



A UCSF/John Muir Health Joint Venture

CHIEF FINANCIAL OFFICER

CANOPY HEALTH
AND
BAYHEALTH DEVELOPMENT

Emeryville, California

Position Specification

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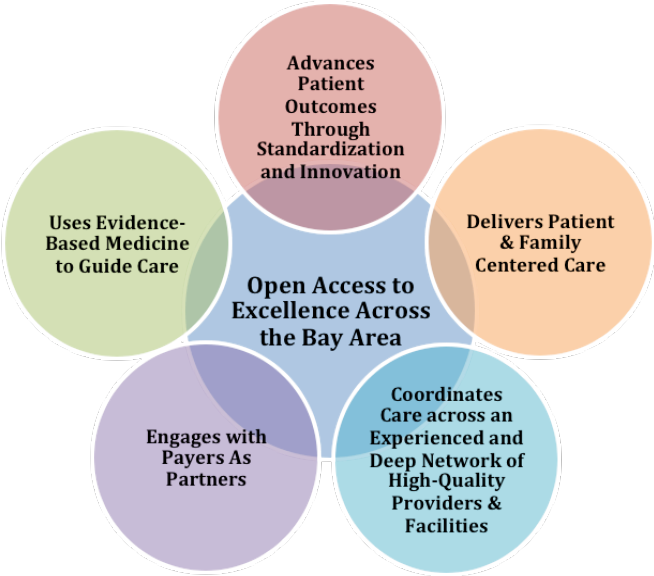
I. ORGANIZATIONAL OVERVIEW – CANOPY HEALTH

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. Canopy Health 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.

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.

Canopy Health 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

Canopy Health Management Team Biographies

- Joel Criste, CEO
- Meg Durbin, M.D., CMO
- Robb Munson, COO

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:

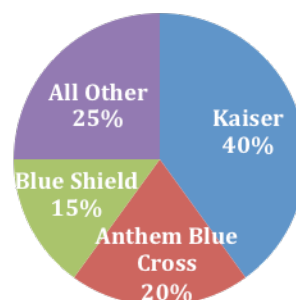
- *Operating Council*: Identifies and resolves operational issues and challenges across Canopy Health, Collaborating Providers, and Canopy Health vendors, attended primarily by Canopy Health and MSO staff along with medical group and hospital operations representatives.
- *UM and QM Committees*: Sets 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 Early Results

In recent years important shifts have occurred 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.

For more information on Canopy Health, please visit: [Canopy Health Website](#)

II. ORGANIZATIONAL OVERVIEW – BAYHEALTH DEVELOPMENT

Founded in 2015, BayHealth Development is a UCSF Health and John Muir Health (JMH) joint venture company focused on infrastructure development supporting the needs of the Canopy

Health accountable care network, and serving as a joint strategic investment vehicle in support of the UCSF/JMH affiliation. BayHealth Development is deeply committed to value creation in the Canopy Health network and our shared vision with UCSF/JMH for innovation in patient experience, access, affordability and quality of care. BayHealth Development partners include:



Formation and Structure

BayHealth, LLC is co-owned, funded and governed by UCSF and John Muir Health. BayHealth's governance includes the CEOs of UCSF and JMH, members of their executive teams, and a senior executive from the University of California Officer of the President. BayHealth's operating budget is approximately \$10m. BayHealth's operations and projects are financed through the investment of UCSF and JMH, with a chargeback mechanism in place in place for products / services provided to Canopy Health and other providers.

BayHealth serves as a joint investment vehicle for UCSF and JMH for projects the two organizations deem strategic and of mutual interest. Such projects include:

- The development and management of care delivery sites and services that enable geographic extension and expansion beyond the partners' core catchment areas;
- The development and delivery of IT solutions aimed at clinical systems integration as well as systems enabling a next generation consumer experience;
- Infrastructure support related to growth in the Canopy Health network;
- Investment in joint ventures and acquisitions that the partners wish to jointly participate in.

