



Massachusetts Department of Public Health

Determination of Need

Application Form

Version: 11-8-17

Application Type: Application Date:

Applicant Name:

Mailing Address:

City: State: Zip Code:

Contact Person: Title:

Mailing Address:

City: State: Zip Code:

Phone: Ext: E-mail:

Facility Information

List each facility affected and or included in Proposed Project

1 Facility Name:

Facility Address:

City: State: Zip Code:

Facility type: CMS Number:

2 Facility Name:

Facility Address:

City: State: Zip Code:

Facility type: CMS Number:

1. About the Applicant

1.1 Type of organization (of the Applicant):

1.2 Applicant's Business Type: Corporation Limited Partnership Partnership Trust LLC Other

1.3 What is the acronym used by the Applicant's Organization?

- 1.4 Is Applicant a registered provider organization as the term is used in the HPC/CHIA RPO program? Yes No
- 1.5 Is Applicant or any affiliated entity an HPC-certified ACO? Yes No
- 1.6 Is Applicant or any affiliate thereof subject to M.G.L. c. 6D, § 13 and 958 CMR 7.00 (filing of Notice of Material Change to the Health Policy Commission)? Yes No
- 1.7 Does the Proposed Project also require the filing of a MCN with the HPC? Yes No
- 1.7.a If Yes, has Material Change Notice been filed? Yes No
- 1.7.b If yes, provide the date of filing.
- 1.8 Has the Applicant or any subsidiary thereof been notified pursuant to M.G.L. c. 12C, § 16 that it is exceeding the health care cost growth benchmark established under M.G.L. c. 6D, § 9 and is thus, pursuant to M.G.L. c. 6D, §10 required to file a performance improvement plan with CHIA? Yes No

1.9 Complete the Affiliated Parties Form

2. Project Description

2.1 Provide a brief description of the scope of the project.

The project involves an indirect change in control of Reliant Medical Group The Endoscopy Center, LLC d/b/a The Endoscopy Center and Surgical Eye Experts, LLC, both single specialty ambulatory surgery centers (the "ASCs"). Applicant is the sole member of the ASCs. Applicant proposes to enter into a transaction whereby Collaborative Care Holdings, LLC ("CCH"), a subsidiary of Optum (referred to as OptumCare" - a subsidiary of United Health Group Incorporated), will acquire certain assets of Applicant, and Applicant will continue to be the sole member of the ASCs (the "Transaction"). OptumCare will provide administrative services to the Applicant and has committed to funding certain capital projects that the Applicant has planned. There is no change in the ASCs' services contemplated as a result of the project. Applicant does not anticipate any price or service impacts on the patient panels of the ASCs as a result of the Transaction. A more comprehensive description of the scope of the project is included at Factor F1.a.i.

2.2 and 2.3 Complete the Change in Service Form

3. Delegated Review

3.1 Do you assert that this Application is eligible for Delegated Review? Yes No

4. Conservation Project

4.1 Are you submitting this Application as a Conservation Project? Yes No

5. DoN-Required Services and DoN-Required Equipment

5.1 Is this an application filed pursuant to 105 CMR 100.725: DoN-Required Equipment and DoN-Required Service? Yes No

6. Transfer of Ownership

6.1 Is this an application filed pursuant to 105 CMR 100.735? Yes No

6.2 If Yes, Is Applicant's Proposed Project subject to 958 CMR 7.00 (Notices of Material Changes and Cost and Market Impact Reviews)? Yes No

6.3 Does the Proposed Project constitute the transfer of the Health Care Facility's license in its entirety to a single transferee? Yes No

6.4 Which of the following most closely characterizes the Proposed Project;

- A transfer of a majority interest in the ownership of a Hospital or Clinic;
- A transfer of a majority of any class of the stock of a privately-held for-profit corporation;
- A transfer of a majority of the partnership interest of a partnership;
- A change of the trustee or a majority of trustees of a partnership;
- Changes in the corporate membership and/or trustees of a non-profit corporation constituting a shift in control of the Hospital or Clinic;
- Foreclosure proceedings have been instituted by a mortgagee in possession of a Hospital or Clinic;
- A change in the ownership interest or structure of a Hospital or Clinic, or of the Hospital or Clinic's organization or parent organization(s), such that the change results in a shift in control of the operation of the Hospital or Clinic.

6.5 Explain why you believe this most closely characterizes the Proposed Project.

The Applicant is entering into a transaction (as more particularly described in the response to question 2.1) that the Department has determined constitutes a shift in control of the Applicant, as the parent organization of the ambulatory surgery centers, pursuant to Section 100.100 of the Determination of Need regulations.

6.6 In context of responding to each of the Required Factors 1, 3, and 4, consider how the proposed transaction will affect the manner in which Applicant serves its existing Patient Panel in the context of value (that is cost and quality), and describe the impact to the Patient Panel in the context of Access, Value (price, cost, outcomes), and Health Disparities.

The applicant does not anticipate any changes in health care services in connection with the proposed transaction, whether in respect to any of the ambulatory surgery centers reimbursement rates, care referral patterns, access to needed services, and/or quality of care.

6.7 See section on Transfer of Ownership in the Application Instructions

7. Ambulatory Surgery

7.1 Is this an application filed pursuant to 105 CMR 100.740(A) for Ambulatory Surgery? Yes No

7.2 If yes, is Applicant or any affiliate thereof a HPC-certified ACO OR in the process of becoming a Certified ACO? Yes No

7.2.a If yes, Please provide the date of approval and attach the approval letter:

7.3 Does the Proposed Project constitute: (Check all that apply)

- Ambulatory Surgery capacity located on the main campus of an existing Hospital **105 CMR 100.740(A)(1)(a)(i)**;
- An Expansion, Conversion, Transfer of Ownership, transfer of Site, or change of designated Location for Ambulatory Surgery capacity located on a satellite campus of an existing Hospital **105 CMR 100.740(A)(1)(a)(ii)**;
- A Freestanding Ambulatory Surgery Center within the Primary Service Area of an independent community hospital (Refer to a list that we update regularly with support from HPC) **105 CMR 100.740(A)(1)(a)(iii)**; or
- An Expansion, Conversion, Transfer of Ownership, transfer of Site, or change of designated Location for a Freestanding Ambulatory Surgery Center that received an Original License as a Clinic on or before January 1, 2017 **105 CMR 100.740(A)(1)(a)(iv)**.

7.4 See section on Ambulatory Surgery in the Application Instructions

8. Transfer of Site

8.1 Is this an application filed pursuant to 105 CMR 100.745? Yes No

9. Research Exemption

9.1 Is this an application for a Research Exemption? Yes No

10. Amendment

10.1 Is this an application for an Amendment? Yes No

11. Emergency Application

11.1 Is this an application filed pursuant to 105 CMR 100.740(B)?

Yes No

12. Total Value and Filing Fee

Enter all currency in numbers only. No dollar signs or commas. Grayed fields will auto calculate depending upon answers above.

