NATICK SURGERY CENTER, LLC
DON APPLICATION# -18121721-AS
ATTACHMENTS

APPLICATION FOR DETERMINATION OF NEED FOR AMBULATORY SURGERY SERVICES

December 17, 2018

BY

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Exhibit A

Exhibit A(1)

2. Determination of Need Narrative:

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.

The Applicant is a newly formed joint venture between Shields ASC, LLC ("Shields ASC"); Reliant MSO, LLC ("Reliant"), and the ASC Holding Company, LLC ("HoldCo") which represents two community orthopedic specialty physician groups. Shields ASC is affiliated with Shields Health Care Group, a provider with more than thirty years of experience offering high quality, high value outpatient healthcare services, with a focus on advanced diagnostic imaging. Reliant is the management services organization for Reliant Medical Group, Inc. ("RMG"), a Massachusetts nonprofit corporation. Reliant provides administrative support, financial and statistical analytics, as well as a variety of additional corporate services to RMG, and was designated as the member of this joint venture to streamline internal corporate oversight and financial reporting. RMG represents nearly 500 providers in over thirty medical specialties across twenty clinical service locations, including Southboro Medical Group. Both Reliant and RMG are members of OptumCare, a division of United Health Group, Inc. 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: 1) deliver better quality care 2) in a cost-effective manner, which increases 3) patient and 4) provider satisfaction.

RMG is an HPC-certified ACO, inclusive of Fallon 365 Care. Together, Fallon and RMG operate a MassHealth ACO Partnership Plan. HoldCo represents thirteen orthopedic physicians from Orthopedics New England ("ONE") and New England Hand Associates ("NEHA"). These specialty physicians ("Participating Physicians") provide comprehensive treatment for adult and pediatric orthopedic and podiatric conditions, including shoulder, elbow, wrist, hand, hip, knee, ankle, foot, and spine injuries. Physicians from both practices are members of the New England Quality Care Alliance ("NEQCA"), which comprises more than 1,700 affiliated physicians across eastern Massachusetts and is a member of the WELLFORCE INC. ("Wellforce") health system. Both RMG and NEQCA hold fee-for-service ("FFS") and risk contracts with multiple payers.

The Applicant was formed to operate an ambulatory surgery center ("ASC") that will offer lower cost surgical services within the community setting. The proposed ASC will serve the communities in and around Natick, Massachusetts, allowing the Applicant to satisfy the existing and future demand for surgical services in the primary service area ("PSA"). As the Applicant is a newly formed joint venture, it does not have its own patient panel. Consequently, the Applicant's proposed panel is based on certain patients of its joint venture partners and their affiliates to demonstrate the need for the Proposed Project. In addition to historic patient panel data from the joint venture partners, the Applicant relies upon specific service line historic claims data from the Advisory Board Company ("Advisory Board"), to further demonstrate the need for ambulatory surgical services in the proposed PSA.

The PSA for the Proposed Project is defined by zip codes representing approximately 75% of the patients currently served by RMG, ONE and NEHA ("Participating Physicians"). The cities and towns that will comprise the ASC's PSA are: Natick, Framingham, Ashland, Milford, Holliston, Franklin, Marlborough, Medway, Hopkinton, Bellingham, Wayland, Millis, Westborough, Southborough, Sudbury, Wellesley Hills, Uxbridge, Blackstone, Acton, Wellesley, Hudson, Concord, Waltham, Sherborn, Upton, Whitinsville, Medfield, Maynard, Mendon, Northborough, Hopedale, Norfolk, Weston, Stow, Needham, Northbridge, Millville, Lincoln, Dover, Needham Heights, Fayville and the Village Of Nagog Woods.

Patient Panel Information

The patient panel of the Proposed Project includes patients covered by risk contracts (also referred to as managed patients) held by the Participating Physicians, as well as FFS patients seen by the Participating Physicians over the last thirty-six months.

RMG's Managed Patient Panel

RMG's total patient population within risk contracts in fiscal year 2018 ("FY18") comprised 92,400 patients; with 28% (25,937) of these patients residing within the proposed ASC's PSA. Demographic data from FY16-FY18 for this patient population provide additional insights. In regard to gender, the majority of RMG's patients that resided within the ASC's PSA were female with 13,999 female patients residing in the PSA in FY18 compared to 11,938 male patients; 10,373 female patients in FY17 compared to 8,955 male patients; and 10,546 female patients in FY16 compared to 9,342 male patients. Moreover, RMG's risk-based patient population within the ASC's PSA represented various age cohorts in FY18; the majority of patients (13,168) were within the 18-64 age cohort, followed by 9,408 patients in the 0-17 age cohort and 3,361 patients in the 65+ age cohort. Although patients in the 18-64 age cohort and the 65+ age cohort had slight increases or the trend remained consistent between FY16-FY18, the 0-17 age cohort increased exponentially, growing approximately 89% between FY16-FY18. This large increase in the younger age cohort is important, as these children and youth will need additional access to surgical services provided by the ASC, such as increased access to ENT services. It is also important to note, that the other age cohort growth trends have either increased or sustained over time. Consequently, an aging population will need greater access to ASC services to address chronic diseases. For additional demographic data for RMG's risk-based patient population within the ASC's PSA, including a list of zip codes where patients reside, see Attachment 2.

NEQCA's Managed Patient Panel

NEQCA's total patient population within risk contracts for FY18 comprised 270,695 patients with 8% (20,664) of these patients residing within the proposed ASC's PSA. NEQCA's demographic data depict similar trends in age to RMG's managed patient population, with the majority of NEQCA's patients within the PSA falling within the 18-64 age cohort (13,305 patients) for FY18. NEQCA's over 65+ age cohort, as well as its pediatric population are also similar to RMG's managed patient population. However, in terms of payer mix, geographic diversity and gender, NEQCA's managed patient population is more diverse than RMG's managed patients. For example, NEQCA's managed patient population in FY18 was comprised mostly of males (10,647 patents) and represented multiple payers. For additional detail on NEQCA's patient panel within the PSA see Attachment 2.

Participating Physician Historical Volume

Disparate data systems among the Participating Physicians made aggregating unique encounter level data for the patient panel prior to FY17 challenging. Consequently, the Applicant used data for all patients seen in FY17 as the baseline year for its analysis of historical volume for the noted specialty surgical services. Next, the Applicant applied service line specific growth trends supplied by the Participating Physicians for the last three years to the FY17 data to obtain conservative historical estimates of patients by specialty. Of note, in Table 1, all orthopedic surgeries grew by an actual increase of 3% from FY15-FY17, whereas growth trends for all other specialties were sustained. This analysis allowed the Applicant to estimate historic patient volume for all patients (FFS patients and those patients in risk contracts) in FY15 and FY16.

Table 1: Estimated Historical Volume for Specific Specialties

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

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

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

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

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

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

FFS Patient Panel			
Specialty	**2015**	**2016**	**2017**
Orthopedics	1,605	1,631	1,655
Ent	57	57	57
General Vascular	15	15	15
Hand	967	982	996
GYN	63	63	63
Urology	24	24	24
Total	**2,731**	**2,772**	**2,810**

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

ASC Volume Projections

Using historical case volume data from the Participating Physicians, the Applicant established conservative volume projections for the ASC detailed in Table 4 below. Of note, Year 2 projections are based on FY17 historical data with Year 1 considered a ramp-up period at approximately 66% of the baseline. Growth in Years 3 and 4 is aligned with organic growth projected for the PSA by industry best practices firms, such as the Advisory Board. Additionally, projections for Years 3 and 4 exclude volume from other physicians within the community that also may perform procedures at the ASC over time. Additionally, of note, the Advisory Board's historic claims data suggest that as many as 66,159 patients within the proposed ASC's PSA are eligible to receive the noted surgical services offered at either a HOPD or ASC in a given year.

Table 4: Projected Demand for the ASC Based on Service

Specialty	**Year 1**	**Year 2**	**Year 3**	**Year 4**
Orthopedics	1,265	1,898	2,145	2,423
Ent	71	107	112	118
General Vascular	41	62	68	75
Hand	671	1,007	1,108	1,219
GYN	99	148	152	155
Urology	39	58	64	70
Total	2,187	3,280	3,648	4,061
Utilization (Cases/OR Hrs. Avail.)	62%	67%	75%	83%

To determine the number of operating rooms required to serve the projected volume at the proposed ASC, the Applicant established average surgical case times. The times include surgical case and room turnover times. Surgeries are expected to have a total time of 80 minutes, including 60 minutes of surgery and a 20-minute operating room turnover. Based on these numbers and ramp up in the availability of three operating rooms in the new ASC, the Applicant anticipates the ASC will perform four cases per day per operating room in Year 1, increasing to six cases per day per operating room by Year 4. This equates to a sustainable 83% utilization rate by Year 4 of operation.

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.

In considering the Proposed Project, the Applicant determined that its patient panel would benefit from access to an ASC that provides the proposed specialized surgical services. This determination was made based on an evaluation of the patient panel composition, as well as historical and projected demand, as well as available resources within the market.

Need for the Proposed Surgical Services

Through the establishment of the ASC, the Applicant will increase access to community-based surgical services to serve a patient panel that encompasses patients from the Participating Physicians. The Proposed Project will meet the need of the evolving landscape of the healthcare delivery system, driven by efficiency, patient choice, transparency and a keen focus on driving down Total Medical Expense ("TME"), which is frequently absorbed by patients. The ASC will serve patients of all ages and socio-economic strata. In addition, as the patient population demographics continue to change, patients will require greater access to the types of lower acuity procedures that the ASC will offer.

Need for Surgical Services in the 55+ Age Cohort

Currently, there is an ongoing trend in Massachusetts toward an aging population, particularly among those individuals within the 55+ age cohort Findings from UMASS Donahue Institute ("UMDI") demonstrate that the Massachusetts state population is expected to increase 11.8% from 2010 to 2035.[1] Further review of UMDI's projections show a dramatic population increase in the 55+ age cohort.[2] Between 2020 and 2035, the 55+ age cohort will increase approximately 14% and will comprise 35% of the Commonwealth's population; no other age cohort will experience the same dramatic increase in growth as the 55+ cohort.[3]

Moreover, the Applicant evaluated the population projections for those cities and towns that will account for the ASC's projected PSA. The increase in the 55+ population cohort occurring statewide also will be reflected in the PSA. Census data project the 55+ population to increase by 20.5% by just 2025.[4] Increases in demand for outpatient surgeries, including those provided in an ASC setting, will accompany the projected growth in the 55+ age cohort as the number of procedures that can be effectively performed in the ASC setting continues to grow.[5]

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1 The Massachusetts Secretary of the Commonwealth contracted with the University of Massachusetts Donahue Institute to produce population projections by age and sex for all 351 municipalities.