BayHealth Development Board of Directors

BayHealth Development has an independent Board of Directors, which serve as the fiduciary board for the corporation. UCSF Health and John Muir Health, as BayHealth Management's investors, have selected nine members of the Board. The Board has a balance of physician, hospital and shareholder representation. Current Board Members include:

- Cal Knight, President and CEO, John Muir Health (Chair)
- Mark Laret, President and CEO, UCSF Health
- Michael Moody, SVP, Partnership, Affiliations and Integration, John Muir Health
- Irving Pike, MD, Chief Medical Officer, John Muir Health
- Jack Stobo, MD, EVP, University of California Health System
- Barrie Strickland, SVP and Chief Financial Officer, UCSF Health

- Bruce Wintraub, MD, Chair of Dermatology, UCSF Health
- David Goldsmith, senior leader in healthcare company investment, financing and guidance (retired)

For more information please visit: [BayHealth Development Board of Directors](#)

BayHealth Development Management Team (Bios in Appendix)

- Chris Willrich, CEO
- Pam Hudson, CIO
- Michael Maldonado

Current BayHealth Development Projects

Development

BayHealth has signed a lease to open a new 73,600 sq. ft. Berkeley Outpatient Center at 3100 San Pablo Ave in Berkeley to serve patients from the Oakland / Berkeley / Emeryville geography. BayHealth is working with the city of Berkeley on the entitlements process and hopes to open in late 2017.

The Outpatient Center will feature an Urgent Care Center open after regular business hours and on weekends, 15 primary care practices staffed by John Muir Health’s Physician Network, a broad array of rotating specialty physicians from UCSF Health and John Muir Health, as well as imaging and lab services. By providing a range of services, including primary care, the goal is to help patients better manage their health and prevent trips to the Emergency Room and hospital.

Strategic Intent:

- Extend the UCSF and JMH catchment areas into a new/contiguous geography;
- Provide Canopy Health with robust clinical services in a market where Canopy’s current network will benefit from additional coverage and access;
- Provide a high-quality, consumer-friendly and affordable alternative to Kaiser, Sutter and Stanford;
- Deliver financial performance that meets the requirements of the investors and establishes a track record that will serve as the basis for like investments in the future.

Information Technology

BayHealth develops IT solutions aimed at clinical integration and care coordination, consumer experience and managing the total cost of care. BayHealth is providing a best-in-class, integrated experience for Canopy Health members that uniquely combines the services of a provider and health plan all in one location – MyCanopyHealth.com. This integrated solution

will expand to all Canopy Health participating physicians and hospitals to ensure access to clinical and other information regardless of where the patient was seen or which HER solution his / her provider uses.

BayHealth is also in the process of building a customer relationship management (CRM) solution so Canopy Health can provide high-touch, concierge services to members, providers, brokers, health plans and other parties.

Strategic Intent:

- Enable ease of referrals and care coordination between UCSF and JMH initially, with extension and expansion of such capabilities to the broader Canopy Health network over time;
- Create consumer-centric mobile application and patient portal platforms that support the needs of both the Berkeley Outpatient Center and the broader Canopy Health network in the areas of: scheduling, price transparency, services access and navigation, virtual visits, and personal health alerts and dashboards;
- Provide systems and platforms supporting a population health / total care accountability agenda;
- Development costs are funded up-front by the partners, with an anticipated return on capital via services agreements with Canopy Health.

Joint Venture and Acquisition

BayHealth will develop joint venture and acquisition opportunities with an emphasis on ambulatory care and ancillary services.

Strategic Intent:

- Enhance Canopy Health network and services access and coverage;
- Extend UCSF and JMH services catchment area into new geographies;
- Leverage and support innovation, advancement and disruption in the care delivery model with an emphasis on quality, access, affordability and consumer experience;
- Generate cash flows supporting BayHealth’s operating requirements and future investment activities.

