

uncommon vision
uncommon compassion
uncommon care





DEAN RICHLIN

Chairman of the Board



CHRISTOPHER D. PALMIERI

President and Chief Executive Officer

From our very beginning, Commonwealth Care Alliance (CCA) has been guided by an uncommon vision for delivering healthcare to vulnerable populations and fulfilling our mission to provide the best possible care, individually tailored to the members and patients we serve. Despite an ever-shifting healthcare landscape, we have stayed true to our vision by developing a model that continuously improves care for individuals with complex medical, behavioral health and social needs.

We are enormously proud of CCA's pioneering role in overcoming the barriers of traditional healthcare. CCA relies on innovation, compassion and commitment to achieve the "Quadruple Aim" in healthcare: an enhanced experience for members and patients; improved overall population health; reduced costs; and improved quality of work life for providers. Our approach continues to gain national recognition in meeting the healthcare challenges associated with caring for underserved individuals who are dually eligible for MassHealth (Medicaid) and Medicare.

CCA achieved many important milestones in 2016 that pointed to success and positioned us for continued growth. Among the highlights:

- CCA's health plans—Senior Care Options (SCO), an HMO Special Needs Plan for individuals 65+; and One Care, a Massachusetts demonstration Medicare-Medicaid Plan (MMP) for individuals between 21 and 64—grew at double-digit rates while earning a national reputation for quality. The organization finished the year close to achieving the milestone of 20,000 members served.
- Our One Care program received the highest consumer rating in the country for MMPs in a survey conducted by the Consumer Assessment of Healthcare Providers and Systems (CAHPS). CCA's SCO program, meanwhile, was awarded a 4.5-star rating from the U.S. Centers for Medicare & Medicaid Services.
- With a \$25.8 million operating margin and \$42.4 million in total net assets, CCA's total revenues increased by more than 9 percent, from \$764 million in 2015 to \$835 million in 2016.
- Our unique focus on care delivery solutions and clinical innovations helped bring more efficient and effective care to our members and patients, notably a 25 percent reduction in emergency department visits for those receiving care at our community-based primary care practices across Massachusetts.

We encourage you to take a look inside this Annual Report to learn more about how CCA is bringing transformative care to those with complex needs. You will see how our care model is making it possible for these individuals to live a more independent, fulfilling life.

None of these achievements would be possible without our greatest asset—our teams of nurse practitioners, behavioral health specialists, physicians, physician assistants, registered nurses, physical therapists, occupational therapists, social workers, health outreach workers and the support staff who make up our outstanding workforce. They are the engine that makes CCA's model work, establishing personal connections with members and patients based on core values such as compassion, patient-centered care, community partnerships and improved quality of life.

We are grateful for the uncommon successes we have achieved this past year, and look forward to accomplishing much more in 2017.

