

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

**Health Policy Commission
50 Milk Street
8th Floor
Boston, MA 02109**

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 M.G.L. c. 6D, § 13 and 958 CMR 7.00, Notices of Material Change and Cost and Market Impact Reviews. To complete the Notice, it is necessary to read and comply with 958 CMR 7.00, a copy of which may be obtained on the Commission’s website at www.mass.gov/hpc. Capitalized terms in this Notice are defined in 958 CMR 7.02. Additional sub-regulatory guidance may be available on the Commission’s website (e.g., Technical Bulletins, FAQs). For further assistance, please contact the Health Policy Commission at HPC-Notice@state.ma.us. This form is subject to statutory and regulatory changes that may take place from time to time.

REQUIREMENT TO FILE

This Notice must be submitted by any Provider or Provider Organization with \$25 million or more in Net Patient Service Revenue in the preceding fiscal year that is proposing a Material Change, as defined in 958 CMR 7.02. Notice must be filed with the Commission not fewer than 60 days before the consummation or closing of the transaction (i.e., the proposed effective date of the proposed Material 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;

Office of the Attorney General
HCD-6D-NOTICE@state.ma.us;

Center for Health Information and Analysis
CHIA-Legal@state.ma.us

PRELIMINARY REVIEW AND NOTICE OF COST AND MARKET IMPACT REVIEW

If the Commission considers the Notice to be incomplete, or if the Commission requires clarification of any information to make its determination, the Commission may, within 30 days of receipt of the Notice, notify the Provider or Provider Organization of the information or clarification necessary to complete the Notice.

The Commission will inform each notifying Provider or Provider Organization of any determination to initiate a Cost and Market Impact Review within 30 days of its receipt of a completed Notice and all required information, or by a later date as may be set by mutual agreement of the Provider or Provider Organization and the Commission.

CONFIDENTIALITY

Information on this Notice form itself shall be a public record and will be posted on the Commission’s website.

Pursuant to 958 CMR 7.09, the Commission shall keep confidential all nonpublic information and documents obtained in connection with a Notice of Material Change and shall not disclose the information or documents to any person without the consent of the Provider or Payer that produced the information or documents, except in a Preliminary Report or Final Report of a Cost and Market Impact Review if the Commission believes that such disclosure should be made in the public interest after taking into account any privacy, trade secret or anti-competitive considerations. The confidential information and documents shall not be public records and shall be exempt from disclosure under M.G.L. c. 4, § 7 cl. 26 or M.G.L. c. 66, § 10.

NOTICE OF MATERIAL CHANGE

Date of Notice: 7/31/15

1.	Name:	Trinity Health Corporation
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2.	Federal TAX ID #	MA DPH Facility ID #	NPI #
	35-144-3425	N/A	N/A

Contact Information						
3.	Business Address 1:	20555 Victor Parkway				
4.	Business Address 2:					
5.	City:	Livonia	State:	MI	Zip Code:	48152
5.	Business Website:	trinity-health.org				
Contact Information (continued)						
7.	Contact First Name:	David	Contact Last Name:	Ettinger		
8.	Title:	Partner, Honigman, Miller, Schwartz & Cohn				
9.	Contact Phone:	313-465-7368	Extension:			
10.	Contact Email:	dettinger@honigman.com				

Description of Organization			
11.	<p><i>Briefly</i> describe your organization.</p> <p>Trinity Health is a non-profit Indiana corporation. It serves people and communities in 21 states including 86 hospitals, home health and hospice agencies, continuing care facilities and programs for all inclusive care for the elderly. It employs more than 89,000 colleagues and in fiscal year 2014 reported \$13.5 billion in annual operating revenue.</p>		
Type of Material Change			
12.	<p>Check the box that most accurately describes the proposed Material Change involving a Provider or Provider Organization:</p> <p><input type="checkbox"/> A Merger or affiliation with, or Acquisition of or by, a Carrier;</p> <p><input checked="" type="checkbox"/> A Merger with or Acquisition of or by a Hospital or a hospital system;</p> <p><input type="checkbox"/> Any other Acquisition, Merger, or affiliation (such as a Corporate Affiliation, Contracting Affiliation, or employment of Health Care Professionals) of, by, or with another Provider, Providers (such as multiple Health Care Professionals from the same Provider or Provider Organization), or Provider Organization that would result in an increase in annual Net Patient Service Revenue of the Provider or Provider Organization of ten million dollars or more, or in the Provider or Provider Organization having a near-majority of market share in a given service or region;</p> <p><input type="checkbox"/> Any Clinical Affiliation between two or more Providers or Provider Organizations that each had annual Net Patient Service Revenue of \$25 million or more in the preceding fiscal year; provided that this shall not include a Clinical Affiliation solely for the purpose of collaborating on clinical trials or graduate medical education programs; and</p> <p><input type="checkbox"/> Any formation of a partnership, joint venture, accountable care organization, parent corporation, management services organization, or other organization created for administering contracts with Carriers or third-party administrators or current or future contracting on behalf of one or more Providers or Provider Organizations.</p>		
13.	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 35%;">What is the proposed effective date of the proposed Material Change?</td> <td>October 1, 2015</td> </tr> </table>	What is the proposed effective date of the proposed Material Change?	October 1, 2015
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Material Change Narrative			