Your project application is for: Transfer of Ownership

12.1 Total Value of this project:	<input type="text" value="\$9,300,000.00"/>
12.2 Total CHI commitment expressed in dollars: (calculated)	<input type="text" value="\$0.00"/>
12.3 Transfer of ownership Filing Fee: (calculated)	<input type="text" value="\$18,600.00"/>
12.4 Maximum Incremental Operating Expense resulting from the Proposed Project:	<input type="text"/>
12.5 Total proposed Construction costs, specifically related to the Proposed Project, If any, which will be contracted out to local or minority, women, or veteran-owned businesses expressed in estimated total dollars.	<input type="text"/>

13. Factors

Required Information and supporting documentation consistent with 105 CMR 100.210

Some Factors will not appear depending upon the type of license you are applying for.

Text fields will expand to fit your response.

Factor 1: Applicant Patient Panel Need, Public Health Values and Operational Objectives

F1.a.i **Patient Panel:**

Describe your existing Patient Panel, including incidence or prevalence of disease or behavioral risk factors, acuity mix, noted health disparities, geographic breakdown expressed in zip codes or other appropriate measure, demographics including age, gender and sexual identity, race, ethnicity, socioeconomic status and other priority populations relevant to the Applicant's existing patient panel and payer mix.

Proposed Project

The Proposed Project brings together the physician and other provider and clinical resources of Reliant Medical Group, Inc. ("Reliant"), including with respect to Reliant's wholly-owned single specialty ambulatory surgery centers: Surgical Eye Experts, LLC, which is licensed to operate Surgical Eye Care ("SEE"), and Reliant Medical Group The Endoscopy Center, LLC, which is licensed to operate The Endoscopy Center ("TEC"), and the enhanced administrative resources of Collaborative Care Holdings, Inc., a subsidiary of Optum (referred to as "OptumCare"), to serve the Patient Panels of SEE and TEC, as they are each a part of Reliant's Patient Panel, as described below. (SEE and TEC may be referred to individually as an "ASC," and collectively as the "ASCs.") The Applicant does not anticipate that the Proposed Project will affect the services provided at the ASCs.

As described in the Applicant's response to question 2.1, the Proposed Project is filed with respect to an indirect change in control of the ASCs. Following the closing of the Proposed Project, the current Reliant Board of Trustees will be replaced by a new Board of Directors. Initially, the new Board of Directors will be comprised of two Reliant physician employees appointed by Reliant (the "Reliant-Appointed Directors"), two individuals appointed by OptumCare (the "OptumCare-Appointed Directors"), and the CEO of Reliant (the "CEO") (serving ex officio with vote). During the five year period following the closing, the Reliant-Appointed Directors will have the authority to fill vacancies among the Reliant-Appointed Directors and to remove Reliant-Appointed Directors. During that period, the Board may act by simple majority vote of the Directors, except that certain significant actions (such as approvals of mergers, consolidations, dissolutions) would require the presence and affirmative vote of at least one OptumCare-Appointed Director.

Reliant will enter into a long-term Administrative Services Agreement with Reliant MSO, LLC ("Reliant MSO"), an OptumCare affiliate, which will provide administrative services to Reliant, including the ASCs, on a fair market value basis. Reliant will retain authority for all clinical matters. The CEO will also serve as the CEO of Reliant MSO and, in that capacity, will report to OptumCare leadership.

OptumCare recognizes the importance of Reliant's existing governance arrangements, including certain operating committees and leadership councils, and intends to keep them intact, subject to the approval of Reliant's Board of Directors. Reliant will also participate in, and gain the benefit of, a variety of OptumCare initiatives. For example, the parties expect that post-closing Board committees and leadership councils will collaborate and coordinate with the related OptumCare departments and work-groups and the OptumCare Physician Executive Council (the "PEC"), a group of approximately 20 physicians that guides the larger national OptumCare organization regarding matters such as clinical and practice workflow, and clinical engagement matters. Reliant would also appoint two physician leaders to the PEC. Reliant management would participate on other national governance committees that help set OptumCare's agenda. Reliant would form a Clinical Advisory Council with responsibilities related to employee discipline, hiring, firing, clinical best practices, credentialing, research, patient and physician satisfaction, and development of training programs.

Reliant is incorporated under G.L. c. 180 and its corporate members are physicians associated with Reliant's medical practice. Reliant is currently a Massachusetts public charity and is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Following the closing of the Proposed Project, and subject to the approval of the Office of the Attorney General, Public Charities Division (the "Attorney General") and the order of a single Justice of the Massachusetts Supreme Judicial Court (the "SJC") described below, Reliant will continue to operate under its current corporate entity as a nonprofit medical practice, with a sole corporate member being a physician associated with Reliant's medical practice. However, Reliant will no longer be a Massachusetts public charity and will relinquish its tax-exempt status.

Concurrent with the filing of this Application, Reliant is seeking to obtain the approval of the Attorney General and the SJC regarding the transaction described above, to continue to operate under its current corporate identity as a nonprofit. Since Reliant will no longer operate as a Massachusetts public charity, it expects to transfer funds equivalent to the fair market value of its charitable assets to another charitable organization as required pursuant to G.L. c. 180, § 8(A)(c). It is contemplated that its currently affiliated foundation, Reliant Medical Group Foundation, will become independent, change its name to the Reliant Foundation, and receive these funds. Reliant has been working cooperatively with the Attorney General and anticipates the filing of a complaint and proposed order to be approved by a single Justice of the SJC, approving the ongoing operation of Reliant as a nonprofit and disposition of its charitable assets. Reliant is diligently pursuing the completion of this approval process and expects to obtain the required approvals during the

period of the Determination of Need ("DoN") Program's review of this Application.

Reliant Medical Group, Inc.

Dr. John Fallon founded Reliant in 1929 as a path-breaking multi-specialty group practice. Reliant is located in and serves the communities of the Central and MetroWest regions of Massachusetts. Together with its subsidiaries, Reliant has more than 500 employed clinicians (i.e., physicians and other clinicians, such as nurse practitioners), approximately 2,600 employees in total, and provides care to more than 320,000 patients. Reliant has 27 locations in the Central and MetroWest regions of the Commonwealth, including SEE and TEC.

OptumCare

OptumCare is a subsidiary of UnitedHealth Group Incorporated ("UHG"). UHG is a publicly traded diversified health and well-being company. UHG offers a broad spectrum of products and services through two distinct platforms: Optum, which provides pharmacy care services, information and technology-enabled health services, and care delivery services and solutions through its OptumCare division; and UnitedHealthcare, which provides health care coverage and benefits services.

