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**Office of Consumer Affairs and Business Regulation**  
**DIVISION OF INSURANCE**

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**In the Matter of the Proposed Acquisition of Control of  
Neighborhood Health Plan, Inc., by Partners HealthCare System, Inc.**

**Docket No. F2012-01**

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**MEMORANDUM OF DECISION AND ORDER**

**PROCEDURAL HISTORY**

Partners HealthCare System, Inc., a Massachusetts not-for-profit corporation (“Partners”) has submitted to the Commissioner of Insurance (“Commissioner”) a Form A acquisition of control statement pursuant to M.G.L. c. (“Chapter”) 175, § 206B and 211 CMR 7.00 *et seq.* (“Form A Application”) describing its proposal to acquire control of Neighborhood Health Plan, Incorporated (“NHP”), a Massachusetts not-for-profit corporation operating as a health maintenance organization (“HMO”).<sup>1</sup> *See* 211 CMR 7.05, Acquisition of Control Statement (Form A).<sup>2</sup>

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<sup>1</sup> Chapter 176G, § 1 defines a health maintenance organization as a company that: (1) provides or arranges for the provision of health services to voluntarily enrolled members in exchange primarily for a prepaid per capita or aggregate fixed sum; and (2) demonstrates to the satisfaction of the commissioner proof of its capability to provide its members protection against loss of prepaid fees or unavailability of covered health services resulting from its insolvency or bankruptcy or from other financial impairment of its obligations to its members.

<sup>2</sup> An acquisition of control of an HMO is governed by 211 CMR 7.05 and 7.10, which is made applicable to HMOs by 211 CMR 43.13.

Pursuant to Chapter 176G, § 27 (“Section 27”), the Commissioner must approve Partner’s Form A Application for the acquisition of control of NHP before it can be effective. Partners proposes to acquire control of NHP in accordance with the terms of an Amended and Restated Affiliation Agreement dated June 28, 2012 (“Affiliation Agreement”) between Partners and NHP (the “Proposed Transaction”). A copy of the Affiliation Agreement is attached to the Form A Application.

A working group was formed within the Division of Insurance (“Division”) to review the proposed transaction, and was comprised of representatives of the Financial Surveillance and Legal units of the Division (hereinafter, the “Working Group”). The Working Group engaged in the analysis and review of the proposed transaction beginning in late 2011, analyzing the Form A Application based upon the standards that are set out in Section 27(d)(1). The Working Group met with Partners and NHP several times and all three engaged in dialogue throughout the review and analysis period. In response to several issues raised by the Working Group, Partners and NHP modified some aspects of the transaction as originally proposed. The Working Group deemed Partners’ Form A Application to be complete as of August 1, 2012.

Pursuant to Section 27; the Commissioner issued a Notice of Hearing on August 1, 2012, concerning the application made by Partners for approval of its proposal to acquire control of NHP (hereinafter, the “Notice”). The Notice stated that a public hearing would be conducted on August 17, 2012, at the offices of the Division in Boston. The Notice was published in the *Boston Globe* on August 3, 2012; the *Springfield Republican* on August 4, 2012; and the *Worcester Telegram and Gazette* on August 6, 2012.

The public hearing took place as scheduled on August 17, 2012. The Commissioner presided at the hearing, along with Robert A. Whitney, the Division’s Deputy Commissioner and General Counsel, and Stephen M. Sumner, Counsel to the Commissioner (collectively, the “Panel”). Partners was represented by Sean T. Ryan, Esq., NHP was represented by Frederic J. Marx, Esq., and the Division’s Working Group was represented by Christopher M. Joyce, Deputy General Counsel of the Division.

### **THE EVIDENCE AT THE HEARING**

Three witnesses testified at the hearing on August 17, 2012. Peter K. Markell, Executive Vice President of Administration and Finance and Chief Financial Officer and Treasurer of Partners, testified on behalf of Partners. Deborah C. Enos, President and Chief Executive Officer of NHP, testified on behalf of NHP. Robert C. Macullar, the Division's Acting Director of Financial Surveillance and Company Licensing, testified on behalf of the Division's Working Group. At the hearing the following seven exhibits were entered into evidence:

Exhibit 1: Notice of Hearing;

Exhibit 2: E-mail correspondence dated August 1, 2012, from Deputy General Counsel Joyce to Attorney Ryan, regarding the completeness and filing of the Form A Application by Partners;

Exhibit 3: The Form A Application by Partners;

Exhibit 4: Waiver of Notice of Hearing by Partners, by letter dated August 1, 2012, from Attorney Ryan to Deputy General Counsel Joyce;

Exhibit 5: Returns of publication of the Notice of Hearing in the *Boston Globe*, the *Springfield Republican* and the *Worcester Telegram and Gazette*;

Exhibit 6: Partners' notice of hearing sent to NHP pursuant to Section 27(d)(2); and

Exhibit 7: Disclosure memorandum and Written Determination concerning Stephen M. Sumner's acting as one of the presiding officers in this proceeding.

