



The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Public Health
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DATE: March 15, 2024

Susan R. Huntington
Day Pitney LLP
One Federal Street, 29th Floor
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VIA electronic mail: shuntington@daypitney.com

RE: Notice of Transfer of Site Application #N/A-23102710-TS

Dear Attorney Huntington,

We are in receipt of the above-referenced Notice and its accompanying attachments, dated December 6, 2023, wherein Reliant Medical Group, Inc. (Reliant) provided notice to the Department of Public Health (the Department) in accordance with 105 CMR 100.745 for a proposed transfer of site of one computed tomography (CT) unit from its existing location at 24 Newton Street, Southborough, MA to the Applicant's facility located at 1400 Worcester Street, Natick, MA as described below.¹

Reliant has complied with the requirements of Notice and has provided information sufficient to allow the Department to make a finding that the proposed transaction will neither result in a Substantial Capital Expenditure nor Substantial Change in Service, and thus will not first require a Notice of Determination of Need (DoN).

Reason for Request

To meet increased demand for CT services, and provide easier access to same-day scanning, Reliant will relocate its CT scanning services from its location in Southborough, MA to its facility in Natick, MA, which is approximately 7.8 miles from the current location, and which has a larger patient service area.

¹ The CT unit in Southborough was acquired in 2015 prior to the promulgation of DPH's Services Guideline which required a DoN for all new CT-scanners.

1. Description

The Applicant is a physician practice with 20 locations in Central and MetroWest Massachusetts. Reliant currently provides CT scanning imaging services Monday through Friday at its location in Southborough, MA, in Worcester County. The Southborough and Framingham Reliant locations both refer patient to the current CT scanner located in Southborough, therefore contribute to its patient population.

The primary towns serviced by the Southborough location are Framingham and Marlborough, MA, both of which are located in Middlesex County. The Applicant is proposing to relocate the CT unit in Southborough to its location in Natick, MA, located in Middlesex County. Currently, the Reliant location in Southborough is not open on weekends for patient care. In addition, Reliant does not have physician coverage for contrast reaction monitoring on the weekends in Southborough and therefore, does not provide weekend CT service. With the relocation of the CT unit from Southborough to Natick, the Applicant will offer same day appointments and weekend availability. Patient care and physician supervision/coverage is already provided 7 days a week in the Natick location. The Applicant states that this will increase availability of scanning services without making significant changes to its current operations. This, the Applicant states, will allow it to meet patient demand, which will increase at the proposed location, and will also decrease the need for patients to obtain hospital-based CT scanning services. The Applicant is anticipating that relocating the CT unit to the new space with take effect in July 2024, contingent on DoN approval. If the transfer of site is approved, the Applicant will consider using the available space in Southborough to add new lines of service, subject to DoN approval.

2. Gross Square Feet (GSF)

The CT unit in Southborough, MA occupies 656 square feet. The proposed location will occupy 906 square feet, if approved. The Applicant states that it will use the same set-up that is currently in place in Southborough.

3. Demographics and Primary Service Area (PSA)

The Applicant does not anticipate any change in the primary service area (PSA) as a result of the transfer of site because the leading towns served by the Southborough location, Framingham and Marlborough, are located in Middlesex County, the location of the proposed site and where over half of the patients who utilize the CT services in Southborough reside. The Applicant states that patients located in Worcester County will have easy access to the Natick location. The Applicant provided the cities/towns that make up the 2023 patient population of the Southborough location and their respective patient volume. This is shown in Table 1. The Applicant notes that Reliant collects demographic information on a patient basis and does not maintain identifiers at the level of a procedure like CT .

In 2023, at the Southborough location there were 32,443 patient visits, which included 1,242 CT scans, a decrease from the number of scans in 2022 (1,717) which the Applicant attributes to staffing shortages experienced by Reliant in 2023. The Applicant believes that with the

relocation of the CT unit to Natick and subsequent staff hires, CT volume will return to the volume seen in 2022.

