

The Commonwealth of Massachusetts Executive Office of Health and Human Services Department of Public Health 250 Washington Street, Boston, MA 02108-4619

MAURA T. HEALEY
Governor

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KATHLEEN E. WALSH Secretary ROBERT GOLDSTEIN, MD, PhD Commissioner

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June 11, 2025

Benjamin A. Wilson Ropes & Gray LLP Prudential Tower 800 Boylston Street Boston, MA 02199-3600

VIA Email: Benjamin.Wilson@ropesgray.com

Final Action: Notice of Determination of Need – Beth Israel Lahey Health, Inc. Substantial Capital Expenditure DoN # BILH-24080714-HE

Dear Attorney Wilson,

At their meeting of June 11, 2025, the Commissioner and the Public Health Council, acting together as the Department, voted pursuant to M.G.L. c. 111, §51 and the regulations adopted thereunder, to approve the Determination of Need (DoN) application for a Substantial Capital Expenditure filed by Beth Israel Lahey Health, Inc., on behalf of Beth Israel Deaconess Medical Center, to (1) relocate and expand a satellite site for the provision of hematology-oncology and infusion services to be located at 10 Cordage Park Circle in Plymouth, Massachusetts, (2) establish a multispecialty satellite site to be located at 55 General McConville Way, Quincy, and (3) to add imaging equipment at the Quincy Satellite that constitutes DoN required equipment.

This Notice of Final Action incorporates by reference the Staff Report and the Public Health Council proceedings concerning this application.

This application was reviewed pursuant to M.G.L. c. 111, §25C and the regulatory provisions of 105 CMR 100.000 et seq. Based upon a review of the materials submitted, the Department found that the Applicant has met each DoN factor and approves this DoN application for a Substantial Capital Expenditure subject to all standard conditions (105 CMR 100.310) and pursuant to 105 CMR 100.360, subject to Other Conditions listed below. The capital expenditure for the Proposed Project is \$\$117,006,070.00 (October 2024 dollars); the Community Health Initiatives (CHI)

contribution is \$5,850,303.50.

In compliance with the provisions of 105 CMR 100.310(A)(2) and (11), the Holder shall submit an acknowledgment of receipt to the Department (attached) and include a written attestation of participation or intent to participate in MassHealth.

In compliance with 105 CMR 100.310(A)(12), which requires a report to the Department, at a minimum on an annual basis, including the measures related to achievement of the DoN factors for a period of five years from completion of the Proposed Project, the Holder shall address its assertions with respect to all the factors.

Please notify the DoN Program at <u>DPH.DON@mass.gov</u> of the anticipated completion date of all the components of the DoN-approved Project once it has been established. Additionally, send an email confirming the Project's completion (licensure/ amended licensure approval date) and the first day of operations to determine the annual DoN reporting timeline.

Other Conditions to the DoN

- 1. Of the total required CHI contribution of \$5,850,303.50
 - a. \$1,433,324.36 will be directed to the CHI Statewide Initiative.
 - b. \$3,869,975.76 will be dedicated to local approaches to the DoN Health Priorities.
 - c. \$117,006.07 will be designated as the administrative fee.
- 2. To comply with the Holder's obligation to contribute to the CHI Statewide Initiative, the Holder must submit a check for \$1,433,324.36 to Health Resources in Action (the fiscal agent for the CHI Statewide Initiative) within 30 days from the date of the Notice of Approval.
 - a. Payments should be made out to:
 Health Resources in Action, Inc. (HRiA)
 2 Boylston Street, 4th Floor
 Boston, MA 02116 Attn: MACHHAF c/o Bora Toro
 DoN project #: BILH-24080714-HE
 - b. Please send a PDF image of the check or **confirmation of payment** to <u>DONCHI@Mass.gov</u> and <u>dongrants@hria.org</u>

If you should have any questions or concerns regarding the payment, please contact the CHI team at DONCHI@Mass.gov.

3. The Department, working with the Holder, shall calculate for each year of the Reporting Period, the Holder's Cost Per Patient based on: Total Net Patient Revenue and Unit of Service, adjusted for patient volume, acuity, payer mix and service mix. Beginning with the second full fiscal year during the reporting period, the Department will compare the percentage growth, if any, in Cost Per Patient year over year (the "Cost Per Patient Growth Percentage").

If the Department determines the Holder's Cost Per Patient Growth Percentage has materially increased year-over-year, the Holder will be afforded an opportunity to justify such material increases. After review of the Holder's justification, the Department may require the Holder to submit a plan to the Department to remedy the impact of the increase.

Sincerely,

Dennis Renaud

Dennis Renaud Director Determination of Need Program

cc:

Teryl Smith, Director, Bureau of Health Care Safety and Quality
Jaclyn Gagné, Esq., Chief Deputy General Counsel Health Care Licensure
Susannah Arterian Esq, Deputy General Counsel
Stephen Davis, Director, Division of Health Care Facility Licensure and Certification
Judy Bernice, Division of Health Care Facility Licensure and Certification
Hilary Ward, Health Care Facility Licensure and Certification
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Jennica Allen, Division of Community Health Planning and Engagement
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Elizabeth Almanzor, Center for Health Information Analysis
Katherine Mills, Health Policy Commission
Christopher King, Executive Office of Health and Human Services
Tomaso Calicchio, Executive Office of Health and Human Services
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