

**HEALTH DISCIPLINE**  
**PROSPECTIVE NEW CLIENT RISK ASSESSMENT FORM – Page 1**

Prospective Client Name: **American Health Network, Inc.**

Lead Consultant: **Jill Herbold** Principal: **Art Wilmes**

**Type of Client Entity**

- |  |   |  |
|--|---|--|
| Governmental/public (Type: _____)  | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| Core business is risk-taking (Type: _____)                               | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| Stock company or other for-profit:                                       |   |  |
| Publicly traded (Stock exchange listing: _____)                          | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| Subsidiary (Parent: <u>American Health Network of Ohio Corporation</u> ) | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
| Other (Description: _____)   | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| Non-profit or other (Type: _____)  | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |

**Screening and Risk Assessment Questions**

- |  |   |  |                                |
|--|---|--|--------------------------------|
| (a) Is there evidence of a questionable background or history associated with either the owners (for stock companies, other than publicly traded corporations) or the management/trustees? This includes criminal or other questionable backgrounds, association with prior bankruptcies, history of being sued in connection with business / financial practices, or lack of experience or competence in the field. | <input type="checkbox"/> NA <sup>(1)</sup>            | <input checked="" type="checkbox"/> No | <input type="checkbox"/> Other |
| (b) Financial stability and capitalization:  | <input checked="" type="checkbox"/> NA <sup>(2)</sup> | <input type="checkbox"/> No            | <input type="checkbox"/> Other |
| • Existing entity: Has the company been financially unstable, does it currently operate with inadequate capital/surplus, or can it otherwise be reasonably expected to face a precarious financial position?   |   |  |                                |
| • Start-up: Is the company inadequately capitalized or can it otherwise be reasonably expected to face a precarious financial position?  |   |  |                                |
| (c) Is the entity currently, or has it been within the past five years, under court or regulatory oversight?   | <input checked="" type="checkbox"/> NA <sup>(2)</sup> | <input type="checkbox"/> No            | <input type="checkbox"/> Other |
| (d) If the work involves an actuarial statement of opinion for a regulatory filing, did the previous actuary depart either voluntarily or involuntarily?   | <input checked="" type="checkbox"/> NA <sup>(3)</sup> | <input type="checkbox"/> No            | <input type="checkbox"/> Other |
| (e) Is there a history of suing professionals or evidence of litigiousness, based on the information obtained through client screening or conflict checking?   |   | <input checked="" type="checkbox"/> No | <input type="checkbox"/> Other |

(1) Mark "NA" only if the prospective client is a governmental / public entity.

(2) Mark "NA" only if the core business of the prospective client is *not* risk-taking.

(3) Mark "NA" only if work does not involve an actuarial statement of opinion for a regulatory filing.

**FORWARD COPY OF SIGNED FORM TO CORPORATE LEGAL STAFF**

(include copy of terms and conditions, if a "Conditioned Acceptance")

**HEALTH DISCIPLINE**  
**PROSPECTIVE NEW CLIENT RISK ASSESSMENT FORM – Page 2**

Prospective Client Name: American Health Network, Inc.

**Client Risk Assessment Statement**

1. **Standard Acceptance** – I have undertaken a risk assessment of this prospective new client, and affirm that:

- (a) Client screening has been completed by Milliman corporate staff, no material adverse findings are present, and the screening results are documented in the files;
- (b) Answers to Screening and Risk Assessment Questions (a) – (e) on Page 1 are all "NA" or "No";
- (c) Sufficient information to make this risk assessment has been assembled and is documented in the files; and
- (d) I have assessed the risk to Milliman of this prospective client, and I am not aware of any factors that would create material adverse risk to the Firm.

Arthur Wilson

Principal

6/20/2014

Date

2. **Non-Acceptance** – I have undertaken a risk assessment of this prospective new client, and based on those results have declined or chosen not to pursue an engagement.

Principal

Date

3. **Conditioned Acceptance** – I have undertaken a risk assessment of this prospective new client, and affirm that:

- (a) Client screening has been completed by Milliman corporate staff, the screening results have been provided to the Health Practice Director, and they are documented in the files;
- (b) A comprehensive written explanation addressing each of the Screening and Risk Assessment Questions (a) – (e) for which the answer is "Other" has been provided to the Health Practice Director and is documented in the files;
- (c) Sufficient information to make this risk assessment has been assembled, such material has been provided to the Health Practice Director, and it is documented in the files;
- (d) The prospective client is willing to accept all standard provisions of Milliman's CSA (or alternative wording and provisions acceptable to the Health Practice Director and either the Chief Risk Officer or the ERC or Board, whichever is appropriate, under the circumstances of a "qualified acceptance");
- (e) I have assessed the risk to Milliman of this prospective client, recognize that certain adverse risk factors are or may be present, and believe that they can be adequately managed; and
- (f) I have received written permission from the Health Practice Director to accept the client, with accompanying terms and conditions for undertaking any engagement (copy to be attached).

Principal

Date

**From:** [Jill Herbold](#)  
**To:** [Susan Simonson](#)  
**Subject:** FW: AMERICAN HEALTH NETWORK OF OHIO PROFESSIONAL CORPORATION SCREEN RESULTS  
**Date:** Friday, June 27, 2014 7:55:49 AM  
**Attachments:** [Advanced Scoring Report AMERICAN HEALTH NETWORK OF OHIO, PROFESSIONAL CORPORATION 25062014200704.pdf](#)  
[Advanced Scoring Report AMERICAN HEALTH NETWORK, INC. 25062014210859.pdf](#)  
[image001.png](#)

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This information should be added to the .pdf's for AHN. (AHN, AOH, APR).

**Jill Herbold** | Consulting Actuary | [jill.herbold@milliman.com](mailto:jill.herbold@milliman.com)  
Milliman | Chase Tower/Circle | 111 Monument Circle, Suite 601 | Indianapolis, IN 46204-5128 | USA  
Tel +1 317 524 3538 | Fax +1 317 639 1001 | [milliman.com](http://milliman.com)



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**From:** sharepoint@milliman.com [mailto:sharepoint@milliman.com]  
**Sent:** Friday, June 27, 2014 12:21 AM  
**To:** Jill Herbold  
**Cc:** Bryan Rivard; Brandy Wilson  
**Subject:** AMERICAN HEALTH NETWORK OF OHIO PROFESSIONAL CORPORATION SCREEN RESULTS

This is to inform you that your client screening request has been completed by Chelo Gable (Contractor)

#### **AMERICAN HEALTH NETWORK OF OHIO PROFESSIONAL CORPORATION**

<b>Request Date:</b>	<b>06-16-2014</b>
<b>Requestor:</b>	<b>Jill Herbold</b>
<b>Discipline:</b>	<b>Health</b>
<b>Company Name:</b>	<b>AMERICAN HEALTH NETWORK OF OHIO PROFESSIONAL CORPORATION</b>
<b>On High Risk Client List? :</b>	No
<b>A.M. Best Rating :</b>	N/A
<b>Moody's Rating :</b>	N/A
<b>D&amp;B Credit Score Class :</b>	3 (Moderate risk of severe payment delinquencies over the next 12 months.)
<b>D&amp;B Financial Stress Class :</b>	4 (Moderate to high risk of severe financial stress, such as bankruptcy, over the next 12 months.)
<b>WorldCheck Rating :</b>	N/A;
<b>Ownership :</b>	

Little information is available on American Health Network of Ohio Professional Corporation (AHNOPC), therefore I have focused my research its (according to Dunn & Bradstreet) its subsidiary, American Health Network (AHN), which is based in Indianapolis, IN and formed

in 1994 by Dr. Ben Park and a group of physicians. AHN a private physician and employee owned PPO operating in Indiana and Ohio. In July 2012, Franciscan Alliance and American Health Network formed an Accountable Care Organization (ACO) to participate in the Medicare program.

### **Officers :**

The officers named below were profiled using Google and Factiva sources and were screened for criminal/civil litigation using LexisNexis. Insofar as my research indicates, there is no evidence of issues of an adverse nature for the noted officers. The individuals screened are as follows:

- **President/CEO, AHN:** Ben H. Park, MD - Limited bio information on Dr. Park is available here: <http://www.ahni.com/find-a-provider/?mode=detail&id=122>
- **CFO/COO, AHN:** Mike Kirschner - Mr. Kirschner has held this role since 1996.

### **Prior Health Risk Assessment :**

N/A

### **Noteworthy News :**

A scan of local and national newspapers, news wires, trade journals, transcripts and Internet search engines yields no evidence of negative coverage of AHNOPC or AHN. Most attention by the media was paid to health announcements, executive or physician placements within the PPO and the like, with examples below. For your interest, AHN offers news items exemplifying the nature of its operations at its website here :

<https://www.ahni.com/News.html>

- **June 2013:** Three years ago, the physician practice American Health Network (AHN) was concerned that the boom in employer on-site clinics would hurt its business. So it launched a program aimed at managing the health of employers' workers. And it has come up with some impressive results. "The real impact comes from the personal relationship with the nurse," said Mary Delaney, director of the employee health program at American Health. "That is what is missing in health care." She noted, for instance, that efforts to help an employee stop smoking are likely to be futile unless they also address the stressors in a person's life, which lead him or her to smoke. And that can only be done via a relationship that develops in recurring conversations. American Health now serves 13 employers with roughly 8,000 people on their health plans. (Source: The Indianapolis Business Journal, June 3, 2013)
- **July 2012:** Franciscan Alliance and American Health Network have forged an agreement in accord with Centers for Medicare and Medicaid (CMS). The Franciscan AHN Accountable Care Organization is among the first selected nationally to participate in the Medicare Shared Savings Program, a new multifaceted service sponsored by CMS. (Source: IndyStar, Jul 17, 2012)

### **Litigation History :**

Screening for litigation using news sources, Internet search engines, and Lexis' state and federal cases database and dockets, research discovered no litigation which names AHNOPC and only minimal evidence of litigation concerning AHN, primarily addressing employee driven issues regarding allegations of a variety of forms of discrimination, with no evidence of negative results to the entity. In addition, to the extent of my research, I found no evidence of AHN's involvement in litigation with financial or actuarial advisors.