At the end of the hearing on August 17, 2012, Presiding Officer Sumner announced that the record of the hearing would remain open until 5:00 p.m. on August 24, 2012, at which time the record would close. On August 23, 2012, Attorney Ryan filed the Affidavit of Christi J. Braun with the Docket Clerk, which addressed a matter that had been raised at the public hearing. The Affidavit was entered into the record of the proceeding as the concluding exhibit - Exhibit 8: Affidavit of Christi J. Braun.

### **THE STATUTORY STANDARDS**

Section 27(d)(1) requires the Commissioner to approve a proposed acquisition of control of an HMO, unless, after a public hearing on the merger or other acquisition, he finds that:

1. after the change of control, the domestic health maintenance organization would not be able to satisfy such requirements as the commissioner may, by rule or regulation, establish for an organization seeking approval as a health maintenance organization under M.G.L. Chapter 176G;
2. the effect of the merger or other acquisition of control would be substantially to lessen competition in the health care insurance market in the Commonwealth or tend to create a monopoly in the Commonwealth;
3. the financial condition of any acquiring party is such as might jeopardize the financial stability of the health maintenance organization, or prejudice the interests of its subscribers, policyholders or enrolled members;
4. the terms of the offer, request, invitation, agreement or acquisition are unfair and unreasonable to the subscribers, policyholders or enrolled members of the health maintenance organization;
5. the plans or proposals which the acquiring party has to liquidate the health maintenance organization, sell its assets or any seat on its board of directors, or consolidate or merge it with any person, or to make any other material change in its business or corporate structure or management, are unfair and unreasonable to the subscribers, policyholders or enrolled members of the health maintenance organization and not in the public interest;
6. the competence, experience and integrity of those persons who would control the operation of the health maintenance organization are such that it would not be in the interest of the subscribers, policyholders or enrolled members of the health maintenance organization or of the public to permit the merger or other acquisition of control; or
7. the acquisition is likely to be hazardous or prejudicial to the health insurance buying public or to the actual enrollees under health insurance plans in the Commonwealth.

#### **FINDINGS**

The findings we make are based on our review of the Exhibits that have been entered into the record of this proceeding and on what we find to be credible testimony by Peter K. Markell, Executive Vice President of Administration and Finance and Chief Financial Officer of Partners; Deborah C. Enos, President and Chief Executive Officer of NHP; Robert C. Macullar, Acting Director, Financial Surveillance and Company Licensing, Division of Insurance; and Christi J. Braun, Esq. (by affidavit).

**A. *The Statutory Standards in Section 27(d)(1)***

We make the following findings in accordance with the statutory standards that are contained in Section 27(d)(1).

1. *After the change of control, NHP should be able to satisfy such requirements as the Commissioner may, by rule or regulation, establish for an organization seeking approval as an HMO under Chapter 176G.*

NHP is a licensed Massachusetts HMO that was founded in 1986 by the Massachusetts League of Community Health Centers and the Greater Boston Forum for Health Action, with the objective of providing better health care access for underserved populations. NHP was one of the first plans in the country created with this express mission. NHP currently is accredited as a managed care organization by the National Committee for Quality Assurance.<sup>3</sup> NHP services fully insured commercial members across Massachusetts as well as MassHealth<sup>4</sup> and the Commonwealth Health Insurance Connector Authority (commonly called “the Health Connector”),<sup>5</sup> including its Commonwealth Care<sup>6</sup> and Commonwealth Choice<sup>7</sup> programs. NHP serves more than 240,000 members and employs more than 400 full and part-time staff. NHP is not licensed in any jurisdiction except Massachusetts.

