

NOTICE OF MATERIAL CHANGE

Date of Notice: May 20, 2025

1. Name: Pediatric Physicians' Organization at Children's, LLC

2. Federal TAX ID #

80-0953347

MA DPH Facility ID #

N/A

NPI #

N/A

Contact Information

3. Business Address 1: 112 Worcester Street, Suite 300

4. Business Address 2:

5. City: Wellesley Hills

State: MA

Zip Code: 02481

6. Business Website: ppochildrens.org

7. Contact First Name: Jessica

Contact Last Name: Farnham

8. Title: Chief Operating Officer

9. Contact Phone: (617) 919-4069

Extension:

10. Contact Email: jessica.farnham@childrens.harvard.edu

Description of Organization

11. *Briefly* describe your organization.

The Pediatric Physicians' Organization at Children's, LLC (PPOC) is organized for the purposes of (i) entering into and administering contracts with payors on behalf of its health care provider members, (ii) supporting and managing the development and implementation of an interoperable EHR system and similar technology to further the integration of member providers, (iii) supporting ongoing development of a better integrated pediatric care network, and (iv) advancing patient population health management for pediatric patients. The PPOC membership currently includes 423 physicians and 208 nurse practitioners practicing primary care pediatrics in independently-owned practices throughout 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;
 - ☐ Significant expansions in a Provider or Provider Organization's capacity;
 - ☐ Transactions involving a significant equity investor which result in a change of ownership or control of a Provider or Provider Organization;
 - ☐ Significant acquisitions, sales, or transfer of assets including, but not limited to, real estate sale lease-back arrangements; and
 - ☐ Conversion of a Provider or Provider Organization from a non-profit entity to a for-profit entity
-
13. What is the proposed effective date of the proposed Material Change? January 1, 2026

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:
- See Attachment A
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:
- See Attachment A

Development of the Material Change

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

No additional material changes are anticipated in the next 12 months.

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@mass.gov.

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; and
- 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.

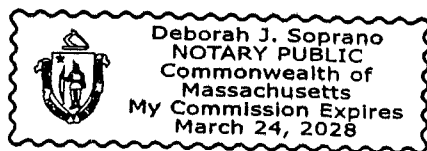
Signed on the 20 day of May, 2025, under the pains and penalties of perjury.

Signature: 

Name: Jessica Farnham

Title: Chief Operating Officer

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)

Notice of Material Change to Massachusetts Health Policy Commission

Pediatric Physicians' Organization at Children's (PPOC)

Contracting Affiliation with Children's Health Care, Inc.

May 20, 2025

Attachment A

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.

The PPOC proposes to add as participating providers a primary care pediatric group known as Children's Health Care (CHC). CHC consists of 9 physicians, 10 nurse practitioners and a behavioral health clinician, and has locations in Newburyport and Haverhill.

The PPOC is organized in an IPA model. As IPA members, CHC providers will join certain PPOC payor contracts on or after the effective date. CHC will also participate as a Tier 3 practice in the WellSense Boston Children's ACO, based on the robust integrated behavioral health it offers to its patients. CHC will enter into an EMR participation agreement under which the PPOC will provide it with access to the PPOC's pediatric primary care-specific Epic system and related IT services. Under the agreement, CHC will pay ongoing IT fees to the PPOC. The PPOC's Epic system is operated and maintained by PPOC staff, and is separate and distinct from Boston Children's Hospital's Epic system, though it is built to provide significant integration with it.

The objectives of the contracting affiliation with CHC are to bring the PPOC's robust support for pediatric practice to northern Essex County, where it currently does not have a presence, and to continue to support primary care access for high need children and teens in the Greater Lawrence area, where many children live in areas with very low Child Opportunity Index scores. The practice has expressed to the PPOC that its motivations for changing affiliation are to improve its quality of care and improve communication with the subspecialists already treating their patients.

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:

The PPOC anticipates that the contracting affiliation with CHC will improve the quality of care and patient experience delivered to CHC's patients. The PPOC performs very well on quality metrics, and has a strong track record of working with independent practices to deliver top quality, equitable care to its 113,000 MassHealth ACO members. It plans to incorporate CHC immediately into its quality of care and cost management initiatives, which include clinical/IT integration efforts with Boston Children's, integrated behavioral health, support for operational improvements, and

professional development programs. All programs are designed specifically to meet the needs of independent, community based pediatric offices. As part of the Commonwealth's only health system and ACO focused exclusively on pediatrics, the PPOC will bring a unique level of focus and support for CHC's efforts to advance the health and wellbeing of its patients.

The PPOC does not anticipate that this contracting affiliation will result in significant changes to CHC's specialty referral patterns. CHC has shared with the PPOC that it most often refers patients today to Anna Jaques Hospital, Beverly Hospital and Boston Children's, and does not anticipate those patterns will change. The PPOC does not have an internal policy or reporting related to the referral practices of its affiliated providers. It defers to providers' independent decision-making about the right referral for any given patient, including decisions to refer patients to non-Boston Children's specialists in the local community where appropriate, after taking into account factors such as clinical needs, transportation, and time and financial constraints.

Accordingly, the PPOC does not anticipate the affiliation will result in significant changes to the total medical expenses of CHC's patients, except to the extent that focused support from the PPOC enables CHC to expand access and address currently unmet primary care needs in its area.