# HEALTH POLICY COMMISSION NOTICE OF MATERIAL CHANGE FORM

Health Policy Commission Two Boylston Street 6<sup>th</sup> Floor Boston, MA 02116

#### **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 § 13 of M.G.L. c. 6D. To complete the Notice, it is necessary to read and comply with Bulletin 2013-1 issued by the Commission, Interim Guidance for Providers and Provider Organizations Relative to Notice of Material Change to the Health Policy Commission ("Interim Guidance"). The Interim Guidance may be obtained on the Commission's website at <a href="https://www.mass.gov/hpc">www.mass.gov/hpc</a>. For further assistance, please contact the Health Policy Commission at <a href="https://www.mass.gov/hpc">HPC-Notice@state.ma.us</a>. This form is subject to statutory and regulatory changes that may take place from time to time.

#### WHO NFFDS TO FILE

This Notice should be submitted by any provider or provider organization with \$25,000,000 in net patient service revenue or more in the preceding fiscal year that is proposing a material change, as defined by the Interim Guidance. Notice must be filed with the Commission not less than 60 days before the effective date of the proposed 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 information provided in the Notice is incomplete or if the Commission determines clarification of the information submitted is needed to make its decision, the Commission may require the notifying organization to submit such supplemental information within 30 days of receipt of the initial Notice.

The Commission will notify each notifying organization of its decision to proceed with a cost and market impact review within 30 days of its receipt of a completed Notice and all necessary supplemental information.

#### **PUBLIC DISCLOSURE**

Pursuant to Bulletin 2013-1 issued by the Commission, all information collected by the Commission in connection with a Notice shall be deemed to be a public record.

#### **NOTICE OF MATERIAL CHANGE**

Date of Notice: September 20, 2013

1.	Name:	FS Patriot LLC d/b/a Braintree Rehabilitation Hospital			
2.	Federal TAX ID #		MA DPH Facility ID #	NPI#	
	20-5108635		2333	1821213752	

	Contact In	formation							
3.	Business Address 1: 250 Pond Stre			250 Pond Stree	t				
4.	Business Address 2:								
5.	City: Braintree		•	State: N		Ma	ssachusetts	Zip Code:	02184
5.	Business Website:		htt	http://www.gettingbacktolife.com/					
7.	Contact First Name:		Alyssa			Contact Last Name	Last Name: Minsky		
8.	Title:		Associate General Counsel						
			Five Star Quality Care, Inc.						
9.	Contact Phone:		(617) 796-8288			Extension:	N/A		
10.	Contact Email: aminsky@5sqc.com; licensing@5sqc.com								

# **Description of Organization**

11. *Briefly* describe your organization.

FS Patriot LLC ("FSP") does business as and operates the non-acute care hospital known as Braintree Rehabilitation Hospital in Braintree, Massachusetts ("Braintree Hospital"). FSP is a Maryland limited liability company and indirect, wholly-owned subsidiary of Five Star Quality Care, Inc. ("Five Star"), a Maryland corporation. FSP is governed by a twoperson board of directors, the members of which are selected by FSQ, Inc., the sole member of FSP, which is a direct, wholly-owned subsidiary of Five Star. FSP leases the real property associated with Braintree Hospital and each of its satellite facilities. Braintree Hospital is currently licensed by the Massachusetts Department of Public Health ("DPH") to operate a total of 187 rehabilitation beds. Braintree Hospital has 166 rehabilitation beds at its main campus, 250 Pond Street, Braintree, Massachusetts. Braintree Hospital also has a hospital inpatient satellite facility known as the Braintree Unit at Metrowest Medical Center in Natick, which has 21 rehabilitation beds. Braintree Hospital provides a full-range of inpatient services for patients whose function has been impaired by injury or illness. Inpatient rehabilitation programs focus on amputees, acquired brain injuries, cardiac issues, medically complex problems, major multiple traumas, Multiple Sclerosis, neurologic disorders, orthopedics, Parkinson's Disease and other movement disorders, pulmonary disease, spinal cord injuries and strokes. In addition, Braintree Hospital has eight hospital outpatient satellite facilities in Abington, Braintree (two satellite locations), Brockton, Lynnfield, Milford, Plymouth, and Taunton where it provides comprehensive outpatient services including adult and pediatric rehabilitation and wellness programs. Braintree Hospital is accredited by the Joint Commission (2011-2014) and holds Joint Commission Certificates of Distinction for the following services: traumatic brain injury rehabilitation, Parkinson's Disease, and spinal cord injury rehabilitation.

