## **NOTICE OF MATERIAL CHANGE**

Date of Notice: April 25, 2013

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|---|-----|-------|------------------------------------|------|
| 1 | 1   | Mana  | Combridge Dublic Health Commission |      |
| 1 | I.  | Name: | Cambridge Public Health Commission |      |
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| 2. | Federal TAX ID # | MA DPH Facility ID # | NPI #s                                |
|----|------------------|----------------------|---------------------------------------|
|    | 04-3320571       | VVA5                 | 1487603585; 447348313; and 1306908405 |
|    |                  |                      |                                       |

|     | Contact In     | formation |                           |                 | Tiel Ti |   |              |                  |
|-----|----------------|-----------|---------------------------|-----------------|---------|---|--------------|------------------|
| 3.  | Business A     | ddress 1: | 1493 C                    | ambridge Street |         |   | <del>.</del> |                  |
| 4.  | Business A     | ddress 2: |                           |                 |         | *************************************** |              |                  |
| 5.  | City:          | Cambridge |                           | State:          | MA      |   | ip Code:     | 02139            |
| 5.  | Business W     | /ebsite:  | www.challia               | ance.org        |         | •••                                     |              |                  |
|     |                |           |                           |                 |         |   |              | 15-11 8-11 13 13 |
| 7.  | Contact Fir    | st Name:  | Andrew                    |                 | (       | Contact Last Name:                      | Fuqua        |                  |
| 8.  | . Title:       |           | Associate General Counsel |                 |         |   |              |                  |
| 9.  | Contact Ph     | one:      | (617) 591-4               | 425             |         | Extension:                              |              |                  |
| 10. | Contact Email: |           | afuqua@challiance.org     |                 |         |   |              |                  |

## Description of Organization

11. Briefly describe your organization.

Cambridge Public Health Commission, d/b/a Cambridge Health Alliance ("CHA"), is a public safety net Hospital created by and existing pursuant to Chapter 147 of the Acts of 1996, as amended (the "Act"). Serving Cambridge, Somerville, and the metro-north area, CHA primarily cares for an uninsured or under-insured population and qualifies as a disproportionate share hospital. CHA operates two full-service inpatient hospital campuses providing secondary, community hospital services (the Cambridge Hospital campus in Cambridge and the Whidden Memorial Hospital campus in Everett), a satellite emergency facility at its Somerville Hospital campus, and primary care and specialty ambulatory clinics under a single hospital license issued by the Department of Public Health. CHA has 475 licensed inpatient beds of which 274 are presently in-service, including 153 in-service medical/ surgical beds, 18 in-service critical care beds, 14 in-service maternity beds, 19 in-service newborn bassinets, and 89 in-service inpatient psychiatry beds. CHA also operates the Cambridge Public Health Department under contract with the City of Cambridge and numerous public health programs throughout its service area. As provided in the Act, CHA is governed by a board of trustees appointed by the Cambridge City Manager. CHA is a teaching hospital affiliated with both Harvard Medical School ("HMS") and Tufts University School of Medicine.

|     | 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>X 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?  Unless otherwise notified by the Health Policy Commission, 60 days after the date this Notice of Material Change is filed.  |
|     | Material Change Narrative   |
| 14. | Briefly describe the nature and objectives of the proposed material change:  CHA will enter into a clinical affiliation with Beth Israel Deaconess Medical Center ("BIDMC") and Harvard Medical Faculty Physicians at Beth Israel Deaconess Medical Center ("HMFP"). The objective of the affiliation is to deliver coordinated, high-quality, equitable, and cost-effective care to the patients and communities the parties serve and to ensure that patient care is provided in the most appropriate setting. The affiliation includes the following elements:  Primary Care: The parties will seek to optimize the provision of primary care in CHA's service area and will collaborate to improve equitable primary care delivery to patients in the service area.  Specialty and Sub-Specialty Care: The parties will evaluate the specialty and sub-specialty care needs of the populations and communities served by CHA and identify and implement service options to meet these needs. In so doing, a primary objective will be to equitably serve the health care needs of CHA patients within their own communities. The parties will co-recruit physicians in certain specialties, and the parties anticipate that BIDMC and HMFP will provide specialty and sub-specialty care services to CHA patients at CHA sites in areas yet to be |
|     | Emergency and Trauma Care, and Tertiary and Quaternary Care: BIDMC will provide seamless, direct access to all BIDMC departments for care needed by CHA patients. BIDMC will be a preferred provider for tertiary and quaternary care to CHA adult patients, and CHA's Whidden Hospital campus will be a preferred provider for secondary care for BIDMC patients in the CHA service area.  |
|     | Medical Education and Professional Development: BIDMC and CHA will serve as rotation sites for each other's medical residents. Initial rotations will be in emergency medicine, cardiology, and family medicine (OB/Gyn). The parties will coordinate HMS faculty appointments for CHA physicians in certain departments and will also share certain professional development resources.  Health Care Quality: The parties will broadly collaborate in health care quality initiatives and quality assurance  |
|     | processes.  |
|     | <u>Community and Provider Education</u> : Through co-branding and other means, the parties will work together to alert patients, providers and the larger communities served to their new care collaboration efforts.   |
|     | <u>Electronic Medical Records</u> : BIDMC and CHA have established bi-directional access to the respective electronic medical records of patients seen by both organizations.   |
|     | This clinical affiliation will not change the ownership, governance, or operational structure of CHA.   |
|     | The parties will be further integrated and linked through CHA's intended participation in Beth Israel Deaconess Care Organization ("BIDCO"), an accountable care organization. This is not expected to occur until January 2014. This information is mentioned in this filing because it is an important component of the parties' overall relationship. A separate filing further describing CHA's anticipated participation in BIDCO will be made at the appropriate time.  |

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| 15. | Briefly describe the anticipated impact of the proposed material change:  |
|-----|---|
|     | BIDMC and CHA will become more clinically aligned in order to improve care for our patients and communities. The parties' shared goal is to provide high quality, cost effective care in the most appropriate setting. The parties will work to enhance and expand the range of services offered locally at CHA sites through various means which may include the joint recruitment of physicians, HMFP providers holding specialty and subspecialty clinics at CHA sites under various arrangements, shared medical education and quality improvement efforts, and other similar collaborative arrangements. When tertiary or quaternary-level care is needed within an academic medical center setting, this relationship could result in a greater number of patients from the CHA communities being served by BIDMC than is presently the case. |

|     | Development of the Material Change  |  |  |  |  |
|-----|---|--|--|--|--|
| 16. | Describe any other material changes you anticipate making in the next 12 months:  |  |  |  |  |
|     | Apart from becoming a participant in BIDCO as referenced in item 14 above, CHA does not presently anticipate making any other material changes in the next 12 months.               |  |  |  |  |
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| 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 other than the required concurrent filing of this notice with the Office of the Attorney General and the Center for Health Information and Analysis.                           |  |  |  |  |
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## **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 19th day of April, 2013, under the pains and penalties of perjury.

Signature: Result Ollion

Name: Paul W. Allison

Title: Senior Vice President, General Counsel

FORM MUST BE NOTARIZED IN THE SPACE PROVIDED BELOW:

Notary Signature FERNANDA BOTELHO

NOTARY PUBLIC DMMONWEALTH OF MASSACHUSETTS

COMMISSION EXPIRES 11/10/2017

Copies of this application have been submitted electronically as follows:

Office of the Attorney General (1)

Center for Health Information and Analysis (1)