

# **HEALTH POLICY COMMISSION NOTICE OF MATERIAL CHANGE FORM**

**Health Policy Commission  
Two Boylston Street  
6<sup>th</sup> Floor  
Boston, MA 02116**

## GENERAL INSTRUCTIONS

The attached form should be used by a provider or provider organization to provide a notice of material change ("Notice") to the Health Policy Commission ("Commission"), as required under § 13 of M.G.L. c. 6D. To complete the Notice, it is necessary to read and comply with Bulletin 2013-1 issued by the Commission, Interim Guidance for Providers and Provider Organizations Relative to Notice of Material Change to the Health Policy Commission ("Interim Guidance"). The Interim Guidance may be obtained on the Commission's website at [www.mass.gov/hpc](http://www.mass.gov/hpc). For further assistance, please contact the Health Policy Commission at [HPC-Notice@state.ma.us](mailto:HPC-Notice@state.ma.us). This form is subject to statutory and regulatory changes that may take place from time to time.

### WHO NEEDS TO FILE

This Notice should be submitted by any provider or provider organization with \$25,000,000 in net patient service revenue or more in the preceding fiscal year that is proposing a material change, as defined by the Interim Guidance. Notice must be filed with the Commission not less than 60 days before the effective date of the proposed change.

### SUBMISSION OF NOTICE

One electronic copy of the Notice, in a portable document form (pdf), should be submitted to the following:

Health Policy Commission  
[HPC-Notice@state.ma.us](mailto:HPC-Notice@state.ma.us)

Office of the Attorney General  
[HCD-6D-NOTICE@state.ma.us](mailto:HCD-6D-NOTICE@state.ma.us)

Center for Health Information and Analysis  
[CHIA-Legal@state.ma.us](mailto:CHIA-Legal@state.ma.us)

### PRELIMINARY REVIEW AND NOTICE OF COST AND MARKET IMPACT REVIEW

If the information provided in the Notice is incomplete or if the Commission determines clarification of the information submitted is needed to make its decision, the Commission may require the notifying organization to submit such supplemental information within 30 days of receipt of the initial Notice.

The Commission will notify each notifying organization of its decision to proceed with a cost and market impact review within 30 days of its receipt of a completed Notice and all necessary supplemental information.

### PUBLIC DISCLOSURE

Pursuant to Bulletin 2013-1 issued by the Commission, all information collected by the Commission in connection with a Notice shall be deemed to be a public record.

## NOTICE OF MATERIAL CHANGE

Date of Notice: May 31, 2013

1.	Name: Signature Healthcare Corporation		
2.	Federal TAX ID #	MA DPH Facility ID #	NPI #
	04-2103554	2118	10634312860

Contact Information						
3.	Business Address 1:	680 Centre Street				
4.	Business Address 2:					
5.	City:	Brockton	State:	MA	Zip Code:	02302
5.	Business Website:	<a href="http://www.signature-healthcare.org/">http://www.signature-healthcare.org/</a>				
Contact Details						
7.	Contact First Name:	Kim	Contact Last Name:	Hollon		
8.	Title:	President/CEO				
9.	Contact Phone:	508-941-7004	Extension:			
10.	Contact Email:	khollon@signature-healthcare.org				

