



MASSACHUSETTS
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: 11/4/2016

1. Name: CMIPA, INC.

	Federal TAX ID #	MA DPH Facility ID #	NPI #
2.	46-5194024		

CONTACT INFORMATION

3. Business Address 1: 427 Main Street

4. Business Address 2: 3rd Floor

5. City: Worcester

State: MA

Zip Code: 01608

6. Business Website: CMIPA.COM

7. Contact First Name: Gail

Contact Last Name: Sillman

8. Title: CEO

9. Contact Phone: (508)438-1100

Extension:

10. Contact Email: gsillman@cmipa.com

DESCRIPTION OF ORGANIZATION

11. Briefly describe your organization.

Central Massachusetts Independent Physician Association (CMIPA) was originally established in 1998. The company was started for the purpose of providing centralized management services to a number of independent physician practices. Today CMIPA provides managed care contracting, medical management, population health and quality improvement services to approximately 200 independent and hospital based physicians. CMIPA works with its network providers to help promote high quality, low cost health care to the patients they serve in Central Massachusetts.

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, 2017

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:

Under the proposed arrangement Steward Health Care Network (SHCN) will purchase substantially all assets of CMIPA. SHCN will also enter into participating provider agreements with CMIPA physicians and take assignment of certain CMIPA contracts. This arrangement will allow CMIPA physicians to align with a leading ACO and will enable these private practice physicians the opportunity to enter into Medicaid ACO, Medicare ACO and Commercial ACO contracts while maintaining their local, independent practices.

It is important to CMIPA physicians that the independent practice model be maintained while at the same time enabling them to leverage the robust management infrastructure that SHCN offers. This arrangement will also benefit central Massachusetts consumers by expanding access to community based ACO models which will help to increase quality and control costs. CMIPA physicians will be expected to help drive improvements in care management, care coordination and overall health care value for the local Commercial, Medicaid and Medicare populations.

This affiliation will provide greater choice for consumers in Central Massachusetts and will help to prevent the domination of the local market by a small number of larger provider organizations.

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:

Expanded access to the community based ACO model will benefit Central Massachusetts patients by providing increased competition and a renewed focus on the delivery of care in a cost effective setting. CMIPA physicians will be able to expand their participation in alternative payment models designed to lower cost, improve care coordination and improve overall health care outcomes. We do not anticipate any adverse changes in referral patterns or access to needed services.

DEVELOPMENT OF THE MATERIAL CHANGE

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

NONE

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.

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]

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 4th day of November, 2016, under the pains and penalties of perjury.

Signature: Gail Sillman

Name: Gail Sillman

Title: CEO

FORM MUST BE NOTARIZED IN THE SPACE PROVIDED BELOW:

Nancy J. Brode
Notary Signature
EXP. 2-2-18

Copies of this application have been submitted electronically as follows:

Office of the Attorney General (1)

Center for Health Information and Analysis (1)