

# **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: 1/14/2016

1. Name: Harvard Medical Faculty Physicians at Beth Israel Deaconess Medical Center, Inc. (HMFP)

	Federal TAX ID #	MA DPH Facility ID #	NPI #
2.	22-2768204	N/A	See attached list.

### CONTACT INFORMATION

3. Business Address 1: 375 Longwood Avenue

4. Business Address 2: Third Floor

5. City: Boston

State: MA

Zip Code: 02215

6. Business Website: <http://hmfp.caregroup.org>

7. Contact First Name: Kristen

Contact Last Name: Beech

8. Title: Chief Legal Officer

9. Contact Phone: 617-632-9763

Extension:

10. Contact Email: [kbeech@bidmc.harvard.edu](mailto:kbeech@bidmc.harvard.edu)

### DESCRIPTION OF ORGANIZATION

11. Briefly describe your organization.

Harvard Medical Faculty Physicians at Beth Israel Deaconess Medical Center, Inc. ("HMFP") is a non-profit, Section 501(c)(3) corporation that employs approximately 800 physicians who are members of the Medical Staff of Beth Israel Deaconess Medical Center ("BIDMC") and faculty members of Harvard Medical School. HMFP is governed by a Board of Directors that consists of the 13 Chairs of HMFP's clinical Departments, the Chief Executive Officer of BIDMC, the Chief Executive Officer, Chief Administrative and Strategy Officer and Chief Financial Officer of HMFP, 4 physician employees of HMFP, and 6 independent Community Directors. HMFP is affiliated with BIDMC through an exclusive affiliation agreement that was signed in 2006.

### 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? March 14, 2016

## MATERIAL CHANGE NARRATIVE

14. *Briefly* describe the nature and objectives of the proposed Material Change, including any exchange of funds between the parties (such as any arrangement in which one party agrees to furnish the other party with a discount, rebate, or any other type of refund or remuneration in exchange for, or in any way related to, the provision of Health Care Services) and whether any changes in Health Care Services are anticipated in connection with the proposed Material Change:

HMFP and BIDMC will enter into a clinical affiliation with MetroWest Medical Center ("MWMC"). The objective of the affiliation is to deliver coordinated, high-quality, equitable, and cost-effective care to the patients and communities the organizations serve. The affiliation includes the following elements: expansion of primary care in the MWMC service area; enhancement and expansion of surgical services at MWMC to better serve MWMC patients in their community; collaboration in the OB/GYN service line as determined appropriate; development of a joint cancer program; possible co-recruitment of specialists as may be needed to enhance the level of care in the community; and collaboration in health care quality initiatives and quality assurance processes. BIDMC and MWMC will establish bi-directional access to the respective electronic medical records of patients seen by both organizations.

This clinical affiliation will not change the ownership, governance, or operational structure of MWMC. The provider organizations intend to be further integrated and linked through MWMC's participation in Beth Israel Deaconess Care Organization ("BIDCO"), an accountable care organization. This information is mentioned in this filing because it is an important component of the organizations' overall relationship. A separate filing further describing MWMC's participation in BIDCO is already on file with the HPC.

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:

HMFP, BIDMC and MWMC will become more clinically aligned in order to improve care for our patients and communities. The organizations' shared goal is to provide high quality, cost effective care in the most appropriate setting. The organizations will work to enhance and expand the range of services offered locally at MWMC through various means, including joint clinical program development and the possible co-recruitment of specialists as may be needed to enhance the level of care in the community. Pursuant to the affiliation, when MWMC patients need tertiary or quaternary level care, the expectation is that they will be referred to BIDMC (subject to patient and physician choice, insurance limitations, and medical necessity), which likely will represent a change from current referral patterns. The goal, however, is to keep more care in the local community than is currently experienced by improving access to specialists and a more complex level of care at MWMC. The clinical affiliation should not impact reimbursement rates.

## DEVELOPMENT OF THE MATERIAL CHANGE

16. Describe any other Material Changes you anticipate making in the next 12 months:  
None anticipated.

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:  
HMFP has not submitted any notice of this proposed clinical affiliation to other state or federal agencies.

## 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 13 day of January, 2016, under the pains and penalties of perjury.

Signature: \_\_\_\_\_

*Stuart A. Rosenberg*

Name: \_\_\_\_\_

Stuart A. Rosenberg, M.D.

Title: \_\_\_\_\_

President

FORM MUST BE NOTARIZED IN THE SPACE PROVIDED BELOW:

Notary Signature

*[Handwritten Signature]*



Expiration: 11/16/18

Copies of this application have been submitted electronically as follows:

Office of the Attorney General (1)

Center for Health Information and Analysis (1)