### **Comments :**

Please note that AHN was last screened by Dave Roumonada on May 30, 2014 for Jill Herbold, and prior to that, by Chelo Gable in September 2012. I found no information of executive leadership specific to AHNOPC, however the officers for AHN screen acceptably. Insofar as my research indicated, neither officer appears to be involved currently in any

personal litigation, professional misconduct or criminal activity. At the entity level, I found no evidence of recent adverse attention through media coverage or litigation activity for either AHNOPC or AHN. At the financial level, AHNOPC scores are not optimal. The organization receives a D&B credit score class of "3," indicating a moderate risk of slow payment, and a financial stress class of "4," indicating a moderate to high risk of severe financial stress. Please note that these scores are based on only 6 payment experiences. As for AHN's scores, D&B's most recent report released February 27, 2014 offers a softening of AHN's ratings picture since it was last screened, with a downgraded assigned Credit Score Class rating of "3", down from an excellent "1" in our initial screen, and a marginally acceptable Financial Stress Class rating of "3", unchanged. These scores are based on 165 payment experiences. I also found evidence of 5 suits against AHN. I will leave it to your discretion as to whether a retainer is warranted. In conclusion, I found no evidence to suggest that doing business with AHNOPC or AHN would pose undue risk to Milliman.

I hope this helps with your decision as to the suitability of AHNOPC as a Milliman client. Please do not hesitate to contact me and I will be happy to assist you.

Chelo

NOTE: Please do not reply to  
this automated notice.



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Page 1 of 5

## AMERICAN HEALTH NETWORK OF OHIO, PROFESSIONAL CORPORATION

D-U-N-S® 04-670-8362

Single  
1980 Bethel Rd Ste 100,  
Columbus, OH 43220

Phone 614 451-3114

### Advanced Scoring Report

Purchase Date: 06/25/2014  
Last Update Date: 06/09/2014  
Attention: legal

### Executive Summary

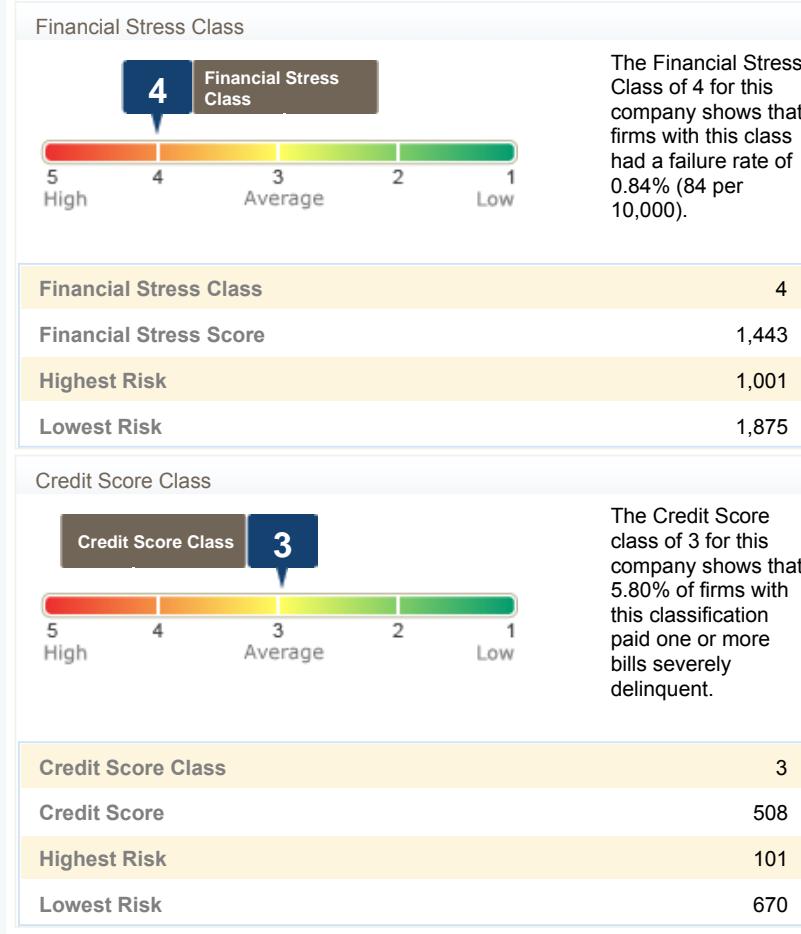
#### Company Info

Year Started	2011	Employees	5
Control Year	2011		
*** Update available on request ***			

This information is being provided to you immediately in the interest of speed. This report may not reflect the current status of this business. D&B can investigate this business and update the information based on the results of that investigation.

By ordering a standard investigation the same day you order this report, an updated report will be provided to you at no extra cost.

#### Predictive Analytics

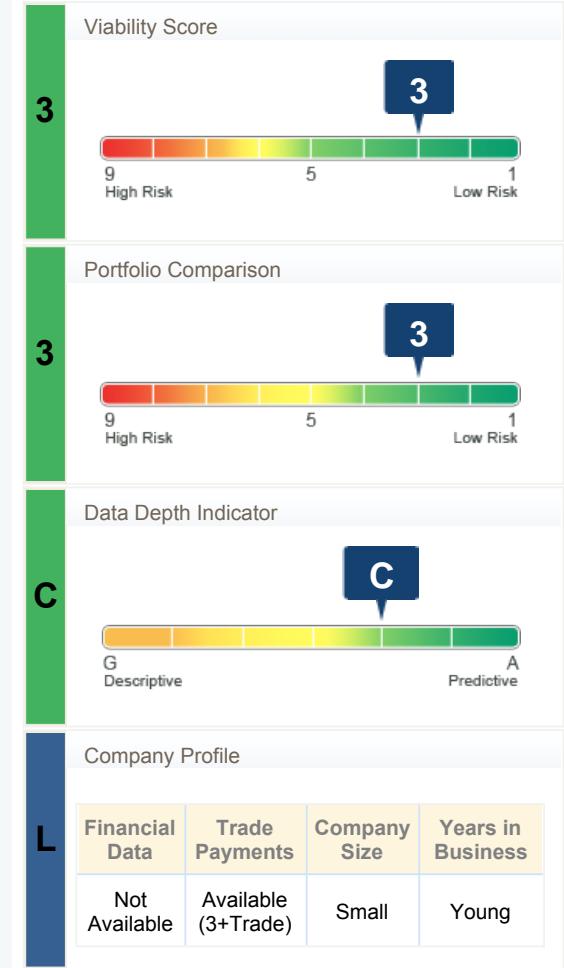


#### D&B Rating

D&B Rating	DS
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#### D&B Viability Rating

D&B Viability Rating	3	3	C	L
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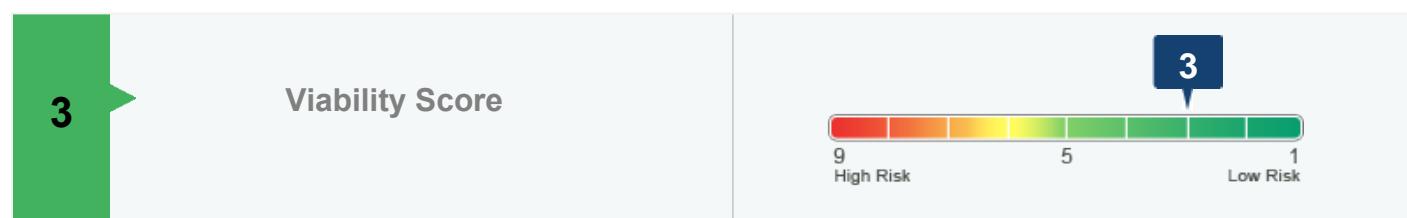
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## Business Information

Business Summary		Credit Capacity Summary	
SIC	8099 Health/allied services		
NAICS	621999 All Other Miscellaneous Ambulatory Health Care Services		
D&B Rating		DS	
Payment Activity (based on 6 experiences)	USD	Average High Credit	\$333
Highest Credit	750	Total Highest Credit	2,000

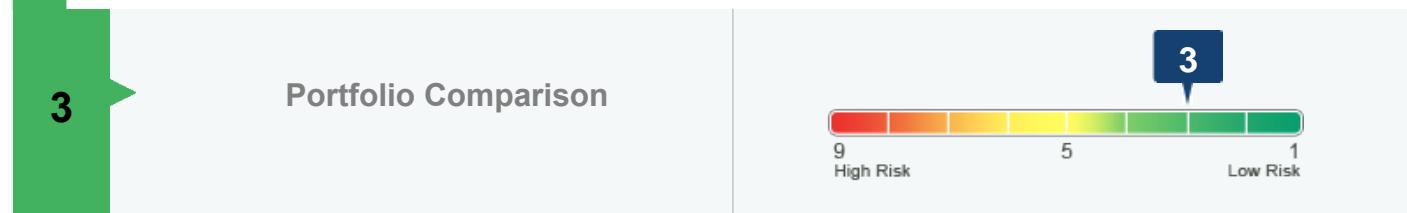
### D&B Viability Rating

The D&B Viability Rating uses D&B's proprietary analytics to compare the most predictive business risk indicators and deliver a highly reliable assessment of the probability that a company will no longer be in business within the next 12 months.