OptumCare is a national, integrated ambulatory care platform that is physician led, patient-centric, and data driven. OptumCare partners with physician practices for the mutual achievement of the Quadruple Aim: (i) deliver better quality care (ii) in a cost-effective manner, which increases (iii) patient and (iv) provider satisfaction. OptumCare's MSO operations remove the burden of administration so physicians and other providers can focus on what they do best, provide care. OptumCare also provides data analytics and other technical capabilities to help make the physician practice more efficient and to provide providers the tools to help them do their job.

Through networks comprised of physicians, advanced practitioners, and other providers, OptumCare assists care providers in adopting new approaches and technologies that improve collaboration and coordination among everyone involved in patient care. OptumCare also helps care providers transition from traditional, fee-for-service care delivery to performance-based delivery and payment models that put patient health and outcomes first. OptumCare builds partnerships with care providers who share its focus on creating strong and sustainable new approaches to care delivery and works with them to develop and deliver services around the spectrum of patient and community needs. Reliant's experience in value-based care creates a natural synergy with the OptumCare platform.

OptumCare also operates approximately 500 urgent care and primary care clinics in 52 markets and over 200 surgical centers. The surgical centers are operated through OptumCare's affiliate, Surgical Care Affiliates, Inc. ("SCA"). Another OptumCare affiliate, MedExpress Urgent Care, P.C. - Massachusetts, currently operates seven freestanding urgent care clinics in Massachusetts. All Massachusetts MedExpress locations are licensed by the Department of Public Health (the "Department"), Division of Health Care Facility Licensure and Certification.

Two other OptumCare affiliates currently provide services in Massachusetts. Inspiris Services Company provides medication management services and post-hospitalization transition services in Massachusetts under the name "Dovetail Health." Dovetail Health currently provides these services as a participating provider in an Accountable Care Organization led by Lahey Health. Optum Health Care Solutions LLC (f/k/a Optum Health Care Solutions, Inc.) provides on call nursing services to patients of Lahey Health.

Nationally, OptumCare partners with over 21,000 physicians in its integrated systems, and its affiliated practices employ over 6,000 physicians, nurse practitioners, and physician assistants. In Massachusetts, OptumCare has 1,306 employees and, along with UnitedHealthcare, serves approximately 490,000 Massachusetts residents.

UnitedHealthcare contracts with Massachusetts providers including UMass, Hallmark Health, Steward Health Care System, and Lahey Health, and provides quality health care benefits to employers and employees including Raytheon, Fidelity, Pfizer, Oracle, Wellington, and General Dynamics.

In 2016, UHG contributed approximately \$735,000 to philanthropic initiatives in Massachusetts.

Patient Panel

The Applicant does not anticipate that the Proposed Project will have any effect upon the Patient Panels of the ASCs (or of Reliant's Patient Panel, generally). The ASCs will continue to support the integrated delivery of care for Reliant's patients within their respective surgical specialties. As discussed later in Factor 1, this Proposed Project will enable the Applicant to utilize additional administrative and clinical resources from OptumCare. The efficiencies realized from these resources will allow for economies of scale and cost savings to enhance the operations of the ASCs and, consequently, promote the delivery of high quality care in an efficient manner.

Race and Ethnicity

Reliant, including SEE and TEC, is committed to treating all patients regardless of disability, race, gender, gender identification, creed, ethnic origin, sexual orientation, religion, age, socioeconomic status or ability to speak English in accordance with all federal, state, and local requirements.

Payer Mix

SEE's and TEC's respective payer mixes demonstrate a significant commitment to providing access to patients covered by a wide variety of payers, including Medicare and MassHealth beneficiaries. The ASCs' Medicare patients are served through Tufts Medicare Preferred HMO, Fallon Health – Navicare ("SCO"), Fallon Health – Summit Elder Care ("PACE"), Medicare Part B and Railroad Medicare. Both ASCs provide services to MassHealth through Reliant's contract with the Fallon Health MCO. As detailed below, due to the nature of their services, the ASCs typically serve an older demographic, which results in a lower Medicaid utilization rate as compared to other payers. There are no plans to change the payer mix in connection with the Proposed Project.

Population Trends.

Reliant is headquartered in Worcester, as are SEE and TEC. Reliant's primary service area spans throughout the Central and MetroWest regions, serving a total population of approximately 1.5 million. In 2016, Claritas Population Data modeled that the population of Reliant's service area is anticipated to grow at an annual rate of 0.6% over the 2016-2021 time period. [1] This growth will be led by the 65 and older population segment, which is expected to expand at an annual rate of 3.8% over the same period. [2] The service area is characterized by a stable economy in the Worcester MA-CT Metropolitan New England City and Town Area (NECTA), which has an unemployment rate of only 3.5% as of October 2017. [3]

ASC Patient Panels.

The ASCs' Patient Panels are drawn from Reliant's Patient Panel, with the exception of patients of one non-Reliant physician who does procedures at SEE. Thus, the ASCs Patient Panels are, essentially, subsets of Reliant's Patient Panel. The ASCs are an essential component of Reliant's integrated care model.

As the figures in Exhibit 1 demonstrate, the Applicant and the ASCs serve a wide cross section of the patient population in the Central and MetroWest regions of Massachusetts, across many different commercial and government payers. Given the nature of the services provided at the ASCs, a majority of the patients served are those over age 65 who qualify for coverage under Medicare.

The need for the services that SEE and TEC provide generally occurs more frequently in the older population. As shown in Chart 1.1, the majority of SEE's patients are in the 50-89 age range. SEE services predominantly Medicare patients due to its primary purpose – cataract surgeries. TEC provides endoscopic procedures, predominantly colonoscopies. Colonoscopies are recommended for individuals aged 50 and over. TECs patients are concentrated in the 50-79 age range. Thus, while utilization demonstrates that the services the ASCs provide are needed currently, based upon and consistent with predicted population growth cited above, particularly in the older demographic, the need for these services will only continue to grow.

Surgical Eye Experts.

See Chart 1.1 and Chart 1.2 for details of the demographics of the SEE Patient Panel and payer mix data.

For the period 2015 through November 30, 2017, SEE patients came from over 180 communities, predominantly located in the Central Massachusetts region. Over this period, 26% of SEE's Patient Panel resided in Worcester. Further, 5% of the Patient Panel resided in each of Shrewsbury and Auburn, 4% in Leominster and Millbury, and 3% resided in each of Holden, Fitchburg and Spencer. Together, residents of these locations comprised 53% of SEE's Patient Panel. Residents of each of the remaining communities accounted for 2% or less of SEE's Patient Panel.

See Chart 1.3 and Chart 1.4 for detailed illustrations of SEE's Patient Panel by town.

The Endoscopy Center.

See Chart 2.1 and Chart 2.2 for details of the demographics of the TEC Patient Panel and payer mix data.

