



CHIEF OPERATING OFFICER

Emeryville, California

Position Specification

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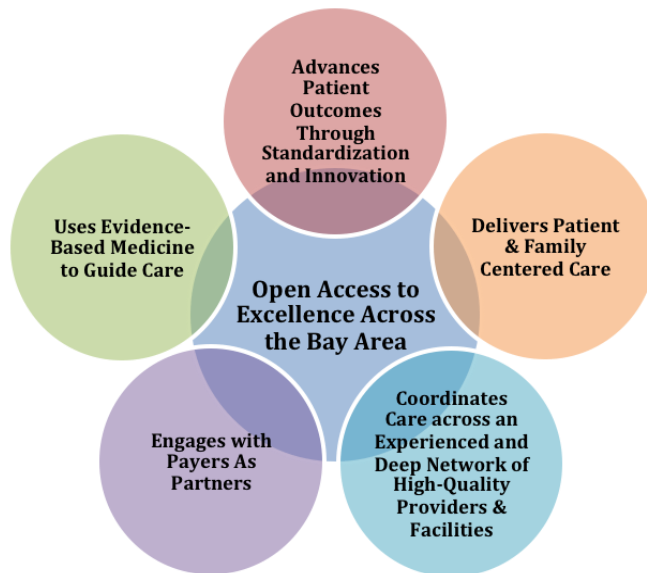
I. ORGANIZATIONAL OVERVIEW

Vision, Mission and Charter

Canopy Health is creating an integrated healthcare experience where quality care and coverage are provided by an alliance of the top caregivers across the Bay area, allowing people to access the best options for their personal needs. Owned by physicians and hospitals, Canopy Health is a community of caregivers championing health. As a care team, the focus is on improving health and advocating for its members. Our partners include:



Through a federated model, Canopy Health is providing patients the convenience of easy access to a broad, highly regarded network of providers; the ability to choose their doctor across the entire network; and a personalized, evidence-driven approach to care built on a trusting relationship between each patient and their own care team. Through active care management across this broad network, Canopy Health will generate value to patients in the form of high quality care, and savings to providers and partners, including payers and the employers and employees they serve. It is becoming a true Bay Area system of care – one that delivers a level of expertise and personalization of care that other integrated delivery systems will be challenged to meet.



Canopy Health Statement of Purpose:

“We are leading health care providers and institutions in the San Francisco Bay Area, working together to form a high value health system for the benefit of patients, employers, and payers. We will achieve our objectives by linking our organizations together to seamlessly integrate care across a broad, robust network of providers. We are committed to delivering high quality care, adopting evidence-based medicine, and spreading innovative practices to generate value to patients and purchasers. We will deliver products at price points that will enable us to directly compete with other networks and be attractive to purchasers and consumers. Together, we will collaborate with select health plan partners who share our vision of offering high value healthcare products with joint accountability for the cost, quality and exceptional patient experience of the care we provide.”

Canopy Brand Promises

A Single Network. An enrollee of the Canopy Health Plan can access healthcare throughout the Canopy network of providers, comprising more than 4,000 physicians throughout seven different Bay Area counties (expansion to ten counties planned).

24/7 Access to Care. Create access to all-hours care for enrollees of Canopy throughout the area covered by Canopy.

Cost Transparency. Strive to bring pricing transparency and information to consumers in order to enable enrollees to know what procedures will cost prior to undergoing treatment.

Guiding Principles

Canopy Health partners are committed to partnering together to leverage their collective and complementary strengths to create a regional *system of care* that offers the advantages of cost and care management, while maintaining a personalized approach to health. Specifically, the participants will:

1. **Be Member-Centric & Population Health-Focused:** Physicians will guide the care of members using evidence-based guidelines, and will leverage population health capabilities to promote preventive care and management of chronic conditions. They will partner with other providers to ensure that patients receive timely, appropriate care that is coordinated across inpatient, outpatient, post-acute and virtual settings, and that information travels seamlessly across those settings. The network must offer a consistent, high-quality and member/family-centered care experience regardless of where members receive care in the network.