#### Compared to All US Businesses within D&B Database:

- Level of risk: **Low Risk**
- Businesses ranked 3 have a probability of becoming no longer viable: **3%**
- Percentage of businesses ranked 3: **15%**
- Across all US businesses, the average probability of becoming no longer viable: **14%**



#### Compared to all Businesses within the same MODEL SEGMENT:

Model Segment: **Established Trade Payments**

- Level of risk: **Low Risk**
- Businesses ranked 3 within this model segment have a probability of becoming no longer viable: **3%**
- Percentage of businesses ranked 3 within this model segment: **11%**
- Within this model segment, the average probability of becoming no longer viable: **5%**



#### Data Depth Indicator Details:

- ✓ Rich Firmographics



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- ✓ Extensive Commercial Trading Activity
- ✗ No Financial Attributes

Greater data depth can increase the precision of the D&B Viability Rating assessment.

You have the ability to influence the confidence of the viability assessment by asking the business to report more information to D&B at <https://iupdate.dnb.com/iUpdate/>

## Company Profile

Financial Data	Trade Payments	Company Size	Years in Business
Not Available	Available (3+Trade)	Small	Young

### Company Profile Details:

- Financial Data: **Not Available**
- Trade Payments: **Available (3+Trade)**
- Business Size: **Small** (Employees: <10 or Sales: <\$10K or Missing)
- Years in Business: **Young** (<5)

## Industry Data

### SIC

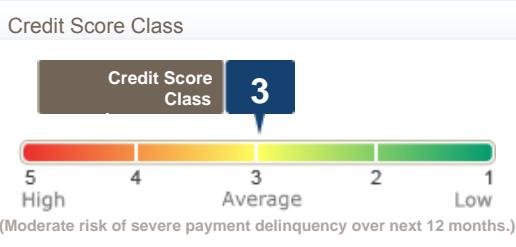
Code	Description
80990000	Health and allied services, nec

### NAICS

Code	Description
621999	All Other Miscellaneous Ambulatory Health Care Services

## Commercial Credit Score

### Summary



### Incidence of Delinquent Payment

Among Companies with This Class	5.80%
Average Compared to All Businesses	10.20%
Credit Score Percentile	57
Credit Score	508
Number of Payment Experiences	6

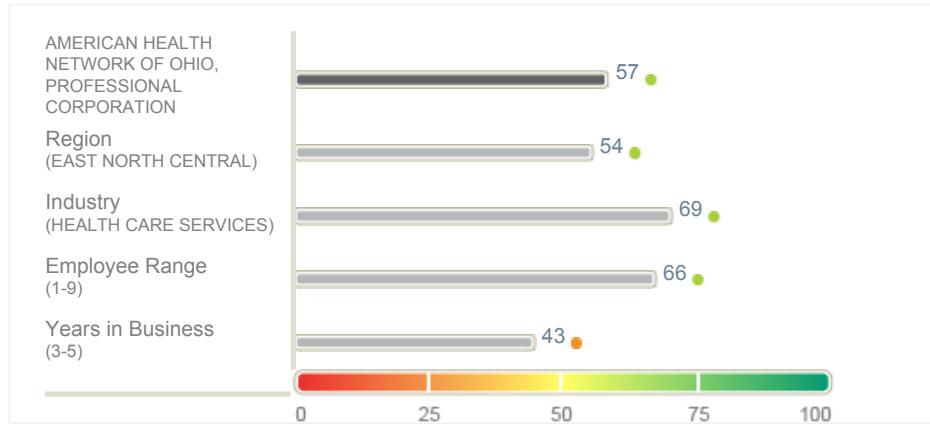
## Key Factors

- Limited time under present management control
- Higher risk industry based on delinquency rates for this industry
- Recent high balance past due
- Proportion of past due balances to total amount owing
- Variable Paydex over last 12 months

### Notes:

- The Credit Score Class indicates that this firm shares some of the same business and payment characteristics of other companies with this classification. It does not mean the firm will necessarily experience delinquency.
- The Incidence of Delinquent Payment is the percentage of companies with this classification that were reported 91 days past due or more by creditors. The calculation of this value is based on D&B's trade payment database.
- The Credit Score Percentile reflects the relative ranking of a firm among all scorable companies in D&B's file.
- The Credit Score offers a more precise measure of the level of risk than the Class and Percentile. It is especially helpful to customers using a scorecard approach to determining overall business performance.

## Credit Score Percentile Norms Comparison



- Lower risk than other companies in the same region.
- Higher risk than other companies in the same industry.
- Higher risk than other companies in the same employee size range.
- Lower risk than other companies with a comparable number of years in business.

## Financial Stress Score

### Summary



### Financial Stress Score Percentile

Financial Stress National Percentile	31
Financial Stress Score	1443
Probability of Failure with This Score	0.84%
Failure per 10K	84/10,000
Average Failure Rate within D&B database	0.48%
Failure per 10K	48/10,000
Number of Payment Experiences	6

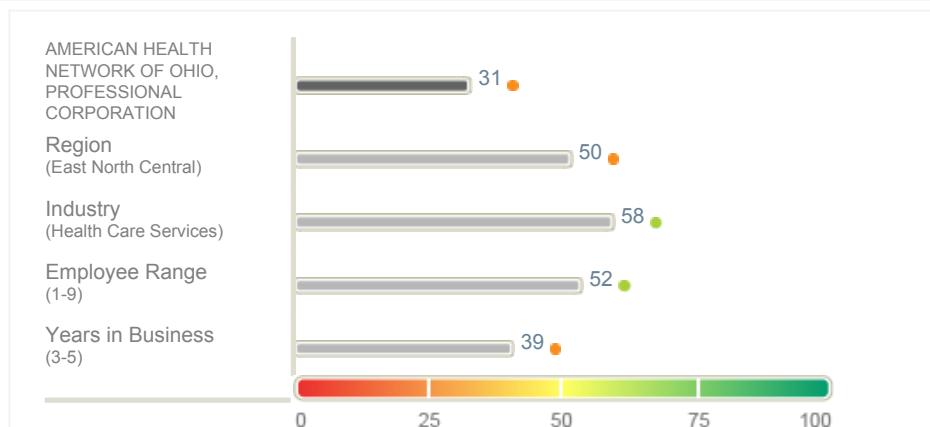
### Key Factors

- Limited time under present management control
- Low proportion of satisfactory payment experiences to total payment experiences.
- Low Paydex Score.

### Notes:

- The Financial Stress Class indicates that this firm shares some of the same business and financial characteristics of other companies with this classification. It does not mean the firm will necessarily experience financial stress.
- The probability of failure shows the percentage of firms in a given percentile that discontinue operations with loss to creditors. The average probability of failure is based on businesses in D&B's database and is provided for comparative purposes.
- The Financial Stress National Percentile reflects the relative ranking of a company among all scorable companies in D&B's file.
- The Financial Stress Score offers a more precise measure of the level of risk than the Class and Percentile. It is especially helpful to customers using a scorecard approach to determining overall business performance.

## Financial Stress Percentile Comparison



- Higher risk than other companies in the same region.
- Higher risk than other companies in the same industry.
- Higher risk than other companies in the same employee size range.
- Higher risk than other companies with a comparable number of years in business.



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Page 1 of 5

## AMERICAN HEALTH NETWORK, INC.

D-U-N-S® 87-288-7997 Headquarters(Subsidiary)  
10689 N Pennsylvania St  
Ste 200,  
Indianapolis, IN 46280

Phone 317 580-6309  
Fax 317-580-3699

## Advanced Scoring Report

Purchase Date: 06/25/2014  
Last Update Date: 02/27/2014  
Attention: legal

### Executive Summary

#### Company Info

Year Started	1994	Employees	1,170
Control Year	1998	Employees Here	80 at this location
CEO	BEN PARK, CEO	Trade Styles	(SUBSIDIARY OF AMERICAN HEALTH NETWORK OF OHIO PROFESSIONAL CORPORATION, COLUMBUS, OH)

#### Predictive Analytics

Financial Stress Class	
Financial Stress Class	3
5 High	4
Average	3
2	1 Low
The Financial Stress Class of 3 for this company shows that firms with this class had a failure rate of 0.24% (24 per 10,000).	3
Financial Stress Score	1,476
Highest Risk	1,001
Lowest Risk	1,875

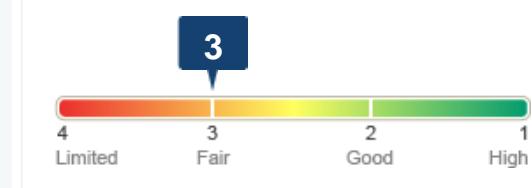
Credit Score Class	
Credit Score Class	3
5 High	4
Average	3
2	1 Low
The Credit Score class of 3 for this company shows that 5.80% of firms with this classification paid one or more bills severely delinquent.	3
Credit Score Class	3
Credit Score	497
Highest Risk	101
Lowest Risk	670