For the period 2015 through November 30, 2017, 99% of TEC's Patient Panel resided in Central Massachusetts. Patients obtaining services at TEC came from over 480 communities. Over this period, 22% of TEC's Patient Panel resided in Worcester. Further, 5% of the Patient Panel resided in each Shrewsbury, 4 % in each of Auburn, Leominster and Millbury, and 3% resided in each of Holden, Fitchburg, Spencer, Oxford and Webster. Together, residents of these locations comprised 54% of TEC's Patient Panel. Residents of each of the remaining communities accounted for 2% or less of SEE's Patient Panel.

See Chart 2.3, Chart 2.4, and Chart 2.5 for detailed illustrations of TEC's Patient Panel by region and town.

F1.a.ii Need by Patient Panel:

Provide supporting data to demonstrate the need for the Proposed Project. Such data should demonstrate the disease burden, behavioral risk factors, acuity mix, health disparities, or other objective Patient Panel measures as noted in your response to Question F1.a.i that demonstrates the need that the Proposed Project is attempting to address. If an inequity or disparity is not identified as relating to the Proposed Project, provide information justifying the need. In your description of Need, consider the principles underlying Public Health Value (see instructions) and ensure that Need is addressed in that context as well.

As illustrated in F1.a.i and Exhibit 1, the majority of patients served by the ASCs are those patients over the age of 50. This patient cohort tends to face certain common health concerns and issues that the ASCs address, particularly, vision loss and colorectal cancer. Early detection and treatment is important not only for overall patient health, but to maximize the cost-effective delivery of care. Reliant's integrated care model recognizes the importance of proactively addressing issues that affect the quality of life for this population, such as vision loss, and to screen for known health care risks.

Vision loss, often due to cataracts, poses a challenge to quality of life and independence. According to the National Institutes of Health National Eye Institute ("NEI"), the risk of cataract increases with each decade of life starting around age 40. By age 75, half of white Americans have cataract. By age 80, 70% of whites have cataract compared with 53% of blacks and 61% of Hispanic Americans. [4] NEI projects that by 2050, the number of people in the U.S. with cataract is expected to double from 24.4 million to about 50 million. The majority of cases will affect white people, however Hispanic Americans are expected to have the most rapid increase in prevalence from 1.76 million cases to 9.51 million. [5]

See Chart 3 for more detail regarding projections for incidents of cataract in 2030 and 2050.

Reliant's focus on primary and integrated care enables patients to access potentially life-saving preventative care. For example, a significant portion of services provided at TEC involves colonoscopies for early detection of colorectal cancer, which almost always develops from precancerous polyps in the colon or rectum. According to a wide number of authorities, including the U.S. CDC, regular screening, beginning at age 50, is the key to preventing colorectal cancer. [6] The U.S. Preventive Services Task Force ("USPSTF") recommends that adults age 50 to 75 be screened for colorectal cancer. [7] [8] As the National Institutes of Health notes, "cancer treatment cost varies by stage of diagnosis and comorbid conditions. If recent screening initiatives are effective and result in fewer cancer cases diagnosed at later stages, then the long-term costs of colon cancer will be lower. This has implications for the longer-term forecast of Medicare costs." [9] For the period March 1, 2017 through August 31, 2017, 37.06% of the 2779 colonoscopies performed at TEC resulted in biopsies, underscoring the importance of screening and early detection.

The Proposed Project will strengthen the ability of SEE and TEC to meet the needs of current and future patients requiring the outpatient surgical services they provide. As discussed throughout Factor 1, OptumCare brings added clinical resources and processes mined from an internal panel of nearly 21,000 providers across 12 different markets. As noted in Factor F.1.a.i., the Proposed Project will result in collaboration and coordination between Reliant's Board committees and leadership councils and the related OptumCare departments and work-groups, including the PEC, which will provide Reliant with access to additional resources and thought leadership from OptumCare-affiliation practices across the country. OptumCare's resources and expertise, in combination with the ASCs' extensive experience serving the needs of Reliant's Patient Panel with regard to outpatient eye surgery and endoscopic procedures across all socio-economic levels, including a significant portion of Medicare beneficiaries, will benefit patients and bring added value to Massachusetts.

As the Department has noted, the HPC's 2016 Community Hospitals at a Crossroads report noted cost reductions through the use of ambulatory [surgery] services – specifically standalone – including overall market benefits. This analysis is clinically supported by numerous studies that have shown that standalone ambulatory care produces care of equal quality to in-hospital ambulatory care. [10] Through SCA, OptumCare has a large ambulatory surgery center platform. With regard to the ASCs, the Proposed Project fits well within that aspect of OptumCare's overall platform. Although the ASCs are technically "standalone" or "freestanding," they are part of a continuum of integrated care provided by Reliant, which adds additional benefits, as hereinafter discussed in Factor F.1.a.iii.

F1.a.iii Competition:

Provide evidence that the Proposed Project will compete on the basis of price, total medical expenses, provider costs, and other recognized measures of health care spending. When responding to this question, please consider Factor 4, Financial Feasibility and Reasonableness of Costs.

As discussed in F1.a.ii, one of the goals of the Quadruple Aim is to provide the best care in the most cost-effective setting, and the ASCs play an important role in achieving that goal.

The Applicant believes this Proposed Project will best position the ASCs to continue providing high quality, cost effective ambulatory

surgery services to their patients in a performance-based reimbursement environment that emphasizes quality, cost-effective care, including through the implementation of accountable care organizations (“ACOs”) and other population health initiatives.

For example, Reliant, in collaboration with Fallon Health, has submitted its application to become a Health Policy Commission (“HPC”) – certified ACO to be called Fallon 365 Care, and is waiting for the HPC’s formal approval. Effective March 1, 2018, MassHealth members identified by the Executive Office of Health & Human Services (“EOHHS”) as having a primary care provider with Reliant Medical Group (or Southboro Medical Group (part of Reliant Medical Group)) will be enrolled in Fallon 365 Care. The ASCs are participating network providers for Reliant’s value-based contracts, including Blue Cross Blue Shield of Massachusetts (Commercial), Fallon Health (Commercial and Medicaid ACO), Harvard Pilgrim Health Care (Commercial), and Tufts Health Plan (Commercial and Medicare Advantage). Many of Reliant’s patients are aligned with Total Accountable Care Organization (“TACO”). TACO is a joint venture between MetroWest Accountable Health Care Organization and Saint Vincent Hospital. Over sixty physician individual and group practices participate in TACO. [11]

Competition

The availability of ambulatory surgery center options for eye surgery and endoscopy in the Central Massachusetts area is limited. The ASCs provide needed access to such services without the need to travel to Boston or other areas that are distant from the patients’ homes. The ASCs assure that Reliant is able to meet the ambulatory surgery needs of its Patient Panel in convenient locations that are integrated into the patients’ care through Reliant’s primary and specialty physicians and other clinical providers.

