

HEALTH POLICY COMMISSION

Bulletin on Independent Community Hospitals for Determination of Need Applicants

HPC-2021-01

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The Massachusetts Health Policy Commission (HPC) has developed a list of independent community hospitals in Massachusetts for use by applicants to the Department of Public Health's Determination of Need program.¹ This bulletin provides the HPC's Massachusetts Hospital Cohort Designation and Affiliation Status for 2021, as referenced in 105 CMR 100.715(B)(2)(b), and explains the methodology used to identify hospitals for inclusion on this list. This list is effective as of the date of publication.

I. List of Independent Community Hospitals

Athol Memorial Hospital
Berkshire Medical Center
Cape Cod Hospital
Emerson Hospital
Fairview Hospital
Falmouth Hospital
Harrington Memorial Hospital
Heywood Memorial Hospital
Holyoke Medical Center
Lawrence General Hospital
Mercy Medical Center
Milford Regional Medical Center
Signature Healthcare Brockton Hospital
South Shore Hospital
Southcoast Hospitals Group (including Charlton Memorial Hospital, St. Luke's Hospital, and Tobey Hospital)
Sturdy Memorial Hospital

II. Methodology

Hospitals are designated as independent community hospitals for purposes of this list based on a two-factor test: First, hospitals were identified as being community hospitals or not community hospitals. Second, community hospitals were identified as being independent or corporately affiliated.

¹ This list is intended for use solely for the purpose of determining whether a hospital qualifies as an independent community hospital for the purposes of 105 CMR 100.715(B)(2)(b). Some hospitals deemed independent for this purpose have contracting relationships with provider systems anchored by academic medical centers and teaching hospitals even though they are not corporately integrated with these systems, and may be appropriately treated as affiliated hospitals in other contexts (e.g., Emerson Hospital).

To be designated a community hospital for the purpose of this list, a hospital must have been defined as a community hospital by the Center for Health Information and Analysis (CHIA) in the most recent publication of CHIA's Hospital Profiles. CHIA defines community hospitals as all acute hospitals that are not identified as being academic medical centers (AMCs), teaching hospitals, or specialty hospitals.² CHIA defines acute hospitals as those that are licensed by the Department of Public Health (DPH), and that contain a majority of beds licensed for medical-surgical, pediatric, obstetric, or maternity care.³ CHIA publishes lists of hospital cohorts annually in its Hospital Profiles publications.⁴

Community hospitals were then identified as either independent or corporately affiliated. To be designated as corporately affiliated, the community hospital must have a corporate affiliation with a provider system that includes a teaching hospital or AMC. Affiliation was determined based on public information concerning the hospitals' corporate relationships, including information gathered through the HPC's Registration of Provider Organizations Program and the Notice of Material Change process.⁵

The HPC will publish an updated list of independent community hospitals each year, based on annual publications of CHIA's Hospital Profiles. This bulletin reflects the winter 2020-2021 publication of CHIA's Hospital Profiles, which provides each hospital's cohort status for fiscal year 2018;⁶ hospital affiliation status was determined as of the date of the publication of this bulletin. In the event that a hospital changes its corporate affiliation with a teaching hospital or AMC such that it would become independent according to the methodology described above, or no longer be independent according to the methodology described above, that hospital shall be deemed to have its new status as of the effective date of the applicable separation or affiliation.

² CTR. FOR HEALTH INFO. & ANALYSIS, MASSACHUSETTS HOSPITAL PROFILES: DATA THROUGH FISCAL YEAR 2019 TECHNICAL APPENDIX at 7 (Mar. 2021), [hereinafter FY19 TECHNICAL APPENDIX] *available at* <https://www.chiamass.gov/assets/docs/r/hospital-profiles/2019/FY19-Massachusetts-Hospital-Profiles-Technical-Appendix.pdf>. CHIA defines AMCs as acute hospitals that have extensive research and teaching programs, have extensive resources for tertiary and quaternary care, are principal teaching hospitals for their respective medical schools, and are full service hospitals with case mix index greater than 5% above the statewide average. CHIA defines teaching hospitals as those that report at least 25 full-time equivalent medical school residents per one hundred inpatient beds but do not otherwise meet the criteria to be considered AMCs. CHIA also classifies certain hospitals as specialty hospitals based on their unique patient populations and/or the unique sets of services they provide.

³ *Id.*

⁴ See CTR. FOR HEALTH INFO. & ANALYSIS, *Hospital Profiles*, <http://www.chiamass.gov/hospital-profiles/>.

⁵ See MASS. HEALTH POLICY COMM'N, *Information About Material Change Notices/Cost and Market Impact Reviews*, <https://www.mass.gov/service-details/information-about-material-change-notices-cost-and-market-impact-reviews>; MASS. HEALTH POLICY COMM'N, *Registration of Provider Organizations*, <https://www.mass.gov/service-details/registration-of-provider-organizations>.

⁶ CHIA's winter 2021 publication of Hospital Profiles uses fiscal year 2018 hospital cohort designations to be consistent with the Massachusetts Acute Hospital and Health System Financial Performance: FY 2019 Published in October 2020. FY19 TECHNICAL APPENDIX, *supra* note 2, at 7.