11.	Description of Organization
	<p><i>Briefly describe your organization.</i></p> <p>Signature Healthcare Corporation ("SHC") is southeastern Massachusetts's premier local provider of personalized, quality medical services. SHC is the parent corporation of Brockton Hospital, Inc d/b/a Signature Healthcare Brockton Hospital (the "Hospital") and Signature Healthcare Medical Group, Inc. ("SMG"). In addition, the Brockton Hospital School of Nursing ("BHSN") is operated as a department of the Hospital.</p> <ul style="list-style-type: none"> <li>• <b>The Hospital.</b> Founded as Brockton Hospital in 1896, the Hospital, which is a community-based non-profit teaching hospital that provides a full range of clinical services, is the oldest and largest inpatient facility in the city of Brockton and its 21 surrounding municipalities. The Hospital has 263 licensed beds, including a 29-bed hospital-based skilled nursing unit. In addition to providing medical/surgical, pediatric and obstetric services, the Hospital offers inpatient and outpatient psychiatry, radiation oncology, cardiac catheterization, Level II nursery, and magnetic resonance imaging. The Hospital is fully accredited by the Joint Commission on Accreditation of Healthcare Organizations and is a member of the Massachusetts Hospital Association and the American Hospital Association. In 2008 and 2010, the Hospital received the Premier Award for Quality, ranking it in the top 1% of all acute care hospitals in the country.</li> <li>• <b>BHSN.</b> BHSN is a private co-educational institution of nursing education. Originally established in 1897, BHSN has a prestigious reputation in nursing education, and remains the only hospital-based diploma nursing program in the state of Massachusetts. BHSN has graduated over 2500 nurses, mainly from southeastern Massachusetts.</li> <li>• <b>SMG.</b> SMG is one of the largest multi-specialty, multi-site physician group practices on the South Shore, with locations in Abington, Bridgewater, Brockton, Easton, Hanson, Randolph and Raynham. SMG provides comprehensive healthcare services to patients of all ages, including primary, specialty, women's health, urgent care, and diagnostic care.</li> </ul>

Type of Material Change	
12.	<p>Check the box that most accurately describes the proposed material change:</p> <p><input type="checkbox"/> Merger or affiliation with a carrier</p> <p><input type="checkbox"/> Acquisition of or acquisition by a carrier</p> <p><input type="checkbox"/> Merger with or acquisition of or by a hospital or a hospital system</p> <p><input type="checkbox"/> Any other acquisition, merger, or affiliation between a provider organization and another provider organization where such acquisition, merger, or affiliation would result in an increase in annual net patient service revenue of the provider or provider organization of more than \$10,000,000</p> <p><input checked="" type="checkbox"/> Any clinical affiliation between a provider or provider organization with another provider or provider organization which itself has an annual net patient service revenue of more than \$25,000,000</p> <p><input type="checkbox"/> Formation of a partnership, joint venture, common entity, accountable care organization, or parent corporation created for the purpose of contracting on behalf of more than one provider or provider organizations</p>
13.	<p>What is the proposed effective date of the proposed material change? <b>60 days from the date of this filing, or sooner if notified by HPC</b></p>
Material Change Narrative	
14.	<p><i>Briefly</i> describe the nature and objectives of the proposed material change:</p> <p>SHC, Beth Israel Deaconess Medical Center, Inc. ("BIDMC") and Harvard Medical Faculty Physicians at Beth Israel Deaconess Medical Center, Inc. ("HMF") (together, SHC, BIDMC and HMF, the "Parties") entered into a Clinical Affiliation Agreement on May 31, 2013 (the "Agreement") in order to deliver high-quality, coordinated and cost-effective care in SHC's service area, which comprises Abington, Bridgewater, Brockton, East Bridgewater, Easton, Hanson, Holbrook, Middleboro, Raynham, Stoughton, Taunton, West Bridgewater and Whitman (the "Service Area").</p> <p>Pursuant to the Agreement, the Parties will work collaboratively to deliver trauma, bariatric surgery, maternal and fetal medicine and cardiology services, and the parties anticipate that the affiliation will continue to grow. In addition, BIDMC and SHC will serve as rotation sites for each other's medical residents. Initial rotations of BIDMC residents to the Hospital will be in emergency medicine, surgery, and medicine. BIDMC also will sponsor the Hospital's transitional year residency program. There will be no change in the ownership, governance or operational structure of any of the Parties pursuant to the Agreement.</p>
15.	<p><i>Briefly</i> describe the anticipated impact of the proposed material change:</p> <p>BIDMC and SHC will become more clinically aligned in order to improve care for our patients and communities. The organizations' shared goal is to provide high quality, cost effective care in the most appropriate setting. The organizations will work to enhance and expand the range of services offered locally by SHC through various means, including the initiatives described in Section 14 above. When tertiary or quaternary-level care is needed within an academic medical center setting, this relationship could result in a greater number of patients from the SHC Service Area being served by BIDMC than is presently the case. SHC does not anticipate changes in its costs, prices, utilization, health status adjusted total medical expenses, payer mix, and service areas.</p>
Development of the Material Change	
16.	<p>Describe any other material changes you anticipate making in the next 12 months:</p>

