



The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Public Health
250 Washington Street, Boston, MA 02108-4619

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DATE: February 28th, 2023

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VIA electronic mail: CPVaughan@publicpolicylaw.com

RE: Notice of Transfer of Site Application #23022314-TS

Dear Attorney Vaughan,

We are in receipt of the above-referenced Notice and its accompanying attachments, dated February 27, 2023, wherein Shields Signature Imaging, LLC (Shields) provided notice to the Department of Public Health (the Department) in accordance with 105 CMR 100.745 for a proposed temporary transfer of site of one mobile positron emission tomography/computed tomography (PET-CT) unit from its licensed clinic located at Signature Healthcare Brockton Hospital (Brockton Hospital or Hospital) campus, 680 Centre Street Brockton, MA to Shields MRI Brockton located at 265 Westgate Drive, as described below. The proposed temporary transfer of site involves the relocation of one mobile PET-CT unit from its current location in Brockton, MA to the proposed location, four to five miles away, also in Brockton, MA. The proposed location is in the same primary service area (PSA) as the existing location.

Shields has complied with the requirements of Notice and has provided information sufficient to allow the Department to make a finding that the proposed transaction will neither result in a Substantial Capital Expenditure nor Substantial Change in Service, and thus will not first require a Notice of Determination of Need (DoN).

Reason for Request

1. Description

The Applicant is a joint venture between Shields and Brockton Hospital. The existing mobile PET-CT unit at Brockton Hospital is no longer serviceable on the Hospital's campus because of a fire that occurred at Brockton Hospital on February 7, 2023. In addition, there is no alternative, local diagnostic imaging option for patients. Consequently, patients have been without access to PET-CT imaging services since the fire occurred. The PET-CT unit is urgently needed to service the oncological imaging needs of patients in the PSA. PET-CT imaging is used for patients with cancer and similar diagnoses, in detection, diagnosis, staging, treatment and to assess the effectiveness of treatment. Restoring access to PET-CT imaging services will contribute to appropriate and timely diagnosis and treatment as well as improved health outcomes. In order to preserve timely access to PET-CT imaging services for the patient population, the Applicant is proposing to temporarily relocate the mobile PET-CT unit from its current location on the Hospital's campus, to Shields MRI Brockton. The Applicant would like to ensure continued access to PET-CT services while the Hospital focuses on addressing community health care and access needs after the fire. The proposed location with an existing mobile pad, will be able to accommodate the mobile PET-CT unit and the patient flow of the existing space.

Gross Square Feet (GSF)

The existing space comprises the space from the front door, through the hallways/corridors, and into the PET-CT unit itself and is approximately 2,731 square feet. The proposed space comprises the space from the front door, through the hallways/corridors, and into the PET-CT unit itself, and is approximately 1,650 square feet. The Applicant provided a schematic of the mobile PET-CT unit and docking station at the proposed space, Shields MRI Brockton.

2. Demographics and Primary Service Area (PSA)

The Applicant provided demographic information on 764 patients served for FY22, the most recent year available, noting that the existing and proposed site of the PET-CT unit are in the same PSA.

Age: 73% of patients are aged 65 and older.

Patient Origin: The Brockton Hospital PET-CT PSA includes the following cities/towns: Brockton, Bridgewater, East Bridgewater, Whitman, Abington, Stoughton, West Bridgewater, Holbrook, and Raynham. Almost a quarter of PET-CT patients served in FY22 originate from Brockton.

Insurance: Medicare (Fee For Service) is the largest payer source (46%) for PET-CT patients in FY22.

3. Patient Access

Because the proposed site is within the same PSA as the existing site, the Applicant does not anticipate any impact on the Patient Panel's access to PET-CT services.

4. Impact on Health Care Spending

The Applicant does not anticipate that the proposed Transfer of Site will have an impact on price, total medical expenditures (TME), or provider costs because all independent diagnostic testing facility (IDTF) reimbursement arrangements, with respect to Centers for Medicare and Medicaid (CMS) rates and commercial payer rates, will remain the same throughout the duration of the temporary transfer of site. Shields will remain the operational manager of the clinic and as such will identify opportunities to reduce costs while preserving access to high-quality care. In addition, the current staffing arrangement will not be impacted by the proposed transfer of site, and thus provider costs will not be impacted.

There is no capital expenditure associated with the proposed transfer of site. The proposed site is fully equipped to receive the PET-CT unit.

Findings:

The Department finds that Shields Signature Imaging, LLC has provided the Department with the information required in 105 CMR 100.745(D). Based upon review of the Notice and supporting materials, the Department finds that this transaction does not require a DoN either as a Substantial Capital Expenditure or Substantial Change in Service, pursuant to 105 CMR 100.730. The Applicant has stated that the proposed Transfer of Site is temporary and the PET-CT unit will be returned to its original location. If the Applicant decides that the proposed transfer of site of the PET-CT unit is to be made permanent, then the Applicant will be required to apply for DoN approval.



Margret R. Cooke

Commissioner