

## NOTICE OF MATERIAL CHANGE

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**Date of Notice: August 8, 2013**

1.	Name:	Cambridge Health Alliance Physicians Organization, Inc.
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2.	Federal TAX ID #	MA DPH Facility ID #	NPI #
	04-3167608	N/A	1932313228

Contact Information					
3.	Business Address 1:	1493 Cambridge Street			
4.	Business Address 2:				
5.	City:	Cambridge	State:	MA	Zip Code: 02139
5.	Business Website:	<a href="http://www.challiance.org">www.challiance.org</a>			
Contact Information					
7.	Contact First Name:	Andrew	Contact Last Name:	Fuqua	
8.	Title:	Associate General Counsel			
9.	Contact Phone:	(617) 591-4425	Extension:		
10.	Contact Email:	afuqua@challiance.org			

Description of Organization	
11.	<i>Briefly</i> describe your organization.
	<p>Cambridge Health Alliance Physicians Organization, Inc. ("CHAPO") is a physician organization that is a wholly-owned subsidiary of Cambridge Public Health Commission, d/b/a Cambridge Health Alliance ("CHA"), a public safety net hospital serving Cambridge, Somerville, and the metro-north area. CHAPO employs approximately 350 physicians and psychologists who primarily provide services at CHA and also contracts with other physicians and physician groups to provide services at CHA. CHAPO contracts with third party payors, in some cases separately from CHA and in others jointly with CHA. CHAPO is a Massachusetts nonprofit corporation. Its sole corporate member is CHA. CHAPO is governed by a three person board of trustees appointed by the chair of CHA's board of trustees. CHAPO is managed by a chief administrative officer who oversees the organization's business staff. CHAPO providers and staff and CHA collaborate closely on policy and operational matters and the provision of patient care.</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 checked="" 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 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.	<table border="1"> <tr> <td>What is the proposed effective date of the proposed material change?</td> <td>Unless otherwise notified by the Health Policy Commission, 60 days after the date this Notice of Material Change is filed.</td> </tr> </table>	What is the proposed effective date of the proposed material change?	Unless otherwise notified by the Health Policy Commission, 60 days after the date this Notice of Material Change is filed.
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Material Change Narrative			
14.	<i>Briefly describe the nature and objectives of the proposed material change:</i>		
	<p>CHAPO and CHA intend to join Beth Israel Deaconess Physician Organization, LLC, d/b/a Beth Israel Deaconess Care Organization ("BIDCO"), as participating providers as of January 1, 2014. BIDCO is an accountable care organization (ACO) and clinically integrated third party payor contracting organization, created to align member hospital and physician efforts to improve patient care and care management and to share risk under reimbursement contracts. CHA and CHAPO intend to join BIDCO for the purpose of aligning risk among our hospital, physicians, and BIDCO ACO affiliate members, and implementing shared care management programs across all BIDCO providers. This means that the CHAPO physicians will join certain BIDCO payor contracts on January 1, 2014 and other contracts as they come up for renewal thereafter. CHA will also become part of BIDCO, and after January 1, 2014 will join BIDCO payor contracts as contracts come up for renewal. Once CHAPO is participating in a BIDCO risk contract, BIDCO will integrate CHA and CHAPO's clinical care data into its data warehouse, where the information will be utilized to improve patient care quality and efficiency, and where CHA and CHAPO providers will also receive reports and analytics to help meet these goals. A primary care physician (PCP) leader from CHA/ CHAPO will join the leadership group at BIDCO as a member of the PCP Advisory Committee. Through regular meetings of the PCP Advisory Committee and with feedback from clinicians at the local level, care management programs and best practices will be integrated across the BIDCO network, including CHAPO, with the goal of continuously using information on best practices to effectuate improvements based on feedback from local physicians and hospitals.</p>		
15.	<i>Briefly describe the anticipated impact of the proposed material change:</i>		
	<p>Including CHA and CHAPO in the BIDCO network of providers will bring about many beneficial opportunities for care improvement and efficiency in the provision of patient care and other services, both for CHAPO providers and for the current providers in the BIDCO network. Each organization brings its unique experience and success in the management of patients, with CHA providers having particular expertise in Patient Centered Medical Homes and behavioral health, and BIDCO having successful experience in the management of total medical expense and extensive work in the implementation of care management programs. Synergy across the BIDCO network will allow for continuous improvement in the management of medical cost trends, allowing payors to maintain lower premium increases for the benefit of health care consumers. In addition, shared clinical information through EHRs promotes better management of patient health, both in terms of cost and quality of care provided. Infrastructure is more easily coordinated and distributed when providers are working together using similar processes, accessing uniform systems, and following coordinated care pathways and protocols.</p>		

<b>Development of the Material Change</b>	
16.	Describe any other material changes you anticipate making in the next 12 months:  At this time CHA does not anticipate making any further material changes in the next 12 months.
17.	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:  None other than the required concurrent filing of this notice with the Office of the Attorney General and the Center for Health Information and Analysis.

**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.

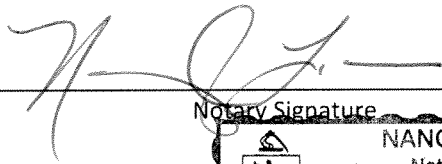
Signed on the 8th day of August, 2013, under the pains and penalties of perjury.

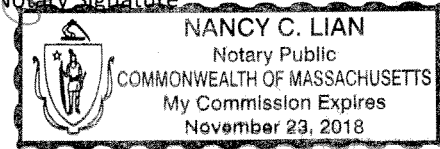
Signature: 

Name: Patrick R. Wardell

Title: President

FORM MUST BE NOTARIZED IN THE SPACE PROVIDED BELOW:

  
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)