NHP currently meets Massachusetts’ statutory and regulatory standards for capital and surplus. Its ability to continue to meet those standards will be enhanced by Partners’ guaranty that NHP’s capital and surplus will be maintained in the minimum amount equivalent to three hundred (300%) percent of the Massachusetts Authorized Control Level Risk Based Capital (“RBC”), as defined in 211 CMR 25.01.<sup>8</sup> RBC is a method developed by the National Association of Insurance Commissioners (“NAIC”) to measure the minimum amount of capital

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<sup>3</sup> The National Committee for Quality Assurance (“NCQA”) is a private not-for-profit organization. To obtain the NCQA seal of quality, an organization must pass a review and annually report on its performance. Health plans in every state, the District of Columbia and Puerto Rico are NCQA Accredited. “About NCQA,” *NCQA website*, September 4, 2012 (<http://www.ncqa.org/tabid/675/default.aspx>).

<sup>4</sup> MassHealth is a Medicaid program paid for by state and federal taxes for eligible persons.

<sup>5</sup> The Health Connector is a state agency that assists Massachusetts residents with the purchase of health insurance.

<sup>6</sup> Commonwealth Care offers publicly subsidized health plans through the Health Connector to qualified uninsured Massachusetts residents.

<sup>7</sup> Commonwealth Choice offers commercial health plans through the Health Connector for uninsured individuals and small groups that are not eligible for Commonwealth Care.

<sup>8</sup> RBC calculations for Massachusetts health organizations are described in 211 CMR 25 *et seq.*

that an insurance company needs to support its overall business operations.<sup>9</sup> RBC is used to set capital requirements considering the size and degree of risk taken by an insurer. If the proposed transaction is approved and thereafter NHP's RBC falls below the required level, NHP and Partners must file a plan for corrective action, which may include an infusion of cash equity from Partners.

Partners has shown that nothing about the proposed transaction will cause NHP not to continue to satisfy the requirements for approval as an HMO. We find that there is no reason to expect that the proposed transaction will in any manner adversely impact NHP's ability to satisfy the requirements for a licensed HMO.

2. *The effect of the merger or other acquisition of control will not be substantially to lessen competition in the health care insurance market in the Commonwealth or tend to create a monopoly in the Commonwealth.*

Partners was formed in 1994 by an affiliation between The Massachusetts General Hospital and The Brigham Medical Center, Inc., now known as Brigham and Women's/Faulkner Hospitals, Inc. Partners and its affiliates function as an integrated health care system consisting of two tertiary and six community acute care hospitals, one hospital providing inpatient and outpatient mental health services, four rehabilitation hospitals, and other health care related facilities.

Partners also has the largest non-university-based, non-profit private medical research enterprise in the United States, and is a principal teaching affiliate of the medical and dental schools of Harvard University. Partners and its affiliates provide health care services to about 1.7 million patients per year. It is one of the largest charitable diversified health care services organizations in the United States, and, with approximately 41,180 full-time equivalent employees and approximately 60,000 total employees, is one of the largest private employers in Massachusetts.

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<sup>9</sup> The NAIC was established in 1871, and constitutes a national system of state-based insurance regulation in the United States, setting standards and best practices, conducting peer reviews of state insurance regulators, coordinating regulatory oversight, and providing regulatory support for state insurance regulators. The NAIC is governed by the chief insurance regulators from the 50 states, the District of Columbia, and five U.S. territories.

Partners presently does not offer any insurance products or insurance services in Massachusetts. Furthermore, NHP at present has only a two percent (2%) share of the Massachusetts commercial health insurance marketplace. Partners asserts that it has no present intention to alter the working relationships that exist between Partners' provider organizations and other health care carriers in Massachusetts. Partners also affirms that contracts between NHP and Partners' health care provider organizations that provide for the provisions of services to NHP's subscribers, members, and policyholders will continue in all material respects to be negotiated on an arm's length basis and at fair market rates. Acting Director Macullar reported that the Working Group appraised NHP's ambition as being to achieve modest planned growth; not aggressive growth.

We find that the effect of Partners' acquisition of NHP will not be substantially to lessen competition in the health care insurance market in the Commonwealth or tend to create a monopoly in the Commonwealth.

