

**HEALTH POLICY COMMISSION  
NOTICE OF MATERIAL CHANGE FORM**

**Health Policy Commission  
Two Boylston Street  
6<sup>th</sup> Floor  
Boston, MA 02116**

## GENERAL INSTRUCTIONS

The attached form should be used by a provider or provider organization to provide a notice of material 13 of M.G.L. c. 6D. To complete the Notice, it is necessary to read and comply with Bulletin 2013-1 issued by the Commission, **Interim Guidance for Providers and Provider Organizations Relative to Notice of Material Change to the Health Policy Commission** website at [www.mass.gov/anf/hpc](http://www.mass.gov/anf/hpc). For further assistance, please contact the Health Policy Commission at [HPC-Notice@state.ma.us](mailto:HPC-Notice@state.ma.us). This form is subject to statutory and regulatory changes that may take place from time to time.

### *WHO NEEDS TO FILE*

This Notice should be submitted by any provider or provider organization with \$25,000,000 in net patient service revenue or more in the preceding fiscal year that is proposing a material change, as defined by the Interim Guidance. Notice must be filed with the Commission not fewer than 60 days before the effective date of the proposed change.

### *SUBMISSION OF NOTICE*

One electronic copy of the Notice, in a portable document form (pdf), should be submitted to the following:

Health Policy Commission  
[HPC-Notice@state.ma.us](mailto:HPC-Notice@state.ma.us)

Office of the Attorney General  
[HCD-6D-NOTICE@state.ma.us](mailto:HCD-6D-NOTICE@state.ma.us)

Center for Health Information and Analysis  
[CHIA-Legal@state.ma.us](mailto:CHIA-Legal@state.ma.us)

### *PRELIMINARY REVIEW AND NOTICE OF COST AND MARKET IMPACT REVIEW*

If the information provided in the Notice is incomplete or if the Commission determines clarification of the information submitted is needed to make its decision, the Commission may require the notifying organization to submit such supplemental information within 30 days of receipt of the initial Notice.

The Commission will notify each notifying organization of its decision to proceed with a cost and market impact review within 30 days of its receipt of a completed Notice and all necessary supplemental information.

### *PUBLIC DISCLOSURE*

Pursuant to Bulletin 2013-1 issued by the Commission, all information collected by the Commission in connection with a Notice shall be deemed to be a public record.

## NOTICE OF MATERIAL CHANGE

Date of Notice: 5/24/13

1.	Name:	Steward Health Care System LLC		
2.	Federal TAX ID #	MA DPH Facility ID #	NPI #	
	27-2473240	Not Applicable	Not Applicable	

Contact Information				
3.	Business Address 1:	500 Boylston Street		
4.	Business Address 2:			
5.	City:	Boston	State:	MA
			Zip Code:	02116
6.	Business Website:	<a href="http://www.steward.org/">http://www.steward.org/</a>		
Contact Information				
7.	Contact First Name:	John	Contact Last Name:	Jurczyk
8.	Title:	VP, Ambulatory Care Services and Business Development, St. Anne's Hospital		
9.	Contact Phone:	508-674-5600	Extension:	2518
10.	Contact Email:	john.jurczyk@steward.org		

Description of Organization	
11.	Briefly describe your organization.
	Steward Health Care System ("Steward") is an integrated care delivery system of 11 community acute care and long term care hospitals with roughly 2,000 total beds. Steward also has developed two limited network health insurance plans, Steward Community Care and Steward Community Choice. As of 2013, Steward has a contracting network of over 2,900 physicians. Steward also is a Centers for Medicare and Medicaid Services Innovation ACO Provider with 47,336 covered lives and is focused on coordinating and managing the care of Steward patients over the full continuum.

