



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: **6/30/2017**

1. Name: **Collaborative Care Holdings, LLC**

	Federal TAX ID #	MA DPH Facility ID #	NPI #
2.	27-2337616	N/A	

CONTACT INFORMATION

3. Business Address 1: **11000 Optum Circle**

4. Business Address 2:

5. City: **Eden Prairie** State: **MN** Zip Code: **55344**

6. Business Website: **www.optum.com**

7. Contact First Name: **John** Contact Last Name: **Liethen**

8. Title: **Deputy General Counsel**

9. Contact Phone: **(952)205-6262** Extension:

10. Contact Email: **John.Liethen@optum.com**

DESCRIPTION OF ORGANIZATION

11. *Briefly* describe your organization.

Collaborative Care Holdings, LLC through its OptumCare business (“OptumCare”) and Reliant Medical Group, Inc. (“Reliant,” collectively with OptumCare, the “Parties”) propose to enter into a transaction (the “Transaction”) whereby OptumCare will acquire certain assets of Reliant, and Reliant will continue to own and operate its medical practice, as more particularly described in this summary. Collaborative Care Holdings, LLC is a subsidiary of Optum, Inc., a subsidiary of UnitedHealth Group Incorporated.

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, 2018**

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:

Reliant proposes to change its status from a tax-exempt Massachusetts MGL c. 180 corporation and public charity to a taxable Massachusetts MGL c. 180 corporation (either in its current corporate entity or as a new MGL c. 180 corporation), and to transfer its non-clinical assets to a Management Services Organization (MSO) owned by OptumCare. The MSO will provide administrative and other non-clinical support services to Reliant, which will continue to employ its physicians and other providers and contract with payors. As is required by MGL c. 180 §8A(c), following approval by the Massachusetts Attorney General's Office, Reliant will donate the fair market value of its net assets to an independent Massachusetts public charity to meet the health care-related needs of the communities served by Reliant. OptumCare will help to fund and support Reliant's master facilities plan, support efforts to recruit and retain high-quality physicians and other providers to the Central and Metro West areas of the state which will serve to improve the health status in the region, as well as by offering enhanced services to current and future Reliant patients. The Reliant physicians will retain their clinical practice autonomy, and OptumCare is dedicated to maintaining Reliant's Central and Metro West workforce. OptumCare does not anticipate that any Health Care Services will be diminished in connection with the proposed Material Change. This arrangement will support the growth and expansion of Reliant's unique care model, which delivers value to the patient through the provision of high-quality care at lower total medical expense.

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:

OptumCare does not anticipate that the proposed Material Change will have an immediate impact on Reliant's reimbursement rates, care referral patterns, access to needed services, or quality of care. Over time, OptumCare and Reliant expect the Material Change to improve Reliant's ability to care for its patients and to provide high-value care.

DEVELOPMENT OF THE MATERIAL CHANGE

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

At the present time, OptumCare does not anticipate further Material Changes in the next 12 months. However, OptumCare will provide any and all required Notices and regulatory applications to appropriate government agencies should that change.

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:

The parties will provide any notices and make any filings with government agencies as may be required in support of this Material Change.

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 30th day of June, 2017, under the pains and penalties of perjury.

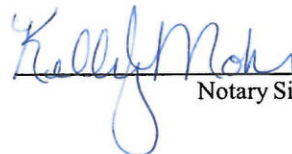
Signature: 

Name: John Liethen

Title: Deputy 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)