There are limited options in the greater Worcester area for the ambulatory surgery services that SEE and TEC provide. The ASCs’ primary competition comes from the Worcester Surgical Center (“WSC”), which is partially owned by Tenet Healthcare Corporation and private surgical providers in the area. The only other options for outpatient ophthalmological and endoscopic surgery in Worcester are the hospital outpatient surgery departments at UMass Memorial Medical Center or St. Vincent Hospital, both located in Worcester. In addition, Milford Regional Medical Center offers hospital-based outpatient endoscopic services such as those provided at TEC.

Hospital-based locations are less efficient for the procedures that SEE and TEC provide. For example, in general, hospital-based operating room turnaround time is efficient at approximately 30 minutes. Turnaround time at SEE averages 8-10 minutes, and TEC has an average turnaround time of 5 minutes. While the equipment used at an ambulatory surgery center and the operating room components necessary for similar procedures are the same in both settings, ambulatory surgery centers generally have lower facility overhead, which adds to efficiency. In addition, for Medicare patients, ambulatory surgery centers are paid under a lower fee schedule than hospital outpatient services. Since most commercial payers set their fee schedules relative to Medicare, ambulatory surgery centers provide cost savings for commercial patients as well.

Because SEE and TEC are part of Reliant’s integrated care delivery model, they are able to provide Reliant physicians with sufficient, timely access to operating rooms that Reliant requires to meet the volume and needs of patients in its Patient Panel in need of the services that SEE and TEC provide. [12] As such, SEE and TEC provide critical access points for Reliant’s patients.

Price/Cost/Health Care Spending.

Reliant anticipates that, over time, OptumCare’s resources and support will result in improved access and a reduction in total medical expenditures for services provided at SEE and TEC. OptumCare operates approximately 200 ambulatory surgery centers across the country. The size and depth of this platform means Reliant will now be able to access an array of resources, processes, and clinical expertise from across the country, including expertise specific to services provided at the ASCs. This expertise will benefit the ASCs and the physicians who perform procedures there by providing valuable data to inform ongoing clinical and service improvements and to demonstrate the effectiveness of delivery and outcomes. This data and opportunity for prompt analysis and improvement will enhance the ability of SEE and TEC to provide care to patients, and is essential to success under risk contracting arrangements, including ACOs.

Although the ASCs are paid under a standard global surgical fee schedule model, the Applicant is a party to risk-based contracts with various health plans. Under these models, Reliant is paid based on both achieving quality targets and reducing the total cost of care. Reliant’s care coordination processes and care model help to ensure that the providers are aligned to refer patients to the most clinically effective, safest, and least costly care environment for their condition. Since Reliant is paid a global capitation rate under many contracts, any reimbursement for services at SEE or TEC is charged back to Reliant’s contract performance, ensuring that Reliant has an incentive to make sure that its ASCs are utilized efficiently. As such, Reliant views the ASCs as important to ensure both quality ambulatory surgery services coordinated with overall patient care, and quality and control cost under Reliant’s predominantly risk-based model. The ASCs are an integral part of these initiatives. As noted above, having ambulatory surgery services within an integrated delivery model is an important component of Reliant’s patient-centered care model.

F1.b.i Public Health Value /Evidence-Based:

Provide information on the evidence-base for the Proposed Project. That is, how does the Proposed Project address the Need that Applicant has identified.

Reliant’s future without the Proposed Project is, in the best case, one of managed decline – and in the worst case, failure resulting in grave harm to Reliant’s many patients and employees. The Proposed Project will enable Reliant to continue to operate and innovate as a high-quality, lower-cost provider as it has done since its founding in 1929. OptumCare has committed to supporting and enhancing Reliant’s ongoing population health management efforts by providing a significant capital commitment and access to OptumCare’s programs and infrastructure. These resources would greatly benefit Reliant’s patients as well as improve Reliant’s ability to partner with payers to slow the growth in health care costs. The Proposed Project would also provide resources to allow Reliant to bolster provider recruitment efforts and contribute to provider retention. Beyond financial capacity, however, and key to the success of the Proposed Project, Reliant and OptumCare have determined that there is fundamental alignment and compatibility with respect to mission, vision and values.

The public health value of the ASCs, themselves is best demonstrated by the services they provide to patients and the resulting effects on quality of life and longevity.

Services Provided – SEE

SEE provides its patients with needed outpatient eye surgery services. As more fully discussed in F1.a.ii, these services enable patients to have sufficient vision to perform the activities of daily life that many take for granted, until vision loss – often age related – makes those activities difficult, if not impossible. The majority of SEE cases involve to issues related to cataracts.

See Chart 4.1, Chart 4.2, and Chart 4.3 for an illustration of the diagnosis and acuity mix for SEE’S Patient Panel.

Services Provided – TEC

TEC provides endoscopic procedures only, including colonoscopies, 5 days per week. On average, TEC does 45-50 procedures per day. Only Reliant gastroenterologists provide services at TEC.

See Chart 5.1 for an illustration of the diagnoses of patients who undergo procedures at TEC and Chart 5.2 for an illustration of the acuity mix for TEC’s Patient Panel.

F1.b.ii Public Health Value /Outcome-Oriented:

Describe the impact of the Proposed Project and how the Applicant will assess such impact. Provide projections demonstrating how the Proposed Project will improve health outcomes, quality of life, or health equity. Only measures that can be tracked and reported over time should be utilized.

Measurement of public health outcomes is essential to assessing the impact of the proposed transfer of ownership. As articulated by Michael Porter in the Harvard Business Review, healthcare should be focused on “maximizing value for patients: that is, achieving the best outcomes at the lowest cost.” [13]

The public health value of adding Reliant and the ASCs to the OptumCare platform is achieved through: (i) greater coordination of care - the Reliant coordinated care model, which will be enhanced by enhanced by access to OptumCare’s expertise in clinical care and policy development - keeps patients within the Reliant system of integrated care through referrals to the integrated ASCs, (ii) ASCs are the optimal location for endoscopic and eye procedures because ambulatory surgery centers, generally, provide services (i) at lower costs to the payer and (ii) with fewer incidents of infection (vs. a hospital), (iii) while maintaining quality. [14] [15] Optum’s analytics capabilities will enable the Reliant providers to more accurately identify those patients who would benefit from having a procedure provided at an ASC, track outcomes and adverse events, and ultimately, improve care processes. More information about OptumCare’s services and capabilities may be found at OptumCare’s website: <https://www.optumcare.com/>

As part of the Proposed Project, OptumCare has committed to work with Reliant to support the implementation of two key strategic initiatives that would allow Reliant to reorganize its care model to better and more efficiently and cost-effectively care for its patients, specifically a Care Transformation Initiative (“CTI”) and a Master Facilities Plan (“MFP”). These initiatives are essential to keep Reliant, including the ASCs, in a position to meet patient needs while remaining economically viable, particularly in the emerging risk-sharing delivery and reimbursement healthcare system. Implementation of the CTI and MFP will allow Reliant and the ASCs to foster a patient-centered, team-based care model for its patients, including the following goals:

- Increased access for patients to primary care services and increased patient familiarity with members of the care team that would enhance clinical continuity of care.
- Development of a more complete continuum of ambulatory care resources and services to help patients avoid costly and

personally disruptive emergency department visits and hospitalizations.