3. *The financial condition of Partners is not such as might jeopardize the financial stability of NHP, or prejudice the interests of its subscribers, policyholders or enrolled members.*

For the most recent fiscal year ended September 30, 2011, Partners had total operating revenue of \$8.4 billion and total assets of \$11.5 billion. At the close of the current fiscal year's third quarter, Partners' total assets had increased to \$12.39 billion. Partners has credit ratings of Aa2 from Moody's Investor Service, AA from Standard & Poors, and AA from Fitch Ratings. As of September 30, 2011, Partners had a net worth of over \$5.4 billion.

Under the terms of the Affiliation Agreement, Partners agrees to supply funds to pay the outstanding principal balance and accrued interest on a surplus note issued to NHP by Blue Cross/Blue Shield of Massachusetts on November 13th, 2003. The outstanding principal balance of the surplus note is \$10 million. Partners' financial commitment to NHP and its members and policyholders, moreover, is reflected in Partners' RBC guaranty.

Under the terms of the Affiliation Agreement, NHP will invest all of its cash and investments through two funds managed by the treasury office of Partners.<sup>10</sup> NHP's assets, nevertheless, will continue to be owned by NHP and will continue to be invested only in assets permitted by the investment laws of the Commonwealth governing HMOs.

We find that the financial condition of Partners will not jeopardize the financial stability of NHP, or prejudice the interests of its subscribers, policyholders or enrolled members. We anticipate that NHP and its subscribers, policyholders, and members will benefit from the increased financial stability that NHP will enjoy as part of the large, financially strong Partners system, which, furthermore, has a shared charitable mission with NHP.

*4. The terms of the proposed transaction are not unfair and unreasonable to the subscribers, policyholders or enrolled members of NHP.*

Partners has promised that services will continue to be provided by NHP on a consistent basis and that NHP benefits will remain unchanged. Partners presently does not intend to make any material changes to the manner in which NHP provides its products and services to its current members. Although NHP will become a subsidiary of Partners and a member of its integrated health care delivery system, NHP will continue to be managed from NHP's current headquarters in Boston, Massachusetts.

We are persuaded that the process that NHP followed to find a strategic partner was well-designed to ensure that a resulting proposal would not be unfair or unreasonable to subscribers, policyholders and enrolled members of NHP: Ms. Enos, President and Chief Executive Officer of NHP testified at the hearing as follows:

In order to ensure that NHP was in the strongest position to further its mission in the ... new environment, the organization engaged in a process of seeking a strategic partner to further the strength and reach of NHP's mission to provide enhanced resources for community health centers and historically underserved communities. NHP wanted to

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<sup>10</sup> Under the Affiliation Agreement, NHP will invest all of its cash and investments through two funds managed by the treasury office of Partners: (1) the Short-Term Portfolio, investing in cash, cash equivalents, and high-security short-term fixed-income securities; and (2) the Total Return Portfolio, consisting of domestic equities, foreign equities, global fixed-income securities, derivatives, and marketable alternative investments with a view towards capital appreciation. NHP and Partners have submitted a separate Form D, pursuant to Chapter 176G, § 28, for this investment arrangement.



ensure that such a strategic partnership would be in keeping with NHP's roots, mission, and future outlook.

The proposed transaction with Partners is the culmination of a process that began in early 2010. NHP's Board established a special committee to pursue discussions with others regarding potential strategic transactions. At this time NHP began a process to examine the health care environment in Massachusetts and nationally to review the strategic alternatives for NHP in the increasingly challenging health care market.

As a part of this process, NHP developed the following key criteria by which it would judge any potential transaction: (1) consistency with the NHP charitable mission; (2) ability and interest of a potential partner in developing enhanced programs for the populations served by NHP and to collaborate to meet current and future health care initiatives; (3) ability of the partner to enhance NHP resources and provide necessary investment for future initiatives; (4) cultural integrity and compatibility of the partner with NHP; and (5) commitment of the partner to community health centers in Massachusetts.

After a deliberative process involving intensive meetings by the board and its special committee and a review of several proposals, Partners was selected as the organization that best met key criteria.

Testimony of Deborah Enos (Enos Testimony"), Tr. at 42-44.

As part of its search process, NHP reviewed several proposals, "at one point as many as six through conversations." Enos Testimony, Tr. at 62. The NHP Board of Directors also retained its investment banker, Benning Associates, to review each bidder's proposal. The NHP committee evaluated four "final proposals" in conjunction with the investment banking consultants, and presented them to the full Board for consideration. Enos Testimony, Tr. at 62-63. Of these four, Partners was the unanimous selection. Ms. Enos testified that NHP's decision to consummate the proposed transaction with Partners "focused on selecting the organization that ... would best allow NHP to further its charitable mission rather than the types of consideration that would be expected in a transaction between for-profit entities." Enos Testimony, Tr. at 46.

