October 19, 2018

Mr. William Anderson

Office of the General Counsel

Department of Public Health

250 Washington Street, Boston, MA 02108

Dear Mr. Anderson:

On behalf of the 11,000 members of the Massachusetts Society of CPAs (MSCPA), I am writing to offer comments regarding the proposed revisions to 105 CMR 100, Determination of Need regulations.

Shortly after the Massachusetts Department of Public Health (DPH) issued final regulation 105 CMR 100.000, Determination of Need (DoN) in 2017, several of our member firms raised concerns with a number of provisions, particularly those found in Factor (4) Financial Feasibility and Reasonableness of Expenditures and Costs. Since then, the staff assigned to the Determination of Need Program have undergone a thoughtful review to address these concerns while maintaining the regulation’s goals of cost containment, improved public health outcomes and delivery system transformation.

While the proposed draft makes improvements to Factor 4 through revised definitions and edits that attempt to make the financial feasibility analysis more reasonable, I remain concerned about the unnecessary amount of risk Certified Public Accountants (CPAs) would be taking on by conducting an engagement that is not held to current professional standards.

Therefore, I encourage the Department to accept the suggested amendment submitted by CliftonLarsonAllen LLP (CLA) and supported by other member firms of the MSCPA, which would insert language requiring the financial analysis be conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants (AICPA). The proposed revisions also recommend removing language that requires a CPA to provide reasonable assurances of the feasibility of the project through a five-year financial sustainability analysis. Such an analysis, if done appropriately, would cost applicants a significant amount of money without providing additional valuable information.

Thank you for the opportunity to submit these comments and for your attention to this matter. If you have any questions or concerns, please do not hesitate to contact me at [apitter@mscpaonline.org](mailto:apitter@mscpaonline.org) or 617-303-2411.

Sincerely,



Amy Pitter

President & CEO