#### D&B Rating

D&B Rating

1R3

#### Composite Credit Appraisal



#### D&B Viability Rating

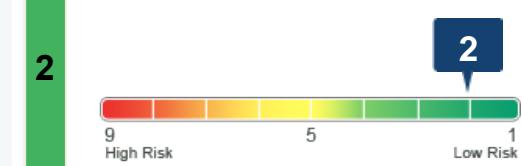
D&B Viability Rating

3 | 2 | B | Z

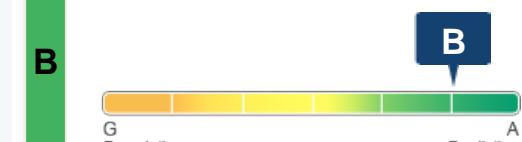
#### Viability Score



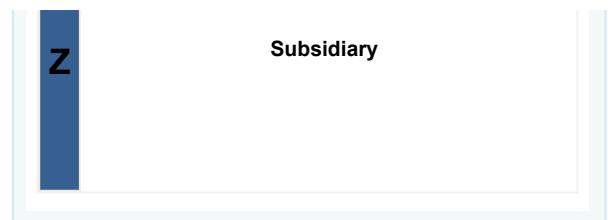
#### Portfolio Comparison



#### Data Depth Indicator



#### Company Profile

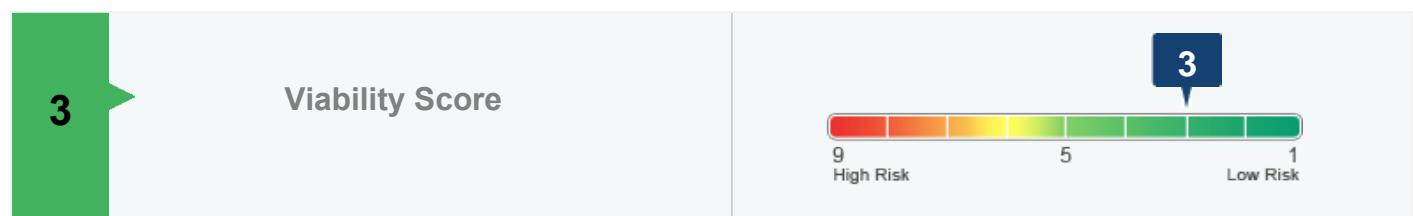


## Business Information

Business Summary		Credit Capacity Summary	
Branch & Division	YES	D&B Rating	1R3
SIC	8011 Medical doctor's office	Prior D&B Rating	1R3
NAICS	621111 Offices of Physicians (except Mental Health Specialists)	Rating Date	02/22/2008
History Status	CLEAR	Payment Activity (based on 165 experiences)	USD
		Average High Credit	\$7,856
		Highest Credit	100,000
		Total Highest Credit	1,042,850

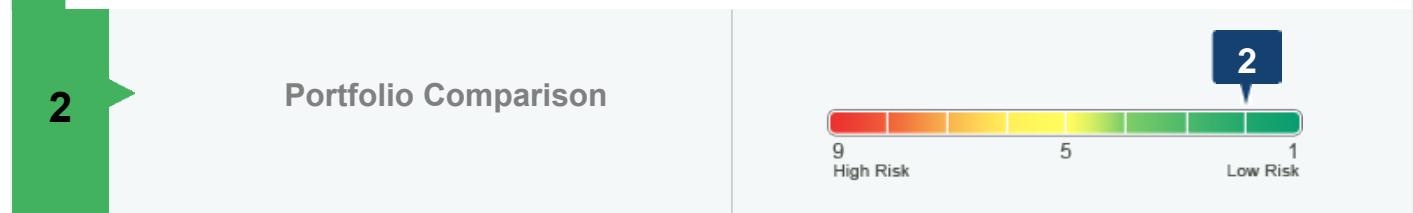
## D&B Viability Rating

The D&B Viability Rating uses D&B's proprietary analytics to compare the most predictive business risk indicators and deliver a highly reliable assessment of the probability that a company will no longer be in business within the next 12 months.



### Compared to All US Businesses within D&B Database:

- Level of risk: **Low Risk**
- Businesses ranked 3 have a probability of becoming no longer viable: **3%**
- Percentage of businesses ranked 3: **15%**
- Across all US businesses, the average probability of becoming no longer viable: **14%**



### Compared to all Businesses within the same MODEL SEGMENT:

Model Segment: **Established Trade Payments**

- Level of risk: **Low Risk**
- Businesses ranked 2 within this model segment have a probability of becoming no longer viable: **3%**
- Percentage of businesses ranked 2 within this model segment: **16%**
- Within this model segment, the average probability of becoming no longer viable: **5%**



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Page 3 of 5

**B**

## Data Depth Indicator



### Data Depth Indicator Details:

- ✓ Rich Firmographics
- ✓ Extensive Commercial Trading Activity
- ✓ Basic Financial Attributes

Greater data depth can increase the precision of the D&B Viability Rating assessment.

You have the ability to influence the confidence of the viability assessment by asking the business to report more information to D&B at <https://iupdate.dnb.com/iUpdate/>

**Z**

## Company Profile

### Subsidiary

## Special Events

As of 11/04/2013

Business address has changed from 10333 N Meridian St Ste 450, Indianapolis, IN, 46290 to 10689 N Pennsylvania St Ste 200, Indianapolis, IN, 46280.

## Industry Data

### SIC

Code	Description
80119901	General and family practice, physician/surgeon

### NAICS

Code	Description
621111	Offices of Physicians (except Mental Health Specialists)

## Indicators

### Public Filings Summary

The following data includes both open and closed filings found in D&B's database on this company

Record Type	No. of Records
Judgment	0
Lien	0
Suit	5
UCC	152

### Public Filings

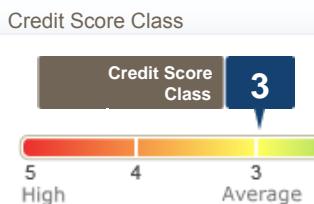


■ Bankruptcy ■ Judgment ■ Lien ■ Suit ■ UCC

## Commercial Credit Score



## Summary



(Moderate risk of severe payment delinquency over next 12 months.)

## Incidence of Delinquent Payment

Among Companies with This Class	5.80%
Average Compared to All Businesses	10.20%
Credit Score Percentile	49
Credit Score	497
Number of Payment Experiences	165

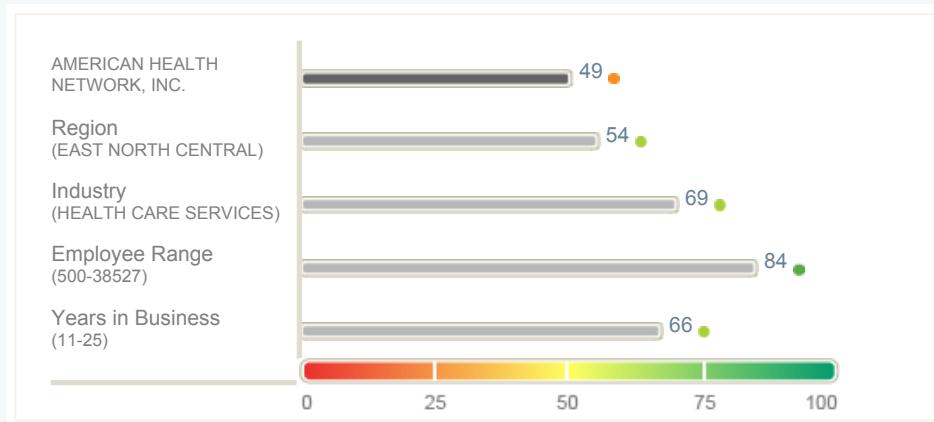
## Key Factors

- Proportion of past due balances to total amount owing
- Proportion of slow payments in recent months
- Increase in proportion of delinquent payments in recent payment experiences
- Evidence of open suits
- Higher risk industry based on delinquency rates for this industry

### Notes:

- The Credit Score Class indicates that this firm shares some of the same business and payment characteristics of other companies with this classification. It does not mean the firm will necessarily experience delinquency.
- The Incidence of Delinquent Payment is the percentage of companies with this classification that were reported 91 days past due or more by creditors. The calculation of this value is based on D&B's trade payment database.
- The Credit Score Percentile reflects the relative ranking of a firm among all scorable companies in D&B's file.
- The Credit Score offers a more precise measure of the level of risk than the Class and Percentile. It is especially helpful to customers using a scorecard approach to determining overall business performance.

## Credit Score Percentile Norms Comparison



- Higher risk than other companies in the same region.
- Higher risk than other companies in the same industry.
- Higher risk than other companies in the same employee size range.
- Higher risk than other companies with a comparable number of years in business.

## Financial Stress Score

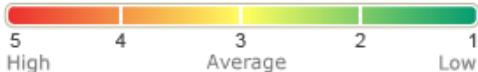


## Summary

### Financial Stress Class

Financial Stress Class

3



## Financial Stress Score Percentile

Financial Stress National Percentile	49
Financial Stress Score	1476
Probability of Failure with This Score	0.24%
Failure per 10K	24/10,000
Average Failure Rate within D&B database	0.48%
Failure per 10K	48/10,000
Number of Payment Experiences	165

## Key Factors

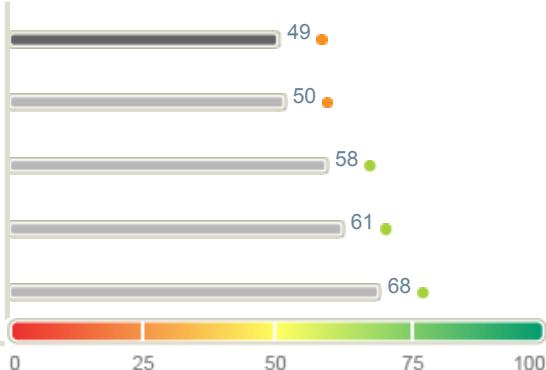
- Composite credit appraisal is rated fair.
- UCC Filings reported.
- High number of inquiries to D&B over last 12 months.
- Low proportion of satisfactory payment experiences to total payment experiences.
- High proportion of past due balances to total amount owing.

## Notes:

- The Financial Stress Class indicates that this firm shares some of the same business and financial characteristics of other companies with this classification. It does not mean the firm will necessarily experience financial stress.
- The probability of failure shows the percentage of firms in a given percentile that discontinue operations with loss to creditors. The average probability of failure is based on businesses in D&B's database and is provided for comparative purposes.
- The Financial Stress National Percentile reflects the relative ranking of a company among all scorable companies in D&B's file.
- The Financial Stress Score offers a more precise measure of the level of risk than the Class and Percentile. It is especially helpful to customers using a scorecard approach to determining overall business performance.

## Financial Stress Percentile Comparison

AMERICAN HEALTH NETWORK, INC.