	<p>SHC and BIDMC are in the process of discussing the terms and conditions pursuant to which the Hospital, SMG and SMG's affiliated physicians may participate in an accountable care organization sponsored by BIDMC and HMFPP (known as "BIDCO"). SHC and BIDMC are also discussing the development of a joint oncology program, a joint orthopaedics program, and the joint development of a medical office building. As of the date of this Notice, the Parties have not determined whether SHC will join BIDCO.</p>
17.	<p>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:</p>
	<p>SHC has not submitted any other applications, forms, notices or other materials regarding the proposed potential material changes to any other state or federal agency.</p>

**Affidavit of Truthfulness and Proper Submission**

I, the undersigned, certify that:

1. I have read the Health Policy Commission Bulletin 2013-1, **Interim Guidance for Providers and Provider Organizations Relative to Notice of Material Change to the Health Policy Commission.**
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 and to all relevant agencies (see below\*) as required.
- 4.

Signed on the 31<sup>st</sup> day of May, 2013, under the pains and penalties of perjury.

Signature: \_\_\_\_\_

*Kim Hollon*

Name: Kim Hollon

Title: President/CEO, Signature Healthcare Corporation

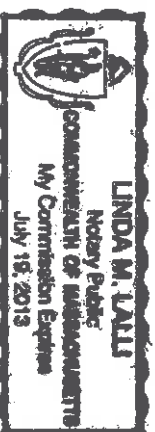
Commonwealth of Massachusetts

County of Plymouth

On this 31<sup>st</sup> day of May, 2013, before me, Linda M. Lalli, the undersigned Notary Public, personally appeared Kim N. Hollon, proved to me through satisfactory evidence of identity which was personal knowledge to be the person whose name is signed above and acknowledged to me that she signed it voluntarily for its stated purpose.

*Linda M. Lalli*  
Linda M. Lalli  
Notary Public

My Commission Expires: July 19, 2013



## EXPLANATIONS AND DEFINITIONS

1.	Name	Legal business name as reported with Internal Revenue Service. This may be the parent organization or local provider organization name.
2.	Federal TAX ID #	9-digit federal tax identification number also known as an employer identification number (EIN) assigned by the Internal revenue service.
	MA DPH Facility ID #	If applicable, Massachusetts Department of Public Health Facility Identification Number.
	National Provider Identification Number (NPI)	10-digit National Provider identification number issued by the Centers for Medicare and Medicaid Services (CMS). This element pertains to the organization or entity directly providing service.
3.	Business Address 1:	Address location/site of applicant
4.	Business Address 2:	Address location/site of applicant continued often used to capture suite number, etc.
5.	City, State, Zip Code	Indicate the City, State, and Zip Code for the provider organization as defined by the US Postal Service.
6.	Business Website:	Business website URL
7.	Contact Last Name, First Name	Last name and First Name of the primary administrator completing the registration form.
8.	Title:	Professional title of the administrator completing the registration form.
9.	Contact Telephone and Extension	10-digit telephone number and telephone extension (if applicable) for administrator completing the registration form
10.	Contact Email:	Contact email for administrator
11.	Description of Organization:	Provide a brief description of the notifying organization's ownership, governance, and operational structure, including but not limited to provider type (acute hospital, physician group, skilled nursing facilities, independent practice organization, etc.), number of licensed beds, ownership type (corporation, partnership, limited liability corporation, etc.), service lines and service area(s).
12.	Type of Material Change	Indicate the nature of the proposed material change.
		<p><b>Definitions of terms:</b></p> <p>"Carrier", an insurer licensed or otherwise authorized to transact accident or health insurance under chapter 175; a nonprofit hospital service corporation organized under chapter 176A; a nonprofit medical service corporation organized under chapter 175B; a health maintenance organization organized under chapter 176G; and an organization entering into a preferred provider arrangement under chapter 176I; provided that this shall not include an employer purchasing coverage or acting on behalf of its employees or the</p>

