to audit Priority Health claims which has led to increased physician reimbursement.

What are the advantages of belonging to West Michigan Physicians Network?

- Low upfront cost to join WMPN; membership fee returned if you choose to leave.
- Financially sound organization.
- Access to WMPN management services – practice management, contract evaluation and negotiation, business planning, program implementation, etc.
- No single signature contracts – analyses of single signature contracts through other POs/PHOs continually demonstrate low reimbursement rates/unfavorable contracts from a physician perspective.

Exhibit A

WMPN PFP Groups and Settlement

WMPN PFP Groups	Former Risk Group
1. Family Practice (private practice)	Grand Rapids Family Medicine WMPN-FP-Gen
2. Family Practice (employed)	PCP-Kentwood Family Practice PCP-SHPCP (FP and IM/Peds)
3. Internal Medicine/Pediatrics	Lowell Medical Specialists PCP-Summit
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4. Internal Medicine (private practice)	WMPN-IM-GEN
5. Internal Medicine (employed)	PCP-Internal Medicine
6. Obstetrics/Gynecology	Advanced OB-GYN PCP-SHPCP (OB/GYN) West Michigan OB/GYN WMPN-OB/GYN-GEN
7. Pediatrics	PCP-Kentwood Pediatrics WMPN-PEDS-GEN

8. PFP group for determination of specialist withhold.

SHPHO profile – Organizational structure

