

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

**Health Policy Commission  
50 Milk Street  
8<sup>th</sup> 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](http://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](mailto:HPC-Notice@state.ma.us). This form is subject to statutory and regulatory changes that may take place from time to time.

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### 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).

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### 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)

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### 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.

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### 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: October 30, 2016

1. Name: Beth Israel Deaconess Physician Organization, LLC, d/b/a Beth Israel Deaconess

	Federal TAX ID #	MA DPH Facility ID #	NPI #
2.	04-3426253	N/A	N/A

## CONTACT INFORMATION

3. Business Address 1: One University Avenue

4. Business Address 2: North Entrance

5. City: Westwood State: MA Zip Code: 02090

6. Business Website: www.bidco.org

7. Contact First Name: Deborah Contact Last Name: Schoenthaler

8. Title: Chief Operating Officer

9. Contact Phone: 617-754-1007 Extension:

10. Contact Email: dschoent@bidmc.harvard.edu

## DESCRIPTION OF ORGANIZATION

11. Briefly describe your organization.

BIDCO is an Accountable Care Organization (ACO) and clinically integrated payor contracting organization, created to align Member hospital and physician efforts to improve patient care and care management and share risk under reimbursement contracts. As of September, 2015 BIDCO's members include approximately 2,400 physicians and 7 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 a co-Chair from each Member.

## TYPE OF MATERIAL CHANGE

12. Check the box that most accurately describes the proposed Material Change involving a Provider or Provider Organization:

- A Merger or affiliation with, or Acquisition of or by, a Carrier;
- A Merger with or Acquisition of or by a Hospital or a hospital system;
- 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;
- 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
- 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.

13. What is the proposed effective date of the proposed Material Change? January 1, 2016

## MATERIAL CHANGE NARRATIVE

14. *Briefly* describe the nature and objectives of the proposed Material Change, including whether any changes in Health Care Services are anticipated in connection with the proposed Material Change:

MetroWest Medical Center (MWMC) intends to join BIDCO as a participating provider as of January 1, 2016 ("Effective Date"), 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. MWMC will become a member of BIDCO, and after the Effective Date will join BIDCO payor contracts as contracts come up for renewal. Once MWMC is participating in a BIDCO risk contract, BIDCO will integrate clinical care data from MWMC into its data warehouse, where the information will be utilized to improve patient care quality and efficiency, and where MWMC will also receive reports and analytics to help meet these goals. Care management programs and best practices will be integrated across the BIDCO network, including at MWMC, with the goal of continuously using information on best practices to effectuate improvements based on feedback from local physicians and hospitals.

15. *Briefly* describe the anticipated impact of the proposed Material Change, including but not limited to any anticipated impact on reimbursement rates, care referral patterns, access to needed services, and/or quality of care:

Including MWMC in the BIDCO network will bring about many beneficial opportunities for care improvement and efficiency in the provision of patient care and other services, both for current providers and for any new providers in the BIDCO network. Each organization brings its unique experience and success in the management of patients, with MWMC having experience with risk contract management through its experience with PHO physicians at a local level, and BIDCO having successful experience in the management of total medical expense (TME) and extensive work in the implementation of care management programs at a system level. 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 clinical integration and 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.

## DEVELOPMENT OF THE MATERIAL CHANGE

16. Describe any other Material Changes you anticipate making in the next 12 months:

BIDCO is continuously evaluating the composition of its membership, and making determinations about potential affiliations. At this time, there are no other affiliations planned within 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.

## SUPPLEMENTAL MATERIALS

18. Submit the following materials, if applicable, under separate cover to [HPC-Notice@state.ma.us](mailto:HPC-Notice@state.ma.us).

The Health Policy Commission shall keep confidential all nonpublic information, as requested by the parties, in accordance with M.G.L. c. 6D, § 13(c), as amended by 2013 Mass. Acts, c. 38, § 20 (July 12, 2013).

- a. Copies of all current agreement(s) (with accompanying appendices and exhibits) governing the proposed Material Change (e.g., definitive agreements, affiliation agreements);
- b. A current organizational chart of your organization
- c. Any analytic support for your responses to Questions 14 and 15 above.

[Remainder of this page intentionally left blank]

Print this page, sign, notarize, and submit as a .PDF separately from the writable portion (p. 4-5) of the Notice of Material Change form. This signed and notarized Affidavit of Truthfulness and Proper Submission is required for a complete submission.

**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.

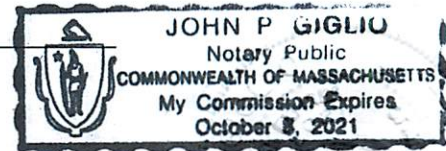
Signed on the 30<sup>th</sup> day of October, 2015, under the pains and penalties of perjury.

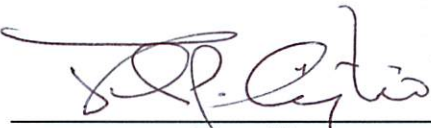
Signature: 

Name: Jeffrey Hulburt

Title: Interim President and CEO, BIDCO

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)