14.	<p><i>Briefly describe the nature and objectives of the proposed Material Change:</i></p> <p>Pursuant to the transaction, Trinity Health shall become the sole member of Saint Francis Care. Saint Francis Care, located in Hartford, CT and the Sisters of Providence Health System, in Springfield, Massachusetts will be operated together as an integrated Regional Health Ministry. Subject to CT regulatory approval, Johnson Memorial Hospital in Stafford, CT will also join the Regional Health Ministry.</p> <p>Trinity Health's People-Centered 2020 Strategy is focused on a population health management approach to delivering care in which the organization will improve quality and improve outcomes while reducing cost of care in the communities we serve. Saint Francis Care also has a population health focused vision.</p> <p>The objective of the transaction is to improve quality and community health while reducing the cost of care provided at Saint Francis Care. The parties anticipate that this will be accomplished by, among other things, sharing best practices from both clinical and financial perspectives and participating in Trinity Health's initiatives to advance population health and value-based health care. See Exhibit A.</p>
15.	<p><i>Briefly describe the anticipated impact of the proposed Material Change:</i></p> <p>No impact on reimbursement rates is anticipated.</p> <p>The parties anticipate that the cost of care at Saint Francis Care may be reduced by the transaction because of the resulting access to Trinity Health's lower cost of capital, and programs such as insurance and risk management, compliance, cash management, innovation, development of clinical practices and protocols and tax preparation. Because Trinity Health has substantial resources devoted to each of these areas, Saint Francis Care will likely be able to benefit from the use of these resources as well as from best practice sharing. However, no detailed cost analysis has yet been performed.</p> <p>The parties anticipate that as part of Trinity Health's value-based purchasing initiative, they will make progress in reducing unnecessary utilization of health care. However, there has not been any specific analysis of the impact of this transaction on utilization. Nor has there been any specific analysis of the impact of the transaction on market share, referral patterns, payor mix or the service areas applicable to the parties' operations. The parties do anticipate that there may be additional referrals between the organizations reflecting the location of Centers of Excellence at Saint Francis Care and Sisters of Providence, but no specific decisions or analysis have been made as to any such referral patterns.</p>


Development of the Material Change	
16.	Describe any other Material Changes you anticipate making in the next 12 months: None.
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>(a) Certificate of Need applications to State of Connecticut, dated February 13, 2015 (hospital), and March 6, 2015 (Saint Francis Care physician practices).</p> <p>(b) Completeness Responses for Certificate of Need dated April 17, 2013 and July 15, 2015 (Response to Connecticut Office of Health Care Access follow-up questions on Certificate of Need).</p> <p>(c) Hart Scott Rodino filing submitted to Federal Trade Commission and Department of Justice, dated March 20, 2015.</p> <p>(d) Letter to Susan Raitt of Federal Trade Commission relating to antitrust review of transaction, dated April 10, 2015.</p>

Affidavit of Truthfulness and Proper Submission

I, the undersigned, certify that:

1. I have read 958 CMR 7.00, Notices of Material Change and Cost and Market Impact Reviews.
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, the Office of the Attorney General, and the Center for Health Information and Analysis as required.

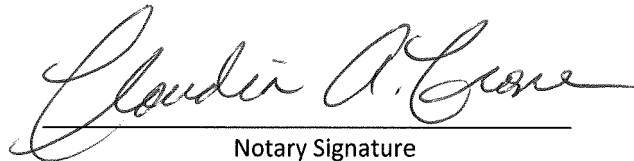
Signed on the 30 day of JULY, 2015, under the pains and penalties of perjury.