Canopy Health members will have access to a single network allowing them to access care through any partner. They will have access to care 24/7 and have cost transparency for the care being provided.

2. **Create Greater Value:** The network will offer products at prices that are competitive with Kaiser in terms of total value; maintain and grow share by leveraging and rapidly spreading collective strengths, best practices and innovation to differentiate the Network from other networks. It must be able to do so in a way that is easy and appealing to members. The Network's distinctive reputation should thus be rooted in our high quality, user-friendly, and cost-effective care.
3. **Work with Plans and Payers as Partners:** The network will work with select health plans / payers as partners.
4. **Build a Degree of Interdependence and Shared Purpose:** Network Institutions will maintain their independent identities while establishing integration of services along three dimensions:
 - a. **Clinical:** Spreading best practices that lead to more clinically appropriate utilization and cost reductions, committing to clinical standards and creating a culture of performance improvement
 - b. **Operational:** Leveraging shared infrastructure; becoming operationally coherent and "crowd-sourcing" to identify and rapidly spread best practices without becoming bureaucratic, while maintaining some local control of delegated functions
 - c. **Technical:** Supporting information exchange and robust analytics on a broad base
5. **Achieve Financial Alignment:** Network institutions will be bound together through shared risk arrangements such that financial models and incentives are aligned with clinical, operational, technical and financial objectives.
6. **Be Nimble & Execute:** The network will act collectively, quickly and decisively.
7. **Embrace Transparency:** Network institutions will commit to meeting ACO performance and quality objectives and reporting performance on agreed upon indicators both internally and externally, through published reports.

8. **Innovate & Differentiate:** The network will differentiate itself through innovation, rapidly identifying and spreading better practices, supporting consumerism as it relates to cost, quality, and service, adopting leading cancer therapies, genomic medicine and other areas across a large network in ways the competition cannot.

Formation and Structure

Canopy Health was formed in 2015 and is structured as a C-Corporation that holds a restricted Knox-Keene license, which was granted in 2016. Canopy Health initially will provide services for employees and dependents of the University of California and develop Commercial HMO, Commercial PPO and Medicare Advantage products in partnership with select health plans. The corporation began enrolling beneficiaries residing in the county core Bay Area market (Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara) starting in 2016 and will include Sonoma County in the near future.

Knox-Keene licensure allows Canopy Health to deliver single-signature contracting for members and take on full-risk contracts with health plans through the corporation that specify savings arrangements, patient experience, quality and care management standards. Products will be priced in such a way as to retain existing and attract new members and deliver value to employers, employees, and Medicare Advantage beneficiaries looking for high quality alternatives to existing options. In the longer term, the Network expects its products to be priced on the lower end of options on the market.

Board of Directors

Canopy Health has an independent Board of Directors, which serve as the fiduciary board for the corporation. UCSF Health, John Muir Health, Muir Medical Group IPA, Hill Physicians Medical Group, and Meritage Medical Network as the initial investors in the Corporation, have selected nine members of the Board. The Board has a balance of physician, hospital and shareholder representation. Current Board Members include:

- Mark Laret, CEO of UCSF Health (Board Chair)
- Taejoon Ahn, MD, President and CEO John Muir Medical Group
- Kevin Grumbach, MD Professor and Chair, UCSF Department of Family and Community Medicine
- David Joyner, CEO Hill Physicians Medical Group
- Wojtek Novak, CEO Meritage Medical Network
- Michael Moody, VP, Strategic Business Relationship & Joint Ventures, John Muir Health
- Ami Parekh, MD, Executive Medical Director, Population Health and ACOs, UCSF Health
- Mike Robinson, former executive with Aetna
- Ute Burness, CEO, Muir Medical Group IPA

Management Team

Joel Criste, Chief Executive Officer

Joel Criste was the President and CEO of Meritage Medical Network (formerly Marin IPA), a very successful independent practice association operating in Marin, Sonoma and Napa Counties. While at Meritage he founded the Meritage ACO, a Medicare Shared Savings Program ACO with 22,000 attributed Medicare beneficiaries and Prima Medical Group, a 100-physician multispecialty group in Marin and Sonoma counties.

