

NOTICE OF MATERIAL CHANGE

DATE OF NOTICE: 9-21-20

1. Name: Chelmsford ASC Holding Company, LLC

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

CONTACT INFORMATION

3. Business Address 1: 700 Congress Street

4. Business Address 2: Suite 204

5. City: Quincy

State: MA

Zip Code: 02169

6. Business Website: shields.com

7. Contact First Name: Peter

Contact Last Name: Ferrari

8. Title: President

9. Contact Phone: 617-376-7400

Extension:

10. Contact Email: pferrari@shields.com

DESCRIPTION OF ORGANIZATION

11. Briefly describe your organization.

Chelmsford ASC Holding Company, LLC ("HoldCo") is a holding company formed by Shields Health Care Group and a group of qualified physicians. HoldCo will serve to finance the acquisition of, and hold an interest in, a free-standing surgery center.

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? upon receipt of regulatory approvals

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:

The proposed Material Change is a joint venture partnership ("JV") to establish and operate a free-standing ambulatory surgery Center ("ASC") located at 10 Research Place in North Chelmsford, Massachusetts. Lowell General Hospital owns and operates the existing hospital-licensed ASC at the same location, and the proposed Material Change seeks to replace the hospital-licensed service with a free-standing ASC owned and operated by the JV. The JV parties are Lowell General Hospital and Chelmsford ASC Holding Company, LLC ("HoldCo"), an entity owned and organized by a group of qualified physicians and Shields Health Care Group ("Shields"). HoldCo and Lowell General Hospital ("the Parties"), seek to develop an ASC that will be both quality driven and cost-effective.

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 establishment of a free-standing ASC will allow the Parties to offer routine outpatient surgical care in a cost effective free-standing setting. The new ASC will replace the existing hospital-licensed ASC, effectively reducing the cost of providing these services by transitioning them to a free-standing rate.

DEVELOPMENT OF THE MATERIAL CHANGE

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

Shields anticipates filing a Material Change Notice related to advanced diagnostic imaging.

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:

HoldCo will provide any notice and filings with other government agencies as may be required in support of the Material Change.

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.

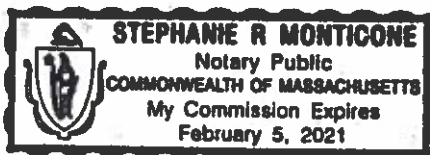
Signed on the 21 day of September, 2020, under the pains and penalties of perjury.

Signature:  _____

Name: Peter Ferrari _____

Title: President _____

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)