

## NOTICE OF MATERIAL CHANGE

**Date of Notice: July 29, 2013**

1.	Name:	Beth Israel Deaconess Physician Organization, LLC, d/b/a Beth Israel Deaconess Care Organization (BIDCO)
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2.	Federal TAX ID #	MA DPH Facility ID #	NPI #
	04-3426253	N/A	N/A

Contact Information					
3.	Business Address 1:	400 Blue Hill Drive			
4.	Business Address 2:	Suite 2B			
5.	City:	Westwood	State: MA	Zip Code: 02090	
5.	Business Website:	<a href="http://www.bidco.org">www.bidco.org</a>			
Contact Information (continued)					
7.	Contact First Name:	Deb	Contact Last Name:	Schoenthaler	
8.	Title:	Chief Operating Officer			
9.	Contact Phone:	617-754-1007	Extension:		
10.	Contact Email:	<a href="mailto:dschoent@bidmc.harvard.edu">dschoent@bidmc.harvard.edu</a>			

Description of Organization	
11.	<i>Briefly</i> describe your organization.
	<p>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. BIDCO's membership includes approximately 2,000 physicians and 2 hospitals. BIDCO has two corporate Members: BIDCO Physician LLC (the members of which are physician groups) and BIDCO Hospital LLC (the members of which are hospitals). BIDCO is governed by a 14 person Board of Managers, with equal representation from both Members and with a co-Chair from each Member. BIDCO supports its providers in key care management and other functions including pharmacy management, health quality improvement, EHR implementation and support, contracting, data management and reporting, and financial reporting and accounting. The President and CEO of BIDCO manages the organization through a centralized business staff and both a centralized and decentralized medical management staff (the infrastructure of the organization), as appropriate.</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
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13.	What is the proposed effective date of the proposed material change?	January 1, 2014
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<b>Material Change Narrative</b>		
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14.	<i>Briefly describe the nature and objectives of the proposed material change:</i>	
	<p>Jordan Hospital and its employed physicians intend to join BIDCO as participating providers as of January 1, 2014, for the purpose of aligning risk and implementing shared care management programs across all BIDCO providers. This means that the Jordan physicians will be part of the BIDCO payor contracts on January 1, 2014. Jordan Hospital will also become part of BIDCO, and will join BIDCO's payor contracts as these contracts come up for renewal. BIDCO will integrate Jordan's clinical care data into its data warehouse, where the data will be married with claims data and utilized to improve patient care quality and efficiency, and where Jordan providers will also receive utilization reports and analytics. A primary care physician (PCP) leader from Jordan will join the leadership group at BIDCO. Through monthly meetings of the PCP Advisory Committee and with feedback at the local level, care management programs and best practices will be integrated across the BIDCO network, including at Jordan, with the goal of constant updates and improvements based on feedback from local physicians and hospitals.</p>	

15.	<i>Briefly describe the anticipated impact of the proposed material change:</i>	
	<p>Jordan and its employed physicians joining the BIDCO network of providers will create many beneficial opportunities for care improvement and efficiency in the provision of patient care and other services, both for Jordan providers and for the current providers in the BIDCO network. Each organization brings its unique experience and success in the management of patients, with Jordan providers being participants in the Medicare Shared Savings Program, and BIDCO having successful experience in the management of total medical expense (TME) and extensive work in the implementation of care management programs. Sharing Jordan's expertise across the BIDCO network will allow for continuous improvement in the management of medical costs. In addition, shared clinical information through electronic health records (EHR) will promote 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>		
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16.	<i>Describe any other material changes you anticipate making in the next 12 months:</i>	
	<p>BIDCO is continuously evaluating the composition of its membership, and making determinations about potential affiliations. The Cambridge Health Alliance network of physicians and hospitals will also join BIDCO as of January 1, 2014. At this time, there are no other anticipated affiliations within the next 12 months.</p>	


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

**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 29 day of July, 2013, under the pains and penalties of perjury.

Signature  \_\_\_\_\_

Name: Christina Severin \_\_\_\_\_

Title: President and CEO, BIDCO \_\_\_\_\_

FORM MUST BE NOTARIZED IN THE SPACE PROVIDED BELOW:

Deborah J. Crum  
Notary Public  
My Commission Expires 3/21/2014

 \_\_\_\_\_  
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)