Under Criste's leadership, Meritage grew to 700 physicians who are on staff at 7 hospitals spanning Marin, Sonoma, and Napa counties. Meritage commands an estimated 45% market share in the three North Bay Area counties, servicing approximately 400,000 residents. He negotiated and introduced risk-bearing arrangements for both commercial and Medicare. He also helped bring Western Health Advantage into the North Bay Area, where they introduced small group commercial products, in addition to long-standing capitated agreements with major health plans.

Meg Durbin, M.D., Chief Medical Officer

Durbin joined Canopy Health after serving as Sutter Health's Peninsula Coastal Region vice president for care coordination. As chair of Sutter Health's Maintenance Committee, she also led system-wide efforts to assess and update preventive care guidelines across Sutter Health's physician network and improve mental health and primary care integration. In addition, she served as a member of a working group to implement shared-savings accountable care arrangements between Sutter Health and Cigna, United Health Care, and several employer groups.

During her nearly 20-year career with the Palo Alto Medical Foundation, a Sutter Health affiliate, Durbin also served as regional medical director of managed care. An internal medicine physician and pediatrician, Durbin received her medical degree from the University of California, Davis and completed her residency at UCSF and fellowship at Stanford.

Patrick Caster, Chief Financial Officer

Patrick Caster brings more than 25 years of health care finance and operations experience to Canopy Health. Most recently, he was chief operating and financial officer for PIH Health, a non-profit, regional healthcare network in southern California.

Caster was also the lead representative from PIH Health for the founding of the Vivity joint venture with Anthem Blue Cross, UCLA Health, Cedars Sinai, Huntington Hospital, Torrance Memorial Medical Center, PIH Health, MemorialCare Health System and Good Samaritan Hospital, which launched in 2015. In addition, Caster chaired the team that successfully secured

a restricted Knox-Keene license from the California Department of Managed Health Care for Vivity.

Operating Committees

Canopy Health has a large Operating Committee consisting of representatives from Founding and Collaborating Providers (see definitions below). The Operating Committee will be advisory in nature, and its members will not have any fiduciary responsibilities with respect to the Network. Parameters for decision making will be articulated in the corporation's articles and bylaws and in its Shareholders Agreement.

Canopy Health has three levels of provider participation: Owners, who will capitalize the corporation and oversee major strategic decisions (Founding Providers); Providers who will partner in managing risk for the Network population and have opportunities to participate on the Operating Committee and in shared savings distributions (Collaborating Providers); and providers who will enter into contracts with the corporation to provide continuum services or fill gaps in the network (Contracted Providers).

Governance Committees

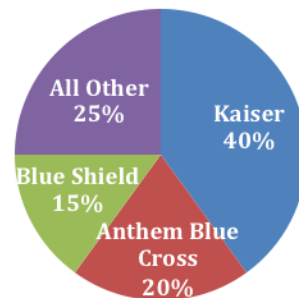
Canopy Health has the following governance committees with representation from Owners and Provider Partners:

- *Operating Council*: Identifies and resolves operational issues and challenges across Canopy Health, Collaborating Providers, and Canopy Health vendors, attended primarily by Canopy Health and MSO staff along with medical group and hospital operations representatives.
- *UM and QM Committees*: Sets care management standards and benchmarks, defines a set of initiatives that the ACO physicians and hospitals can launch and coordinate to deliver value, find savings and reduce unnecessary utilization.
- *Finance Committee*: Develops shared savings allocation and payment methodologies.
- *IT Committee*: Defines data exchange/use requirements and standards. Evaluates recommended investments.
- *Strategic Advisory Committee*: Advising executive management and the Board of Directors, participants include the CEO's of most Collaborating Provider organizations.

Market Context and Strategy

The Affordable Care Act resulted in important shifts in the payer and provider landscape in Northern California – including the emergence of ACO and narrow network health insurance products. The estimated market size for Commercial & Medicare products in the six core Bay Area counties is sizeable: 3.7 million insured lives – though highly concentrated with a few health plans. The broader ten-county Bay Area has a population of 7.8m people, of which 6.8m are estimated to have been insured in 2014.