For more information on BayHealth, please visit: [BayHealth Development website](#)

III. POSITION SUMMARY

Title: Chief Financial Officer, Canopy Health and BayHealth Development

Reports to: Joel Criste, Chief Executive Officer, Canopy Health
Chris Willrich, Chief Executive Officer, BayHealth Development

The Chief Financial Officer (CFO) will be a strategic partner and a key member of Canopy and BayHealth's executive leadership. The CFO will work in close coordination with the leadership teams of Canopy and BayHealth to inform strategy and ensure the financial success and ongoing implementation of strategic goals and priorities. S/he will serve as a visible leader and spokesperson on finance related issues with Canopy and BayHealth's Boards of Directors, with senior finance leadership at UCSF, JMH and other partner providers and health plans, and with local / state governmental agencies.

S/he will have responsibility for the day-to-day financial management and oversight of Canopy Health and BayHealth Development. Areas under the responsibility of the CFO include finance, accounting, budgeting and forecasting, banking relationships, business development and joint-venture support and due diligence, and contracting (through a Director of Contracting).

This role will lead and develop a consolidated finance structure for Canopy Health and BayHealth Development. The consolidated finance structure was created in recognition of the organizations' complimentary needs, and the strategic, operational, geographic and investor alignment between Canopy Health and BayHealth Development. The CFO reports jointly to the CEOs of Canopy Health and BayHealth Development.

The CFO will build and lead a dynamic and entrepreneurial finance team that is agile, scalable and high performing. The CFO is expected to promptly hire a Controller, who will have day-to-day responsibility financial reporting, A/P, audit coordination, project budgeting and accounting, and other areas. A Project Manager is currently in place, reporting to the CFO, who provides project management and support to the management teams. A Director of Contracting also reports to this position.

The CFO will be ultimately responsible for the successful oversight and management of vendor relationships including RSM (accounting, accounts payable processing, et al). KPMG is the auditor for both Canopy and BayHealth.

Expanded duties and responsibilities of the CFO include:

- Participate in developing Canopy and BayHealth's goals and strategic initiatives, and the development of tactics to implement those goals and strategies;
- Build strong relationships and coordinate effectively with Canopy and BayHealth leadership, vendors, investors, partner provider systems, and health plans and other stakeholders;
- Manage finance related communications with Canopy and BayHealth Boards and subcommittees;
- Formulate annual and multi-year budgets; maintain a 12-month rolling forecast;
- Manage capital calls with organizational members / investors;
- Manage treasury functions and banking relationships;

- Lead financial due diligence on joint ventures and acquisitions;
- Have responsibility for annual audits and ensuring compliance;
- Support the formulation of long-term strategic plans and objectives;
- Manage and assess staff and vendor relationships and performance;
- 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.

IV. GOALS AND OBJECTIVES

Within the first 18-24 months, the successful CFO will:

- Build strong, collaborative relationships with the leadership of Canopy and BayHealth, their investors, partner provider systems and health plans, and vendors; established themselves as a proactive, trustworthy finance leader and relationship manager;
- Establish him/herself as a strategic partner and thought leader who can successfully enable the strategic growth and development of Canopy and BayHealth in alignment with their missions and organizational priorities;
- Ensure timely, consistently accurate and seamless financial management for both organizations; ensure fully clean and compliant financial reporting and audits;
- Build and lead high-performing finance team that is proactive, agile, reliable and responsive; assess and effectively manage vendor relationships;
- Provide strategic insight and technical execution for Canopy and BayHealth in pursuit of their strategic objectives and priorities; enable scaling to support rapid growth across the Bay Area;
- 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.
- Demonstrate sound judgment and unimpeachable integrity in his/her actions.

V. CANDIDATE QUALIFICATIONS

The successful candidate will be a results-oriented finance leader with at least seven years of progressive leadership experience for one or more healthcare organizations (health plan, integrated health system / complex hospital, large IPA, ACO, healthcare accounting/finance company). S/he will have demonstrated success in overseeing critical finance / accounting functions needed to ensure the accurate and effective financial management of a risk-bearing healthcare organization. S/he will possess an established track record of ensuring consistently accurate, compliant, timely and clean financial management and reporting.

The successful candidate will be an agile, entrepreneurial and proactive leader with demonstrated success brokering both strategic and tactical financial execution and performance. S/he will have successful leadership experience within 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 as is an MBA and/or CPA.