NHP and Partners have a longstanding history of collaboration and both have demonstrated a commitment to serving the health care needs of low-income and vulnerable populations in Massachusetts. We anticipate that NHP and Partners, as affiliated entities, will have the ability and flexibility to develop innovative patient and family-centered models of care

and craft new initiatives aimed at better managing the care of complex conditions. We are persuaded that the terms of the proposed transaction were negotiated at arm's length and are not unfair or unreasonable to NHP's subscribers, policyholders, or members.

5. *Partners does not have plans or proposals to liquidate NHP, sell its assets or any seat on its board of directors, or consolidate or merge it with any person, or to make any other material change in NHP's business or corporate structure or management, that are unfair and unreasonable to the subscribers, policyholders or enrolled members of NHP and that are not in the public interest.*

Partners does not presently intend to modify any of the existing products or services of NHP. Partners and NHP assert, furthermore, that Partners has no present intention to change the day-to-day management of the business and operations of NHP, and has not discussed any future such plans either. NHP will continue to be managed from NHP's current headquarters in Boston, Massachusetts, and Deborah Enos will continue as President and Chief Executive Officer of NHP, a position she has held for more than six years.

Partners has no current plans to make changes to NHP senior management personnel, with one exception. There is a need to appoint a new Chief Financial Officer for NHP because Charles Goheen, the incumbent, recently left NHP to accept the position as Chief Financial Officer of Harvard Pilgrim Health Care.<sup>11</sup> On an interim basis, NHP's former longtime Chief Financial Officer, Harold Putnam, has agreed to serve as acting NHP Chief Financial Officer while the search for a permanent replacement is conducted.

Partners states that, if the proposed transaction is approved, it may seek to make improvements in administrative and operational efficiencies. With respect to some functions at NHP, such as finance, Partners states that there may be some relocation of NHP personnel into positions within offices at Partners. Except for this, Partners has no current plans to make any material changes to the overall staffing levels of NHP. No NHP staff terminations are contemplated.

Except for the above, Partners affirms that it does not presently have, nor does it presently contemplate making, any plans to make any other material change in NHP's business

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<sup>11</sup> We are persuaded that Mr. Goheen's departure was unrelated to the proposed transaction.

operations, corporate structure or senior management and has no plans to cause NHP to declare any extraordinary dividends or make other distributions, to liquidate NHP, to sell any of the assets of NHP, to sell any seat on NHP's board of directors, or to consolidate or merge NHP with any person.

NHP as an HMO has only a limited number of individual policyholders; rather, the vast number of its members are served under public contracts with MassHealth, the Health Connector, and private agreements with employee health plans. In any event, Partners' commitment to NHP and its members and policyholders is reflected in Partners' RBC guaranty and its agreement to supply funds to pay the outstanding principal balance and accrued interest on a surplus note issued to NHP by Blue Cross/Blue Shield of Massachusetts.

We are persuaded that Partners does not have plans or proposals to liquidate NHP, sell its assets or any seat on its board of directors, or consolidate or merge it with any person, or to make any other material change in NHP's business or corporate structure or management that are unfair and unreasonable to the subscribers, policyholders or enrolled members of NHP and that are not in the public interest.

6. *The competence, experience and integrity of those persons who would control the operation of NHP are not such that it would not be in the interest of the subscribers, policyholders or enrolled members of NHP or of the public to permit the proposed transaction.*

If the proposed transaction is approved, NHP will become a subsidiary of Partners and a member of its integrated health care delivery system. NHP will continue to be managed, however, from NHP's current headquarters in Boston, Massachusetts, and NHP's operations will continue to be controlled on a day-to-day basis by the same management team that currently manages NHP, with the exception of the need to appoint a new Chief Financial Officer for NHP.

The Affiliation Agreement provides that NHP will file Restated Articles of Organization and Amended and Restated Bylaws. Under the provisions of these documents, Partners, acting through its Board of Directors, will become the sole corporate member of NHP, and NHP's Board of Directors will be composed of 12 elected directors plus the Chief Executive Officer of NHP, who will serve as an NHP director *ex officio*.