California Private Insurance Landscape
(Health Plan Market Share, 2011)



Kaiser has 40% of the California private insurance market share. That said, the CalPERS and Blue & Gold ACO experiences are evidence of an appetite for non-Kaiser health care options at affordable prices.

Canopy Health plans to partner with health plans that already have strong relationships and brands in the market, which will be leveraged to drive enrollment and compete more effectively against Kaiser, Sutter, and Stanford. It has completed its first partnership with Health Net and expects to sign other agreements in 2017. Due to the strategy of partnering with and not competing with select health plans, Canopy Health will not conduct direct-to-employer contracting for the foreseeable future. Founding Providers expect to partner with select health plans on a non-exclusive basis to co-develop and co-market products.

To thrive under a shared risk model, participant organizations will need to develop or expand existing care delivery redesign efforts that reduce the total cost of care. Canopy Health will play an active role in defining cost, quality and performance targets – and incentivizing their achievement through the design of shared savings arrangements – so as to ensure that network resources are used in a cost-effective manner, and care is directed to the lowest cost setting, without jeopardizing quality.

Research shows that the regional healthcare market is sensitive with respect to price, and that patients value choice, personalization of care, and level of expertise that is provided by independent physicians. Building a reputation in personalized care, while adopting the population health and consumer-friendly aspects of Kaiser’s care model, will help differentiate the Network from current options.

Canopy Health has initially enrolled members into the Health Net/Canopy Health offering to University of California employees in the Bay area. Initial enrollment is 14,000. Canopy Health projects that initial members be primarily derived from ACO Providers’ existing employees and patient populations, with 5% of the ACO’s membership derived from new patients in 2017 with

a progressive increase to 25% in 2022. Enrollment for year-end 2017 is estimated to be 50,000 members, and projected to grow to 500,000 members in 2022.

II. POSITION SUMMARY

Title: Chief Operating Officer, Canopy Health

Reports to: Joel Criste, Chief Executive Officer, Canopy Health

Reporting to the CEO, the Chief Operating Officer (COO) will have responsibility for leading and managing the day-to-day operations of Canopy Health. This individual, working with other members of the Canopy executive team, is responsible for delivering the organization's unique value proposition and aspirational approach to customer service. He/she will be responsible for ongoing operational management including oversight of vendors providing outsourced operational services to Canopy Health. The COO will work in close coordination with the leadership team of Canopy Health, including the CEO, CFO, and CMO to inform strategy and ensure the operational effectiveness, financial success and ongoing implementation of strategic goals and priorities.

Areas under the supervision of the COO include claims, eligibility, customer service, patient experience, vendor management, network management, and operational committees with Canopy member medical groups and hospitals. The COO will be responsible for oversight and management of vendors including Conifer Health (claims payment, eligibility management, reporting and data sharing).

Expanded duties and responsibilities of the COO include:

- Serve as both a thought leader and tactician, working with Canopy Health's CEO, executive leadership, vendors, and partners, to build an organization that delivers truly accountable care.
- Participate in developing Canopy Health's goals and strategic initiative; and development of tactics to implement those goals and strategies.
- Build strong relationships with Canopy Health leadership, vendors, partner provider systems, and health plans.
- Develop and implement operational efficiencies within Canopy Health leadership and administrative team and with Canopy Health's new and existing partner providers and health plans.
- Ensure design and consistent, efficient implementation of operations as Canopy Health grows to include additional provider system, health plans, and geographic areas.
- Participate in oversight and coordination of Canopy Health's patient portal and digital strategy, coordinating with leaders in Canopy Health and BayHealth, Canopy Health's strategy development partner.