Additional characteristics/experience of the ideal candidate include:

- A track record of successful management and oversight of financial functions within a health plan or risk-bearing provider entity; demonstrated ability to execute successfully;
- Strategic and tactical; substantial experience in addressing financial issues that affect health plans / risk-bearing provider systems in a capitated, value-driven marketplace; strong understanding of delegated and sub-capitated risk models and relationships;
- Ability to forecast, anticipate, and respond to trends and challenges, working collaboratively with Canopy / BayHealth's executive teams, investors, other provider and health plan partners;
- Collaborative and politically astute; proactively builds and effective relationships with internal and external stakeholders and communicates effectively;
- An adaptable and innovative leader with a tolerance for ambiguity; possesses the ability to lead and thrive in a dynamic environment marked by rapid change;
- Can effectively build, lead, and scale a high-performing finance operation;
- Experience in conducting due diligence for joint ventures; experience in mergers and acquisitions a plus;
- Successful experience in managing vendors / vendor relationships;
- Comfortable working in a small (but well capitalized) organization with a lean leadership team.
- Someone who delegates appropriately and effectively; can lead through influence to obtain necessary resources.

VI. PROCEDURE FOR CANDIDACY

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

Appendix: Canopy and BayHealth Management Team Biographies

Joel Criste, *Chief Executive Officer, Canopy Health*

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, Canopy Health*

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.

Robb Munson, *Chief Operating Officer, Canopy Health*

Robb Munson brings over 25 years of healthcare operations experience to Canopy Health. Prior to joining Canopy in 2017, Munson served for over 20 years in progressive operational leadership roles with Kaiser Permanente, most recently as Vice President, Health Plan Service and Administration for Kaiser's California regions, where he led teams in excess of 1,000 FTEs.

Munson has extensive experience leading and developing teams, and large-scale operational start-up and turnaround experience in health plan administrative operations areas including call centers, membership administration, member services, claims administration, and human resources.

Chris Willrich, Chief Executive Officer, BayHealth Development

Chris Willrich serves as BayHealth's Chief Executive Officer. Prior to BayHealth, Chris spent ten years as a Strategy and Business Development executive with Sutter Health- initially serving as Vice President with CPMC, then moving up to Regional Vice President covering the \$1.8 billion West Bay Region. In this capacity, Chris led joint venture development, service line and physician strategy, and major project capital planning.

Prior to Sutter, Chris was a Principal with MedBridge Development, an ASC development and management company. Chris received his BA from Yale University and his MBA from the Kellogg Graduate School of Management at Northwestern University. He lives in the Oakland hills with his wife and two boys.

Pam Hudson, Chief Information Officer, BayHealth Development

Pam is the Chief Information Officer for BayHealth Development. At BayHealth, she is responsible for IT strategy / development of digital consumer platforms, virtual / population care and analytic solutions. Pam brings 30 years of health information technology, consulting and operations experience.

Prior to joining BayHealth, Pam led large IT enabled programs for Kaiser Permanente, the National Health System in London and most recently for the University of California San Francisco Medical Center. At UCSF, she led their Epic implementation and was responsible for the opening of the new UCSF Medical Center at Mission Bay. She introduced new technologies, such as, Voalte, OneView and robotic TUGS with a focus on enhancing the delivery of care to patients.

Pam continues to hold a position at UCSF, as the Chief Operating Officer for the Center of Digital health Innovation focused on private/public partnerships. Pam began her healthcare career at Stanford Medical Center as a pediatric/neo-natal intensive care nurse.

Michael Monaldo, BayHealth Development

Michael Monaldo currently serves as Vice President for Facilities Development and Real Estate at John Muir Health. He is also integrally involved in the oversight and management of BayHealth's outpatient development initiatives in the East Bay. Michael is responsible for the planning, management and financial aspects of all new construction and renovation projects for John Muir Health. The recent capital program exceeded \$800M during a 4-year period.

Michael is also responsible for real estate transactions for the health system as well as asset management of 900,000 square feet of leased assets. Michael is a licensed architect with more than 20 years experience in major healthcare projects. Prior to joining JMH, Michael was Director of Project Development for Kaiser Permanente.