		<p>employees of 1 or more subsidiaries or affiliated corporations of the employer; provided that, unless otherwise noted, the term "carrier" shall not include any entity to the extent it offers a policy, certificate or contract that provides coverage solely for dental care services or visions care services.</p> <p>"Hospital", any hospital licensed under section 51 of chapter 111, the teaching hospital of the University of Massachusetts Medical School and any psychiatric facility licensed under section 19 of chapter 19.</p> <p>"Hospital System", a group of affiliated entities that includes one or more Hospitals that are overseen by a common entity or parent corporation.</p> <p>"Net patient service revenue", total revenue received for patient care from any third party payer net of any contractual adjustments.</p> <p>"Provider", any person, corporation, partnership, governmental unit, state institution or any other entity qualified under the laws of the commonwealth to perform or provide health care services.</p> <p>"Provider organization", any corporation, partnership, business trust, association or organized group of persons, which is in the business of health care delivery or management, whether incorporated or not that represents 1 or more health care providers in contracting with carriers for the payments of health care services; provided, that "provider organization" shall include, but not be limited to, physician organizations, physician-hospital organizations, independent practice associations, provider networks, accountable care organizations and any other organization that contracts with carriers for payment for health care services.</p>
13.	Proposed Effective Date of the Proposed Material Change	<p>Indicate the effective date of the proposed material change. NOTE: The effective date may not be less than 60 days from the date of the application notice.</p>
14.	Description of the Proposed Material Change	<p>Provide a brief narrative describing the nature and objectives of the proposed material change. Include organizational charts and other supporting materials as necessary to illustrate the proposed change in ownership, governance or operational structure.</p>
15.	Impact of the Proposed Material Change	<p>Provide a brief description of any analysis conducted by the notifying organization as to the anticipated impact of the proposed material change including, but not limited to, the following factors, as applicable:</p> <ul style="list-style-type: none"> <li>• Costs</li> <li>• Prices, including prices of the provider or provider organization involved in the proposed merger, acquisition, affiliation or other proposed material change</li> <li>• Utilization</li> <li>• Health status adjusted total medical expenses</li> </ul>



		<ul style="list-style-type: none"> <li>• <b>Market Share</b></li> <li>• Referral Patterns</li> <li>• Payer Mix</li> <li>• Service Area(s)</li> <li>• Service Line(s)</li> <li>• Service Mix</li> </ul>
16.	Future Planned Material Changes	Provide a brief description of the nature, scope and dates of any pending or planned material changes to ownership, governance, or operations within the 12 months following the date of the notice.
17.	Submission to Other State or Federal Agencies	Indicate the date and nature of any other applications, forms, notices or other materials provided to other state for federal agencies relative to the proposed material change, including but not limited to the Department of Public Health (e.g., Determination of Need Application, Notice of Intent to Acquire, Change in Licensure), Massachusetts Attorney General (e.g., notice pursuant to G.L. c. 180, §8A(c)), U.S. Department of Health and Human Services (e.g., Pioneer ACO or Medicare Shared Savings Program application) and Federal Trade Commission/Department of Justice (e.g., Notification and Report Form pursuant to 15 U.S.C. sec. 18a).