Region  
(East North Central)Industry  
(Health Care Services)Employee Range  
(500+)Years in Business  
(11-25)

- Higher risk than other companies in the same region.
- Higher risk than other companies in the same industry.
- Higher risk than other companies in the same employee size range.
- Higher risk than other companies with a comparable number of years in business.

**From:** [Jill Herbold](#)  
**To:** [Susan Simonson](#)  
**Subject:** FW: FRANCISCAN ALLIANCE, INC. SCREEN RESULTS  
**Date:** Tuesday, June 17, 2014 12:13:32 PM  
**Attachments:** [06-15-2014FRANCISCAN\\_ALLIANCE,\\_INC.pdf](#)  
[image001.png](#)

---

**Jill Herbold** | Consulting Actuary | [jill.herbold@milliman.com](mailto:jill.herbold@milliman.com)  
Milliman | Chase Tower/Circle | 111 Monument Circle, Suite 601 | Indianapolis, IN 46204-5128 | USA  
Tel +1 317 524 3538 | Fax +1 317 639 1001 | [milliman.com](http://milliman.com)



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**From:** sharepoint@milliman.com [mailto:[sharepoint@milliman.com](mailto:sharepoint@milliman.com)]  
**Sent:** Sunday, June 15, 2014 12:27 PM  
**To:** Jill Herbold  
**Cc:** Bryan Rivard; Brandy Wilson  
**Subject:** FRANCISCAN ALLIANCE, INC. SCREEN RESULTS

This is to inform you that your client screening request has been completed by Dave Roumonada (Contractor)

**Franciscan Alliance, Inc.**

<b>Request Date:</b>	<b>05-30-2014</b>
<b>Requestor:</b>	<b>Jill Herbold</b>
<b>Discipline:</b>	<b>Health</b>
<b>Company Name:</b>	Franciscan Alliance, Inc. ("FAI")
<b>On High Risk Client List? :</b>	No
<b>A.M. Best Rating :</b>	N/A
<b>Moody's Rating :</b>	Aa3 (the rating, affirmed October 2013, applies to bonds judged to be of high quality subject to very low credit risk. Outlook: Negative)
<b>D&amp;B Credit Score Class :</b>	3 (Moderate risk of severe payments delinquency over the next 12 months)
<b>D&amp;B Financial Stress Class :</b>	3 (Moderate risk of severe financial stress, such as bankruptcy, over the next 12 months)
<b>WorldCheck Rating :</b>	N/A;

## **Ownership :**

FAI, headquartered in Mishawaka, IN is a non-profit hospital system founded initially in 1875 by Roman Catholic sisters of the Franciscan Order. Known initially as the Sisters of St. Francis Health Services, Inc., the entity was renamed in 2010. FAI offers full medical services, including insurance through its wholly owned Indianapolis-based health insurer Advantage Health Solutions Inc., through 14 hospitals located in Indiana and Illinois. In 2012, FAI was selected to participate in a Pioneer Accountable Care Organizations (ACOs) initiative by the U.S. Department of Health and Human Services.

## **Officers :**

The officers named below were profiled using Google and Factiva sources and were screened for criminal/civil litigation using LexisNexis. Insofar as my research indicates, there is no evidence of issues of an adverse nature for the noted officers. The individuals screened are as follows:

- **Chairperson-Board of Trustees:** Sister Jane Marie Klein, OSF
- **Chief Medical Officer:** Mr. Albert Tomchaney, M.D.
- **CEO-Northern Indiana Region:** Mr. Gene Diamond
- **CEO- Franciscan St. Francis Health:** Mr. Robert J. Brody

## **Prior Health Risk Assessment :**

N/A

## **Noteworthy News :**

A scan of local and national newspapers, news wires, trade journals, transcripts and Internet search engines yields limited evidence of negative coverage of FAI. Most attention by the media was paid to discussions of issues faced by medical service providers, hinting at rising costs and complicated procedures due to changes in processes for reimbursing hospitals for services rendered, health announcements, executive or physician placements and the like, with examples below.

- **January 2014:** Gene Diamond, CEO of the Franciscan Alliance's five-hospital Northern Indiana Region, says hospitals are seeing increased activity from federal Recovery Audit Contractors and other auditors. Diamond says that they're experiencing a rising tide of demands for records and it is taxing them and necessitating that they spend more time and money not only finding those records, but also handling the requests for explanations. Moreover, when hospitals receive denials, they must appeal with justifications. They've had to add staff and considerable resources to address these issues. And his system is not alone. In the most recent American Hospital Association survey of hospitals, 47% of the 1,273 responding hospitals reported increased medical records requests since the fourth quarter of 2012. (*Source: Hospitals and Health Networks, January 1, 2014.*)
  
- **December 2013:** Recent staffing cuts at hospitals in Indiana and around the country are forcing nurses and other health workers to shift the focus of their job searches and leaving them wondering about their futures. IU Health, St. Vincent Health and Franciscan Alliance have cut nearly 2,000 jobs this year, about a fourth of them in nursing. Nationally, the health-care industry has lost more than 41,000 jobs this year. The cuts are the product of declining admissions and falling revenue, and they're

making it more difficult for nurses to find hospital jobs and for nursing students to get their first break.. (*Source: Associated Press Newswires-The Indianapolis Star, December 8, 2013*).

### **Litigation History :**

Screening for litigation using news sources, Internet search engines, and Lexis' state and federal cases database and dockets, research discovered minimal evidence of litigation concerning FAI, with the relatively low volume of casework addressing employee issues or allegations of medical malpractice, issues common to an entity of this type. Overall, I found no evidence the elements of FAI have experienced materially negative results from litigation, nor did I find evidence of FAI's involvement in litigation with financial or actuarial advisors.

### **Comments :**

At the executive management level, FAI screens acceptably. Insofar as my research indicated, the noted officers associated with FAI do not appear to be involved currently in any personal litigation, professional misconduct or criminal activity.

At the entity level, research found no evidence of recent adverse attention through either media coverage or litigation activity with FAI.

Regarding FAI's financial condition, D&B's analysts' most recent report released April 14, 2014 offers a marginally acceptable ratings picture with an assigned Credit Score Class rating of "3" and a Financial Stress Class rating of "3", indications of an entity judged to experience a moderate risk of either payment issues or financial distress in the near term. Additionally, on October 30, 2013, Moody's Investors Service has affirmed the Aa3 ratings of FAI's \$1.1 billion bonds. The rating is for a debt obligation judged to be of high quality subject to low credit risk. However, the service revised its outlook to negative from stable.

To the extent of my research, I found no evidence to suggest an engagement in business with FAI poses undue risk to Milliman in the near term.

Jill, should you require additional information regarding FAI, please do not hesitate to contact me and I will be happy to assist you.

- Dave

**NOTE:** Please do not  
reply to this automated  
notice.



Decide with Confidence

Page 1 of 5

## FRANCISCAN ALLIANCE, INC.

D-U-N-S® 07-430-3694 Headquarters  
Mailing Address PO BOX 310 1515 Dragoon Trl,  
IN 46546 Mishawaka, Mishawaka, IN 46544  
Website: www.ssfhs.org

Phone 574 256-3935  
Fax 574-256-0267

## Advanced Scoring Report

Purchase Date: 06/15/2014  
Last Update Date: 04/14/2014  
Attention: dave

### Executive Summary

#### Company Info

Year Started	1974	Employees	9,000
Control Year	1974	Employees Here	25 at this location
CEO	KEVIN D LEAHY, PRES	Trade Styles	SAINT JAMES HOSPITAL; SAINT CLARE MEDICAL CENTER; SAINT ELIZABETH HOSPITAL

#### Predictive Analytics

Financial Stress Class		3	The Financial Stress Class of 3 for this company shows that firms with this class had a failure rate of 0.24% (24 per 10,000).
5	High	4	
4	Average	3	
3		2	
2		1	
1			

Financial Stress Class	3
Financial Stress Score	1,504
Highest Risk	1,001
Lowest Risk	1,875

Credit Score Class		3	The Credit Score class of 3 for this company shows that 5.80% of firms with this classification paid one or more bills severely delinquent.
5	High	4	
4	Average	3	
3		2	
2		1	
1			

Credit Score Class	3
Credit Score	491
Highest Risk	101
Lowest Risk	670

#### D&B Rating

D&B Rating

--

#### D&B Viability Rating

D&B Viability Rating

4 5 B G

#### Viability Score

4



#### Portfolio Comparison

5



#### Data Depth Indicator

B



#### Company Profile

G

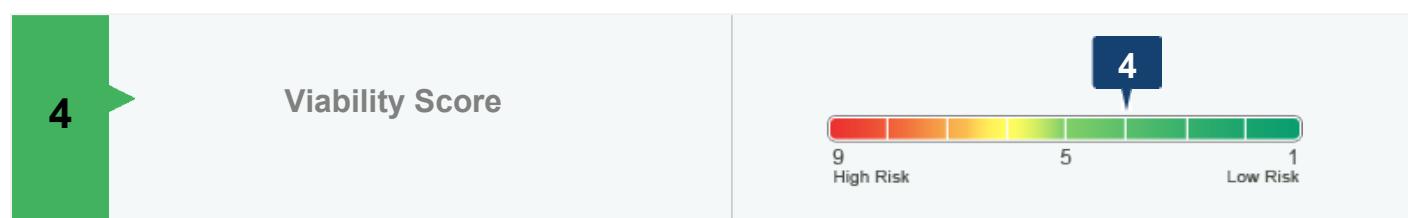
Financial Data	Trade Payments	Company Size	Years in Business
Not Available	Available (3+Trade)	Large	Established

### Business Information

Business Summary		Credit Capacity Summary	
Branch & Division	YES		
Financing	SECURED		--
SIC	8062 General hospital, skilled nursing care facility		
NAICS	622110 General Medical and Surgical Hospitals		
History Status	INCOMPLETE		

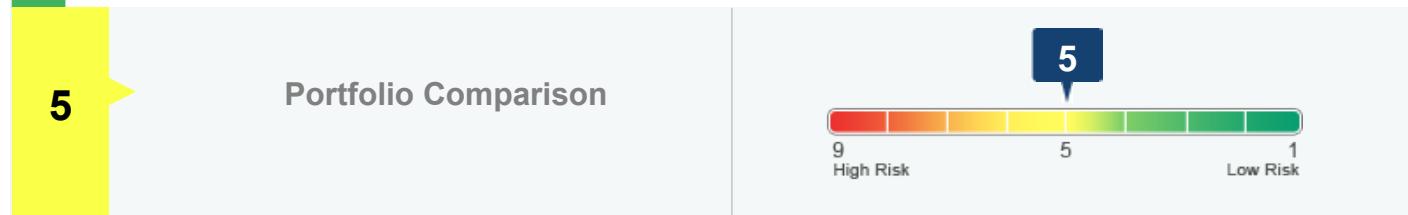
## D&B Viability Rating

The D&B Viability Rating uses D&B's proprietary analytics to compare the most predictive business risk indicators and deliver a highly reliable assessment of the probability that a company will no longer be in business within the next 12 months.