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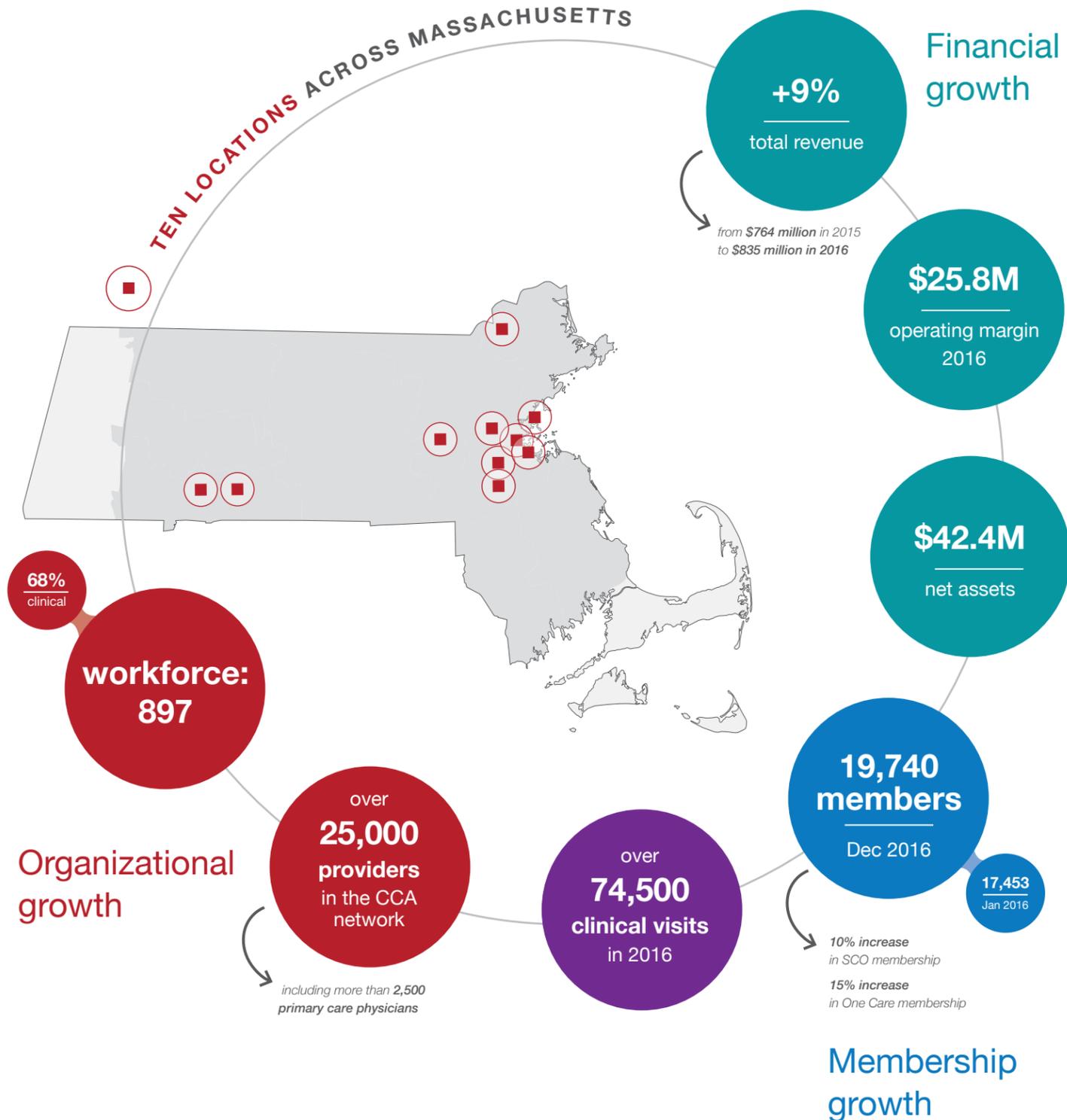
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CCA Fast Facts



Health Plans

CCA ONE CARE (Medicare-Medicaid Plan)

A Massachusetts demonstration health plan for individuals ages 21 to 64 who are dually eligible for Medicare and MassHealth or CommonHealth

- 2016 Membership: 11,772*
- Top-rated Medicare-Medicaid Plan in the country (2016 Medicare Advantage Prescription Drug Plan CAHPS survey)

CCA SENIOR CARE OPTIONS (HMO Special Needs Plan)

A health plan for individuals age 65 and older who have Medicaid and MassHealth Standard or just MassHealth Standard alone

- 2016 membership: 7,968*
- 4.5-star rating from the U.S. Centers for Medicare and Medicaid Services

Care Delivery Solutions

COMMONWEALTH COMMUNITY CARE

- CCA's clinical affiliate; a specialized primary care practice offering comprehensive, disability-competent care
- 1,323 members and patients served at four locations: Boston, Lawrence, Springfield and MetroWest/Worcester*

CRISIS STABILIZATION UNITS

- CCA's alternative to psychiatric hospitalization for members with acute behavioral health and/or substance use disorder needs
- 566 members and patients served in 2016 at two locations: Carney Hospital, Dorchester, and Marie's Place, Brighton*



Clinical Innovations

MOBILE INTEGRATED HEALTH

CCA's community paramedicine program that responds to urgent care needs, providing high-intensity care in member's setting of choice

- Members and patients served in 2016: 1,089*

LIFE CHOICES PALLIATIVE CARE

CCA's integrated approach to palliative care that decreases acute utilization at end of life