2 Id.

3 Id.

4 Advisory Board Demographic Profiler

5 The report uses the cohorts as defined by the U.S. Census Bureau 2010 Census Summary, which are 0-19, 20-39, 40-64, and 65+. Figure 2.5 in the report demonstrates that where the 65+ cohort increases from 2015 to 2035, all other cohorts are predicted to decrease.

Accordingly, there is an ongoing demand for surgery that is related to improved life expectancy rates, quality of life and the need to treat comorbidities.[6] Geriatric surgery demand will continue to increase as further medical advancements are made and more is known about managing health conditions that may impact surgical recovery in this patient cohort. The 55+ age cohort has experienced the greatest increase in number of surgical procedures since 1990, which is a higher rate of growth than any other age cohort.[7] It is expected that at least half of all individuals in the 55+ age cohort will require surgery, with geriatric surgery representing as high as 53% of all surgical procedures.[8] With the projected growth anticipated to occur in Massachusetts' 55+ age cohort, the Applicant's patient panel will experience an increased need for resources to accommodate growing surgical demand in this population.

For aging patients, the most common and necessary type of surgery is orthopedic surgery, especially for hip, knee and spinal injuries. These types of surgeries have proven to have a significant benefit for older individuals, ensuring they can remain active and pain free as they age. Numerous studies have chronicled the public health benefits of these types of procedures for older adults, including improved clinical and quality metrics.[9] Accordingly, increased access to surgical services, especially orthopedic services will benefit the 55+ age cohort in the PSA. This population will also have convenient access to these services, as the Participating Physicians will have co-located offices within the ASC, allowing patients to have surgery in the same setting as they receive office visits.

Need for Surgical Services for All Populations within the PSA

There is an increasing need for lower acuity surgical services by all age cohorts within the PSA. As discussed in Section, F1.a.i, RMG's demographic data show an 89% increase in the number of managed patients within the 0-17 age cohort. This large increase in the pediatric population will increase the demand for ENT surgeries, such as the placement of ear tubes, tonsillectomy, and adenoidectomies. According to a 2015 study over 560,000 ambulatory tonsillectomies were performed in the United States in 2006, affecting approximately 1% of all children under 16 years of age and accounting for 16% of all ambulatory surgery in this age group. Current estimates suggest that the number of tonsillectomies performed annually is increasing worldwide, perhaps due to increased awareness of the negative impact of untreated sleep apnea on childhood development, learning, and behavior.[10]

Additionally, public health data outlining chronic diseases within the Commonwealth show an increase of these conditions and diseases within the 18-64 age cohort.[11] Frequently, specific chronic conditions are associated with the need for certain types of surgery that can be performed in the ASC setting. The proposed ASC will provide convenient local access to lower cost surgical services in the community that address numerous chronic conditions.

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6 Relin Yang et al., Unique Aspects of the Elderly Surgical Population: An Anesthesiologist's Perspective, 2 GERIATRIC ORTHOPAEDIC SURGERY & REHABILITATION 56 (2011), available at https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3597305/.

7 Relin, supra note 17.

8 Relin, supra note 17.

[9] https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4551172/

[10] https://www.dovepress.com/ambulatory-anesthetic-care-in-pediatric-tonsillectomy-challenges-and-r-peer-reviewed-fulltext-article-AA -

[11] https://www.mass.gov/files/documents/2017/10/04/MDPH%202017%20SHA%20Chapter%208.pdf

Migration of Lower Acuity Surgical Services to Outpatient Setting

The continuously evolving healthcare delivery landscape has resulted in a shift in the provision of outpatient surgical procedures from hospitals to the ASC setting. Lower acuity procedures can be effectively provided in an ASC setting, without requiring a patient to obtain care in a hospital outpatient department.[12] This is due, in part, because ASCs focus on a subset of medical specialties and surgical procedures, including minimally and non-invasive surgeries, for the improved provision of care.[13] By performing a limited set of procedures, ASC personnel are able to gain high proficiency and efficiency performing those procedures. This achieves clinical and operational efficiencies not attainable in a hospital setting as hospital-based operating rooms must be able to accommodate a wide range of medically complex procedures in the event of an emergency.[14]

Clinical outcomes in the ASC setting are comparable to that of hospital outpatient surgery departments, with the provision of surgery in ASCs associated with decreased mortality, morbidity, and hospital admission rates.[15] Patients in ASCs experience shorter surgery and recovery times overall.[16] There are no disruptions to the surgical schedule in an ASC on account of acute inpatient or emergent patient needs. As a result, patients do not experience delays that are otherwise prone to occur in a hospital outpatient department. This contributes to greater convenience for patients and their families when electing a setting for surgical procedures and drives overall demand for the provision of services in the outpatient ASC setting.

The establishment of the Applicant's ASC will result in migration of less medically complex patients in need of Ortho, ENT, GYN, URO, GEN/Vascular surgeries to a local community-based ASC. The Applicant determined that sufficient need for ASC services exists among its patient panel based on the number of surgical cases that could be migrated to the ASC setting. Patients will experience reduced wait times in the ASC, with care available closer to their homes and communities.[17] An additional benefit of the ASC will be the elimination of the overnight stay, which may further drive volume to the Applicant's ASC versus a hospital surgical department. The opening of the ASC will allow the Applicant to shift those low acuity surgical procedures that would otherwise go through a hospital outpatient surgical department to a more cost and operationally efficient outpatient setting that benefits patients.

Patient Choice

The emergence of ASCs as an alternative setting for lower acuity surgical procedures provides

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12 Dennis C. Crawford·et al., Clinical and Cost Implications oflnpatient Versus Outpatient Orthopedic Surgeries: A Systematic Review of the Published Literature, *7 ORTHOPEDIC REVIEW 116 (2015),* available at *https://www.ncbi.nlm.nih.govlpmclarticlesiPMC47039131pdflor-2015-4-6177.pdf*

13 POSITION STATEMENT.' AMBULATORY SURGICAL CENTERS (Am. Ass'n of Orthopaedic Surgeons 2010), available at *https://www. aaos.orgluploadedFilesl1161%20Ambulatorv%20Surgicai%20Centers.pdf.*

14 Elizabeth L. Munnich & Stephen T. Parente, Procedures Take Less Time At Ambulatory Surgery Centers, Keeping Costs Down And Ability To Meet Demand Up, *33 HEALTH AFFAIRS 764 (2014),* available at *https://www.healthaffairs.orgldoilpdfl10.13771hlthaff.2013.1281.*

15 David Cook et al., From 'Solution Shop' Model to 'Focused Factor' In Hospital Surgery: Increasing Care Value and Predictability, *33 HEALTH AFFAIRS 746 (2014),* available at *https://www.healthaffairs.orgldoilpdfl10.13771hlthaff.2013.1266*

16 Margaret J. Hall et al., Ambulatory Surgery Data From Hospitals and Ambulatory Surgery Centers: United States, 2010, *102 NAT'L HEALTH STATISTICS REPORTS 1 (2017),* available at *https://www.cdc.govlnchsldatalnhsrlnhsr102.pdf*

[17] https://www.healthaffairs.org/doi/pdf/10.1377/hlthaff.2013.1281

patients with alternatives not previously available for obtaining such surgeries. Hospitals are no longer the only available location at which to have certain surgical procedures. Patients now are informed of the benefits of having a lower acuity surgery performed in an ASC. ASCs have demonstrated clinical outcomes that are as good as hospitals.[18] Patients benefit from the lack of interruptions in scheduling as well as the reduced surgical and recovery times, allowing the patient to return home faster than for the same procedure performed in a hospital.[19] The presence of the ASC within a patient's community improves access with regard to outpatient surgeries and offers a practicable alternative to a hospital outpatient surgery department.

The ASC setting further provides patients with options related to costs associated with a surgical procedure. Due to the elimination of an overnight stay and other hospital overhead costs, a surgery performed at an ASC will cost less than in a hospital.[20] The same procedure performed at a HOPD cost as much as 48% higher for a Medicare Patient.[21] For this reason, ASCs are able to compete with hospitals on the basis of cost for outpatient procedures. Patients may opt to obtain surgery at an ASC due to the lower cost. Particularly for those patients who bear a higher amount of medical costs individually, an ASC offers a lower cost alternative with clinical outcomes that are as a good as a hospital and services provided by the same physician who would perform the surgery in the hospital setting.

The availability of an ASC also can diminish patient wait times for surgeries. Members of the proposed ASC patient panel currently experience a wait time of 1-2 weeks for hand surgery, 3-4 weeks for other outpatient orthopedic procedures. Due to the lack of disruptions, ASCs are able to adhere more uniformly to a surgical schedule, which ultimately can allow more surgeries to be scheduled in a day. This will result in overall reductions in patient wait times for surgeries at hospitals.

As access to healthcare shifts, patients are seeking out services that are more convenient than in a hospital. All patients in need of low acuity surgical procedures can benefit from obtaining such care at a community-based ASC. The pediatric and 55+ age cohorts would also benefit from having procedures performed in a streamlined outpatient setting rather than at a hospital, where the activity associated with a surgical department may be overwhelming. Frequently, these patients find it difficult to navigate the complex infrastructure of a hospital, finding ASC experiences less complicated and easier to access (given online registration systems, availability of cost transparency tools and accessible staff). The availability of ASCs provides patients with a choice as to where to receive care.

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

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18 David Cook et al., From 'Solution Shop' Model to 'Focused Factor' In Hospital Surgery: Increasing Care Value and Predictability, 33 HEALTH AFFAIRS 746 (2014), available at https://www.healthaffairs.orgldoilpdfl10.13771hlthaff.2013.1266

19 Hall, supra note 9. See also Cook, supra note 10. The provision of a surgical procedure in an ASC eliminates an overnight stay. Depending on scheduling, a patient undergoing what would be an outpatient surgery may require hospital admission for routine recovery. An ASC by its nature is not equipped for an overnight patient stay. As a result, a patient obtaining surgery at an ASC will be discharged the same day as the surgery and will not be admitted to the hospital for recovery in the event of schedule overruns.

[20]20 Louis Levitt. The Benefits of Outpatient Surgical Centers. The Centers for Advanced Orthopedics. June 2017; available at https://www.cfaortho.com/media/news/2017/06/the-benefits-of-outpatient-surgical-centers. The costs of a procedure performed in an ASC have been found to be approximately 40% to 60% less than in a hospital. See also POSITION STATEMENT: AMBULATORY SURGICAL CENTERS, supra note 34, which indicates that ASC procedures are 84%of the cost of a hospital for the same procedure.