	Type of Material Change					
12.	Check the box that most accurately describes the proposed material change:					
	<ul> <li>□ Merger or affiliation with a carrier</li> <li>□ Acquisition of or acquisition by a carrier</li> <li>☑ Merger with or acquisition of or by a hospital or a hospital system</li> <li>□ Any other acquisition, merger, or affiliation between a provider organization and another provider organization where such acquisition, merger, or affiliation would result in an increase in annual net patient service revenue of the provider or provider organization of more than \$10,000,000</li> <li>□ Any clinical affiliation between a provider or provider organization with another provider or provider organization which itself has an annual net patient service revenue of more than \$25,000,000</li> <li>□ Formation of a partnership, joint venture, common entity, accountable care organization, or parent corporation created for the purpose of contracting on behalf of more than one provider or provider organizations</li> </ul>					
13.	What is the proposed effective date of the proposed material change?  Promptly following receipt of all required approvals.					
	Material Change Narrative					
14.	Briefly describe the nature and objectives of the proposed material change:					
	The proposed material change will result in Reliant Rehabilitation Hospital Braintree, LLC ("Reliant-Braintree"), a Delaware limited liability company, acquiring Braintree Hospital and its satellite locations by way of an asset purchase and assumption of leases from FSP, following which Reliant-Braintree will operate Braintree Hospital and its satellites. Reliant-Braintree is a wholly-owned subsidiary of Reliant Hospital Partners, LLC, a Delaware limited liability company that, through its subsidiaries, as of the date of this Notice, owns and manages rehabilitation hospitals in a number of states, including Texas and Ohio.					
15.	Briefly describe the anticipated impact of the proposed material change:					
	FSP does not anticipate any impact of the proposed material change.					
	Development of the Material Change					
16.	Describe any other material changes you anticipate making in the next 12 months:					
	None.					
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:					
	In connection with the material change, FSP will file, on or about the date of this Notice, a notice of termination of MassHealth provider agreement with the Office of Medicaid Division of Medical Assistance (MassHealth); Form CMS-855A;, Form CMS-855B; notice under the Clinical Laboratory Improvement Amendments (CLIA) with the Centers for Medicare & Medicaid Services; notice with the United States Department of Justice, Drug Enforcement Administration; and notifications with DPH Division of Food and Drugs and DPH Radiation Control Program.					

### Affidavit of Truthfulness and Proper Submission

# I, the undersigned, certify that:

- 1. I have read the Health Policy Commission Bulletin 2013-1, Interim Guidance for Providers and Provider Organizations Relative to Notice of Material Change to the Health Policy Commission.
- 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 and to all relevant agencies (see below\*) as required.

Signed on the 20th day of September, 2013, under the pains and penalties of perjury.

Signature:

Title:

Name: Bruce J. Mackey Jr

President and Chief Executive Officer

FORM MUST BE NOTARIZED IN THE SPACE PROVIDED BELOW:

KATHLEEN M. UBERTI Notary Public COMMONWEALTH OF MASSACHUSETTS My Commission Expires April 07, 2017

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Copies of this application have been submitted electronically as follows:

Office of the Attorney General (1)

Center for Health Information and Analysis (1)