- Members and patients served in 2016: 253*

WINTER STREET VENTURES

CCA's for-profit health innovation accelerator subsidiary created in 2016 partners with early stage entrepreneurs to take healthcare technology, devices and services from concept to marketplace

CCA One Care

An integrated approach for those who need it most

A Massachusetts demonstration Medicare-Medicaid Plan (MMP) for individuals between 21 and 64

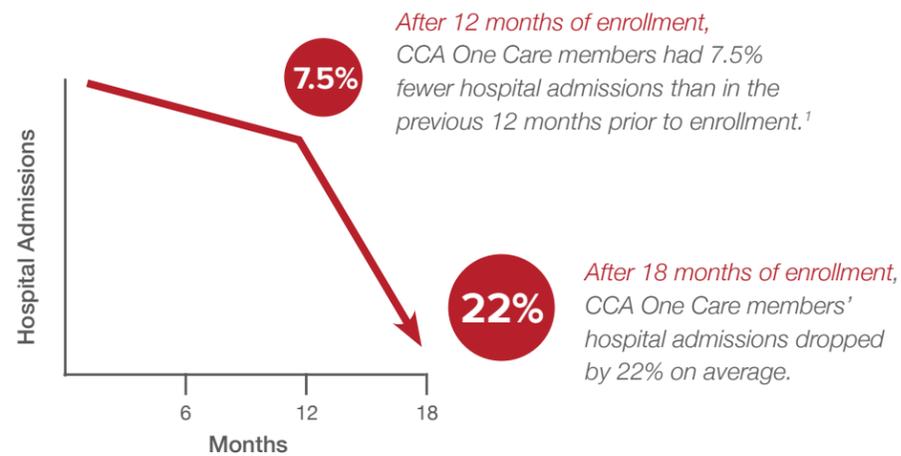
2016 Membership: 11,772*

Commonwealth Care Alliance's One Care program brings a team-based, customized approach to care for adults with complex needs who traditionally have received either fragmented care or have been disconnected from the healthcare system altogether. One Care works by locating these individuals—many of whom have been deemed “unreachable”—and then assessing their individual needs. A coordinated care plan is developed for a range of chronic medical, behavioral health and social problems, including intellectual and developmental disabilities. A team of specialists then works closely with primary care providers to make sure members receive the care they need.

Results

CCA One Care is making a difference in **improving care for those with complex healthcare needs while lowering long-term costs** associated with hospital admissions and emergency department utilization.

CCA's program was featured in a 2016 study conducted by **The Commonwealth Fund** that analyzed successes and challenges in bringing quality care to One Care members as part of The Commonwealth Fund's “Care Models for High-Need, High-Cost Patients” series of case studies.



After 12 months of enrollment, CCA One Care members had 7.5% fewer hospital admissions than in the previous 12 months prior to enrollment.¹

After 18 months of enrollment, CCA One Care members' hospital admissions dropped by 22% on average.

*As of 12/1/2016

¹ The Commonwealth Fund, Vol. 41, Dec. 2016, “The ‘One Care’ Program at Commonwealth Care Alliance: Partnering with Medicare and Medicaid to Improve Care for Nonelderly Dual Eligibles.”

Who are our members?

10x

cost of caring for One Care-eligible population averages to about \$2,000 per member per month, 10 times the average for general population

70%

have a serious mental illness such as schizophrenia, bipolar disorder, severe depression or substance use disorders

50%

have four or more chronic conditions

7%

are homeless



One Care member David F. has been receiving care from CCA since 2013



Senior Care Options member Shirley S. has been receiving care from CCA since 2008

Who are our members?

average age:

76

76%

CCA Senior Care Options members are nursing home certifiable, yet are able to live at home

64%

primarily speak a language other than English

70%

have four or more chronic conditions

63%

have diabetes

CCA Senior Care Options

Helping seniors live independently at home, despite chronic needs

A HMO Special Needs Plan for individuals 65+

2016 Membership: 7,968*

Commonwealth Care Alliance's Senior Care Options (SCO) program was created to bring customized care to individuals 65 and over who are dually eligible for Medicare and MassHealth (Medicaid) and have serious illnesses that would otherwise leave them few alternatives to entering a nursing home. We help our SCO members live independently and safely at home through a unique model of care that emphasizes an integrated, team-based approach. In conjunction with primary care providers, we create care plans that address each member's clinical, behavioral health and social support needs.