21 2018 HOPD Medicare Fee Schedule.

spending. When responding to this question, please consider Factor 4, Financial Feasibility and Reasonableness of Costs.

The Applicant's expansion of surgical services will not have an adverse effect on competition in the Massachusetts healthcare market based on price, total medical expenses ("TME"), provider costs or other recognized measures of health care spending. Rather, the Proposed Project seeks to offer high quality surgical care through a lower cost alternative to outpatient surgery performed in a hospital outpatient department ("HOPD"). Annually, ASCs perform more than seven million procedures for Medicare beneficiaries needing same-day surgical, diagnostic and preventive procedures.[22] By specializing in specific procedures, ASCs are able to maximize efficiency and quality outcomes for patients.

Typically, ASCs have two goals. The first goal is to ensure that patients have the best surgical experience possible, including high quality outcomes. The second goal is to provide cost-effective care that leads to savings by government and third-party payers, as well as patients. On average, the Medicare program and its beneficiaries share in more than $2.6 billion in savings each year when surgery is provided in an ASC. ASC reimbursement rates are 48% of the amount paid to HOPDs.[23] Studies provide that if half of the eligible surgical procedures were shifted from HOPDs to ASCs, Medicare would save an additional $2.5 billion annually; an additional study estimates the savings to commercial payers to be as high as $55 billion annually.[24] Similarly, Medicaid and other insurers benefit from lower prices for services performed in the ASC setting.[25] Patients also typically pay less coinsurance for procedures performed in the ASC than for comparable procedures in the hospital setting.[26]

With the emergence of ASCs as a high-quality care option, health care expenditures for elective and same day surgical procedures will decrease, reducing overall provider costs, and directly impacting TME. Consequently, the Proposed Project will compete on the basis of TME and provider costs. With a shift in surgical volume moving from hospitals to the Applicant, this savings is estimated to be substantial.

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?

ASC Clinical and Operational Efficiencies

ASCs offer greater clinical and operational efficiencies over traditional hospital outpatient surgery departments as the focus of an ASC is on performing a narrow subset of surgical procedures in a limited number of medical specialties.[27] ASCs are designed to provide care for specific categories of lower-acuity surgical cases and for patients who have less risk for any

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[22] *https://www.ascassociation.org/advancingsurgicalcare/reducinghealthcarecosts/paymentdisparitiesbetweenascsandhopds*
23 2018 HOPD Medicare Fee Schedule.
24 See also Commercial Insurance Cost Savings in Ambulatory Surgery Centers, available at https://www.ascassociation.org/HiqherLogic/System/DownloadDocumentFile.ashx?DocumentFileKey-829b1dd6-0b5d-9686-e57c-3e2ed4ab42ca&forceDialoq=O
25 Supra note 24
26 Supra note 24
27 POSITION STATEMENT: AMBULATORY SURGICAL CENTERS, supra *note 6*

complications following surgery.[28] In the case of the Applicant, the proposed ASC will be limited to offering ORTHO, ENT, GYN, URO, GEN/VASC surgery procedures. A majority of surgical procedures offered in ASCs are for the musculoskeletal system. The types of surgical procedures that may be performed in an ASC continues to increase over time, with estimates indicating approximately one third of outpatient surgeries now are performed in ASCs.[29] The migration of surgeries to the ASC setting is associated with demonstrated clinical and operational advantages.

ASCs achieve efficiencies from the ability to tailor services to a smaller offering of low acuity surgical procedures. Hospital operating rooms, including those dedicated to outpatient surgery, must be designed with enough space to handle a wide range of procedures in multiple clinical specialties.[30] Hospital-based operating rooms must be flexible enough to handle the range in services provided, with equipment to handle anything from a routine elective procedure to an emergency room patient in need of immediate invasive surgery. In contrast, ASCs are designed to accommodate specific surgical specialties, with the operating rooms appropriately sized to meet such needs. ASC operating rooms are equipped specifically for the types of procedures to be performed, with operating rooms frequently being used for the same type of surgery on a continuous basis each day.[31]

Hospital operating rooms schedules are subject to disruption when an operating room is needed for an emergency room or emergent inpatient surgery, leading to delays in all subsequent surgeries scheduled for the day.[32] ASCs only accommodate routine, scheduled procedures and are not hampered by the schedule disruptions associated with a hospital surgical department.[33] Patients and staff benefit from the operational efficiencies of ASCs, with procedures performed in ASCs taking 31.8 fewer minutes on average when compared to procedures performed in a hospital. Patients experience improved procedure scheduling and shorter wait times when an outpatient surgery is performed in an ASC.[34] Recovery times for procedures performed in the ASC are typically shorter, which is also attributable to the evolution of medical devices and pharmaceuticals administered in connection with surgery.[35] Patients spend almost a quarter less time in an ASC versus in a hospital outpatient surgical department for the same procedure.

ASCs provide a lower cost alternative to hospital outpatient surgery departments. On average, ASCs are approximately 48% less expensive than a hospital.[36] In one instance, a comparison of hospital outpatient department and ASC costs resulted in the finding that procedures performed in an ASC are 84% of the cost of the same procedure performed in the hospital

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28 Crawford et al., supra *note 5*
29 Munnich, supra *note 7. The Medicare ASC fee payment schedule covers approximately 3,600 outpatient surgical procedures. This has grown over time, driving higher volumes in ASCs. Estimates indicate that outpatient surgeries performed in ASCs have increase from 4% of all outpatient surgeries in 1891 to 38% in 2005. See also PosiTION STATEMENT: AMBULATORY SURGICAL CENTERS, note 6*
30 Munnich, supra *note 7.*
31 Levitt, supra note 12.
32 Munnich, supra note 7.
33 POSITION STATEMENT: AMBULATORY SURGICAL CENTERS, supra note 6.
34 See also Hall, et al, supra note 11. A patient undergoing ambulatory surgery at a hospital spends, on average, 63 minutes in the operating room, 37 minutes in surgery, and 89 minutes in postoperative care; in contrast, a patient undergoing an ambulatory procedure in an ASC spends an average of 50 minutes in the operating room, 29 minutes in surgery, and 51 minutes in postoperative care.
35 Outpatient Surgeries Show Dramatic Increase, 10 Health Capital Topics 1 (2010), available at https:l/www.healthcapital.com/hcc/newsletter/05_10/0utpatient.pdf
36 2018 HOPD Medicare Fee Schedule.

outpatient department.[37] Some of the savings is the result of not requiring the same overhead as a hospital surgical service, such as fewer nursing, staffing, laboratory, medication, and imaging costs. Variation associated with the need for a hospital to be able to adapt to provide care within different specialties and for varying case complexities increases overall costs for hospital outpatient surgical departments.[38] Additional ASC savings are derived from the elimination of an overnight patient stay. Overall, the ASC setting is associated with efficiencies that also reduce costs.

Provision of High Quality Surgical Services

Patients who undergo surgery in the ASC setting experience a number of benefits associated with high quality surgical services. Rates of revisit to the hospital one week post-surgery are lower for ASC patients.[39] Infection rates for procedures performed in ASCs are half that for the same procedures performed in the hospital setting.[40] Patients experience improved pain levels and less nausea when receiving surgery in an ASC.[41] There also are better thirty day outcomes, including reductions in pneumonia, renal failure, and sepsis as well as no demonstrated increase in morbidity, mortality, or readmission.[42] In fact, major morbidity and mortality following ASC procedures are extremely rare.[43] These are all factors associated with high quality surgical service delivery.

Individualized Patient Care

With the increasing availability of ASCs, patients have greater options to choose from when selecting an appropriate setting for outpatient surgical services. Growth in minimally invasive or non-invasive procedures has led to an increase in the ability to perform surgery on an outpatient basis.[44] These surgeries are considered lower acuity and have less complexities than other types of procedures, such as fewer surgical cuts or incisions and decreased blood loss.[45]
Anesthesia needs for these low acuity procedures can be met in an ASC due to ongoing developments in the delivery of anesthetics.[46] As more low acuity surgeries are performed in the outpatient setting, patients are able to select outpatient centers that will meet their individual needs.

The Role of an ASC in an Integrated Care Delivery System

ACOs were created as a means to improve health care delivery while also achieving savings in the provision of care.[47] Another one of the objectives of ACOs is to achieve population

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37 POSITION STATEMENT: AMBULATORY SURGICAL CENTERS, supra note 6.
38 Crawford, et al., supra note 5. See also Cook et al., supra note 10.
39 Levitt, supra note 12.
40 Levitt, supra note 12.
41 Crawford, et al., supra note 5. See also Cook et al., supra note 10.
42 Cook et al., supra note 10.
43 Crawford, et al., supra note 5. This is likely due to the selection of healthier, less medically complex patients to receive care in an ASC.
44 Outpatient Surgeries Show Dramatic Increase, *10 HEALTH CAPITAL TOPICS 1 (2010),* available at *https://www.healthcapital. com/hcc/newsletter/05_10/0utpatient.pdf*
45 Supra note 44
46 Supra note 44
47 Department of Healthcare Policy and Research, Virginia Commonwealth University School of Medicine. Policy Brief: Accountable Care Organizations, January 2015, available at https:l/hbp.vcu.edu!medialhbp!poficybriefs/pdfsNCU_DHPR_ACO_Finafweb.pdf

health; that is, addressing factors such as social determinants of health to affect an overall increase in the health of a population.[48] This shifts the focus to a community model that requires collaboration among the members of the ACO to achieve the ACO's population health goals.

Better access to care can achieve this outcome, meaning that the presence of an ASC in a community can improve access to outpatient surgical care. Furthermore, coordinated care among members of the ACO is necessary in order to meet the health care delivery, savings, and population health goals of an ACO. ASCs play a beneficial role in ACOs as they offer a lower cost alternative setting to hospital surgical departments for the provision of outpatient surgery.[49] The physicians who practice at an ASC are part of the ACO, allowing for coordination of care between the ASC and the physicians to eliminate fragmentation of care.

ASCs play an important role as part of a robust and diverse care delivery system. ASCs can accommodate certain low acuity surgical procedures that otherwise must be performed in a hospital outpatient surgery department. The presence of an ASC results in a decrease in the number of outpatient procedure performed at a hospital.[50] Lower acuity procedures can be handled more effectively in the ASC setting instead of in a hospital surgical department, allowing hospitals to better focus resources on treating more acutely ill patients. This allows migration of low acuity procedures out of the hospital into a more appropriate setting, freeing resources in order for hospitals to continue to accommodate medically complex or emergency patients.