- Support the implementation and achievement of Canopy Health’s brand promises, including differentiation in the marketplace, best-in-class customer and patient experience throughout Canopy Health’s geography;
- Coordinate effectively with Canopy Health’s partner medical groups, IPAs, hospitals and other facilities, vendors, and other stakeholders

IV. GOALS AND OBJECTIVES

Within the first 18-24 months, the successful COO of Canopy Health will:

- Build strong, collaborative relationships with Canopy Health’s leaders and with vendors and partner provider systems and health plans; establish themselves as a trustworthy partner and relationship manager;
- Enable and ensure the operational and financial success of Canopy Health as it grows, through seamless operational functioning in these areas: claims, eligibility, reporting data sharing, and vendor management
- Work closely with the Chief Medical Officer to operationalize Canopy Health’s open network, enabling seamless patient access across Canopy Health’s entire network of providers;
- Lead and develop member service efforts, and help develop the strategy for the member portal and digital services. These services should provide enrollees with transparent, best-in-class access to enrollment, benefits, cost, and medical information;
- Support and enable Canopy Health’s brand promises, providing Canopy Health with key differentiation in a marketplace that is characterized by strong competition
- Provide outstanding member service and engagement for Canopy’s new and existing enrollees, building Canopy’s reputation in the market and scaling infrastructure to enable rapid growth in membership across the Bay Area;
- Effectively support Canopy Health leadership and partners to expanding Canopy Health’s geographic footprint;
- Develop a reputation as a trusted, sincere, and transparent leader who executes and drives initiatives to completion, from helping to develop strategies to solving tactical problems.
- Establish a fully functional and effective multimodality contact center that interfaces with patients, providers, and health plans.

V. CANDIDATE QUALIFICATIONS

The successful candidate will be a results-oriented leader with at least seven years of progressively increased responsibility in a leadership role for one or more healthcare organizations (health plans, IPAs, ACOs, et al). He/she will have demonstrated success in overseeing operations, claims, data sharing systems, customer service and other functions

needed to ensure the smooth and effective operations of a risk-bearing healthcare organization. The successful candidate will have a passion for outstanding customer service and enthusiasm for Canopy's strategic priority of providing a uniquely high level of service to its members.

He/she will have strong experience working within a health plan (commercial and/or government), with experience in California or in a similarly mature managed care market characterized by a delegated model and capitated or other risk sharing contracts. Undergraduate degree is required; graduate degree in health care administration, business, or other relevant field is preferred.

Additional characteristics/experience of the ideal candidate include:

- A track record of successful management and oversight of various operational functions within a health plan; demonstrated ability to execute successfully;
- A strategic and operational leader and operator with substantial experience in addressing issues that affect health plans in a capitated, value-driven marketplace;
- Ability to forecast, anticipate, and respond to trends and challenges and work collaboratively to address them in ways aligned with Canopy Health's goals and strategies;
- A collaborative leader who can successfully coordinate and collaborate with the Canopy Health executive team, provider network, health plan partners, and vendors on operational areas critical to the day-to-day success and functioning of Canopy Health;
- A strong understanding of operations including claims and eligibility and key issues and metrics of success in these areas; experience with lean methodology/processes is a plus;
- Successful experience in managing vendors / vendor relationships;
- Understanding delegated and sub-capitated risk models and relationships with provider groups and healthcare systems;
- Strong understanding of marketing, member engagement, and customer service; ability to develop and operationalize innovative plans, tools and strategies to enable and support member engagement and access to medical and membership information;
- A leader who works well with healthcare providers and has a strong understanding of the operational and financial dynamics of health plans and risk-bearing provider organizations;
- A collaborative leader who can succeed in a dynamic and rapidly changing environment; someone who develops innovative and creative solutions;
- Comfortable working in a small (but well capitalized organization with a lean leadership team.
- Creativity and innovation; the ability to handle ambiguity and succeed in a dynamic landscape.

- Someone who delegates appropriately and effectively; can lead through influence to obtain necessary resources;
- Ability to build strong relationships and communicate effectively with multiple constituents in different sectors.

VI. PROCEDURE FOR CANDIDACY

Meyer Consulting has been exclusively retained to conduct this search. Applications, referrals, and inquiries should be directed to the Network's search consultants, Mike Meyer, Ryan Hubbs and David Linder, via email at canopycoo@meyerconsultinginc.com. We can be reached by phone at 602/321.0753 (Meyer) 347/284.0160 (Hubbs) or 847/902.2550 (Linder). All communication will be treated with full professional confidentiality.