Results

Through our integrated approach to treating the complex needs of CCA SCO members, we have been able to **improve their quality of care while reducing long-term costs** associated with hospital admissions and emergency department utilization.



- ↓30%** Decline in hospital admissions and readmissions for SCO members from 555 per thousand in 2011 to 388 per thousand in 2016—a reduction of almost 30%
- ↓10%** Decline in the 30-day hospital readmission rate for SCO members from 2011 to 2016
- ↓6%** Decline in the total cost for providing ambulatory medical care per month for our SCO members, from \$1,453 to \$1,363 from 2015 to 2016
- ↓4%** Decrease in the overall expenses for acute care needs for SCO members from 2015 to 2016

*As of 12/1/2016

CCA Care Delivery Solutions

The right care in the right setting

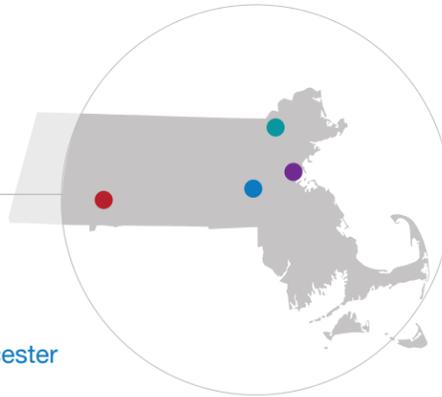
Commonwealth Care Alliance's pioneering method for delivering care is built around a team-based approach that emphasizes collaboration with primary care providers, behavioral health specialists and other clinical and non-clinical experts so that individuals with disabilities and other complex needs receive the right course of care in a setting best suited to them.

COMMONWEALTH COMMUNITY CARE

CCA's clinical affiliate, Commonwealth Community Care (CCC), is a specialized primary care practice offering comprehensive, disability-competent care. CCC provides care in the home or in a specially equipped, accessible care center. Staff are available 24/7 and coordinate care as needed with the preferred services and providers of each of our members and patients, as well as the people in their life. In 2016, CCC expanded resources for members to address chronic medical needs and social barriers to independent living, while also creating weekly addiction peer groups.

1,323 members and patients served in 2016 at four locations:

- Lawrence
- Boston
- Springfield
- MetroWest/Worcester



Results

Weekend coverage that includes visiting members and patients in the home has **diverted emergency department visits by**



CRISIS STABILIZATION UNITS

Almost three-quarters of the members in CCA's One Care program have been diagnosed with behavioral health disorders. In order to provide a healthy environment of care, CCA created Crisis Stabilization Units (CSUs) that provide a therapeutic alternative to inpatient psychiatric admissions. The only facilities of their kind in Massachusetts, our CSUs focus on maintaining safety, enhancing recovery and promoting a safe and effective return to the community.



566

members served in 2016 in two locations: Dorchester and Brighton

Results



CCA Clinical Innovations

Looking to the future to meet the needs of the present

One of the cornerstones of Commonwealth Care Alliance's ability to provide quality, long-term care to individuals with complex healthcare needs is our dedication to innovation. As an organization that was founded on a conviction to fundamentally change the way healthcare is delivered, CCA relies on clinical and technological innovation to stay on the cutting edge in fulfilling our mission to members and patients and reducing long-term costs associated with their care.

MOBILE INTEGRATED HEALTH

CCA's pioneering Mobile Integrated Health program uses specially trained paramedics to respond to urgent care needs, providing high-intensity care in a setting of choice for members and patients. The program partners CCA care providers with EasCare Ambulance LLC, whose paramedics work closely with our clinicians to conduct assessments and administer therapeutic interventions when appropriate.

