

NOTICE OF MATERIAL CHANGE

6-12-13

Date of Notice: _____

1.	Name:	Children's Hospital Corporation		
2.	Federal TAX ID #	MA DPH Facility ID #	NPI #	
	04-2774441	2139	1710087127	

Contact Information					
3.	Business Address 1:	300 Longwood Ave.			
4.	Business Address 2:				
5.	City:	Boston	State:	MA	Zip Code: 02115
6.	Business Website:	www.childrenshospital.org			
Contact Person					
7.	Contact First Name:	Stuart J.	Contact Last Name:	Novick	
8.	Title:	Senior Vice President and General Counsel			
9.	Contact Phone:	617-355-4937	Extension:		
10.	Contact Email:	stuart.novick@childrens.harvard.edu			

Description of Organization	
11.	Briefly describe your organization.
	Children's Hospital Boston ("CHB") is a 395-bed comprehensive center for pediatric health care. As one of the largest pediatric medical centers in the United States, CHB offers a complete range of health care services for children from birth through 21 years of age. CHB records approximately 24,943 inpatient admissions each year, and its 228 specialized clinical programs schedule more than 557,620 visits annually. Additionally, CHB performed 26,534 surgical procedures and 158,791 radiological examinations last year.

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 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 checked="" 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?
	10/1/13

Material Change Narrative	
14.	<p><i>Briefly describe the nature and objectives of the proposed material change:</i></p> <p>The Pediatric Physicians' Organization at Children's, Inc. ("PPOC") and the Physician's Organization at Children's ("PO"), along with CHB, will be the members of a new LLC that will harmonize and integrate operations formerly undertaken separately by the PPOC and PO. Each member will invest capital or assets in the LLC. The LLC will, for example: (i) enter into and administer contracts with payors on behalf of its health care provider members, including "alternative payment contracts" as defined by in Chapter 224 of the Acts of 2012, (ii) support and manage the development and implementation of an interoperable electronic health records system and similar technology that will further the integration of member health care providers, (iii) coordinate formation of a better integrated pediatric care network and (iv) advance more generally patient population health management for pediatric patients. None of the tasks to be performed by the LLC are new for either PPOC or PO.</p> <p>The LLC will not engage in any contracting efforts on behalf of CHB.</p>
15.	<p><i>Briefly describe the anticipated impact of the proposed material change:</i></p> <p>We expect no impact on health care costs in the Commonwealth as a result of the formation of the LLC outlined above.</p>

Development of the Material Change	
16.	<p>Describe any other material changes you anticipate making in the next 12 months:</p> <p>We anticipate no additional material changes in this timeframe.</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>The members will file a certificate of organization for the LLC with the Secretary of State of the Commonwealth of Massachusetts. We do not anticipate submitting any additional materials to any state or federal agencies in connection with the formation of the LLC.</p>

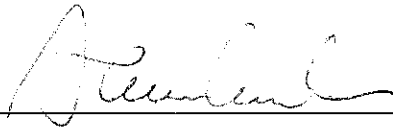
Affidavit of Truthfulness and Proper Submission

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 6th day of June, 2013, under the pains and penalties of perjury.

Signature: _____



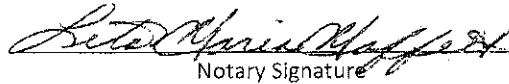
Stuart J. Novick

Name: _____

Senior Vice President and General Counsel

Title: _____

FORM MUST BE NOTARIZED IN THE SPACE PROVIDED BELOW:



Notary Signature

Comm Exp 11/9/2018

*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 the 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	Indicate the nature of the proposed material change. <i>Definitions of terms:</i> "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

		<p>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 fewer 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"> • Costs • Prices, including prices of the provider or provider organization involved in the proposed merger, acquisition, affiliation or other proposed material change • Utilization • Health status adjusted total medical expenses • Market Share • Referral Patterns • Payer Mix

		<ul style="list-style-type: none"> • Service Area(s) • Service Line(s) • Service Mix
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 or federal agencies relative to the proposed material change, including but not limited to the Department of Public Health (<i>e.g.</i> , Determination of Need Application, Notice of Intent to Acquire, Change in Licensure), Massachusetts Attorney General (<i>e.g.</i> , notice pursuant to G.L. c. 180, §8A(c)), U.S. Department of Health and Human Services (<i>e.g.</i> , Pioneer ACO or Medicare Shared Savings Program application) and Federal Trade Commission/Department of Justice (<i>e.g.</i> , Notification and Report Form pursuant to 15 U.S.C. §18a).