The 12 elected directors will be elected by the Partners Board of Directors. Four elected directors (“Health Center Directors”) will be community health center chief executive officers or other community health center leaders who are nominated by the President and Chief Executive Officer of NHP and the Chief Executive Officer of the Massachusetts League of Community Health Centers.<sup>12</sup> One of these four Health Center Directors will be James W. Hunt, Jr., the current President and Chief Executive Officer of the Massachusetts League of Community Health Centers. Eight elected directors (one of whom will be a sitting member of the Partners Board of Directors) will be nominated by Partners after consultation with a designated representative of the Health Center Directors.

The new NHP Board of Directors that is proposed will include board members who have significant experience in the fields relevant to NHP’s business, including the fields of insurance, medicine, finance, and health care operations. The provisions for nomination of four elected directors promises to ensure continuity and particularized expertise in the on-going operation of NHP as an HMO. We find no reason to believe that the competence, experience and integrity of the persons who will control the operation of NHP, if the proposed transaction is approved, are such that it would not be in the interest of the subscribers, policyholders or enrolled members of NHP or of the public to permit the proposed transaction.

*7. The acquisition is not likely to be hazardous or prejudicial to the health insurance buying public or to the actual enrollees under health insurance plans in the Commonwealth.*

The financial strength of Partners, the continuation of the current NHP management, and the composition of the proposed new NHP Board of Directors make it likely that NHP, if the proposed transaction is approved, will be well capitalized and prudently managed by an experienced management team and Board of Directors. We conclude, therefore, that the proposed transaction will not likely be hazardous or prejudicial to the health insurance buying public or to actual enrollees under health insurance plans.

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<sup>12</sup> The Massachusetts League of Community Health Centers was one of the founders of NHP, and currently nominates the majority of NHP’s Board of Directors. In his testimony at the hearing, Acting Director Macullar advised that the Massachusetts League of Community Health Centers “have selected ... [NHP’s] management and have been critical in executing its mission.” *See* Tr. at 74.

***B. The Division's Working Group***

The Division's Working Group has not noted any matters that would lead to an adverse determination regarding any of the standards set forth in Section 27(d)(1), and it recommends approval of Partners' proposed acquisition of control of NHP.

***C. The Federal Trade Commission and United States Department of Justice***

Partners and NHP have filed the required Notification and Report Form with the Federal Trade Commission ("FTC") and the United States Department of Justice ("DOJ") pursuant to the Hart-Scott-Rodino Antitrust Improvements Act, as amended. The FTC issued a confirmation letter to Partners and NHP indicating that complete filings were received, and stating that the waiting period would expire on February 9, 2012, unless further action was taken by either agency. The waiting period expired with no further action by either federal agency.

As changes were made to the Affiliation Agreement subsequent to February 9, 2012, Partners disclosed these changes to the DOJ antitrust division, which had conducted the original Hart-Scott-Rodino review. The DOJ had no concerns with respect to the changes.

***D. The Attorney General of Massachusetts***

Although no filing with or approval by the Attorney General of Massachusetts ("Attorney General") is required in connection with the proposed transaction, Partners nevertheless provided a copy of the Hart-Scott-Rodino form to the Office of the Attorney General and discussed the proposed transaction with its staff members. On February 28, 2012, Partners was advised that the Attorney General had no objection to the proposed transaction. Partners also disclosed changes to the Affiliation Agreement made subsequent to February 28, 2012, and was advised by electronic mail on July 6, 2012, that the Attorney General would take no action with respect to the proposed transaction.

**CONCLUSION**

For the reasons set forth herein, the Panel concludes that the Form A Application submitted to the Division by Partners should be approved.

**ACCORDINGLY, IT IS ORDERED:**

The Form A Application by Partners HealthCare System, Inc., a Massachusetts not-for-profit corporation, including the Amended and Restated Affiliation Agreement dated June 28, 2012, by which it will acquire control of Neighborhood Health Plan, Incorporated, a Massachusetts not-for-profit corporation operating as a health maintenance organization, is approved.

**AND IT IS FURTHER ORDERED:**

Partners HealthCare System, Inc. shall have an ongoing obligation to provide information to the Division's Working Group about the progress of the proposed acquisition and affiliation until its final consummation.

Filed: September 14, 2012

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Joseph G. Murphy  
Commissioner of Insurance

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Robert A. Whitney  
Deputy Commissioner and General Counsel

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Stephen M. Sumner  
Presiding Officer