

# NOTICE OF MATERIAL CHANGE

DATE OF NOTICE: 3-31-2016

1. Name: Mount Auburn Professional Services, Inc.

	Federal TAX ID #	MA DPH Facility ID #	NPI #
2.	04-3026897		1992750996

## CONTACT INFORMATION

3. Business Address 1: 330 Mount Auburn Street

4. Business Address 2:

5. City: Cambridge State: MA Zip Code: 02238

6. Business Website:

7. Contact First Name: Leslie Contact Last Name: Joseph

8. Title: General Counsel

9. Contact Phone: 617-499-5021 Extension:

10. Contact Email: ljoseph@mah.harvard.edu

## DESCRIPTION OF ORGANIZATION

11. Briefly describe your organization.

Mount Auburn Professional Services, Inc. ("MAPS") is a not-for-profit, tax exempt affiliate of Mount Auburn Hospital ("MAH"). MAH is the sole corporate member of MAPS. MAPS was organized on October 5, 1988 to operate a medical group practice. MAPS now employs 151 physicians and 74 advanced practice clinicians practicing in 34 locations in the greater Cambridge area. All MAPS physicians are active participants in the risk/alternative quality products managed through the Mount Auburn Cambridge IPA ("MACIPA").

## TYPE OF MATERIAL CHANGE

12. Check the box that most accurately describes the proposed Material Change involving a Provider or Provider Organization:

- A Merger or affiliation with, or Acquisition of or by, a Carrier;
- A Merger with or Acquisition of or by a Hospital or a hospital system;
- Any other Acquisition, Merger, or affiliation (such as a Corporate Affiliation, Contracting Affiliation, or employment of Health Care Professionals) of, by, or with another Provider, Providers (such as multiple Health Care Professionals from the same Provider or Provider Organization), or Provider Organization that would result in an increase in annual Net Patient Service Revenue of the Provider or Provider Organization of ten million dollars or more, or in the Provider or Provider Organization having a near-majority of market share in a given service or region;
- Any Clinical Affiliation between two or more Providers or Provider Organizations that each had annual Net Patient Service Revenue of \$25 million or more in the preceding fiscal year; provided that this shall not include a Clinical Affiliation solely for the purpose of collaborating on clinical trials or graduate medical education programs; and
- Any formation of a partnership, joint venture, accountable care organization, parent corporation, management services organization, or other organization created for administering contracts with Carriers or third-party administrators or current or future contracting on behalf of one or more Providers or Provider Organizations.

13. What is the proposed effective date of the proposed Material Change? June 1, 2016

## MATERIAL CHANGE NARRATIVE

14. *Briefly* describe the nature and objectives of the proposed Material Change, including any exchange of funds between the parties (such as any arrangement in which one party agrees to furnish the other party with a discount, rebate, or any other type of refund or remuneration in exchange for, or in any way related to, the provision of Health Care Services) and whether any changes in Health Care Services are anticipated in connection with the proposed Material Change:

Belmont Medical Associates, Inc. ("BMA"), a medical practice located in Cambridge, MA proposes to sell substantially all of its assets to MAPS (the "Transaction"). Following the closing of the proposed Transaction, MAPS plans to employ the physicians and the majority of staff currently employed by BMA. BMA has provided high quality patient care to the residents of Cambridge and surrounding communities for almost 40 years at its offices at 725 Concord Ave. in Cambridge, which are sublet from MAPS. The primary care physicians who are part of BMA are an integral part of the MAH primary care network. BMA's primary care physicians and small group of specialists are active participants in the risk/alternative quality products managed through MACIPA. BMA and MAPS are committed to providing a smooth transition that protects the continuity of care provided to BMA's patients. MAPS will pay fair market value for all assets acquired and shall compensate BMA employees joining MAPS consistent with its current policies and procedures. The principal objective of the proposed Transaction is to advance the ability of MAPS to provide care in the MAH community in a manner that further improves coordination and efficiency, while assisting the current leadership of BMA in their transition planning. MAPS will provide centralized administrative functions and integrate the BMA clinicians into its patient care quality and efficiency initiatives, while Drs. Ranere and Shushan, the current shareholders of BMA, will serve as co-medical directors of the BMA practice following the Transaction. The implementation of a unified care management program for BMA patients, including but not limited to a unified electronic medical record system, will accomplish the goals of both BMA and MAPS to continually improve the coordination, quality and efficiency of care. BMA physicians are all currently and will remain on the medical staff of MAH, which is their primary referral hospital. The BMA clinicians are currently, and will remain as MAPS employees, able to refer patients to other facilities or providers consistent with patient choice. No changes in health care services are anticipated in connection with the proposed Transaction.

15. *Briefly* describe the anticipated impact of the proposed Material Change, including but not limited to any anticipated impact on reimbursement rates, care referral patterns, access to needed services, and/or quality of care:

The proposed Transaction is anticipated to improve the quality of the BMA patient experience. Specifically, BMA patients will be able to enjoy improved coordination of tests, exams, and procedures with MAPS providers to whom they may be presently referred. Urgent care services will be more broadly available and better coordinated. The Transaction is not intended to have any material impact on current reimbursement rates or care referral patterns. Access to needed services and efficiency and quality of overall care for BMA patients is expected to improve based on the increased access to MAPS and MAH care resources.

## DEVELOPMENT OF THE MATERIAL CHANGE

16. Describe any other Material Changes you anticipate making in the next 12 months:

None.

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.

## SUPPLEMENTAL MATERIALS

18. Submit the following materials, if applicable, under separate cover to [HPC-Notice@state.ma.us](mailto:HPC-Notice@state.ma.us).

The Health Policy Commission shall keep confidential all nonpublic information, as requested by the parties, in accordance with M.G.L. c. 6D, § 13(c), as amended by 2013 Mass. Acts, c. 38, § 20 (July 12, 2013).

- a. Copies of all current agreement(s) (with accompanying appendices and exhibits) governing the proposed Material Change (e.g., definitive agreements, affiliation agreements);
- b. A current organizational chart of your organization
- c. Any analytic support for your responses to Questions 14 and 15 above.

[Remainder of this page intentionally left blank]

Print this page, sign, notarize, and submit as a .PDF separately from the writable portion (p. 4-5) of the Notice of Material Change form. This signed and notarized Affidavit of Truthfulness and Proper Submission is required for a complete submission.

**AFFIDAVIT OF TRUTHFULNESS AND PROPER SUBMISSION**

I, the undersigned, certify that:

1. I have read 958 CMR 7.00, Notices of Material Change and Cost and Market Impact Reviews.
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, the Office of the Attorney General, and the Center for Health Information and Analysis as required.

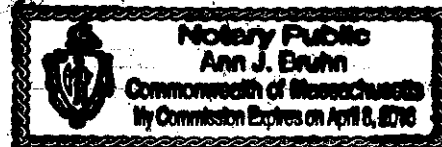
Signed on the 31st day of March, 2016, under the pains and penalties of perjury.

Signature: *William J. Sullivan*

Name: William Sullivan

Title: CFO

FORM MUST BE NOTARIZED IN THE SPACE PROVIDED BELOW:



Notary Signature

*Ann J. Bruhn*

Copies of this application have been submitted electronically as follows:

Office of the Attorney General (1)

Center for Health Information and Analysis (1)