

NOTICE OF MATERIAL CHANGE

DATE OF NOTICE: 5/9/2016

1. Name: Winchester Hospital

	Federal TAX ID #	MA DPH Facility ID #	NPI #
2.	04-2104434	2094	1790740777

CONTACT INFORMATION

3. Business Address 1: 41 Highland Avenue

4. Business Address 2:

5. City: Winchester State: MA Zip Code: 01890

6. Business Website: www.winchesterhospital.org

7. Contact First Name: David Contact Last Name: Spackman

8. Title: General Counsel & SVP Gov't Relations

9. Contact Phone: 781-744-3466 Extension:

10. Contact Email: David.G.Spackman@Lahey.org

DESCRIPTION OF ORGANIZATION

11. Briefly describe your organization.

Winchester Hospital ("Winchester") is a Massachusetts non-profit corporation that is a subsidiary of Lahey Health System, Inc. Winchester has 189 licensed beds, 16 Level IIB Special Care Nursery bassinets and 24 well infant bassinets. Winchester has 21 licensed satellite facilities, including (i) the Winchester Hospital Family Medical Center, an outpatient and urgent care facility in Wilmington, MA, (ii) Winchester Hospital Imaging Center in Woburn, MA, and (iii) the Winchester Hospital Outpatient Center in Woburn, MA. Winchester has served the greater Winchester areas since 1912.

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? July 1, 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:

Winchester and Atrius Health plan to enter into a contract whereby Winchester will be designated by Atrius Health as a preferred hospital provider for Atrius Health's patients that are referred, when appropriate, to Winchester by their Atrius Health clinician. The arrangement will include clinical collaboration by the Parties, including the development of programs to achieve the Parties' shared goals of providing high quality, cost effective care in the communities they serve. This arrangement includes remuneration related to the improvement of patient care quality and reduction of total medical expense in connection with the provision of health care services.

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:

Winchester and Atrius Health will become more clinically aligned in order to improve the quality and care of patients and to ensure coordination and collaboration across the continuum of care. The arrangement will include developing programs to achieve the Parties' shared goals of providing high quality, cost effective care in the appropriate settings in the communities they serve.

DEVELOPMENT OF THE MATERIAL CHANGE

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

Winchester is open to discussions with other providers to improve the quality and delivery of care to patients.

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 stated herein.

SUPPLEMENTAL MATERIALS

18. Submit the following materials, if applicable, under separate cover to 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 9th day of May, 2016, under the pains and penalties of perjury.

Signature: David G. Spackman

Name: David G. Spackman

Title: General Counsel & SVP Gov't Relations

FORM MUST BE NOTARIZED IN THE SPACE PROVIDED BELOW:

Barbara T. Lamont
Notary Signature

Barbara T. Lamont

Commission Expires: May 18, 2018

Copies of this application have been submitted electronically as follows:

Office of the Attorney General (1)

Center for Health Information and Analysis (1)