Results



Among CCA's One Care members who received paramedic care during 2016, **89% of members were able to remain at home**

During the program's busiest month in March 2016, paramedics were requested to provide services to 83 members and patients, averaging **2.1 dispatches per day**

The average cost of each member visit per month decreased from \$835 in 2015 to \$536 in 2016—a **reduction of more than 35%**

LIFE CHOICES PALLIATIVE CARE

Individuals with complex health needs who need end-of-life care require a setting that allows them to feel comfortable in the decision-making concerning their care. The goal of the CCA Life Choices Palliative Care program is to eliminate the need to choose between hospice and aggressive care, while allowing the patient and family to determine the right course of care for them.

Among CCA Senior Care Options members who received palliative care through the Life Choices program in 2016:

- Average only 1.6 days in Intensive Care Unit over the last six months of life (compared to Massachusetts average of 3.6 days.)
- 64% have created advance directives
- 55% are able to die at home or in a nursing home

Enhancing care through voice technology

Challenge: Helping CCA members manage appointments and scheduling with Personal Care Attendants (PCAs). For many individuals with complex health needs, it can be frustrating setting up appointments or adjusting schedules of the PCAs who care for them. CCA looked to technological innovation to find a better way for members to manage their schedules.

Solution: In 2016, CCA was one of only two healthcare organizations in the country to be selected by the prestigious Center for Health Care Strategies to take part in a pilot digital health program, with grant funding to support the purchase of innovative voice technology. With the funding, CCA planned to install Echo Dots—small cylindrical voice identification devices—in the homes of members and patients.

Pilot: The technology works by translating voice commands to set up, adjust or cancel appointments with PCAs, fill out time sheets for reimbursement and send schedules to PCAs. The goal is to improve overall patient satisfaction, enhance efficiency in reimbursing PCAs and develop a deeper understanding for the potential of voice technology to improve health outcomes.



“It's a very exciting opportunity for CCA to further its reputation for innovation in meeting the complex needs of those in our care.”

John Loughnane, MD, Chief Innovation Officer, shown here with member Nancy N., who was among the first CCA members to benefit from the technology.

CCA Spotlight Initiatives

Taking on issues that impact those in our care

In 2016, as public attention continued to focus on high-profile issues such as addiction and discrimination, Commonwealth Care Alliance assumed a leading role in developing forward-thinking programs for minimizing the impacts these issues have on those we serve. In the process, CCA showed the importance of taking the initiative in improving the quality of life for our members and patients.



Fighting stigma in the doctor's office

People with mental health issues can encounter stigma and discrimination in all corners of society. But one place where stigma can be especially harmful is in the doctor's office, where age-old stereotypes and preconceived notions about behavioral health disorders can impact a patient's ability to receive the right care.

"Physicians and other healthcare providers can often use words or make assumptions that can perpetuate stigma, even if they don't realize it," said John Ruiz, CCA's Director of Consumer Engagement. "There's a sense of shame or fear that surrounds mental health issues."

“I never talk to my PCP about my mental health condition because I am afraid of what he'll think of me and how he'll treat me.”

Anonymous member of CCA One Care

With that in mind, CCA in 2016 launched an educational campaign on mental health-related stigma in order to heighten sensitivity among healthcare providers. The campaign involved a series of presentations throughout CCA's coverage areas designed to eliminate barriers that may discourage patients with mental health conditions from seeking care for unrelated clinical problems.

The presentations focused on common words and phrases that can unwittingly be used when providers talk with patients about their mental health condition, such as "disabled" or "impaired" or "retarded."

Ruiz said the providers who have attended his presentations have been grateful for the insights.

"This is a process that's taking place everywhere in our society, not just the doctor's office," he said.

“(The) entire presentation brought my thinking on stigma to a whole other level.”

Healthcare provider after attending an anti-stigma presentation

Taking on a crisis with care and compassion

As the epidemic in opioid abuse and opioid-related overdoses continued to take a devastating toll across the country, Commonwealth Care Alliance took the lead in providing comprehensive substance use and opioid-specific treatment services to those in our care. CCA's team of substance use specialists provided a full range of evidence-based services, while also balancing the need to manage chronic pain.

CCA's comprehensive program for opioid use disorder includes:

- Methadone
- Buprenorphine (Suboxone)
- Naltrexone (Vivitrol)
- Naloxone (Narcan), which reverses the symptoms of an overdose

CCA adopted a member-centered approach to address the issue of high-dose opioid use to treat chronic pain. Working with insights from the National Pain Strategy, CCA launched a quality improvement campaign to reduce dependence on opioid medications without increasing suffering.