The Applicant's ASC will contribute to the overall functions of the RMG ACO as it achieves the goals of cost containment, improving population health, and improving care delivery. The ASC will provide an alternative setting for ACO members in need of low acuity outpatient surgeries. The migration of these procedures to the ASC will have associated cost savings and improved clinical outcomes through operational efficiencies at the ASC.

F.1.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.

Improving Health Outcomes and Quality of Life

The Applicant anticipates that the Proposed Project will provide the Applicant's patients with improved health outcomes and improved quality of life through additional access to high quality surgical services by expanding capacity in the community setting. As more fully discussed in Factor F.1.b.i., shifting patients to an ambulatory setting allows for high-quality, lower-cost care closer to home. The Proposed Project will offer greater throughput pre- and post-surgery, ensuring an expedited, patient-centered experience for patients.

The Proposed Project is designed to utilize industry-defined best practices for quality, efficiency

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48 Karen Hacker and Deborah Klein Walker. Achieving Population Health in Accountable *Care* Organizations. *Am J Public Health. 2013 July; 103(7): 1163-1167.*

49 ACA will bring more patients to ASCs--- but will profits follow? OR Manager, Vol. 30 No.2, February 2014, available at https://www.ormanager.com/wp-contenUuploads/2014/02/0RM_0214_p.29_ASC_Health_Reform.pdf

50 John Bian & Michael A. Morrisey, Free-Standing Ambulatory Surgery Centers and Hospital Surgery Volume, 44 INQUIRY 200 (2007), available at http://journals.sagepub.com/doilpdf/10.5034/inquiryjml_44.2.200.

and effectiveness. High quality care is achieved in the following ways: 1) By placing a focus on specific specialties and their associated surgeries, physicians are able to provide efficient, expert care to patients; 2) Maximizing process improvement initiatives; given that the Proposed Project will focus on specific specialties and associated surgeries, clinical staff will develop and implement a robust program for reviewing quality of care outcomes, identifying best practices and implementing performance improvement initiatives; and 3) Transforming the care experience for patients in the ASC setting; clinical and administrative staff have the ability to narrow their focus to the noted specialties, which allows these staff to more effectively control scheduling, thereby eliminating delays, backlogs and rescheduled procedures. Consequently, ASCs have less unpredictability than a hospital based outpatient departments in regard to scheduling. Together these care components will transform the care process for patients, providing improved quality of life and leading to higher quality outcomes.

The Applicant also will implement amenities that assist in creating a higher level of patient satisfaction. These tools include an online pre-registration system that will allow patients to register from the comfort of their homes, rather than waiting prolonged periods of time in a clinical setting. This technology platform is available in over 70 languages to ensure all patients within the community have access to pre-registration capabilities. The Applicant also will implement price transparency tools, allowing patients to estimate prices for their procedures, as well as online payment portals, offering greater communication between administrative staff and patients. These tools provide transparent, expedited administrative processes for patients unlike more complicated hospital based outpatient departments.

Furthermore, the Applicant selected the location of the Proposed Project based on accessibility and convenience to patients from the noted PSA. Situated in close proximity to major thoroughfares, the site for the Proposed Project will offer ample parking improving patient experience. Accordingly, these combined care tools will ultimately lead to improved patient experience and higher quality process and clinical outcomes.

Assessing the Impact of the Proposed Project

To assess the impact of the proposed Project, the Applicant developed the following quality metrics and reporting schematic, as well as metric projections for quality indicators that will measure patient satisfaction and quality of care. The measures are discussed below:

1. Patient Satisfaction: Patients that are satisfied with their care are more likely to seek additional treatment when needed. The Applicant will review patient satisfaction levels with the ASC's surgical services.

   Measure: The Outpatient & Ambulatory Surgery Community Assessment of Healthcare Providers and Systems (OAS-CAHPS) survey will be provided to all eligible patients. The OAS-CAHPS survey focuses on six (6) key areas:
   1) Before a patient's procedure
   2) About the ASC facility and staff
   3) Communications about the patient's surgical procedure
   4) Patient recovery
   5) Overall experience
   6) Patient demographic information.

   Projections: As the ASC is not yet operational, the Applicant established a benchmark

of 85.8% for the "Overall Rating of Care", which is the top decile for reporting providers.

Monitoring: Any category receiving a less than "Good" or satisfactory rating will be evaluated, and policy changes instituted as appropriate. Metrics will be reviewed quarterly by clinical staff.

2. Clinical Quality - Surgical Site Infection Rates: This measure evaluates the number of patients with surgical site infections and aims to reduce or eliminate such occurrences.

   Measure: The number of patients with surgical site infections.

   Projections: The ASC plans to meet or exceed the national benchmark of 0.10% surgical site infection rates, ultimately reaching a target of 0%.

   Monitoring: Reviewed quarterly by clinical staff.

3. Clinical Quality – Pre-Operative Time-Out: This measure ensures pre-operative compliance with practices aimed at ensuring high quality outcomes among members of the care team and promoting communication.

   Measure: The procedure team conducts a pre-operative time out.

   Projections: A pre-operative time-out will be completed 100% of the time on all surgical cases in the ASC.

   Monitoring: Reviewed quarterly by clinical staff.

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.

To ensure health equity to all populations, including those deemed underserved, the Proposed Project will not adversely affect accessibility of the Applicant's services for poor, medically indigent, and/or Medicaid eligible individuals. The Applicant will not discriminate based on ability to pay or payer source following implementation of the Proposed Project. As further detailed throughout this narrative, the proposed Project will increase access to high quality surgical services for all patients by offering a low-cost alternative in the community setting.

As detailed in the definition of the patient panel, the population within the PSA of the Proposed Project reflects moderate diversity that necessitates implementation of culturally appropriate support services to ensure improved patient experience and higher quality outcomes. Accordingly, the Applicant will employ culturally competent staff and plans to develop a robust translation services program. The Applicant will offer multiple tools to address language barriers, including Language Line and InDemand interpreting to provide multiple options for

translation services.

Language Line provides quality phone and video interpretation services from highly trained professional linguists in more than 240 languages 24 hours a day, 7 days a week, facilitating more than 35 million interactions a year. InDemand offers leading-edge medical interpreting solutions, such as video interpretations, allowing clinicians to provide their limited English proficient, Deaf and hard of hearing patients with access to the highest quality healthcare. Together, these solutions will eliminate language barriers for patients and ensure culturally appropriate care.

Furthermore, as previously discussed, the Applicant will offer price transparency tools to ensure that all patients have access to current pricing information. By providing this information patients may determine if specific procedures are affordable. The Applicant also will provide financial counselors for assistance in understanding insurance benefits.

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.

The Proposed Project will allow for the expansion of lower-cost surgical services in the community setting. This alternative point of access, which boasts similar quality outcomes as outpatient hospital surgical services, is in a more convenient setting reducing travel time for patients and offering more convenient parking options. The Applicant also plans to implement numerous amenities, including patient access tools, such as pre-registration functionality and a cost transparency application, to improve patient experience and ensure high rates of patient satisfaction.

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.

Through the Proposed Project, the Applicant will combine physician engagement with a strong technology infrastructure to ensure continuity of care, improved health outcomes and care efficiencies. The technology infrastructure for the Proposed Project encompasses streamlined patient access tools that offer pre-registration functionality. These tools interface with an electronic medical record ("EMR") system to amalgamate necessary patient health information, such as medical history, allergies and medications that is reviewed by surgeons and anesthesiologists. EMR functionality also allows surgeons to share operative notes and post-operative discharge instructions with primary care physicians ("PCPs"), so both physicians may track a patient's progress post-discharge. The EMR also tracks a patient's pre-operative medications to ensure appropriate dosing, as well as necessary post-operative prescriptions.

While a strong technology foundation is the first step in providing coordinated care, the Applicant's administrative leaders will carry out other processes to ensure continuity of care, including engaging surgeons in developing policies and procedures that assist in increasing communication with PCPs. For example, in the event that a patient is unable to have surgery because they have failed to follow instructions by the surgeon, communication between the

surgeon and PCP may address the issue, so the patient is aware of appropriate preparation for surgery. Developing strategies for timely communication amongst providers ensures higher quality outcomes for patients, especially those with co-morbidities that struggle with psycho-social support needs. An assigned care manager will follow-up with the patient to determine if he/she has any needs post- discharge. Accordingly, these efforts will ensure patients have efficient and coordinated care.

Furthermore, in an effort to improve care efficiencies and coordination, upon discharge a nurse manager will provide appropriate discharge instructions for all patients. Specifically, all patients will receive detailed written discharge instructions from their care team. A nurse will review the instructions with the patient and the family at the time of discharge. Each patient will receive a brightly colored folder to ensure the patient cannot misplace the instructions. Additionally, the surgeon has the ability to record the post-operative message, which details the surgery and post-operative instructions. This video will be embedded into electronic post-operative instructions along with the same hard-copy information the patient received at the facility. The electronic information will also be emailed, using HIPPAA-compliant protocols, so in the event that the patient or family misplaces the hard copy, they will have the same instructions in their email inbox. This affords the ASC and the surgeon the opportunity to guarantee the patient is armed with the appropriate discharge information and ensures a safe and speedy recovery. This double-pronged approach has proven to be successful at other ASCs, and facilitates continuous communication with the patient, thereby improving patient satisfaction and quality of care.

The ASCs EMR will allow for the perioperative record to be exported and shared with the patient's primary care physician, or others on the patient's care team electronically. Additionally, the medical record is also present in the surgeon's clinic, and the surgeon can discuss the patient's outcomes even when outside the ASC. This process is further facilitated via the co-location of the specialist's office in the same building as the ASC, for the majority of cases performed.

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 provided with notice of the Proposed Project:

- Department of Public Health: Nora Mann, Director, Determination of Need Program; and Rebecca Rodman, Deputy General Counsel; and Ben Wood, Director, Office of Community Health Planning and Engagement.

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.

The Applicant's joint venture partners identified the need to establish an appropriate, community-based setting where patients can obtain low-acuity outpatient surgical services. It was determined that the establishment of a freestanding ASC would improve access to

outpatient ORTHO, ENT, GYN, URO, and GEN/VASC surgical services. The Applicant engaged the community in order to more fully involve patients and families regarding the proposed ASC.

To meet the Community Engagement Standards set forth by the Department of Public Health, the Applicant and the Participating Physicians conducted three informational sessions/community forums. These presentations sought to inform community members about the ongoing global shift from inpatient to outpatient procedures as part of the evolving health care delivery landscape. Information was presented on the benefits of having surgical procedures in an ASC setting, including the convenience and cost-efficiencies that this setting affords patients.

