



The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Public Health
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July 12, 2018

VIA ELECTRONIC MAIL – bwyser@strategiccares.com

Barbara J. Wyser
Strategic Care Solutions
92 Montvale Avenue, Suite 2300
Stoneham, MA 02180

RE: Notice of Final Action DoN # 17112414-LE
SunBridge Healthcare, LLC

Dear Ms. Wyser:

At their meeting of July 11, 2018, the Commissioner and the Public Health Council, acting together as the Department, voted pursuant to M.G.L. c.111, §25C and the regulations adopted thereunder, to approve the Determination of Need application filed by SunBridge Healthcare, LLC (the Applicant) for a substantial capital expenditure for construction of a 120-bed skilled nursing facility (SNF) at 55 Loon Hill Road in Dracut, MA. This Notice of Final Action incorporates by reference the Staff Report and the Public Health Council proceedings concerning this application.

This application was reviewed pursuant to M.G.L. c. 111, § 25C and the regulatory provisions of 105 CMR 100.000 et seq. Based upon a review of the materials submitted, the Department found that the Applicant has met each DoN factor and approves this Determination of Need application subject to all standard conditions (105 CMR 100.310) including the CHI Conditions and Timeline and the Community Engagement Plan pursuant to 105 CMR 100.310(J) and subject to the other conditions which, pursuant to 105 CMR 100.360, shall become conditions of the DoN:

Other Conditions

1. SunBridge will activate and operate 120 beds from the recently closed Heritage Nursing Care Center, and will relinquish the remaining 22 beds, leading to a decrease in the number of licensed long-term care beds in the area.

2. In its first report mandated by 105 CMR 100.310(L), and as one of the measures that reflects the Project's achievement of the DoN factors, the Holder will include a description, including metrics that support the assertions, of how the provision of post-acute care in the Facility has decreased costs and improved the quality of and access to care as well as care continuity for the patient panel.
3. In its first report mandated by 105 CMR 100.310(L), the Holder will provide the following:
 - a. A description of the current payer mix of the Merrimack, reported by each of the health insurance coverage categories reported on by CHIA.¹
 - i. Private Commercial – Overall
 - ii. Private Commercial – MA Health Connector QHPs (Subsidized and Unsubsidized)
 - iii. MassHealth – Overall
 - iv. MassHealth – Temporary
 - v. MassHealth – Managed Care Organizations (MCO)
 - vi. Senior Care Options, One Care, PACE
 - vii. Medicare Fee-for-Service (Parts A and B)
 - viii. Medicare Advantage
4. For the duration of the reporting period mandated by 105 CMR 100.310 (L), the Holder will provide the following:
 - a. Updates on the payer mix of the Merrimack as outlined in condition 3.
 - b. A report on the measures set out in Attachment 1.
 - c. Updates on the impact of the project on savings and resident outcomes as initially reported in condition 2.
5. In addition to the Holder's obligation to participate in MassHealth as mandated by 105 CMR 100.310(K), the Holder will comply with any conditions or reporting requirements imposed by MassHealth related to MassHealth's approval of reimbursement rates for services provided to MassHealth beneficiaries. Should the Holder not comply with any such conditions or reporting requirements, MassHealth will notify the Department, after which the Holder shall report to the Department on why it should find that the Holder is still in compliance with the terms and conditions of this DoN.

In compliance with the provisions of 105 CMR 100.310(L) and (Q), which require a report to the Department, at a minimum on an annual basis, including the measures related to achievement of the DoN factors for a period of five years from completion of the Proposed Project. Ongoing compliance with the conditions and all terms of the DoN is, pursuant to the Regulation, a precondition to the filing of any future DoN by the Holder.

¹ *Enrollment Trends Technical Appendix* (Rep.). (2018, February). Retrieved February, 2018, from CHIA website: <http://www.chiamass.gov/assets/Uploads/enrollment/2018-feb/Enrollment-Trends-Technical-Appendix-.pdf>

Sincerely,

~S~

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

cc: Alice Bonner, Secretary, Executive Office of Elder Affairs
Sherman Lohnes, Director, Division of Health Care Facility Licensure and Certification
Daniel Gent, Division of Health Care Facility Licensure and Certification
Rebecca Rodman, Deputy General Counsel
Samuel Louis, Office of Health Equity
Patty McCusker, Center for Health Information and Analysis
Pavel Terpelets, MassHealth
Monica Sawhney, MassHealth
Katherine Mills, Health Policy Commission
Ben Wood, Office of Community Health Planning