- Improved workforce stability and ability to recruit needed clinicians.
- Reduced growth in the cost of care.
- Increased quality and patient satisfaction scores.

The ASCs are an integral part of these initiatives. As noted above, having ambulatory surgery services within an integrated delivery model is an important component of Reliant's patient-centered care model.

The CTI, which was designed based on a year of intense research, envisions a new model of ambulatory care delivery that maximizes team efficiency and encourages collaboration among caregivers. The CTI builds upon Reliant's strong coordinated care focus. All of Reliant's Primary Care sites have at least one Nurse Care Manager who helps identify and facilitate appropriate care for those patients identified as being in the top 10% of medical complexity in our patient population. The Nurse Care Managers take referrals from primary care providers, nursing staff and by using predictive analytics and claims data showing high utilization patients.

Successful implementation of the CTI requires a MFP that achieves consolidation of most of Reliant's clinical sites, including TEC, through construction of state-of-the-art leased and owned facilities built to support the effective implementation and ongoing operation of the CTI. The MFP is a comprehensive plan for the modernization and, in many cases, relocation of Reliant care delivery locations to a centralized, efficient facility. The cost of real estate under the MFP will be significantly less than the cost in the existing locations, many of which are facing significant rent escalations beginning in May 2019. The successful implementation of the MFP is critical to enabling Reliant to continue to deliver care on a cost-effective, coordinated basis.

The Applicant notes that SEE is not relocating as part of the MFP, as its current facility will enable it to effectively reach the CTI goals. In 2019, TEC will relocate from its current location at 630 Plantation Street, Worcester to 385 Southbridge Street, Auburn (approximately 9 miles from its current location). TEC's future transfer of site project will necessitate the filing of a Notice to the DoN Program pursuant to 105 CMR 100.475(A), so that the Department can determine whether the proposed transfer of site will result in a Substantial Capital Expenditure or Substantial Change in Service, and will require other Department, as well as state and local, approvals. In connection with preparing this Application, the Applicant consulted with the DoN Program Director to determine if it would be preferable to include the above-referenced Notice regarding the planned transfer of site as a component of this Application. Following such consultation, Reliant agreed that it will file, in due course, a separate Notice regarding the planned transfer of site of TEC.

Reliant's Population Health department has outreach coordinators who contact patients who are overdue for health maintenance screening and/or disease management actions such as diabetic lab tests. The OptumCare platform will give Reliant access to a multitude of additional care management/disease management programs to enhance these current efforts. Patients are also contacted post hospital discharge to coordinate follow-up appointment scheduling. Many of these alerts allow Reliant to better control Total Medical Expense ("TME") while raising its quality measures: 80-90% of Reliant's Health Effectiveness Data Information Set ("HEDIS") measures are at or above the 90% percentile nationally.

As the information below illustrates, the Applicant is heavily focused on providing high-quality care at the ASCs, and takes great care in tracking outcomes. By partnering with OptumCare, Applicant will gain access to an array of nationally tested clinical models and best practices that will enable the Applicant to continue delivering high quality results

Outcomes

Information regarding patient outcomes at SEE and TEC is continually tracked, and is tailored to their respective specialties. The ASCs' outcomes reflect high quality care. For example, SEE maintains a facility-wide complication rate of 0.10% related to infection and vitrectomy related to retained lens fragment. Similarly, TEC tracks, among other things, procedures times, outcomes, documentation compliance, and complications. The Applicant believes that accessing OptumCare's resources will enable the ASCs to continue achieving and building upon the strong performance of the ASCs.

Patient Satisfaction

In addition to clinical outcomes, Reliant conducts measurement of patient satisfaction concerning services provided at SEE and TEC. OptumCare and Reliant will continue to track patient satisfaction with respect to services provided at SEE and TEC on an ongoing basis to ensure consistency of results following the transaction.

In a recent patient satisfaction survey, 226 respondents who received care at SEE for the time interval 7/1/2017-9/30-2017 provided feedback in areas including clarity of instructions regarding the procedure and, if applicable for pre-surgery medication adjustments, information regarding the expected duration of recovery after the procedures, information regarding home care after the procedure, ability to provide clear answer to any questions, the personal manner of reception staff, nursing staff, the anesthesiologist, and the physician who performed the procedure. Respondents also provided feedback on their perception of the physician's technical skills/knowledge. Ease of locating the facility was also measured. On a scale of 1-5 (very poor to very good), the average mean response was

4.87. The personal manner and technical skills of the physician who performed the surgical procedure received the highest mean score of 4.97.

As demonstrated by a Press Ganey Report for the same period, overall 85% of respondents rated their overall experience at TEC as the highest rating of very good. TEC's scores in areas measured highest in how well staff protect safety and worked together (93.7%, 93%), confidence in the care provider (90.5%), friendliness/courtesy of nurse/asst and that individual's concern for problem (93%, 90.5%), and cleanliness of the location (91.8%). 91% of respondents provided the very good rating when asked about the likelihood of recommending TEC.

While no issues of serious concern were raised in these surveys, patient feedback provides valuable information concerning areas in which SEE and TEC can improve patient experience. OptumCare and Reliant plan to continue this commitment to measuring key metrics of satisfaction and outcome. OptumCare will assist Reliant, including SEE and TEC, in undertaking similar studies to enhance its current efforts to track patient outcomes and implement improvements. Optum relies heavily on the Net Promoter Score ("NPS"), which measures how likely a patient is to recommend an organization. Most of the OptumCare companies score rather high on this metric. In addition to providing access to clinical resources and best practices, OptumCare will work closely to integrate Reliant into its NPS system so that Reliant can track performance across its care delivery platform, including the ASCs, and learn from high achieving providers that participate in the NPS system.

F1.b.iii Public Health Value /Health Equity-Focused:

For Proposed Projects addressing health inequities identified within the Applicant's description of the Proposed Project's need-base, please justify how the Proposed Project will reduce the health inequity, including the operational components (e.g. culturally competent staffing). For Proposed Projects not specifically addressing a health disparity or inequity, please provide information about specific actions the Applicant is and will take to ensure equal access to the health benefits created by the Proposed Project and how these actions will promote health equity.