### Compared to All US Businesses within D&B Database:

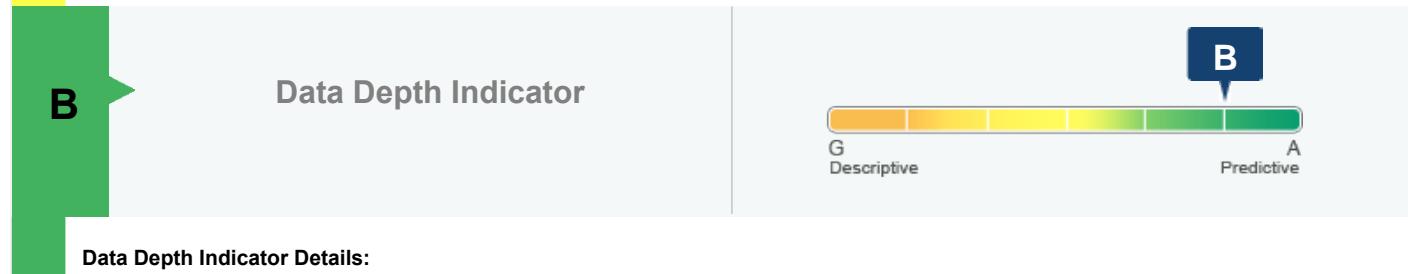
- Level of risk: **Low Risk**
- Businesses ranked 4 have a probability of becoming no longer viable: **5%**
- Percentage of businesses ranked 4: **14%**
- Across all US businesses, the average probability of becoming no longer viable: **14%**



### Compared to all Businesses within the same MODEL SEGMENT:

Model Segment: **Established Trade Payments**

- Level of risk: **Moderate Risk**
- Businesses ranked 5 within this model segment have a probability of becoming no longer viable: **5%**
- Percentage of businesses ranked 5 within this model segment: **11%**
- Within this model segment, the average probability of becoming no longer viable: **5%**



### Data Depth Indicator Details:



Decide with Confidence

- ✓ Rich Firmographics
- ✓ Extensive Commercial Trading Activity
- ✓ Basic Financial Attributes

Greater data depth can increase the precision of the D&B Viability Rating assessment.

You have the ability to influence the confidence of the viability assessment by asking the business to report more information to D&B at <https://iupdate.dnb.com/iUpdate/>

**G**

## Company Profile

	Financial Data	Trade Payments	Company Size	Years in Business
	Not Available	Available (3+Trade)	Large	Established

### Company Profile Details:

- Financial Data: **Not Available**
- Trade Payments: **Available** (3+Trade)
- Business Size: **Large** (Employees:50+ or Sales: \$500K+)
- Years in Business: **Established** (5+)

## Special Events

As of 09/25/2013

**WORK FORCE CHANGES:** According to published reports, Franciscan Alliance announced that about 125 people who work for two south suburban hospitals and affiliated outpatient clinics were laid off.

## Industry Data

SIC		NAICS	
Code	Description	Code	Description
80620000	General medical and surgical hospitals	622110	General Medical and Surgical Hospitals
80510000	Skilled nursing care facilities	623110	Nursing Care Facilities (Skilled Nursing Facilities)

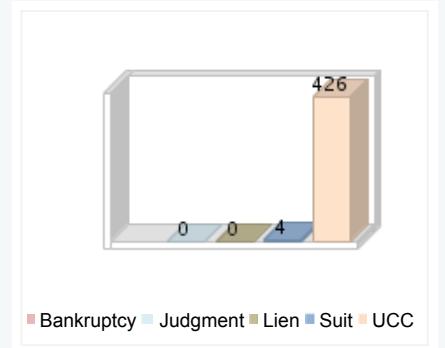
## Indicators

### Public Filings Summary

The following data includes both open and closed filings found in D&B's database on this company

Record Type	No. of Records
Judgment	0
Lien	0
Suit	4
UCC	426

### Public Filings



## Commercial Credit Score

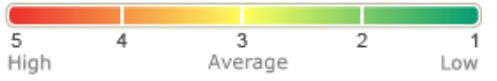


## Summary

### Credit Score Class

Credit Score Class

3



(Moderate risk of severe payment delinquency over next 12 months.)

## Incidence of Delinquent Payment

Among Companies with This Class	5.80%
Average Compared to All Businesses	10.20%
Credit Score Percentile	42
Credit Score	491
Number of Payment Experiences	310

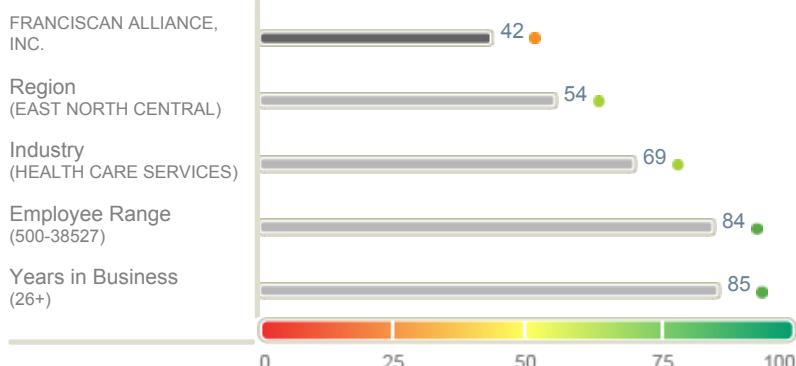
## Key Factors

- Increase in proportion of delinquent payments in recent payment experiences
- Proportion of past due balances to total amount owing
- Recent high balance past due
- Higher risk industry based on delinquency rates for this industry
- Evidence of open suits
- Proportion of slow payments in recent months

### Notes:

- The Credit Score Class indicates that this firm shares some of the same business and payment characteristics of other companies with this classification. It does not mean the firm will necessarily experience delinquency.
- The Incidence of Delinquent Payment is the percentage of companies with this classification that were reported 91 days past due or more by creditors. The calculation of this value is based on D&B's trade payment database.
- The Credit Score Percentile reflects the relative ranking of a firm among all scorable companies in D&B's file.
- The Credit Score offers a more precise measure of the level of risk than the Class and Percentile. It is especially helpful to customers using a scorecard approach to determining overall business performance.

## Credit Score Percentile Norms Comparison



- Higher risk than other companies in the same region.
- Higher risk than other companies in the same industry.
- Higher risk than other companies in the same employee size range.
- Higher risk than other companies with a comparable number of years in business.

## Financial Stress Score

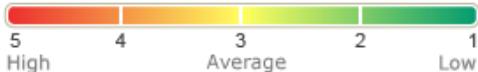


## Summary

### Financial Stress Class

Financial Stress Class

3



## Financial Stress Score Percentile

Financial Stress National Percentile	65
Financial Stress Score	1504
Probability of Failure with This Score	0.24%
Failure per 10K	24/10,000
Average Failure Rate within D&B database	0.48%
Failure per 10K	48/10,000
Number of Payment Experiences	310

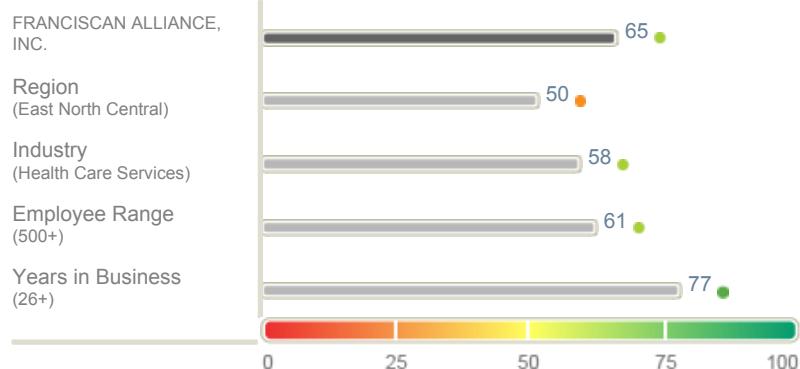
## Key Factors

- UCC Filings reported.
- Low proportion of satisfactory payment experiences to total payment experiences.
- High number of inquiries to D&B over last 12 months.
- High proportion of slow payment experiences to total number of payment experiences.

## Notes:

- The Financial Stress Class indicates that this firm shares some of the same business and financial characteristics of other companies with this classification. It does not mean the firm will necessarily experience financial stress.
- The probability of failure shows the percentage of firms in a given percentile that discontinue operations with loss to creditors. The average probability of failure is based on businesses in D&B's database and is provided for comparative purposes.
- The Financial Stress National Percentile reflects the relative ranking of a company among all scorable companies in D&B's file.
- The Financial Stress Score offers a more precise measure of the level of risk than the Class and Percentile. It is especially helpful to customers using a scorecard approach to determining overall business performance.