The presentations offered an overview of the proposed ASC project. Details included the plans for a second story, 13,000 SF renovation project to be located at 313 Speen Street, Natick – directly above and adjacent to the ONE/NEHA medical offices. It was explained that the ASC will be built to the specifications of advanced technology and resources, resulting in a state-of-the-art surgical facility. The presentation also discussed how the ASC setting is a lower cost care center than a HOPD, which reduces costs for patients. The participants were also informed about the nature of the ASC as a collaboration among the joint venture partners to strengthen care within the community to meet needs.

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".

To ensure sound community engagement throughout the development of the Proposed Project, the Applicant identified a robust community engagement plan. The Applicant engaged the community in order to more fully involve patients and families regarding the proposed ASC.

To date, the Applicant and its Participating Physicians have conducted the following engagement activities:

- RMG held an informational session to inform patients about the Proposed Project on 12/4/2018.
- NEHA held an informational session to inform patients about the Proposed Project on 12/6/2018
- ONE held an informational session to inform patients about the Proposed Project on 12/6/2018

For detailed information on these activities, see Attachment 3, which includes an invitation to the meetings, as well as the presentation explaining the public health value of the proposed project.

Factor 2: Health Priorities

Addresses the impact of the Proposed Project on health more broadly (that is, beyond the Patient Panel) requiring that the Applicant demonstrate that the Proposed Project

will meaningfully contribute to the Commonwealth's goals for cost containment, improved public health outcomes, and delivery system transformation.

F2.a. Cost Containment:
Using objective data, please describe, for each new or expanded service, how the Proposed Project will meaningfully contribute to the Commonwealth's goals for cost containment.

The goals for cost containment in Massachusetts center on providing low-cost care alternatives without sacrificing high quality. The Massachusetts Health Policy Commission ("HPC"), an independent state agency charged with monitoring health care spending growth in Massachusetts and providing data-driven policy recommendations regarding health care delivery and payment system reform set the following goal for cost containment: Better health and better care- at a lower cost- across the Commonwealth. Consequently, the proposed Project meets this goal by providing qualifying lower-acuity patients with high quality surgical services in a cost-effective setting. As previously discussed, ASC reimbursement rates are 48% of the amount paid to HOPDs.[51] Studies provide that if half of the eligible surgical procedures were shifted from HOPDs to ASCs, Medicare would save an additional $2.5 billion annually. Similarly, Medicaid, other insurers and patients benefit from lower prices for services performed in the ASC setting given lower levels of reimbursement and less coinsurance payments.

Patients receiving surgical services through the proposed ASC also will have access to experienced, expert surgeons and clinical staff. This expertise leads to care and cost efficiencies, leading to overall reduced provider price, costs and TME. Accordingly, the proposed Project will lower price and in turn costs for the noted surgical services, leading to overall reduced TME and total healthcare expenditures.

F2.b. Public Health Outcomes:
Describe, as relevant, for each new or expanded service, how the Proposed Project will improve public health outcomes.

Providing access to expedited, expert surgical care in the community setting will improve public health outcomes and patient experience. First, clinical staff, including surgeons providing surgical services in ASCs focus on specific specialty surgeries annually. Consequently, studies have shown that this narrow focus leads to greater expertise among clinical staff and creates care efficiencies that lead to improvement in process and clinical outcomes, as well as patient experience. Second, patient experience will be improved through convenient access to the facility, ample parking, and expedited scheduling of procedures. The ASC will also offer patient-centered technology, such as pre-registration system and cost transparency tools. When patients receive timely care, in the appropriate setting and achieve cost savings both the healthcare market and patients benefit.

F2.c. Delivery System Transformation:
Because the integration of social services and community-based expertise is central to goal of delivery system transformation, discuss how the needs of the patient panel have been assessed and linkages to social services organizations have been created and how the social determinants of health have been incorporated into care planning.

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[51] *2018 HOPD Medicare Fee Schedule.*

Through the Proposed Project, patients will be provided with linkages to the social determinants of health. As further discussed in Section F.1.c., patients will be provided with access to care management services in two ways. First, prior to discharge, patients will meet with a case manager that will screen patients for social determinant of health needs. If after screening a patient needs additional services, the individual will be linked to a care manager, who will help the individual access local resources. To facilitate these referrals the care manager will develop relationships with primary care practices and social work resources within the ACOs that refer patients to the ASC. Accordingly, these efforts will ensure patients are linked with appropriate community resources to address social determinant of health needs.

Factor 5: Relative Merit

F5.a.i Describe the process of analysis and the conclusion that the Proposed Project, on balance, is superior to alternative and substitute methods for meeting the existing Patient Panel needs as those have been identified by the Applicant pursuant to 105 CMR 100.210(A)(1). When conducting this evaluation and articulating the relative merit determination, Applicant shall take into account, at a minimum, the quality, efficiency, and capital and operating costs of the Proposed Project relative to potential alternatives or substitutes, including alternative evidence-based strategies and public health interventions.

Proposal: To construct a freestanding ASC with three (3) operating rooms at 313 Speen Street, Natick MA

Quality: Surgical services and related care provided in an ASC are high quality, with clinical outcomes that are equal to or better than HOPD surgical departments for the same procedures.

Efficiency: The specialization of services offered at the ASC will allow the Applicant to achieve clinical and operational efficiencies. Lower acuity cases can be shifted from hospital outpatient surgical departments to the ASC, which will achieve cost savings. Clinical efficiencies will be achieved through the use of highly trained staff and the ability to maintain a more uniform schedule, allowing for high quality patient outcomes.

Capital Expense: Establishment of the ASC will result in a one-time capital expense to construct an energy efficient ASC building.

Operating Costs: The operating expenses anticipated for Year 1, the first full year of operation of the ASC, are expected to be $4,311,565.

Projected Savings: Shifting volume from higher HOPD rates to a lower freestanding rate structure will generate downstream savings for TME. The proposed ASC is estimated to save an estimated $8M in TME and approximately $1.3M for Medicare alone.

Alternative option for the Proposed Project:

Alternative Proposal: Do not establish an ASC and continue serving patients through the existing operating rooms at their current site of care (i.e. Hospital Outpatient Departments)

Alternative Quality: This alternative is not sufficient to meet the combined patient panel's need for low cost and high quality outpatient surgical services in the community. As frequently, navigating a HOPD is challenging for many patients, especially those within the 65+ age cohort. An ASC will provide high quality care in a more manageable setting.

Alternative Efficiency: Not establishing an ASC will result in continued clinical and operational inefficiencies due to the limitation in providing on-time surgical services in a hospital setting.

Alternative Capital Expenses: Capital expenses initially would not change under this alternative but would increase at a later time in order to renovate the existing operating rooms where care is currently provided.

Alternative Operating Costs: Taking no action to establish an ASC and continuing to offer low acuity surgical procedures in the hospital outpatient department, ultimately would result in increased operating costs and ultimate higher TME for patients served in the market

Exhibit A(2)

RMG Managed Population Demographics (36 Months)
Natick ASC Primary Serivce Area Only

Payor	2016	2017	2018	18' Payer Mix
FCHP 365 MEDICAID	2782	3081	9935	38%
BCBS COMMERCIAL	6931	6862	7242	28%
TUFTS MEDICARE	3269	3140	3119	12%
HPHC COMMERCIAL	2797	2359	2205	9%
TUFTS COMMERCIAL	2116	2079	2090	8%
FCHP COMMERCIAL	1993	1807	1346	5%
Natick ASC Service Area	**19888**	**19328**	**25937**	**100%**

Gender	2016	2017	2018	18' % of Total
F	10546	10373	13999	54%
M	9342	8955	11938	46%
Natick ASC Service Area	**19888**	**19328**	**25937**	**100%**

Age Cohort	2016	2017	2018	18' % of Total
0-17	4982	5017	9408	36%
18-64	11386	10892	13168	51%
65+	3520	3419	3361	13%
Natick ASC Service Area	**19888**	**19328**	**25937**	**100%**

Row Labels	2016	2017	2018
Ashland	716	726	1063
Bellingham	436	394	580
Blackstone	370	357	444
Fayville	56	52	59
Framingham	1855	1955	4288
Franklin	332	285	351
Holliston	361	383	467
Hopedale	360	324	410
Hopkinton	862	822	915
Hudson	1123	1159	1503
Linwood	54	42	41
Marlborough	2131	2153	3182
Maynard	56	51	60
Medway	209	193	217
Mendon	328	306	344
Milford	2004	1871	2960

Millis	41	41	66
Millville	194	154	184
Natick	285	303	453
Northborough	1585	1545	1619
Northbridge	554	505	524
Sherborn	27	21	37
Southborough	1246	1216	1363
Stow	52	63	81
Sudbury	104	87	145
Upton	615	575	610
Uxbridge	864	838	843
Village Of Nagog Woods	1	2	2
Wayland	66	64	97
Wellesley	9	8	10
Wellesley Hills	9	14	9
Westborough	2113	1986	2118
Weston	12	13	8
Whitinsville	858	820	884
Grand Total	**19888**	**19328**	**25937**

NEQCA Managed Population Demographics

Payor	2018	18' Payer Mix
BCBS	4,733	23%
Wellforce Medicaid ACO	4,476	22%
BCBS-PPO	3,847	19%
HPHC	3,271	16%
MEDICARE	1,436	7%
CIGNA-CAC	1,147	6%
FALLON	585	3%
BCBS MA	474	2%
TMP	263	1%
TUFTS	224	1%
UNICARE	190	1%
TUFTS-GIC	13	0%
HL-TUFTS	5	0%
Natick ASC Service Area	**20,664**	**100%**

Payor	2018	18' Payer Mix
F	10,017	48%
M	10,647	52%
Grand Total	**20,664**	**100%**

Age Cohort	2018	18' % of Total
0-17	4,553	22%
18-64	13,305	64%
65+	2,806	14%
Natick ASC Service Area	**20,664**	**100%**

Town	2018
Framingham	4,287
Marlborough	2,475
Natick	1,783
Franklin	1,501
Ashland	1,281
Medway	960
Hudson	896
Holliston	833
Milford	760
Bellingham	680
Sudbury	620
Hopkinton	590
Millis	453
Wayland	416
Northborough	390
Southborough	364
Wellesley Hills	338
Westborough	324
Wellesley	249
Weston	184
Blackstone	180
Maynard	160
Sherborn	145
Uxbridge	131
Hopedale	124
Upton	123
Mendon	114
Stow	90
Whitinsville	82
Northbridge	66
Millville	28
Fayville	25
Village Of Nagog Woods	8
Linwood	4
Grand Total	**20,664**

Exhibit A(3)

Exhibit A(3)(a)

PLEASE JOIN US FOR

COFFEE AND CONVERSATION

DATE: Tuesday, December 4th

TIME: 5:00pm – 6:00pm

We're hosting an open forum for our patients to discuss the ambulatory surgical services we hope to bring to the town of Natick and surrounding communities

PLEASE JOIN US FOR

COFFEE

AND

CONVERSATION

DATE: DECEMBER 6, 2018

TIME: 8:00AM

We're hosting an open forum for our patients to discuss the ambulatory surgical services we hope to bring to the town of Natick and surrounding communities

PLEASE JOIN US FOR

COFFEE AND CONVERSATION

December 4th, 6:00pm - 7:00pm

Southboro Medical Group
761 Worcester Road, Framingham

We're hosting an open forum for our patients to discuss the ambulatory surgical services we hope to bring to the town of Natick and surrounding communities.