Reliant and OptumCare are aligned in their commitment to continually assuring the availability of ambulatory surgery services for this patient population, and Reliant plans to continue to contract with MassHealth ACOs. Following the transaction, Reliant, including SEE and TEC, is committed to carrying on its longstanding mission, and will continue to provide equal access to its services regardless of patients' ethnicity, gender, sexual orientation or preference, age, or disability. As previously noted, the ASCs are contracted across many different payers, both commercial and government, including the Medicare and Medicaid programs. The ASCs will remain committed to serving their current Patient Panels.

Reliant understands the importance of culturally competent care in the ambulatory surgery center setting. SEE and TEC provide significant language support, such as translators for all patients requiring such services, including sign language for deaf patients. In addition, the ASCs work very hard to meet any unique needs based on cultural norms for patients. In the ambulatory surgery center setting, such needs may vary not only by culture, but by the procedure. For example, given the private nature of colonoscopies, TEC offers male and female nurses for patient comfort and discretion, and will perform non-sedated procedures if the patient wishes. Sometimes this preference is driven by culture or religion, or other personal reasons.

Reliant and OptumCare understand that culturally-competent care, reflective of the patient population served, is central to patient experience and satisfaction, as well as clinical excellence. The Proposed Project will give Reliant access to OptumCare's resources to assist Reliant in the delivery of culturally competent care, including assistance in recruiting an ethnically and racially diverse workforce. OptumCare will support Reliant's development of training and education programs that Reliant views as necessary to address the needs of its Patient Panel and the local population. Reliant and OptumCare share the view that efforts to encourage diversity in hiring, training, and evaluation is essential to maintaining a culturally competent environment. A culturally competent care environment is import to maintaining patient and provider satisfaction and positive outcomes.

As discussed under F.1.a.iii., because the structure of Reliant's risk contracts incentivizes Reliant to ensure that the ASCs remain as preferred providers under Reliant's existing plans, the ASCs serve as a way to ensure access to quality care while controlling costs.

Further, as discussed under F.1.a.iii., options for ambulatory surgery centers providing eye surgery and endoscopy in Central Massachusetts are limited, and SEE and TEC provide needed access to patients in this area. The ASCs play a vital role in improving access and efficiency of care. Reliant has robust workflows in place to facilitate efficient referrals and scheduling to TEC and SEE, resulting in better access for Reliant's risk patients and reduced wait times for services. Keeping these procedures in house allows Reliant to use its Reliant-wide EMR system, which facilitates communication and coordination of care between the surgeon and the primary care team, both pre- and post-procedure.

TEC's current access measured at a point in time, is 33 days to the 3rd available appointment, and SEE's is 14 days to the 3rd available appointment. Emergent cases can be accommodated on an urgent basis as requested by the ordering physician, with allowance for colonoscopy prep time. SEE performs between 15-20 procedures a day compared to roughly 8 procedures a day in the hospital setting.

F1.b.iv Provide additional information to demonstrate that the Proposed Project will result in improved health outcomes and quality of life of the Applicant's existing Patient Panel, while providing reasonable assurances of health equity.

Procedures performed at SEE and TEC greatly improve the quality of life for those patients in Reliant's Patient Panel who receive them. Cataract surgery and YAG laser procedures, the most common procedures at SEE, greatly improve the quality of life for patients by correcting cloudy eyesight that can lead to declining vision and eventual blindness. Following the procedures, patients regain the ability to participate in activities like watching television, knitting, playing cards, and reading. As previously discussed, the procedures performed at TEC are vitally important because colon cancer is one of the most treatable cancers if detected early. Early detection is accomplished through regular screening, and TEC uses its registry to follow up on patients who need a colonoscopy more often based on the previous procedures and/or family history. Patient satisfaction scores are very high at TEC, which has an additional positive impact because patients will come back thanks to the exceptional care received at TEC.

OptumCare has a significant expertise in healthcare analytics, as does its other sister companies within Optum. This expertise enables OptumCare to provide almost immediate measurement and analysis of clinical and operational data, from ASC referral and admission to discharge. Such information will enable SEE and TEC to quickly identify and address any issues concerning quality of care or clinical process, and to monitor initial and ongoing effectiveness of any adjustments made.

F1.c Provide evidence that the Proposed Project will operate efficiently and effectively by furthering and improving continuity and coordination of care for the Applicant's Patient Panel, including, how the Proposed Project will create or ensure appropriate linkages to patients' primary care services.

The services provided by SEE and TEC are essential to the health and well-being of their patients. The fact that SEE and TEC are part of Reliant enables Reliant primary care providers and other clinical and services providers to identify the need for ambulatory surgery services, and educate and inform the patient about the services that SEE and TEC provide and how and why such services are recommended as part of their care plan. Reliant's robust workflows increase care efficiency and decrease wait times for the procedures performed at the ASCs. Further, performing these procedures in these ASC locations is significantly less costly than in other local competing centers, particularly hospital outpatient settings. Please see discussion of continuity and coordination of care in F.1.b.ii.

Reliant clinicians and staff arrange for the services at SEE, generally perform the services, and coordinate with Reliant PCPs and other clinicians regarding post-procedure care and follow up. Further, as part of Reliant, TEC and SEE are connected to the electronic medical record used by Reliant's physicians, facilitating communication and coordination of care.

As single-specialty facilities, the ASCs have been able to hone their operational processes and workflows to allow for greater care standardization. We believe that this results in higher quality care and better outcomes for our patients. Following the transaction, OptumCare will assist Reliant in further streamlining care by creating a cooperative environment that will take advantage of OptumCare's operational expertise and Reliant's experience with and commitment to its Patient Panel.

As stated above, Reliant looks forward to participating with MassHealth to work towards the successful implementation of MassHealth's ACO program. Reliant is confident that this transaction will enable it to more effectively implement its participation in this program, and other risk-based provider contracts. This will help Reliant and the Commonwealth reach the shared goals of better outcomes and lower overall costs for the patient population, in keeping with the ACO program's goals and the Commonwealth's public health priorities.

F1.d Provide evidence of consultation, both prior to and after the Filing Date, with all Government Agencies with relevant licensure, certification, or other regulatory oversight of the Applicant or the Proposed Project.

The following individuals were consulted regarding this Proposed Project:

Department of Public Health:

- Elizabeth Chen, PhD, MBA, MPH, Assistant Commissioner of Public Health
- Stephen Davis, MBA, Licensure Unit Manager, Division of Health Care Facility Licensure & Certification
- Nora Mann, Esq., Director, Determination of Need Program
- Torey McNamara, Assistant Director of Policy and Regulatory Affairs
- Rebecca Rodman, Esq., Deputy General Counsel

Health Policy Commission:

- (Submission of Notice of Material Change, and interactions with HPC staff regarding review of the Notice)
- David Selz, Executive Director

Office of the Attorney General:

- Courtney Alladro, Chief, Public Charities Division

In addition, the Applicant distributed copies of its Notice of Intent as required pursuant to the Determination of Need Regulations.