## Financial Stress Percentile Comparison



- Lower risk than other companies in the same region.
- Lower risk than other companies in the same industry.
- Lower risk than other companies in the same employee size range.
- Higher risk than other companies with a comparable number of years in business.

**From:** [Jill Herbold](#)  
**To:** [Susan Simonson](#)  
**Subject:** FW: AMERICAN HEALTH NETWORK SCREEN RESULTS  
**Date:** Tuesday, June 17, 2014 12:13:32 PM  
**Attachments:** [06-14-14AMERICAN HEALTH NETWORK, INC.pdf](#)  
[image001.png](#)

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**Jill Herbold** | Consulting Actuary | [jill.herbold@milliman.com](mailto:jill.herbold@milliman.com)  
Milliman | Chase Tower/Circle | 111 Monument Circle, Suite 601 | Indianapolis, IN 46204-5128 | USA  
Tel +1 317 524 3538 | Fax +1 317 639 1001 | [milliman.com](http://milliman.com)



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**From:** sharepoint@milliman.com [mailto:[sharepoint@milliman.com](mailto:sharepoint@milliman.com)]  
**Sent:** Saturday, June 14, 2014 9:06 PM  
**To:** Jill Herbold  
**Cc:** Bryan Rivard; Brandy Wilson  
**Subject:** AMERICAN HEALTH NETWORK SCREEN RESULTS

This is to inform you that your client screening request has been completed by Dave Roumonada (Contractor)

#### American Health Network

<b>Request Date:</b>	<b>05-30-2014</b>
<b>Requestor:</b>	<b>Jill Herbold</b>
<b>Discipline:</b>	<b>Health</b>
<b>Company Name:</b>	American Health Network II ("AHN")
<b>On High Risk Client List? :</b>	No
<b>A.M. Best Rating :</b>	N/A
<b>Moody's Rating :</b>	N/A
<b>D&amp;B Credit Score Class :</b>	3 (Moderate risk of severe payments delinquency over the next 12 months)
<b>D&amp;B Financial Stress Class :</b>	3 (Moderate risk of severe financial stress, such as bankruptcy, over the next 12 months.)
<b>WorldCheck Rating :</b>	N/A;
<b>Ownership :</b>	AHN, based in Indianapolis, IN and formed in 1994 by Dr. Ben Park and a group of physicians, is a private physician and employee owned PPO operating in Indiana and

Ohio. In July 2012, Franciscan Alliance and American Health Network formed an Accountable Care Organization (ACO) to participate in the Medicare program.

#### **Officers :**

The officers named below were profiled using Google and Factiva sources and were screened for criminal/civil litigation using LexisNexis. Insofar as my research indicates, there is no evidence of issues of an adverse nature for the noted officers. The individuals screened are as follows:

- **President/CEO:** Mr. Ben H. Park, MD: Limited bio information on Dr. Park is available here: <http://www.ahni.com/find-a-provider/?mode=detail&id=122>
- **CFO/COO:** Mr. Mike Kirschner: Mr. Kirschner has held this role since 1996.

#### **Prior Health Risk Assessment :**

N/A

#### **Noteworthy News :**

A scan of local and national newspapers, news wires, trade journals, transcripts and Internet search engines yields no evidence of negative coverage of AHN. Most attention by the media was paid to health announcements, executive or physician placements within the PPO and the like, with examples below. For your interest, AHN offers news items exemplifying the nature of its operations at its website here :

<https://www.ahni.com/News.html>

- **June 2013:** Three years ago, the physician practice American Health Network (AHN) was concerned that the boom in employer on-site clinics would hurt its business. So it launched a program aimed at managing the health of employers' workers. And it has come up with some impressive results. "The real impact comes from the personal relationship with the nurse," said Mary Delaney, director of the employee health program at American Health. "That is what is missing in health care." She noted, for instance, that efforts to help an employee stop smoking are likely to be futile unless they also address the stressors in a person's life, which lead him or her to smoke. And that can only be done via a relationship that develops in recurring conversations. American Health now serves 13 employers with roughly 8,000 people on their health plans. (Source: *The Indianapolis Business Journal*, June 3, 2013).

- **July 2012:** Franciscan Alliance and American Health Network have forged an agreement in accord with Centers for Medicare and Medicaid (CMS). The Franciscan AHN Accountable Care Organization is among the first selected nationally to participate in the Medicare Shared Savings Program, a new multifaceted service sponsored by CMS.

(Source: *IndyStar*, Jul 17, 2012)

#### **Litigation History :**

Screening for litigation using news sources, Internet search engines, and Lexis' state and federal cases database and dockets, research discovered minimal evidence of litigation concerning AHN, primarily addressing employee driven issues regarding allegations of a variety of forms of discrimination, with no evidence of negative results to the entity. In addition, to the extent of my research, I found no evidence of AHN's

involvement in litigation with financial or actuarial advisors.

**Comments :**

As a note, AHN was initially screened by Chelo Gable for Jill Herbold in September 2012.

At the executive management level, AHN continues to screen acceptably with no changes at the screened executive level. Insofar as my research indicated, the noted officers associated with AHN do not appear to be involved currently in any personal litigation, professional misconduct or criminal activity.

At the entity level, research found no evidence of recent adverse attention through either media coverage or litigation activity with AHN.

Regarding AHN's financial condition, however, D&B's analysts' most recent report released February 27, 2014 offers a softening of AHN's ratings picture with a downgraded assigned Credit Score Class rating of "3", down from an excellent "1" in our initial screen, and a marginally acceptable Financial Stress Class rating of "3", unchanged. The ratings are indications of an entity judged to experience a greater, but moderate, risk of payment issues and financial distress in the near term.

To the extent of my research, although the entity continues to avoid adverse media coverage and litigation experiences, the downgrade in its rated Credit Score Class suggests you may give cautionary consideration to a retainer. However, I found no evidence to suggest a continued engagement in business with AHN poses undue risk to Milliman in the near term.

Jill, should you require additional information regarding AHN, please do not hesitate to contact me and I will be happy to assist you.

- Dave

**NOTE:** Please do not reply to  
this automated notice.



Decide with Confidence

Page 1 of 5

## AMERICAN HEALTH NETWORK, INC.

D-U-N-S® 87-288-7997

Headquarters(Subsidiary)  
10689 N Pennsylvania St  
Ste 200,  
Indianapolis, IN 46280

Phone 317 580-6309  
Fax 317-580-3699

## Advanced Scoring Report

Purchase Date: 06/14/2014  
Last Update Date: 02/27/2014  
Attention: dave

### Executive Summary

#### Company Info

Year Started	1994	Employees	1,170
Control Year	1998	Employees Here	80 at this location
CEO	BEN PARK, CEO	Trade Styles	(SUBSIDIARY OF AMERICAN HEALTH NETWORK OF OHIO PROFESSIONAL CORPORATION, COLUMBUS, OH)

#### Predictive Analytics

Financial Stress Class	
Financial Stress Class	3
5 High	4
Average	3
2	1 Low
The Financial Stress Class of 3 for this company shows that firms with this class had a failure rate of 0.24% (24 per 10,000).	3
Financial Stress Score	1,476
Highest Risk	1,001
Lowest Risk	1,875

Credit Score Class	
Credit Score Class	3
5 High	4
Average	3
2	1 Low
The Credit Score class of 3 for this company shows that 5.80% of firms with this classification paid one or more bills severely delinquent.	3
Credit Score Class	3
Credit Score	497
Highest Risk	101
Lowest Risk	670

#### D&B Rating

D&B Rating

1R3

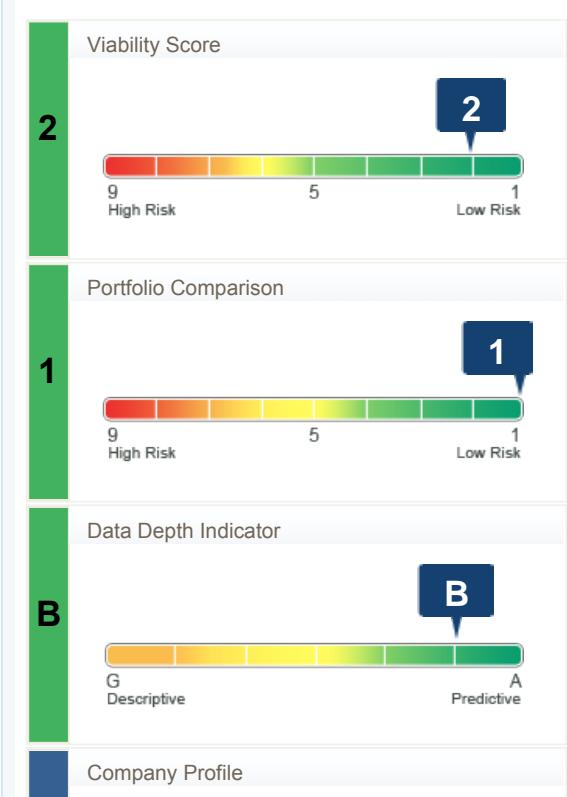
#### Composite Credit Appraisal

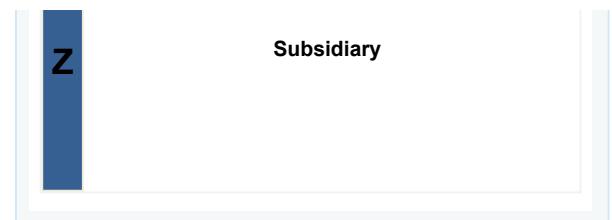


#### D&B Viability Rating

D&B Viability Rating

2 | 1 | B | Z





## Business Information

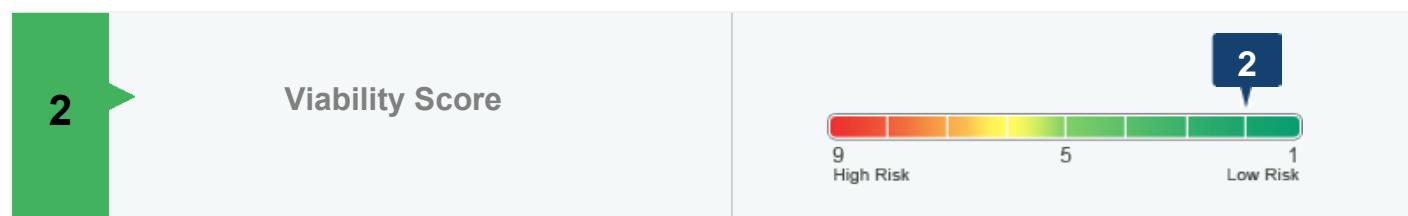
Business Summary		Credit Capacity Summary	
Branch & Division	YES	D&B Rating	1R3
SIC	8011 Medical doctor's office	Prior D&B Rating	1R3
NAICS	621111 Offices of Physicians (except Mental Health Specialists)	Rating Date	02/22/2008
History Status	CLEAR	Payment Activity (based on 166 experiences)	USD
		Average High Credit	\$7,821
		Highest Credit	100,000
		Total Highest Credit	1,046,050