Signature: 

Name: SHELBY DE COSTA

Title: SVP, MERGERS, ACQUISITIONS & PARTNERSHIP DEVELOPMENT
TRINITY HEALTH

FORM MUST BE NOTARIZED IN THE SPACE PROVIDED BELOW:



Notary Signature

Claudia A. Crane, Notary Public
State of Michigan, County of Oakland
My Commission Expires 11/17/2019
Acting in the County of _____

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

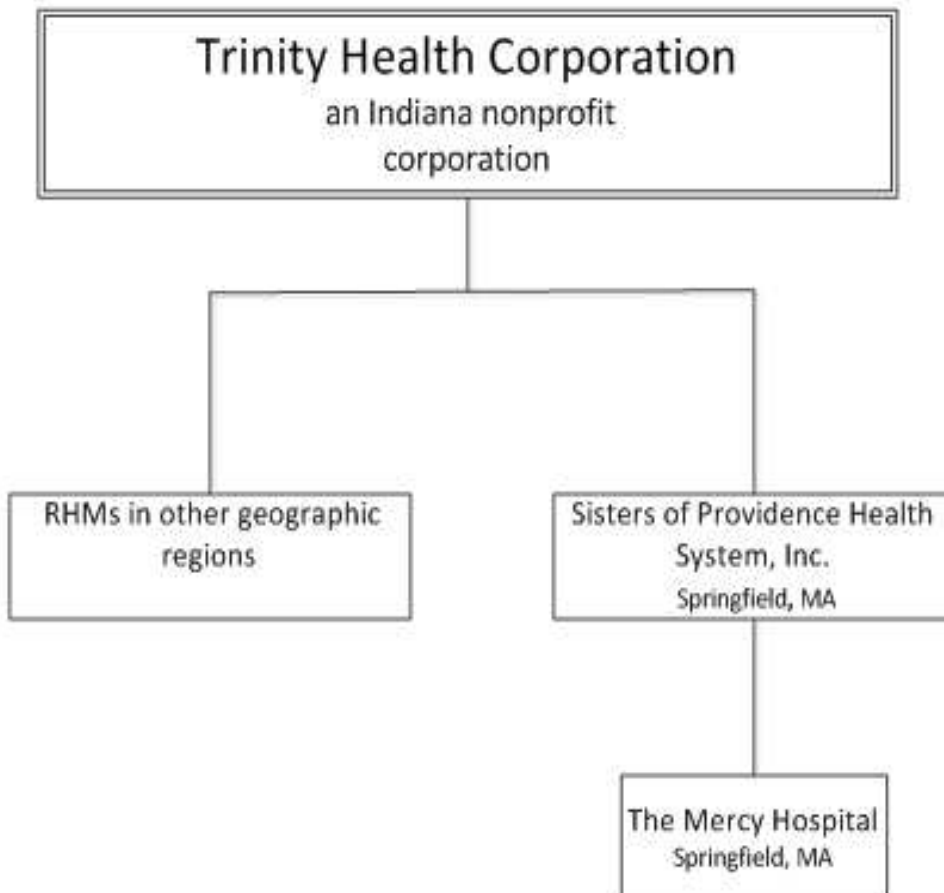
1.	Name	Legal business name as reported with Internal Revenue Service. This may be the parent organization or local Provider Organization name.
2.	Federal TAX ID #	9-digit federal tax identification number also known as an employer identification number (EIN) assigned by the internal revenue service.
	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> "Carrier", an insurer licensed or otherwise authorized to transact accident or health insurance under M.G.L. c. 175; a nonprofit Hospital service corporation organized under M.G.L. c. 176A; a nonprofit medical service corporation organized under M.G.L. c. 176B; a health maintenance organization organized under M.G.L. c. 176G; and an organization entering into a preferred provider arrangement under M.G.L. c. 176I; provided, that this shall not include an employer purchasing coverage or acting on behalf of its employees or the employees of one or more subsidiaries or affiliated corporations of the employer; provided that, unless</p>

		<p>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>“Net Patient Service Revenue”, the total revenue received for patient care from any third party Payer net of any contractual adjustments. For Hospitals, Net Patient Service Revenue should be as reported to the Center under M.G.L. c. 12C, § 8. For other Providers or Provider Organizations, Net Patient Service Revenue shall include the total revenue received for patient care from any third Party payer net of any contractual adjustments, including: (1) prior year third party settlements; and (2) premium revenue, which means per-member-per-month amounts received from a third party Payer to provide comprehensive Health Care Services for that period, for all Providers represented by the Provider or Provider Organization in contracting with Carriers, for all Providers represented by the Provider or Provider Organization in contracting with third party Payers..</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 one or more health care Providers in contracting with Carriers or third-party administrators for the payments of Heath Care Services; provided, that a 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 filing of the 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.

