

Response to Department of Public Health Questions

- 1. In light of our brief conversation last week about the Patient Panel for Natick ASC, my understanding is that not all of the identified patients are actually managed care or risk patients in either RMG's or NEQCA's data submitted. Please submit revised page/s to the application to clarify/reflect that status.**

The patient panel of the Proposed Project includes patients covered by risk contracts (also referred to as managed patients) held by the Participating Physicians, as well as fee-for service ("FFS") patients seen by the Participating Physicians over the last thirty-six months. Managed care patients are defined as those patients within any form of risk contract, including those patients within HMOs, PPOs and POS plans, as well as alternative payment models, such as accountable care organizations, etc. FFS patients in the Determination of Need ("DoN") narrative (and the tables below) are distinct (not within risk contracts) given that a provider is paid by an insurer for the services provided. Tables 1, 2 and 3 within *Section F1.a.i – Patient Panel* of the DoN narrative (as well as inserted below in the response to question 2) outline the historical breakdown of the managed and FFS patients.

In terms of providing a demographic breakdown of the FFS patient population, it would be challenging to accurately disaggregate this data on an individual patient basis given the way that data is collected and reported by the Participating Physicians. There is more data currently available on the managed patient population (based on claims) than the FFS population given the heightened management of the managed patients' care. Accordingly, the demographic breakdown provided in the DoN Narrative is representative of the managed population.

- 2. Please clarify why only 2017 data is actual and 2016, and 2015 could not be similarly counted.**

As discussed within the Determination of Need ("DoN") narrative, disparate data systems among the Participating Physicians made aggregating unique encounter level data for the patient panel prior to FY17 challenging. Each participating physician group had disparate data systems managed by different entities that recorded and reported their data inconsistently. Consequently, overall data aggregation was a difficult process. Further complicating the data aggregation process, some of the Participating Physicians switched electronic medical record systems in FY16, resulting in the amalgamation of both current and legacy system data needing to be aggregated.

Given these challenges and the resulting significant work it takes to aggregate the data, the Applicant focused on the most recent complete year and aggregated data for all patients seen in FY17 as the baseline year for its analysis of historical volume for the noted specialty surgical services. Next, the Applicant applied service line specific growth trends supplied by the Participating Physicians for the last three years to the FY17 data to obtain conservative historical estimates of patients by specialty. Of note, in Table 1, all orthopedic surgeries grew by an actual increase of 3% from FY15-FY17, whereas growth trends for all other specialties were sustained. This analysis allowed the Applicant to estimate historic patient volume for all patients (FFS patients and those patients in risk contracts) in FY15 and FY16. Please note, Table 1 below is all estimated historical volume for managed patients (in risk contracts), as well as FFS patients. Table 2 is historical volume for managed patients only and Table 3 is historical volume for FFS patients only.

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Table 1: Estimated Historical Volume for Specific Specialties

Total Patient Panel				
Specialty	2015	2016	2017	%Growth
Orthopedics	1,841	1,870	1,898	3%
Ent	107	107	107	0%
General Vascular	62	62	62	0%
Hand	978	993	1,007	3%
GYN	148	148	148	0%
Urology	58	58	58	0%
Total	3,194	3,238	3,280	3%

Note: FY17 is based on actual patient volume and is designated as the baseline year. Growth trends were applied to FY17 data to develop conservative estimates for FY15 and FY16.

Table 2: Estimated Historical Volume for the Managed Patient Population by Specialty

Patients within Risk Contracts			
Specialty	2015	2016	2017
Orthopedics	236	239	243
Ent	50	50	50
General Vascular	47	47	47
Hand	11	11	11
GYN	85	85	85
Urology	34	34	34
Total	462	466	470

Note: FY17 is based on actual patient volume and is designated as the baseline year. Growth trends were applied to FY17 data to develop conservative estimates for FY15 and FY16.

Table 3: Estimated Historical Volume for the FFS Patient Population by Specialty

FFS Patient Panel			
Specialty	2015	2016	2017
Orthopedics	1,605	1,631	1,655
Ent	57	57	57
General Vascular	15	15	15

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Hand	967	982	996
GYN	63	63	63
Urology	24	24	24
Total	2,731	2,772	2,810

Note: FY17 is based on actual patient volume and is designated as the baseline year. Growth trends were applied to FY17 data to develop conservative estimates for FY15 and FY16.

3. Are the physicians themselves, or are the practices members of NEQCA?

The Participating Physicians are in NEQCA.