

**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 change ("Notice") to the Health Policy Commission ("Commission"), as required under § 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 ("Interim Guidance")**. The Interim Guidance may be obtained on the Commission's website at [www.mass.gov/hpc](http://www.mass.gov/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 less 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: 5/31/13

1.	Name:	Beth Israel Deaconess Medical Center (BIDMC)
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2.	Federal TAX ID #	MA DPH Facility ID #	NPI #
	04-2103881	VL42	1548202641

Contact Information					
3.	Business Address 1:	330 Brookline Ave			
4.	Business Address 2:				
5.	City:	Boston	State:	MA	Zip Code: 02215
5.	Business Website:	<a href="http://www.bidmc.harvard.edu">www.bidmc.harvard.edu</a>			
7.	Contact First Name:	Joan	Contact Last Name:	Pickett	
8.	Title:	Senior Director, Planning & Business Development			
9.	Contact Phone:	617 667 7312	Extension:		
10.	Contact Email:	<a href="mailto:jpickett@bidmc.harvard.edu">jpickett@bidmc.harvard.edu</a>			

Description of Organization	
11.	<p><i>Briefly describe your organization.</i></p> <p>BIDMC is a non-profit tertiary academic medical center that is governed by a 24 member volunteer Board of Directors. BIDMC, a major teaching hospital of Harvard Medical School, is a member of CareGroup Inc. and the Beth Israel Deaconess Accountable Care Organization, LLC (BIDCO). BIDMC has an exclusive affiliation agreement with Harvard Medical Faculty Physicians (HMFP) at Beth Israel Deaconess Medical Center for research, teaching and patient care services. HMFP, which employs approximately 800 Harvard Medical School faculty members, comprises the majority of the medical staff at BIDMC. BIDMC's charitable mission includes patient care, research, education and community benefits. BIDMC has more than 9,000 employees and is currently licensed for a total of 649 beds, including 440 medical/surgical beds, 77 critical care beds and 60 OB/GYN beds. BIDMC offers a full range of adult tertiary/quaternary clinical services to patients in Eastern Massachusetts including cardiovascular care, cancer care, digestive diseases, OB/GYN, neonatology, neurosciences, orthopedics, psychiatry, and transplantation, and operates a Level 1 Trauma Center. BIDMC also has two owned not-for-profit, low-cost community hospitals, Beth Israel Deaconess Hospital-Needham and Beth Israel Deaconess Hospital-Milton.</p>

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 type="checkbox"/> Merger with or acquisition of or by a hospital or a hospital system <input type="checkbox"/> Any other acquisition, merger, or affiliation between a provider organization and 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 checked="" type="checkbox"/> Any clinical affiliation between a provider or provider organization 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?	60 days from the date of this filing or sooner if notified by HPC.
<b>Material Change Narrative</b>		
14.	<p><i>Briefly describe the nature and objectives of the proposed material change:</i></p> <p>BIDMC and Harvard Medical Faculty Physicians at Beth Israel Deaconess Medical Center (“HMFP”) will enter into a clinical affiliation with Signature Healthcare (“SHC”). The objective of the affiliation is to deliver coordinated, high-quality, equitable, and cost-effective care to the patients and communities the organizations serve. The affiliation includes the following elements:</p> <p><u>Primary Care:</u> The organizations will seek to optimize the provision of primary care in SHC’s service area and will collaborate to improve equitable primary care delivery to patients in the service area, in part through expansion of the primary care physician base in the SHC service area.</p> <p><u>Specialty and Sub-Specialty Care:</u> The organizations will evaluate the specialty and sub-specialty care needs of the populations and communities served by SHC and identify and implement service options to meet these needs. In doing so, a primary objective will be to equitably serve the health care needs of SHC patients within their own communities. The organizations will co-recruit physicians in certain specialties, and the organizations anticipate that BIDMC and HMFP will provide certain specialty and sub-specialty services to SHC patients in the community in areas yet to be determined.</p> <p><u>Emergency and Trauma Care, and Tertiary and Quaternary Care:</u> BIDMC will provide seamless, direct access to all BIDMC departments for care needed by SHC patients. BIDMC will be a preferred provider for tertiary and quaternary care to SHC adult patients and SHC’s Brockton Hospital will be a preferred provider for secondary care for BIDMC patients in the SHC service area.</p> <p><u>Medical Education and Professional Development:</u> BIDMC and SHC will serve as rotation sites for each other’s medical residents. Initial rotations of BIDMC residents to SBH will be in emergency medicine, surgery, and medicine. BIDMC will also sponsor SHC’s transitional year residency program. The organizations will coordinate Harvard Medical School faculty appointments for SHC physicians in certain departments and will also share certain professional development resources.</p> <p><u>Health Care Quality:</u> The organizations will broadly collaborate in health care quality initiatives and quality assurance processes.</p> <p><u>Community and Provider Education:</u> Through co-branding and other means, the organizations will work together to alert patients, providers and the larger communities served to the new care collaboration efforts.</p> <p><u>Electronic Medical Records:</u> BIDMC and SHC intend to establish bi-directional access to the respective electronic medical records of patients seen by both organizations in order to enhance the coordination of care.</p> <p>This clinical affiliation will not change the ownership, governance, or operational structure of SHC.</p>	
15.	<p><i>Briefly describe the anticipated impact of the proposed material change:</i></p>	