RELIANT MEDICAL GROUP
Part of OptumCare®

SOUTHBORO MEDICAL GROUP
A Division of Reliant Medical Group

Exhibit A(3)(b)

Welcome & Setting the Stage

- Welcome and thank you for your interest
- We are excited to share with you our plans to build a state-of-the-art ambulatory surgery center at 313 Speen Street in Natick
- Opportunity to introduce you to some of the individuals involved in this project.
- Answer any questions and provide you with an opportunity to share your feedback on the project.

What is an ambulatory surgical center (ASC)?

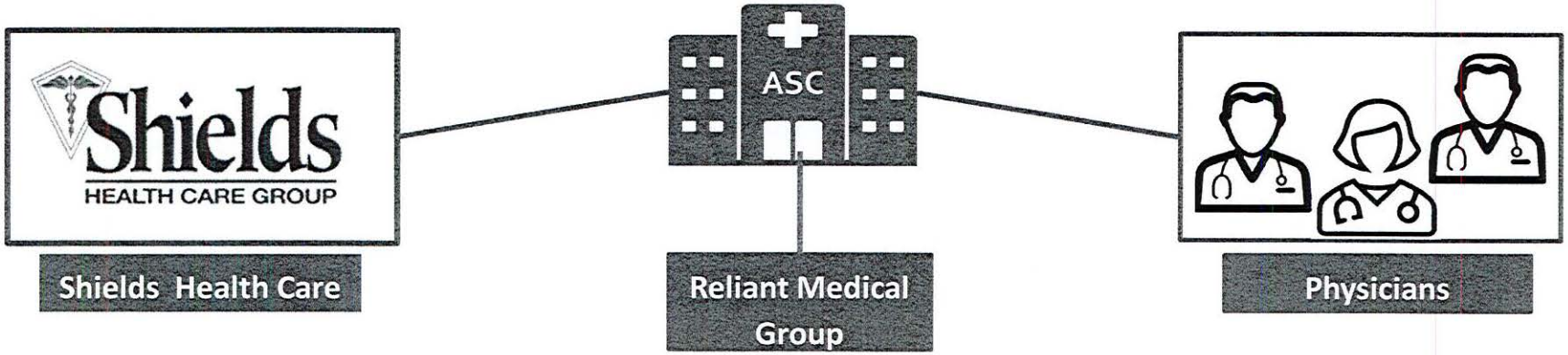
- Medical facility that offers outpatient or "day-surgery" procedures
- Patients arrive, undergo surgery and go home the same day
- Provides patients with the convenience of having non-complex surgeries locally, where they live and work
- ASCs have an excellent record of safety and quality and provide patient outcomes that equal or exceed the results provided by every other site of outpatient surgical care – including hospitals
- Surgeries performed at ASC's are up to 40% less than surgeries performed in hospitals, which will translate to direct savings for patients in high deductible health plans.
- Patients report a 92% satisfaction rate for surgeries performed at ASCs.

Benefits of an ASC

01	**Lowering costs**	• Procedures cost 25%-50% less in an ASC compared to an outpatient hospital procedure
02	**Providing more choices**	• High patient satisfaction • Safe and high quality service, ease of scheduling, greater personal attention and lower costs
03	**Bringing care to the community**	• Shifting care from inpatient to outpatient • Easy, convenient location • Multispecialty care for the family
04	**Increasing accessibility of care**	• Provides best access for patients and physicians in this region north of Boston • Specialization in outpatient surgeries allows for greater efficiencies

Summary: Natick ASC

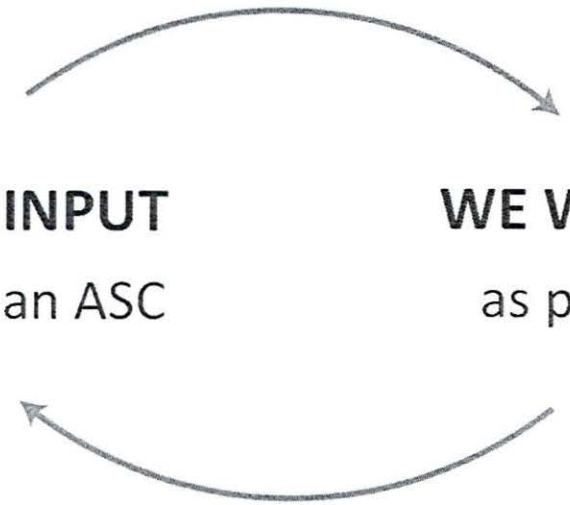
Natick ASC



Services	• 3 Operating Rooms • Orthopedics, Otolaryngology (ENT), General Vascular, Hand, GYN, Urology, • Future considerations for total joint program & complementary specialties
Facility	• 13,000 square feet of newly renovated space • 313 Speen Street Natick, MA

Shields HEALTH CARE GROUP

Next Steps



WE WANT YOUR INPUT

on the concept of an ASC

WE WILL KEEP YOU INFORMED

as project progresses with DPH

Questions?

Exhibit A(4)

Attachment 4: Community Health Initiative Monies

In compliance with the Department of Public Health's ('Department") sub-regulatory guidelines and guidance provided by staff (specifically, Mr. Ben Wood), the Applicant is not required to carry out a CHI given its for-profit status, rather the organization is required to contribute directly to the CHI Statewide Fund. Consequently, the Applicant will be making a payment of $502,845.85 to the Community Health Initiative ("CHI") Statewide Fund upon approval of the Determination of Need from the Public Health Council.

Exhibit A(5)

Framingham/Sudbury
Commission will hold ... Conservation

Legal Notices

Legal Notices

NATICK SURGERY CENTER, LLC

LEGAL NOTICE
Public Announcement Concerning a Proposed Health Care Project

Natick Surgery Center, LLC ("Applicant") with a principal place of business at 700 Congress Street, Suite 204, Quincy, Massachusetts 02169 intends to file a Notice of Determination of Need with the Massachusetts Department of Public Health for the construction of a freestanding ambulatory surgery center to be located at 313 Speen Street, Natick, MA 01760 ("Project"). The total value of the Project based on the maximum capital expenditure is $10,056,917. The Applicant does not anticipate any price or service impacts on the Applicant's existing patient panel as a result of the Project. Any ten Taxpayers of Massachusetts may register in connection with the intended Application no later than 30 days of the filing of the Notice of Determination of Need by contacting the Department of Public Health, Determination of Need Program, 250 Washington Street, 6th Floor, Boston, MA 02108.

AD#13749211
MWDN 11/23/18

CC/310 POND STREET
LEGAL NOTICE
ASHLAND CONSERVATION COMMISSION

NOTICE OF PUBLIC HEARING

The Ashland Conservation Commission will hold a public hearing on Monday, December 3, 2018, at 7:15 p.m. at the Ashland Town Hall (101 Main Street), under the Wetlands Protection Act (MGL c. 131

if any there are, and TEN THOUSAND DOLLARS ($10,000.00) in cashier's or certified check will be required to be paid by the purchaser at the time and place of the sale as a deposit and the balance in cashier's or certified check will be due in thirty (30) days, at the offices of Doonan, Graves & Longoria, LLC ("DG&L"), time being of the essence. The Mortgagee reserves the right to postpone the sale to a later date by public proclamation at the time and date appointed for the sale and to further postpone at any adjourned sale-

Page End, to which plan reference is herein made for a more particular description of said premises. Said premises are conveyed subject to a Taking by the Town of Framingham for the layout of Copeland Road dated November 10, 1959, recorded with said Deeds in Book 9581, Page 164. For title see deed recorded at said Deeds herewith.

The premises are to be sold subject to and with the benefit of all easements, restrictions, encroachments, building and zoning laws, liens, unpaid taxes, tax titles, water bills, municipal liens and assessments, rights of tenants and parties in possession, and attorney's fees and costs.

TERMS OF SALE:
A deposit of FIVE THOUSAND DOLLARS AND 00 CENTS ($5,000.00) in the form of a certified check, bank treasurer's check or money order will be required to be delivered at or before the time the bid is offered. The successful bidder will be required to execute a Foreclosure Sale Agreement immediately after the close of the bidding. The balance of the purchase price shall be paid within thirty (30) days from the sale date in the form of a certified check, bank treasurer's check or other check satisfactory to Mortgagee's attorney. The Mortgagee reserves the right to bid at the sale, to reject any and all bids, to continue the sale and to amend the terms of the sale by written or oral announcement made before or during the foreclosure sale. If the sale is set aside for any reason, the Purchaser at the sale shall be entitled only to a return of the deposit paid. The purchaser shall have no further recourse against the Mortgagor, the Mortgagee or the Mortgagee's attorney. The description of the premises contained in said mortgage shall control in the event of an error in this publication. **TIME WILL BE OF THE ESSENCE.**

of conditions of said mortgage and for the purpose of foreclosing the same will be sold at PUBLIC AUCTION at 11:00 AM on December 14, 2018, on the mortgaged premises. This property has the address of 206 Bolton Street, Unit #9, a/k/a Unit 206-9, Ridgewood Condominium, Marlboro, MA 01752. The entire mortgaged premises, all and singular, the premises as described in said mortgage: That certain parcel of land together with any buildings and improvements thereon, known as and more particularly described on as attached Unit No. 206-9 of a certain Condominium known as the Ridgewood Condominium, submitted to the provisions of Massachusetts General Laws Chapter 183A, as amended by virtue of a Master Deed, dated July 20, 1981, and recorded on July 23, 1981, in Book 14359, Page 333, together with an undivided interest in the common areas or facilities, as set forth in said Master Deed, and any amendments thereto, in accordance with the terms thereof, including, but not limited to any right, title or interest of original Granter in and to adjacent, streets, alleys, or rights of way. This conveyance is made subject to easements, restrictions and reservations of record, real estate taxes for the current fiscal year which are not yet due and payable, zoning laws, regulations and ordinances of municipal and other government authorities, if any, to the extent that the same are in force and applicable. The address of said Unit 206-9 is 206 Bolton Street, Marlborough, MA 01752. For title reference, see deed recorded in Book 50558, Page 97, and deed recorded herewith. Subject to and with the benefit of easements, reservation, restrictions, and taking of record, if any, insofar as the same are now in force and applicable. In the event of any typographical error set forth herein in the legal description of the premises, the description as set forth and contained in the mortgage shall control by refer-

on Thanksgiving Day.