Table 1: 2023 Patient Origin Information

Town/City	County	Percentage of Current Patient Volume ²
Framingham	Middlesex	21%
Marlborough	Middlesex	15%
Southborough	Worcester	8%
Hudson	Middlesex	6%
Ashland	Middlesex	6%
Hopkinton	Middlesex	5%
Northborough	Worcester	4%
Westborough	Worcester	4%
Shrewsbury	Worcester	3%
Milford	Worcester	2%
Natick	Middlesex	2%
Worcester	Worcester	2%
Holliston	Middlesex	2%
Clinton	Worcester	1%
Upton	Worcester	1%
Berlin	Worcester	1%
North Grafton	Worcester	1%
Grafton	Worcester	1%
Bellingham	Norfolk	1%
Sudbury	Middlesex	1%
Medway	Norfolk	1%
Franklin	Norfolk	1%
Misc ³		13%
Total		102%

The Applicant states that Natick is accessible to all of the cities/towns listed in Table 1, and therefore it anticipates that the CT unit will continue to serve all existing patients.

The Applicant provided demographic information for patients utilizing services in Southborough. This is shown in Table 2.

Table 2: 2023 Patient Demographic Information

32,443 patients	
Gender	
Male	45.37%
Female	54.62%

² The Applicant states that patient volume percentages have been rounded to the nearest whole number, so the total patient volume is slightly over 100%.

³ The Applicant states that Miscellaneous represents every other town/city that Reliant patients have come from. It is compiled to make the chart easier to read and on their own each town would not be statistically significant. Reliant does not have the full list of miscellaneous towns readily available.

Non-Binary	<1%
Total	100%
Age	
0-20	6.41%
21-40	20.91%
41-60	32.45%
61+	40.23%
Total	100%
Race/Ethnicity	
White	74.81%
Asian	3.88%
African American	1.45%
Unknown/Not Provided ⁴	16.07%
Other ⁵	3.79%
Total	100%
Payer Mix	
Commercial	62.99%
Medicare	27.94%
Medicaid	8.63%
Other ⁶	0.44%
Total	100%

The Applicant does not anticipate any change in patient demographics stemming from the proposed relocation of the CT unit from Southborough to Natick.

4. Patient Access

The proposed site in Natick is located approximately 7.8 miles from the current site in Southborough. The Applicant anticipates that the CT unit will continue to serve all existing patients. Currently, when patients residing in Natick, Southborough, and Marlborough areas need to access CT services on the weekend, they use hospital-based CT services because Reliant does not offer weekend services. Generally, hospital-based CT services are more costly. With the relocation of the CT unit from Southborough to Natick, and the weekend availability of CT services, CT services will be available to a wider population of patients and will reduce reliance on hospital-based CT services. In addition, with the greater accessibility of CT services, Reliant anticipates an increase in CT volume, from the current monthly average 260 scans in Southborough to an estimated average of 303 scans in Natick.

5. Impact on Health Care Spending

The Applicant confirmed that the pricing and reimbursements will remain the same for all payers in the new location, including Medicare and Medicaid, and therefore the Applicant affirms that

⁴ Unknown/Not Provided represents the percentage of individuals who chose not to self-identify.
⁵ “Other” represents the percentage of patients that have self-identified to Reliant as a member of an ethnic group outside of White, Asian, or African American.
⁶ “Other” represents the percentage of patients for which there is no payer data.

the proposed transfer of site will not have an impact on price. The Applicant states further that there will be no additional costs related to equipment and the Applicant anticipates a marginal increase in disposable supplies to accommodate increased volume.

The Applicant anticipates spending an additional \$183,352 in provider/technician costs (from \$78,260 to \$261,612) to accommodate increases in volume and weekend availability, and approximately \$231,053 in relocation costs, which includes site preparation in Natick, clean up in Southborough, and equipment transportation cost.

As noted above, generally, hospital-based CT services tend to be more costly. Therefore, there is the potential for healthcare spending to decrease with the proposed transfer of site as the number of patients seeking hospital-based CT services on the weekend decreases.

6. Sufficient Interest in the Proposed Site

The proposed site in Natick is properly zoned to provide CT imaging services and Reliant leases the space from Natick Associates, LLC.

Findings:

The Department finds that Reliant Medical Group, Inc (Reliant) has provided the Department with the information required in 105 CMR 100.745(D). Based upon review of the Notice and supporting materials, the Department finds that this transaction does not require a DoN either as a Substantial Capital Expenditure or Substantial Change in Service, pursuant to 105 CMR 100.730.



Robert Goldstein, MD, PhD

Commissioner, Massachusetts Department of Public Health