

## **APPENDIX 2**

### **NARRATIVE**

## 2.1 Project Description

Sturdy Memorial Hospital, Inc. (“Applicant”), located at 211 Park Street, Attleboro, MA 02703, is filing a Notice of Transfer of Site (“Notice”) with the Massachusetts Department of Public Health (“Department”) for Sturdy Memorial Hospital (“Sturdy” or “Hospital”), located at the same address to relocate one procedure room from the Hospital’s satellite location, Sturdy Health Center, located at 200 Copeland Road, Mansfield, MA 02048 (“Satellite”) to the Hospital’s main campus (“Proposed Transfer”). The Proposed Transfer is being sought to maintain timely access to outpatient pain management services for the Applicant’s Patient Panel. To that end, the Applicant respectfully requests the Department find that this transfer does not require a DoN, either as a Substantial Capital Expenditure or Substantial Change in Service, pursuant to 105 CMR 100.715 in order for the Applicant to move forward with the proposed change in designated location.

## 8. Transfer of Site

### 8.4 Compare the scope of the project for each element below.

**In compliance with the requirements set forth at 105 C.M.R. 100.745(D) and the Determination of Need Application form, the following information is provided relative to the transfer of site request:**

- 1. Gross Square Feet (“GSF”).** The procedure room at the Satellite is 100 GSF. The proposed procedure room to be located at Sturdy will be 244 GSF.
- 2. Primary Service Area Towns Served.** The Primary Service Area towns served by Sturdy are Attleboro, North Attleboro, Norton, Mansfield, and Plainville. The Primary Service Area towns served by the Satellite are Attleboro, Mansfield, Norton, North Attleboro, Taunton
- 3. Patient Population Demographics.**

The below table provides the demographic data of the FY2023 patient populations served by the procedure room in Mansfield that Sturdy seeks to transfer and by the existing pain management clinic located at Sturdy’s main campus.

**Table 1: Patient Population**

Data	Sturdy's Satellite	Sturdy's Existing Pain Management Service
Age: 0-18	0	<11 <sup>1</sup>
Age: 19-45	386	249
Age: 46 - 65	999	776
Age: 65+	1,015	787
Gender: Male	664	737
Gender: Female	1,736	1,075
Race: Black or African American	56	49
Race: Other <sup>2</sup>	35	13
Race: Asian/Asian Indian	43	28
Race: White	2,266	1,721
Total	2,400	1,812

4. **Patient Access.** The Proposed Transfer will result in the relocation of the right to operate one procedure room from the Satellite in Mansfield to Sturdy's main campus in Attleboro. The Satellite procedure room is currently used for rheumatology procedures. Upon relocation of the right to operate, patients will continue to have access to rheumatology procedures in Mansfield as the existing space will be utilized by a physician practice to provide the same procedures that are currently provided. The transition of this space from hospital licensed to a physician practice will offer the same services in a lower cost setting for patients. By relocating the Hospital's right to operate the procedure room to Attleboro for the provision of pain management services, the Hospital will significantly improve access to pain management services for its Patient Panel and ensure the community has continued, timely access to pain management care. The Hospital currently has one procedure room to provide patients with pain management services. By relocating the right to operate the Satellite procedure room, the Hospital will be able to provide services in two procedure rooms. The second procedure room will allow Sturdy to better manage wait times by reducing the amount of time in between cases as a result of cleaning and turnover. This more efficient use of clinical staffing is expected to reduce patient wait times, in turn allowing a modest increase to overall procedure volume.
5. **Impact on Price.** The Proposed Transfer will not impact price. There will be no change in contracts or in payor reimbursement for the pain management services provided at Sturdy as a result of the Proposed Transfer. Conversely, the rheumatology procedures at the Satellite will be reimbursed at lower rates when operated by a physician practice compared to the reimbursement currently received as a hospital-based service.
6. **Total Medical Expenditure.** As noted above, pain management services costs will not be impacted. Sturdy currently offers outpatient pain management treatment options and will

<sup>1</sup> To protect patient confidentiality, patient counts of 11 or less have been combined in a related category to maintain the correct patient total and replaced with the notation "<11".

<sup>2</sup> Includes race categories not separately noted as well as patient declinations and unknown.

leverage existing resources to operate the second procedure room. This represents an efficient use of resources to improve access and better serve the Hospital's Patient Panel.

7. **Provider Costs.** The Proposed Transfer will minimally increase operating costs as a result of the supplies needed for the additional procedures as well as staff hours for insurance authorizations. However, as the second procedure room will be used to improve operating efficiency and will not significantly increase the volume of cases performed, additional clinical staff will not be required.
8. **Description.** Sturdy Memorial Hospital seeks to transfer its authority to operate one (1) outpatient operating room from its satellite, Sturdy Health Center, to the Hospital's main campus in Attleboro. The operating room at issue will be located in the Hospital's newly constructed pain management service ("Service"). The building which will house the Service is expected to open for patient care Summer 2025. Sturdy plans to open the Service with both procedure rooms fully staffed. Because the procedure room in Mansfield will shift to a physician practice separate from this request, there will be no disruption to the services provided related to this request.

The Proposed Transfer's capital expenditure is \$3,460,000. This capital expenditure represents the construction costs associated with the Service. In order to be considered substantial capital expenditure, the Proposed Transfer would need to meet or exceed the current threshold for hospital outpatient projects. At the time of this writing, the threshold for significant capital expenditures is \$42,651,387. As the Proposed Transfer's cost does not exceed the minimum threshold amount, it does not meet the requirement to be considered a substantial capital expenditure. Further, the Proposed Transfer is not a substantial change in service because Sturdy is not increasing total the number of procedure rooms on its hospital license. Under DoN regulations, the expansion, addition, or conversion to ambulatory surgery is considered a substantial change in service. As the Proposed Transfer will not expand, add to, or convert the Hospital's outpatient surgical service, the Proposed Transfer should not be considered a substantial change in service. Therefore, the Applicant respectfully requests a finding by the Department that the Proposed Transfer is not a substantial capital expenditure, nor a change in service, and accordingly does not first require a Notice of Determination of Need.