Public Announcement Concerning a Proposed Health Care Project

Natick Surgery Center, LLC ("Applicant") with a principal place of business at 700 Congress Street, Suite 204, Quincy, Massachusetts 02169 intends to file a Notice of Determination of Need with the Massachusetts Department of Public Health for the construction of a freestanding ambulatory surgery center to be located at 313 Speen Street, Natick, MA 01760 ("Project"). The total value of the Project based on the maximum capital expenditure is $10,056,917. The Applicant does not anticipate any price or service impacts on the Applicant's existing patient panel as a result of the Project. Any ten Taxpayers of Massachusetts may register in connection with the intended Application no later than 30 days of the filing of the Notice of Determination of Need by contacting the Department of Public Health, Determination of Need Program, 250 Washington Street, 6th Floor, Boston, MA 02108.

CONTACT US

Switchboard	508-626-3800	Arts calendar	508-626-4446	Photo reprints	866-746-8603
Fax	508-626-4400	Letters to the Editor	508-626-4437	Back issues	1-888-My-Paper (888-697-2737)
Breaking news/tips	508-626-4412	Obituaries	781-433-6905	Help desk	781-433-6701
Editor	508-626-3871	Sports	866-262-6497	Classified advertising	800-624-7355
Business	508-626-4409	Arts & Entertainment	508-626-4446	Retail advertising	508-626-3835
		Weddings & Engagements	508-626-4446	Advertising billing inquiries	800-894-5141

HOME DELIVERY (by carrier or motor route)
Monday through Sunday:

**Offer valid for in-town delivery within the newspaper distribution area for new subscribers only. A new subscriber is a household that has not had an active subscription in the past 30 days. The advertised price for the Offer includes the one-time $5.95 activation fee for new subscribers but does not include the charges for any premium editions for all subscribers. Premium editions are published to provide additional information and value to our readers. You agree that you will be charged up to an

Exhibit A(6)

Natick Surgery Center, LLC

Analysis of the Reasonableness of Assumptions Used For and Feasibility of Projected Financials of Natick Surgery Center, LLC For the Years Ending December 31, 2019 Through December 31, 2023

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BERNARD L. DONOHUE, III, CPA

Chestnut Green
8 Cedar Street, Suite 62
Woburn, MA 01801

(781) 569-0070
Fax (781) 569-0460

December 17, 2018

Ms. Sarah Modine
VP, Corporate Development
Shields Health Care Group
Crown Colony Park
700 Congress Street, Suite 204
Quincy, MA 02169

RE: **Analysis of the Reasonableness of Assumptions and Projections Used to Support the Financial Feasibility and Sustainability of the Proposed Ambulatory Surgery Center in Natick, MA by Natick Surgery Center, LLC**

Dear Ms Modine:

I have performed an analysis of the financial projections prepared by Shields Health Care Group ("Shields") detailing the projected operations of Natick Surgery Center, LLC ("the Natick ASC"). This report details my analysis and findings with regards to the reasonableness of assumptions used in the preparation and feasibility of the financial forecast prepared by the management of Shields ("Management") for the operation of the Natick ASC. This report is to be used by Natick Surgery Center, LLC in its Determination of Need ("DoN") Application – Factor 4(a) and should not be distributed for any other purpose.

I. EXECUTIVE SUMMARY

The scope of my analysis was limited to an analysis of the five year financial projections (the "Projections") prepared by Shields for the operation of the Natick ASC, and the supporting documentation in order to render an opinion as to the reasonableness of assumptions used in the preparation and feasibility of the Projections.

Within the projected financial information, the Projections exhibit a net pre-tax profit margin ranging from 16.1% to 21.8% for years 2 through 5 of the project. Based upon my review of the relevant documents and analysis of the projected financial statements, I determined the project and continued operating surplus are reasonable expectations and are based upon feasible financial assumptions. Accordingly, I determined that the Projections are feasible and sustainable and not likely to have a negative impact on the patient panel or result in a liquidation of assets of the Natick ASC.

II. RELEVANT BACKGROUND INFORMATION

Shields was founded in 1972 and in 1986 opened its first MRI center. It currently operates over 30 centers throughout New England offering MRI, PET/CT and radiation therapy services. Shields is now partnering with major healthcare providers to develop and manage multi-specialty ambulatory surgery centers. Shields's joint venture partners in the Natick ASC include Reliant MSO, LLC, Orthopedics New England, and New England Hand.

The Proposed Project will specialize in providing outpatient surgical services, including orthopedic surgery; ear, nose and throat surgery; gynecology surgery; urology surgery; and general/vascular surgery. Please refer to the DoN application for a further description of the proposed project and the rationale for the expenditures.

III. SCOPE OF REPORT

The scope of this report is limited to an analysis of the five year financial projections prepared by Shields (the "Projections") and the supporting documentation in order to render an opinion as to the reasonableness of assumptions used in the preparation and feasibility of the Projections. My analysis of the Projections and conclusions contained within this report are based upon my detailed review of all relevant information (see Section IV which references the sources of information). I have gained an understanding of Shields and the Natick ASC through my review of the information provided as well as a review of Shields website and the DoN application.

Reasonableness is defined within the context of this report as supportable and proper, given the underlying information. Feasibility is defined as based on the assumptions used, the plan is not likely to result in insufficient "funds available for capital and ongoing operating costs necessary to support the Proposed Project without negative impacts or consequences to the Applicant's existing Patient Panel" (per Determination of Need, Factor 4(a)).

This report is based upon prospective financial information provided to me by Management. If I had audited the underlying data, matters may have come to my attention that would have resulted in my using amounts that differ from those provided. Accordingly, I do not express an opinion or any other assurances on the underlying data presented or relied upon in this report. I do not provide assurance on the achievability of the results forecasted by Shields because events and circumstances frequently do not occur as expected, and the achievement of the forecasted results are dependent on the actions, plans, and assumptions of management. I reserve the right to update my analysis in the event that I am provided with additional information.

IV. PRIMARY SOURCES OF INFORMATION UTILIZED

In formulating my opinions and conclusions contained in this report, I reviewed documents produced by Management. The documents and information upon which I relied are identified below or are otherwise referenced in this report:

1. Natick Surgery Center, LLC 5-Year Projected Financial Statements and Assumptions received from Management on November 12, 2018.

2. Natick Surgery Center, LLC draft DoN Application
3. Determination of Need Application Instructions dated March 2017
4. CMS.gov (Medicare) Ambulatory Surgical Center Payment System website
5. Mass.gov Executive Office of Health and Human Services
6. Becker's ASC website https://www.beckersasc.com
7. VMG Health Intellimarker Multi-Specialty ASC Study 2017
8. Shields Health Care Group company website https://shields.com.

V. REVIEW OF THE PROJECTIONS

This section of my report summarizes my review of the reasonableness of the assumptions used and feasibility of the Projections. The following table presents the key metrics, as defined below, which compares the operating results of the Projections for the fiscal years 2019 through 2023.

Natick Surgery Center, LLC
Summary of Ratios - As Provided
Projected for the Years Ended December 31, 2019 through 2023

Ratio	2019	2020	2021	2022	2023
Liquidity Ratios					
Current Ratio	1.22	2.82	2.75	2.69	2.61
Days in Accounts Receivables	45.65	45.60	45.62	45.62	45.64
Operating Ratios					
EBITDA ($)	$ 543,214	$ 1,984,628	$ 2,347,383	$ 2,765,991	$ 2,743,283
EBITDA Margin	12.4%	27.3%	28.7%	29.9%	29.4%
Lease Ratio	1.45	5.29	6.14	7.23	7.17
Net Profit Margin	-1.3%	16.1%	19.3%	21.8%	21.6%
Debt Service Coverage (ratio)	2.32	1.15	3.34	3.94	3.91
Solvency Ratios					
Debt to Capitalization (%)	78.1%	65.8%	63.8%	60.9%	58.0%
Members' Equity ($)	$ 1,934,000	$ 2,852,000	$ 2,865,000	$ 2,951,000	$ 2,973,000

The Key Metrics fall into three primary categories: liquidity, operating and solvency. Liquidity metrics, such as the Current Ratio and Days in Accounts Receivable measure the quality and adequacy of assets to meet current obligations as they come due. Operating metrics, such as earnings before interest, taxes, depreciation and amortization ("EBITDA"), EBITDA Margin, Lease Ratio, Net Profit Margin and Debt Service Coverage are used to assist in the evaluation of management performance in how efficiently resources are utilized. Solvency metrics, such as Debt to Capitalization and Members' Equity, measure the company's ability to service debt obligations. Additionally, certain metrics can be applicable to multiple categories. The table below shows how each of the Key Metrics are calculated.

Ratio	Calculation
Liquidity Ratios	
Current Ratio	Current assets divided by current liabilities
Days in Accounts Receivables	Accounts receivables divided by (net patient service revenue divided by 365 days)
Operating Ratios	
EBITDA	Earnings before interest, taxes, depreciation and amortization
EBITDA Margin	EBITDA divided by net patient service revenue
Lease Ratio	Earnings before interest, taxes, depreciation, amortization and rent divided by lease payments
Net Profit Margin	Net profit divided by net patient service revenue
Debt Service Coverage (ratio)	Debt service coverage ratio (ratio) = (Net income (loss) + depreciation expense + amortization expense + interest expense) / (Principal payments + interest expense)
Solvency Ratios	
Debt to Capitalization (%)	Debt to Capitalization (%) = (Current portion of long-term obligation + long-term obligations) / (Current portion of long-term obligations + long-term obligations + member's equity)
Members' Equity	Net equity of the Company

1. Revenues

I analyzed the revenues identified by the Natick ASC in the Projections. Based upon my discussions with Management, the projected volume was based on a ramp-up schedule of 67% of baseline year, year 2, with a sustained 83% utilization level for years 4 and 5 of the projection. The payer mix was based on the multiple disciplines of the Natick ASC, including orthopedics, Ear/Nose/Throat (or ENT), general/vascular, hand, gynecology (GYN) and urology services. Reimbursement rates were based upon current Medicare ASC rates, Medicaid rates and expected Commercial Insurance contracted rates based on discussions with Commercial Insurance providers. In order to determine the reasonableness of the projected revenues, I reviewed the underlying assumptions upon which Management relied.