Type of Material Change	
12.	Check the box that most accurately describes the proposed material change:
	<input type="checkbox"/> Merger or affiliation with a carrier <input type="checkbox"/> Acquisition of or acquisition by a carrier <input checked="" type="checkbox"/> Merger with or acquisition of or by a hospital or a hospital system <input type="checkbox"/> Any other acquisition, merger, or affiliation with another provider organization where such acquisition, merger, or affiliation would result in an increase in annual net patient service revenue of the provider or provider organization of more than \$10,000,000 <input type="checkbox"/> Any clinical affiliation with another provider or provider organization which itself has an annual net patient service revenue of more than \$25,000,000 <input type="checkbox"/> Formation of a partnership, joint venture, common entity, accountable care organization, or parent corporation created for the purpose of contracting on behalf of more than one provider or provider organizations
13.	What is the proposed effective date of the proposed material change?
	Immediately following receipt of all required approvals

Material Change Narrative	
14.	<p><i>Briefly describe the nature and objectives of the proposed material change:</i></p> <p>Hawthorn Medical Associates, LLC, and its affiliates Hawthorn Medical Associates Sleep Center, LLC, and Hawthorn Endoscopy Service, LLC (collectively "Hawthorn") have entered into an Asset Purchase Agreement ("APA") with Steward Health Care System LLC, whereby: (a) the assets and operations related to Hawthorn's Ambulatory Surgery Center ("ASC") and Sleep Lab will be transferred to Steward Saint Anne's Hospital Corporation; and (b) the assets and operations of Hawthorn's medical offices will be transferred to Steward Medical Group ("SMG"). Following the closing of the APA, the ASC and Sleep Lab will become licensed hospital satellite services of Saint Anne's Hospital (pending required governmental approvals) and the medical offices will become SMG practice locations.</p>
15.	<p><i>Briefly describe the anticipated impact of the proposed material change:</i></p> <p>The change is expected to enhance the coordination of care for patients in New Bedford, Fall River, and the surrounding communities. Through greater integration of the service offerings in the area, patients will have access to high-quality, cost-effective care in the communities where they live. Physicians and other health care providers who see patients at these locations will have access to Steward's global payment contracts with commercial insurers, which include quality, safety, access and cost-related incentives. This model of care lowers health care costs by keeping more care in the hands of lower cost, community-based providers.</p>

Development of the Material Change	
16.	<p>Describe any other material changes you anticipate making in the next 12 months:</p> <p>None planned in the next 12 months.</p>
17.	<p>Indicate the date and nature of any applications, forms, notices or other materials you have submitted regarding the proposed material change to any other state or federal agency:</p> <p>Steward St. Anne's Hospital Corporation filed an application with the Department of Public Health's Determination of Need Program on January 2, 2013 for a change of ownership of the ASC. The application went before the Public Health Council on March 13, 2013. The Public Health Council approved the application for the change of ownership of the ASC at this meeting and the Determination of Need Program issued its approval letter on March 14, 2013.</p>

Affidavit of Truthfulness and Proper Submission

I, the undersigned, certify that:

1. I have read the Health Policy Commission Bulletin 2013-1, **Interim Guidance for Providers and Provider Organizations Relative to Notice of Material Change to the Health Policy Commission**.
2. I have read this Notice of Material Change and the information contained therein is accurate and true.
3. I have submitted the required copies of this Notice to the Health Policy Commission and to all relevant agencies (see below\*) as required.

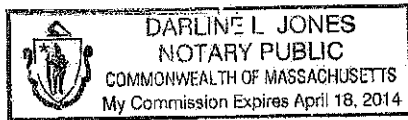
Signed on the 24 day of May, 2013, under the pains and penalties of perjury.

Signature: \_\_\_\_\_

Name: Joseph C. Maher, Jr., Esq.

Title: General Counsel

FORM MUST BE NOTARIZED IN THE SPACE PROVIDED BELOW:



Darline L. Jones  
Notary Signature

\*Copies of this application have been submitted electronically as follows:

Office of the Attorney General (1)

Center for Health Information and Analysis (1)