

NOTICE OF MATERIAL CHANGE

DATE OF NOTICE:

1. Name: **UMass Memorial Health Ventures, Inc.**

2.	Federal TAX ID #	MA DPH Facility ID #	NPI #
	22-2605670	NA	NA

CONTACT INFORMATION

3. Business Address 1: **365 Plantation Street, 3rd Floor**

4. Business Address 2:

5. City: **Worcester** State: **MA** Zip Code: **01605**

6. Business Website: **www.umassmemorialhealthcare.org**

7. Contact First Name: **Frank** Contact Last Name: **Smith**

8. Title: **Assoc. Vice President, Assoc. General Counsel**

9. Contact Phone: **508-334-1700** Extension:

10. Contact Email: **Frank.Smith@umassmemorial.org**

DESCRIPTION OF ORGANIZATION

11. *Briefly* describe your organization.

UMass Memorial Health Ventures, Inc. ("UMMHV"), a wholly controlled subsidiary of UMass Memorial Health Care, Inc. ("UMMHC"), is a Massachusetts non-profit corporation that serves as a holding company for UMMHC business ventures which serve the health care system. The UMMHC System includes four hospitals located in Worcester, Leominster, Clinton and Marlborough, 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:

UMMHV and ATI Physical Therapy intend to form a joint venture for the purpose of providing non-hospital outpatient physical and occupational therapy services in Central Massachusetts. It is anticipated that each party will hold a 49-51% ownership interest in the joint venture company, with each party funding start-up capital in proportion to their ownership interests.

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:

UMMHV and ATI Physical Therapy intend to offer the highest quality of care in an otherwise fragmented community service. ATI Physical Therapy is a nationally recognized leader in patient outcomes and patient satisfaction. In the joint venture, UMMHV and ATI will explore the enhancement of current independent data registries to establish better benchmarks and quality outcomes across the continuum of care for UMMHC patients. The parties anticipate that reimbursement rates for the joint venture would be competitive within the non-hospital outpatient market.

DEVELOPMENT OF THE MATERIAL CHANGE

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

None at this time.

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 at this time.

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]

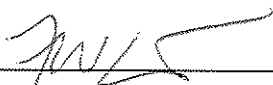
This signed and notarized Affidavit of Truthfulness and Proper Submission is required for a complete submission.

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 1st day of November, 2016, under the pains and penalties of perjury.

Signature: 

Name: Frank W. Smith

Title: Associate Vice President, Associate General Counsel

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)