	<p>BIDMC and SHC will become more clinically aligned in order to improve care for our patients and communities. The organizations' shared goal is to provide high quality, cost effective care in the most appropriate setting. The organizations will work to enhance and expand the range of services offered locally by SHC through various means which may include: the execution of transfer agreements to provide SHC patients seamless access to tertiary level care when needed, development of key clinical programs by BIDMC and HMFP in the SHC service area in order to facilitate high quality care provided in the SHC service area and GME collaboration including the placement of BIDMC residents at SHC and sponsorship of SHC's transitional year residency program. When tertiary or quaternary-level care is needed within an academic medical center setting, this relationship could result in a greater number of patients from the SHC communities being served by BIDMC than is presently the case.</p>

Development of the Material Change	
16.	<p>Describe any other material changes you anticipate making in the next 12 months:</p> <p>BIDMC is currently engaged in discussions regarding a potential acquisition of Jordan Hospital (Plymouth). Along with HMFP, BIDMC is engaged in very preliminary discussions with New England Baptist Hospital (also a member of CareGroup) about a collaboration (to date, wholly undefined, though not a merger) for the provision of bone and joint care services. Additionally, BIDMC, along with HMFP, is engaged with Atrius Health and Lahey Health in very preliminary and high-level discussions about a possible new multi-party collaboration, with no decisions to date as to whether to proceed or as to form or functions.</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>As of April 25, 2013 BIDMC has filed notice of a clinical affiliation with Cambridge Health Alliance.</p> <p>Simultaneously with the filing of this application, we will file notice with the Office of the Attorney General and the Center for Health Information and Analysis as required.</p>

Affidavit of Truthfulness and Proper Submission	
<p>I, the undersigned, certify that:</p>	
<ol style="list-style-type: none"> <li>1. I have read the Health Policy Commission Bulletin 2013-1, <b>Interim Guidance for Providers and Provider Organizations Relative to Notice of Material Change to the Health Policy Commission.</b></li> <li>2. I have read this Notice of Material Change and the information contained therein is accurate and true.</li> <li>3. I have submitted the required copies of this Notice to the Health Policy Commission and to all relevant agencies (see below*) as required.</li> </ol>	
<p>Signed on the <u>31<sup>st</sup></u> day of <u>May</u>, 20<u>13</u>, under the pains and penalties of perjury.</p>	



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

*Kevin Tabb*

Name: \_\_\_\_\_

*Kevin Tabb*

Title: \_\_\_\_\_

*President & CEO*

FORM MUST BE NOTARIZED IN THE SPACE PROVIDED BELOW:

*[Signature]*  
\_\_\_\_\_  
Notary Signature  
*5/31/13*



Copies of this application have been submitted electronically as follows:

Office of the Attorney General (1)

Center for Health Information and Analysis (1)

### EXPLANATIONS AND DEFINITIONS

1.	Name	Legal business name as reported with Internal Revenue Service. This may be the parent organization or local provider organization name.
2.	Federal TAX ID #	9-digit federal tax identification number also known as an employer identification number (EIN) assigned by the internal revenue service.
	MA DPH Facility ID #	If applicable, Massachusetts Department of Public Health Facility Identification Number.
	National Provider Identification Number (NPI)	10-digit National Provider identification number issued by the Centers for Medicare and Medicaid Services (CMS). This element pertains to the organization or entity directly providing service.
3.	Business Address 1:	Address location/site of applicant