The necessary Hart-Scott-Rodino (“HSR”) Notice filings have been made to the Federal Trade Commission and the Department of Justice regarding the proposed transaction.

F1.e.i Process for Determining Need/Evidence of Community Engagement: For assistance in responding to this portion of the Application, Applicant is encouraged to review *Community Engagement Standards for Community Health Planning Guideline*. With respect to the existing Patient Panel, please describe the process through which Applicant determined the need for the Proposed Project.

Prior to entering into a definitive agreement regarding the Proposed Project, there was consultation with the Determination of Need Program, generally, regarding the unique circumstances associated with in a confidential transaction prior to its announcement.

Upon announcing the transaction publicly, the parties undertook broad community engagement further outlined in F1.e.ii to discuss the proposed transaction.

F1.e.ii Please provide evidence of sound Community Engagement and consultation throughout the development of the Proposed Project. A successful Applicant will, at a minimum, describe the process whereby the “Public Health Value” of the Proposed Project was considered, and will describe the Community Engagement process as it occurred and is occurring currently in, at least, the following contexts: Identification of Patient Panel Need; Design/selection of DoN Project in response to “Patient Panel” need; and Linking the Proposed Project to “Public Health Value”.

Reliant’s physician leaders were actively involved in the exhaustive process for the selection of a strategic partner. Prior to announcing the transaction publicly, Reliant’s physicians were fully informed regarding the proposed affiliation with OptumCare. When presented with the definitive plan for partnership with OptumCare in spring 2017, all 224 of Reliant’s physicians who were present at the members’ meeting voted in favor of the transaction. Prior to this formal vote, Reliant also held meetings with each clinical department and held two all-employee town hall sessions and one session focused exclusively for non-physician providers.

In connection with the public announcement of the transaction, Reliant and OptumCare undertook the following community engagement:

- All Reliant employees (physicians and non-physicians) were notified via an all-employee email of the signing of the transaction agreement on 11/27/17.
- Key community partners were informed of the signing of the transaction agreement on 11/27/17 via personal phone calls from Reliant’s CEO, Dr. Tarek Elsayy. The call list included the Worcester City Manager, key payers, and hospital resources.
- A joint (Reliant and Optum) news release announcing the progress of the transaction was sent to local and regional media on 11/27/17.
- A voluntary, all-employee Town Hall conference call was held on 12/14/17. The content focused on high-level information about the future, post-close organizational structure, as well as the impact on 2018 health and welfare benefits.

Factor 3: Compliance

Applicant certifies, by virtue of submitting this Application that it is in compliance and good standing with federal, state, and local laws and regulations, including, but not limited to M.G.L. c. 30, §§ 61 through 62H and the applicable regulations thereunder, and in compliance with all previously issued notices of Determination of Need and the terms and conditions attached therein .

F3.a Please list all previously issued Notices of Determination of Need

Add/Del Rows	Project Number	Date Approved	Type of Notification	Facility Name
<input type="checkbox"/> + <input type="checkbox"/> -	2-4950	12/23/2014	Transfer of Ownership	Surgical Eye Experts of New England, LLC d/b/a SEE New England
<input type="checkbox"/> + <input type="checkbox"/> -	2-4949	12/23/2014	Transfer of Ownership	New England Surgical Center for Outpatient Endoscopy, LLC d/b/a New England Scope

F4.a.ii For each Category of Expenditure document New Construction and/or Renovation Costs.				
	Category of Expenditure	New Construction	Renovation	Total (calculated)
	Land Costs			
	Land Acquisition Cost			
	Site Survey and Soil Investigation			
	Other Non-Depreciable Land Development			
	Total Land Costs			
	Construction Contract (including bonding cost)			
	Depreciable Land Development Cost			
	Building Acquisition Cost			
	Construction Contract (including bonding cost)			
	Fixed Equipment Not in Contract			
	Architectural Cost (Including fee, Printing, supervision etc.) and Engineering Cost			
	Pre-filing Planning and Development Costs			
	Post-filing Planning and Development Costs			
Add/Del Rows	Other (specify)			
<input type="checkbox"/> + <input type="checkbox"/> -				
	Net Interest Expensed During Construction			
	Major Movable Equipment			
	Total Construction Costs			
	Financing Costs:			
	Cost of Securing Financing (legal, administrative, feasibility studies, mortgage insurance, printing, etc)			
	Bond Discount			
Add/Del Rows	Other (specify)			
<input type="checkbox"/> + <input type="checkbox"/> -				
	Total Financing Costs			
	Estimated Total Capital Expenditure			

Documentation Check List

The Check List below will assist you in keeping track of additional documentation needed for your application. Once you have completed this Application Form the additional documents needed for your application will be on this list. E-mail the documents as an attachment to: DPH.DON@state.ma.us

- Copy of Notice of Intent
- Affidavit of Truthfulness Form
- Scanned copy of Application Fee Check
- Affiliated Parties Table Question 1.9
- Change in Service Tables Questions 2.2 and 2.3
- Certification from an independent Certified Public Accountant
- Notification of Material Change
- Articles of Organization / Trust Agreement

Document Ready for Filing

When document is complete click on "document is ready to file". This will lock in the responses and date and time stamp the form.

To make changes to the document un-check the "document is ready to file" box. Edit document then lock file and submit

Keep a copy for your records. Click on the "Save" button at the bottom of the page.

To submit the application electronically, click on the "E-mail submission to Determination of Need" button.

This document is ready to file:

Date/time Stamp:

E-mail submission to
Determination of Need

Application Number: -17122113-TO

Use this number on all communications regarding this application.

DPH Use Only

Date Received:

Received by:

Notes:

Send Confirmation E-mail
to Applicant

Change text here to modify the beginning of the email message before the Application number

Dear Applicant,

This notice will confirm receipt of your Application for a Determination of Need.

Your Application number is

Change text here to modify the end of the email message after the Application number

This Application will be reviewed for completeness and you will receive notification of whether your Application is complete the purposes of setting the Submission Date or if there is material missing and required before the Application can be deemed complete.

Sincerely,

Nora J. Mann, Esq,
Director, Determination of Need Program

This is what the final email message will look like

Dear Applicant,

This notice will confirm receipt of your Application for a Determination of Need.

Your Application number is -17122113-TO. This Application will be reviewed for completeness and you will receive notification of whether your Application is complete the purposes of setting the Submission Date or if there is material missing and required before the Application can be deemed complete.

Sincerely,

Nora J. Mann, Esq,
Director, Determination of Need Program

Community Engagement-Self Assessment form