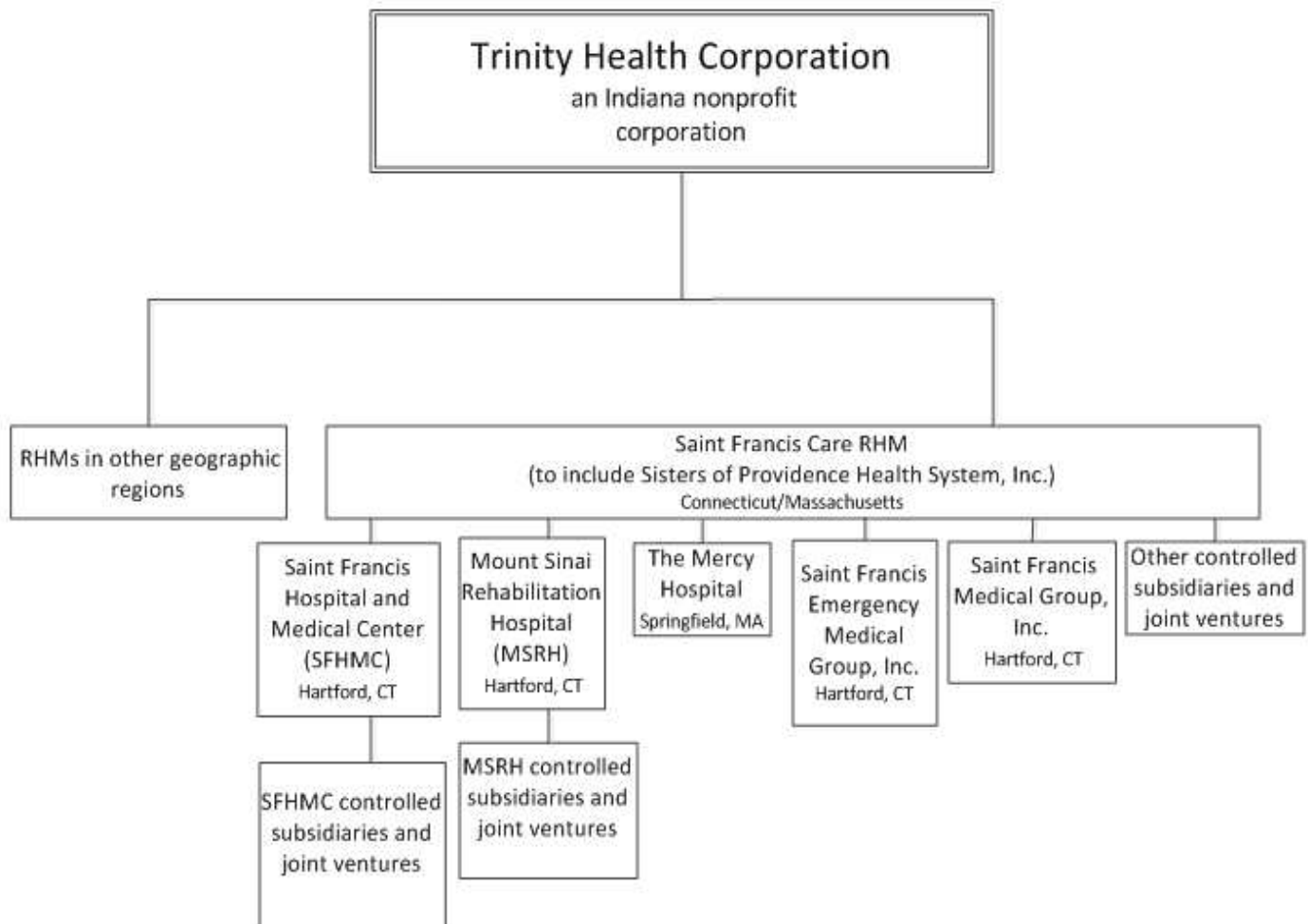
15.	Impact of the Proposed Material Change	<p>Provide a brief description of any analysis conducted by the notifying organization as to the anticipated impact of the proposed Material Change including, but not limited to, the following factors, as applicable:</p> <ul style="list-style-type: none"> • 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 • Service Area(s) • Service Line(s) • Service Mix
16.	Future Planned Material Changes	<p>Provide a brief description of the nature, scope and dates of any pending or planned Material Changes within the 12 months following the date of the notice.</p>
17.	Submission to Other State or Federal Agencies	<p>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).</p>

EXHIBIT A

Pre Transaction Depiction of Trinity Health Corporation Operations in Connecticut/Massachusetts



Post Transaction Depiction of Trinity Health Corporation Operations in Connecticut/Massachusetts



Note: Subject to Connecticut regulatory approval, Johnson Memorial Hospital will become part of the Saint Francis Care RHM in the future. Johnson Memorial Hospital will be on the same level as The Mercy Hospital once the transaction is finalized.