**Composite Credit Appraisal**

A horizontal color scale with four segments: red (4 Limited), orange (3 Fair), yellow (2 Good), and green (1 High). A blue callout box with the number '3' is positioned above the center of the scale.

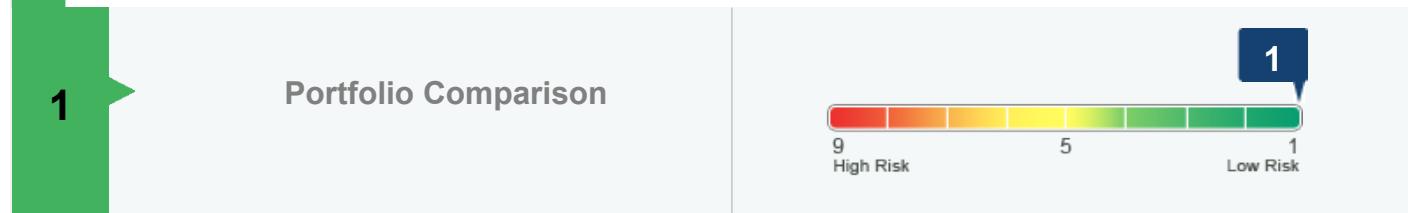
## D&B Viability Rating

The D&B Viability Rating uses D&B's proprietary analytics to compare the most predictive business risk indicators and deliver a highly reliable assessment of the probability that a company will no longer be in business within the next 12 months.



### Compared to All US Businesses within D&B Database:

- Level of risk: **Low Risk**
- Businesses ranked 2 have a probability of becoming no longer viable: **2%**
- Percentage of businesses ranked 2: **4%**
- Across all US businesses, the average probability of becoming no longer viable: **14%**



### Compared to all Businesses within the same MODEL SEGMENT:

Model Segment: **Established Trade Payments**

- Level of risk: **Low Risk**
- Businesses ranked 1 within this model segment have a probability of becoming no longer viable: **2%**
- Percentage of businesses ranked 1 within this model segment: **11%**
- Within this model segment, the average probability of becoming no longer viable: **5%**

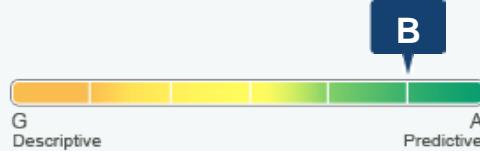


Decide with Confidence

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**B**

## Data Depth Indicator



### Data Depth Indicator Details:

- ✓ Rich Firmographics
- ✓ Extensive Commercial Trading Activity
- ✓ Basic Financial Attributes

Greater data depth can increase the precision of the D&B Viability Rating assessment.

You have the ability to influence the confidence of the viability assessment by asking the business to report more information to D&B at <https://iupdate.dnb.com/iUpdate/>

**Z**

## Company Profile

### Subsidiary

## Special Events

As of 11/04/2013

Business address has changed from 10333 N Meridian St Ste 450, Indianapolis, IN, 46290 to 10689 N Pennsylvania St Ste 200, Indianapolis, IN, 46280.

## Industry Data

### SIC

Code	Description
80119901	General and family practice, physician/surgeon

### NAICS

Code	Description
621111	Offices of Physicians (except Mental Health Specialists)

## Indicators

### Public Filings Summary

The following data includes both open and closed filings found in D&B's database on this company

Record Type	No. of Records
Judgment	0
Lien	0
Suit	5
UCC	152

### Public Filings



■ Bankruptcy ■ Judgment ■ Lien ■ Suit ■ UCC

## Commercial Credit Score



## Summary

### Credit Score Class

Credit Score Class

3



(Moderate risk of severe payment delinquency over next 12 months.)

## Incidence of Delinquent Payment

Among Companies with This Class	5.80%
Average Compared to All Businesses	10.20%
Credit Score Percentile	49
Credit Score	497
Number of Payment Experiences	166

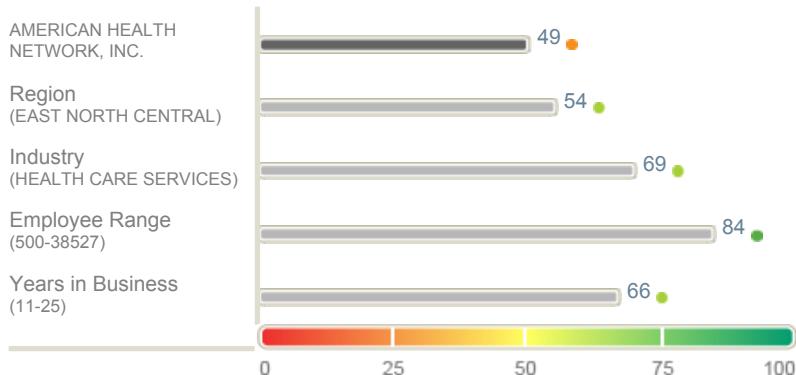
## Key Factors

- Proportion of past due balances to total amount owing
- Proportion of slow payments in recent months
- Increase in proportion of delinquent payments in recent payment experiences
- Evidence of open suits
- Higher risk industry based on delinquency rates for this industry

### Notes:

- The Credit Score Class indicates that this firm shares some of the same business and payment characteristics of other companies with this classification. It does not mean the firm will necessarily experience delinquency.
- The Incidence of Delinquent Payment is the percentage of companies with this classification that were reported 91 days past due or more by creditors. The calculation of this value is based on D&B's trade payment database.
- The Credit Score Percentile reflects the relative ranking of a firm among all scorable companies in D&B's file.
- The Credit Score offers a more precise measure of the level of risk than the Class and Percentile. It is especially helpful to customers using a scorecard approach to determining overall business performance.

## Credit Score Percentile Norms Comparison



- Higher risk than other companies in the same region.
- Higher risk than other companies in the same industry.
- Higher risk than other companies in the same employee size range.
- Higher risk than other companies with a comparable number of years in business.

## Financial Stress Score

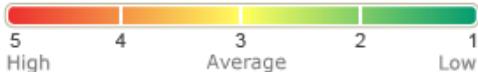


## Summary

### Financial Stress Class

Financial Stress Class

3



## Financial Stress Score Percentile

Financial Stress National Percentile	49
Financial Stress Score	1476
Probability of Failure with This Score	0.24%
Failure per 10K	24/10,000
Average Failure Rate within D&B database	0.48%
Failure per 10K	48/10,000
Number of Payment Experiences	166

## Key Factors

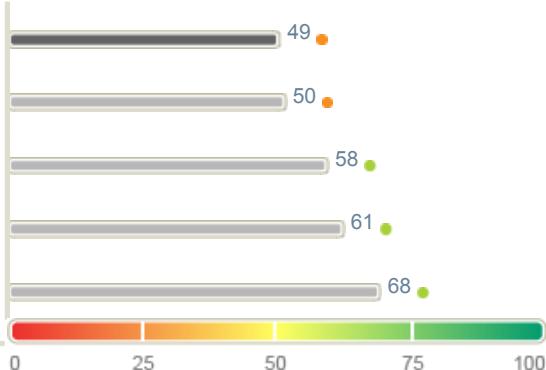
- Composite credit appraisal is rated fair.
- UCC Filings reported.
- High number of inquiries to D&B over last 12 months.
- Low proportion of satisfactory payment experiences to total payment experiences.
- High proportion of past due balances to total amount owing.

## Notes:

- The Financial Stress Class indicates that this firm shares some of the same business and financial characteristics of other companies with this classification. It does not mean the firm will necessarily experience financial stress.
- The probability of failure shows the percentage of firms in a given percentile that discontinue operations with loss to creditors. The average probability of failure is based on businesses in D&B's database and is provided for comparative purposes.
- The Financial Stress National Percentile reflects the relative ranking of a company among all scorable companies in D&B's file.
- The Financial Stress Score offers a more precise measure of the level of risk than the Class and Percentile. It is especially helpful to customers using a scorecard approach to determining overall business performance.

## Financial Stress Percentile Comparison

AMERICAN HEALTH NETWORK, INC.

Region  
(East North Central)Industry  
(Health Care Services)Employee Range  
(500+)Years in Business  
(11-25)

- Higher risk than other companies in the same region.
- Higher risk than other companies in the same industry.
- Higher risk than other companies in the same employee size range.
- Higher risk than other companies with a comparable number of years in business.