4.	Business Address 2:	Address location/site of applicant continued often used to capture suite number, etc.
5.	City, State, Zip Code	Indicate the City, State, and Zip Code for the provider organization as defined by the US Postal Service.
6.	Business Website:	Business website URL
7.	Contact Last Name, First Name	Last name and First Name of the primary administrator completing the registration form.
8.	Title:	Professional title of the administrator completing the registration form.
9.	Contact Telephone and Extension	10-digit telephone number and telephone extension (if applicable) for administrator completing the registration form
10.	Contact Email:	Contact email for administrator
11.	Description of Organization:	Provide a brief description of the notifying organization's ownership, governance, and operational structure, including but not limited to provider type (acute hospital, physician group, skilled nursing facilities, independent practice organization, etc.), number of licensed beds, ownership type (corporation, partnership, limited liability corporation, etc.), service lines and service area(s).
12.	Type of Material Change	<p>Indicate the nature of the proposed material change.</p> <p><i>Definitions of terms:</i></p> <p>"Carrier", an insurer licensed or otherwise authorized to transact accident or health insurance under chapter 175; a nonprofit hospital service corporation organized under chapter 176A; a nonprofit medical service corporation organized under chapter 176B; a health maintenance organization organized under chapter 176G; and an organization entering into a preferred provider arrangement under chapter 176I; provided that this shall not include an employer purchasing coverage or acting on behalf of its employees or the employees of 1 or more subsidiaries or affiliated corporations of the employer; provided that, unless otherwise noted, the term "carrier" shall not include any entity to the extent it offers a policy, certificate or contract that provides coverage solely for dental care services or visions care services.</p> <p>"Hospital", any hospital licensed under section 51 of chapter 111, the teaching hospital of the University of Massachusetts Medical School and any psychiatric facility licensed under section 19 of chapter 19.</p> <p>"Hospital System", a group of affiliated entities that includes one or more Hospitals that are overseen by a common entity or parent corporation.</p> <p>"Net patient service revenue", total revenue received for patient care from any third party payer net of any contractual adjustments.</p>

		<p>“Provider”, any person, corporation, partnership, governmental unit, state institution or any other entity qualified under the laws of the commonwealth to perform or provide health care services.</p> <p>“Provider organization”, any corporation, partnership, business trust, association or organized group of persons, which is in the business of health care delivery or management, whether incorporated or not that represents 1 or more health care providers in contracting with carriers for the payments of health care services; provided, that “provider organization” shall include, but not be limited to, physician organizations, physician-hospital organizations, independent practice associations, provider networks, accountable care organizations and any other organization that contracts with carriers for payment for health care services.</p>
13.	Proposed Effective Date of the Proposed Material Change	Indicate the effective date of the proposed material change. NOTE: The effective date may not be less than 60 days from the date of the application notice.
14.	Description of the Proposed Material Change	Provide a brief narrative describing the nature and objectives of the proposed material change. Include organizational charts and other supporting materials as necessary to illustrate the proposed change in ownership, governance or operational structure.
15.	Impact of the Proposed Material Change	<p>Provide a brief description of any analysis conducted by the notifying organization as to the anticipated impact of the proposed material change including, but not limited to, the following factors, as applicable:</p> <ul style="list-style-type: none"> <li>• Costs</li> <li>• Prices, including prices of the provider or provider organization involved in the proposed merger, acquisition, affiliation or other proposed material change</li> <li>• Utilization</li> <li>• Health status adjusted total medical expenses</li> <li>• Market Share</li> <li>• Referral Patterns</li> <li>• Payer Mix</li> <li>• Service Area(s)</li> <li>• Service Line(s)</li> <li>• Service Mix</li> </ul>
16.	Future Planned Material Changes	Provide a brief description of the nature, scope and dates of any pending or planned material changes to ownership, governance, or operations within the 12 months following the date of the notice.
17.	Submission to Other State or Federal Agencies	Indicate the date and nature of any other applications, forms, notices or other materials provided to other state for federal agencies relative to the proposed material change, including but not limited to the Department of Public Health (e.g., Determination of Need Application, Notice of Intent to Acquire, Change in Licensure), Massachusetts Attorney General (e.g., notice pursuant to G.L. c. 180, §8A(c)), U.S. Department of Health and Human Services (e.g., Pioneer ACO or Medicare Shared Savings Program application) and



		Federal Trade Commission/Department of Justice (e.g., Notification and Report Form pursuant to 15 U.S.C. sec. 18a).
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