# **EXPLANATIONS AND DEFINITIONS**

1.	Name	Legal business name as reported with Internal Revenue Service. This may be the parent organization or local provider organization name.
		may be the parent organization or local provider organization name.
2.	Federal TAX ID #	9-digit federal tax identification number also known as an employer
		identification number (EIN) assigned by the internal revenue service.
	MA DPH Facility ID #	If applicable, Massachusetts Department of Public Health Facility
		Identification Number.
	National Provider Identification Number	10-digit National Provider identification number issued by the
	(NPI)	Centers for Medicare and Medicaid Services (CMS). This element
		pertains to the organization or entity directly providing service.
3.	Business Address 1:	Address location/site of applicant
4.	Business Address 2:	Address location/site of applicant continued often used to capture
		suite number, etc.
5.	City, State, Zip Code	Indicate the City, State, and Zip Code for the provider organization
		as defined by the US Postal Service.
6.	Business Website:	Business website URL
7.	Contact Last Name, First Name	Last name and First Name of the primary administrator completing
		the registration form.
8.	Title:	Professional title of the administrator completing the registration
		form.
9.	Contact Telephone and Extension	10-digit telephone number and telephone extension (if applicable)
		for administrator completing the registration form
10.	Contact Email:	Contact email for administrator
11.	Description of Organization:	Provide a brief description of the notifying organization's ownership,
		governance, and operational structure, including but not limited to
		provider type (acute hospital, physician group, skilled nursing
		facilities, independent practice organization, etc.), number of
		licensed beds, ownership type (corporation, partnership, limited
		liability corporation, etc.), service lines and service area(s).
12.	Type of Material Change	Indicate the nature of the proposed material change.
		Definitions of terms:
		"Carrier", an insurer licensed or otherwise authorized to transact
		accident or health insurance under chapter 175; a nonprofit hospital
		service corporation organized under chapter 176A; a nonprofit
		medical service corporation organized under chapter 176B; a health
		maintenance organization organized under chapter 176G; and an
		organization entering into a preferred provider arrangement under
		chapter 176l; provided that this shall not include an employer
		purchasing coverage or acting on behalf of its employees or the
		employees of 1 or more subsidiaries or affiliated corporations of the
		employer; provided that, unless otherwise noted, the term "carrier"
<u> </u>		employer, provided that, unless otherwise hoted, the term carrier

		<ul> <li>Prices, including prices of the provider or provider organization involved in the proposed merger, acquisition, affiliation or other proposed material change</li> <li>Utilization</li> <li>Health status adjusted total medical expenses</li> <li>Market Share</li> </ul>
13.	impact of the Proposed Material Change	notifying organization as to the anticipated impact of the proposed material change including, but not limited to, the following factors, as applicable:  • Costs
15.	Impact of the Proposed Material Change	supporting materials as necessary to illustrate the proposed change in ownership, governance or operational structure.  Provide a brief description of any analysis conducted by the
14.	Description of the Proposed Material Change	application notice.  Provide a brief narrative describing the nature and objectives of the proposed material change. Include organizational charts and other
13.	Proposed Effective Date of the Proposed Material Change	Indicate the effective date of the proposed material change. NOTE:  The effective date may not be less than 60 days from the date of the
		independent practice associations, provider networks, accountable care organizations and any other organization that contracts with carriers for payment for health care services.
		provided, that "provider organization" shall include, but not be limited to, physician organizations, physician-hospital organizations,
		"Provider organization", any corporation, partnership, business trust, association or organized group of persons, which is in the business of health care delivery or management, whether incorporated or not that represents 1 or more health care providers in contracting with carriers for the payments of heath care services;
		"Provider", any person, corporation, partnership, governmental unit, state institution or any other entity qualified under the laws of the commonwealth to perform or provide health care services.
		"Net patient service revenue", total revenue received for patient care from any third party payer net of any contractual adjustments.
		"Hospital System", a group of affiliated entities that includes one or more Hospitals that are overseen by a common entity or parent corporation.
		"Hospital", any hospital licensed under section 51 of chapter 111, the teaching hospital of the University of Massachusetts Medical School and any psychiatric facility licensed under section 19 of chapter 19.
		shall not include any entity to the extent it offers a policy, certificate or contract that provides coverage solely for dental care services or visions care services.

		<ul> <li>Referral Patterns</li> <li>Payer Mix</li> <li>Service Area(s)</li> <li>Service Line(s)</li> <li>Service Mix</li> </ul>
16.	Future Planned Material Changes	Provide a brief description of the nature, scope and dates of any pending or planned material changes to ownership, governance, or operations within the 12 months following the date of the notice.
17.	Submission to Other State or Federal Agencies	Indicate the date and nature of any other applications, forms, notices or other materials provided to other state for federal agencies relative to the proposed material change, including but not limited to the Department of Public Health (e.g., Determination of Need Application, Notice of Intent to Acquire, Change in Licensure), Massachusetts Attorney General (e.g., notice pursuant to G.L. c. 180, §8A(c)), U.S. Department of Health and Human Services (e.g., Pioneer ACO or Medicare Shared Savings Program application) and Federal Trade Commission/Department of Justice (e.g., Notification and Report Form pursuant to 15 U.S.C. sec. 18a).