“Because of CCA's long history of member centered care and our commitment to team care, we are ideally situated to effect a change, but it represents a significant paradigm shift.”

Barbara Herbert, MD, Medical Director of Behavioral Health Services



CCA In The Community

Empowering members and patients

Commonwealth Care Alliance is committed to playing a central role in the communities we serve and improving the quality of life for those in our care. We want our members and patients to be fully engaged in their lives, and that means collaborating and listening to them to make sure they are making healthy choices. CCA also recognizes the importance of being a community partner and supporting other organizations that share our values.

HEALTH EDUCATION TEAMS

CCA in 2016 developed an innovative and patient-centered program meant to give members and patients greater control over their well-being.

The newly created Health Education Team (HET) conducted a series of workshops for members and patients as well as caregivers and Personal Care Assistants, providing tips and insights on topics that can promote better long-term health.

The evidence-based workshops, which continue to take place on average about once a month, are free and held at various CCA locations, with a presentation from a health expert followed by a Q&A with participants. Topics include:

- Healthy eating
- Exercise and physical activity
- Medication management
- Diabetes
- The benefits of quitting smoking
- Managing stress or anxiety
- How to improve sleeping patterns

“We want the presentations to focus on the issues that are most relevant to the overall well-being of the member, as well as their caregiver,” said HET Manager Lourdes Diaz-Martel.

The workshops are taking place in conjunction with several other educational programs, including a course on cardiovascular disease that is offered on a one-on-one basis at members’ homes, as well as a class on depression management.



← CCA was one of numerous healthcare organizations to take part in the National Alliance on Mental Illness’s annual NAMIWalk in Boston in May 2016. Employees from across the organization formed a team to take part in the Walk, which is held every year to raise awareness and overcome discrimination against those with behavioral health disorders. CCA team members walked side by side with individuals living with mental illness, along with family and friends, to show support.



“ I was more interested in learning about my health. I can’t be there for anybody if I’m not there for myself. ”

Cenester B., CCA One Care member and regular attendee of HET workshops

CCA Financial Highlights and Leadership

Commonwealth Care Alliance, Inc.,
Consolidated Statements of Operations
Years Ended December 31, 2016 and 2015

	2016	2015
Revenue		
Total revenue	\$834,767,967	\$763,962,671
Expenses		
Medical care expenses	683,740,511	652,245,303
General and administrative expenses	122,889,897	110,823,912
Depreciation and amortization expense	2,362,622	2,434,696
Total expenses	808,993,030	765,503,911
Excess (deficiency) of revenue over expenses	\$25,774,937	(\$1,541,240)
Member months	215,651	207,725

Leadership

Christopher Palmieri, President and Chief Executive Officer

Lisa Fleming, Chief Legal Officer, Senior Vice President for Regulatory Affairs

Sarah Garrity, Chief Marketing Officer

Lawrence Gottlieb, MD, MPP, Chief Quality Officer

John Loughnane, MD, Chief Innovation Officer

Kathleen McCann, Chief Human Resources Officer

Eric Price, Chief Financial Officer

Courtney Sullivan Murphy, Chief Operating Officer

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Christopher Koller, President, Milbank Memorial Fund

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Len Fishman, Director of the Gerontology Institute at UMass Boston's
John W. McCormack Graduate School of Policy and Global Studies

Lisa Iezzi, MD, MSc, Professor of Medicine, Harvard Medical School,
Associate Director, Institute for Health Policy, Massachusetts General Hospital

Mark Reynolds, President, CRICO

Nancy Turnbull, Associate Dean for Educational Programs, Harvard School of Public Health

Robert Restuccia, Executive Director, Community Catalyst

Thomas Lynch, CEO, Lynch, Ryan and Associates



At Commonwealth Care Alliance, our mission is to provide the best possible care, tailored individually to the members we serve throughout Massachusetts—elders and people across the age spectrum with special healthcare needs.

To accomplish this, we bring to scale proven clinical strategies that improve care and manage costs, within a team-based, consumer-directed, prepaid care delivery program.



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