I first reviewed the Projections to determine the reasonableness of the projected volume. Each of the joint venture partners provided data for the case volume in their contribution area. Shields then created a utilization table, using conservative estimates from the volume contributions and benchmark data for operating room and procedure room average minutes to arrive at year 1 cases and procedures. These cases and procedures were then ramped up until year 4, when full utilization is achieved. Full utilization is considered 83% of available time. I compared the benchmark data to an outside, independent survey of ambulatory surgery centers completed using 2017 data and found that the benchmark data used was reasonable, and that the number of projected cases and procedures per operating room and procedure room at full utilization were within the ranges of currently operating ambulatory surgery centers as determined by the independent survey.

Next, I reviewed the Projections to determine the reasonableness of the payer mix and reimbursement rates selected for the years 2019 through 2023. To determine the reasonableness of the payer mix in the projections, I compared them to the aforementioned independent survey's payer mix for the Northeast United States, and found them to be within the ranges published by the survey. The Medicare rates are standard rates, using the Medicare Outpatient Prospective Payment System (OPPS) rates as a guide, adjusted for inflation and by a wage index for the specific geographic location of the facility. Medicare also specifies which procedures are able to be performed in an ASC. I compared the Medicare rates used for Year 1 of the Projections to the Medicare rates effective January 1, 2018 as adjusted by inflation and the wage index, included in the 2018 OPPS and ASC Final Rule, published by CMS in the Federal Register on November 13, 2017. The Medicaid rates used in the projection are 80% of the Medicare rate. I tested this assumption by selecting the highest volume cases and procedures from the Shields projections. I then compared the Medicare payment rate, tested above, to the Medicaid rate for Massachusetts taken from the regulations published in 101 CMR 347.00, Freestanding Ambulatory Surgery Centers, which establishes the payment rates for cases and procedures in free standing ambulatory surgical facilities. I then calculated the percentage difference between the two rates. I found the average Medicaid rate to be approximately 86% of the applicable Medicare rate. So the assumption of Medicaid rates being equal to 80% of the Medicare rates is reasonable. The Commercial Insurance rates were based on Management’s estimate and experience with similar facilities. It is expected that these rates will be approved at a level of 170% of the Medicare rate. The private pay rates are set as 150% of the Medicare rate and appear reasonable when compared to the Commercial Insurance rates. All of the rates were increased by 1.0% for each of the succeeding years.

Based upon the foregoing, it is my opinion that the revenue projected by Management reflects a reasonable estimation of future revenues of the Natick ASC.

2. Expenses

I analyzed the Salary and Benefits, as well as the Other Operating Expenses for reasonableness and feasibility as related to the Projection of the Natick ASC.

Salaries and Benefits were analyzed both for wage rates used and, as related to clinical care, for the amount of clinical staff hours provided. The staffing hours were compared to the previously mentioned independent survey and were found to be consistent with the survey results. The wage rates for all clinical and administrative categories were also compared to the survey and found that the wage rates were also consistent with the survey results for the Northeast United States.

Medical Surgical Supplies included in the projections were compared to the previously mentioned independent survey and found to be consistent with the ranges included in the survey. Other expenses were also compared to the survey and found to be reasonable.

Salaries and benefits are projected to increase by 3% per year. Clinical expenses are projected to increase by 1.5% per year. Most other expenses are projected to increase by 2% or 3% per year after the baseline year (year 2).

It is my opinion that the operating expenses projected by Management are reasonable in nature.

3. Lease Agreement, Capital Expenditures and Cash Flows

I reviewed the lease terms, projected capital expenditures and future cash flows of the Natick ASC in order to determine whether sufficient funds would be available to support the lease of the Natick ASC, payment of the financed equipment debt service and whether the cash flow would be able to support the continued operations.

Based upon my review of the Projections and my discussions with Management, it is my understanding that up to 13,000 square feet of space will be leased to the Natick ASC by an independent real estate entity. Rent will be approximately $29 per square foot or $375,000 per year. The lease will include a 2% increase every third year.

We also compared the total occupancy costs included in the projections to the independent survey and found them to be within the range in the survey.

Accordingly, I determined that the pro-forma capital expenditures, facility lease, terms of equipment and working capital financing and the resulting impact on the cash flows of the Natick ASC are reasonable.

VI. FEASIBILITY

I analyzed the Projections and Key Metrics for the Natick ASC. In preparing my analysis I considered multiple sources of information. It is important to note that the Projections do not account for any anticipated changes in accounting standards. These standards, which may have a material impact on individual future years, are not anticipated to have a material impact on the aggregate Projections.

Based upon my review of the relevant documents and analysis of the projected financial statements, I determined the project and continued operating surplus are reasonable and are based upon feasible financial assumptions. Accordingly, I determined that the Projections are feasible and sustainable and not likely to have a negative impact on the patient panel or result in a liquidation of assets of the Natick ASC.

Respectively submitted,

Bernard L Donohue, III, CPA

Bernard L. Donohue, III, CPA

Exhibit A(7)

MASSACHUSETTS
HEALTH POLICY COMMISSION

NOTICE OF MATERIAL CHANGE FORM

Health Policy Commission
50 Milk Street, 8th Floor
Boston, MA 02109

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 M.G.L. c. 6D, § 13 and 958 CMR 7.00, Notices of Material Change and Cost and Market Impact Reviews. To complete the Notice, it is necessary to read and comply with 958 CMR 7.00, a copy of which may be obtained on the Commission's website at www.mass.gov/hpc. Capitalized terms in this Notice are defined in 958 CMR 7.02. Additional sub-regulatory guidance may be available on the Commission's website (e.g., Technical Bulletins, FAQs). For further assistance, please contact the Health Policy Commission at HPC-Notice@state.ma.us. This form is subject to statutory and regulatory changes that may take place from time to time.

REQUIREMENT TO FILE

This Notice must be submitted by any Provider or Provider Organization with $25 million or more in Net Patient Service Revenue in the preceding fiscal year that is proposing a Material Change, as defined in 958 CMR 7.02. Notice must be filed with the Commission not fewer than 60 days before the consummation or closing of the transaction (i.e., the proposed effective date of the proposed Material 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;

Office of the Attorney General HCD-6D-NOTICE@state.ma.us;

Center for Health Information and Analysis CHIA-Legal@state.ma.us

PRELIMINARY REVIEW AND NOTICE OF COST AND MARKET IMPACT REVIEW

If the Commission considers the Notice to be incomplete, or if the Commission requires clarification of any information to make its determination, the Commission may, within 30 days of receipt of the Notice, notify the Provider or Provider Organization of the information or clarification necessary to complete the Notice.

The Commission will inform each notifying Provider or Provider Organization of any determination to initiate a Cost and Market Impact Review within 30 days of its receipt of a completed Notice and all required information, or by a later date as may be set by mutual agreement of the Provider or Provider Organization and the Commission.

CONFIDENTIALITY

Information on this Notice form itself shall be a public record and will be posted on the Commission's website. Pursuant to 958 CMR 7.09, the Commission shall keep confidential all nonpublic information and documents obtained in connection with a Notice of Material Change and shall not disclose the information or documents to any person without the consent of the Provider or Payer that produced the information or documents, except in a Preliminary Report or Final Report of a Cost and Market Impact Review if the Commission believes that such disclosure should be made in the public interest after taking into account any privacy, trade secret or anti-competitive considerations. The confidential information and documents shall not be public records and shall be exempt from disclosure under M.G.L. c. 4, § 7 cl. 26 or M.G.L. c. 66, § 10.

NOTICE OF MATERIAL CHANGE

DATE OF NOTICE: October ___, 2018

1. Name: Shields Health Care Group, Inc.

2.

Federal TAX ID #	MA DPH Facility ID #	NPI #
04-3164965	N/A	N/A

CONTACT INFORMATION

3. Business Address 1: 700 Congress Street
4. Business Address 2:
5. City: Quincy State: MA Zip Code: 02169
6. Business Website: www.shields.com
7. Contact First Name: Thomas Contact Last Name: Shields
8. Title: President and CEO
9. Contact Phone: 617-376-7400 Extension:
10. Contact Email: tommy@shields.com

DESCRIPTION OF ORGANIZATION

11. *Briefly* describe your organization.

Shields Health Care Group, Inc. ("Shields") through its related entities and affiliates, provides advanced diagnostic imaging and ambulatory surgery services throughout Massachusetts, including MRI, PET/CT and radiation therapy services.

TYPE OF MATERIAL CHANGE

12. Check the box that most accurately describes the proposed Material Change involving a Provider or Provider Organization:

- ☐ A Merger or affiliation with, or Acquisition of or by, a Carrier;
- ☐ A Merger with or Acquisition of or by a Hospital or a hospital system;
- ☐ Any other Acquisition, Merger, or affiliation (such as a Corporate Affiliation, Contracting Affiliation, or employment of Health Care Professionals) of, by, or with another Provider, Providers (such as multiple Health Care Professionals from the same Provider or Provider Organization), or Provider Organization that would result in an increase in annual Net Patient Service Revenue of the Provider or Provider Organization of ten million dollars or more, or in the Provider or Provider Organization having a near-majority of market share in a given service or region;
- ☐ Any Clinical Affiliation between two or more Providers or Provider Organizations that each had annual Net Patient Service Revenue of $25 million or more in the preceding fiscal year; provided that this shall not include a Clinical Affiliation solely for the purpose of collaborating on clinical trials or graduate medical education programs; and
- ☑ Any formation of a partnership, joint venture, accountable care organization, parent corporation, management services organization, or other organization created for administering contracts with Carriers or third-party administrators or current or future contracting on behalf of one or more Providers or Provider Organizations.

13. What is the proposed effective date of the proposed Material Change? Upon receipt of all regulatory approvals.

MATERIAL CHANGE NARRATIVE

14. *Briefly* describe the nature and objectives of the proposed Material Change, including any exchange of funds between the parties (such as any arrangement in which one party agrees to furnish the other party with a discount, rebate, or any other type of refund or remuneration in exchange for, or in any way related to, the provision of Health Care Services) and whether any changes in Health Care Services are anticipated in connection with the proposed Material Change:

The proposed material change is a joint-venture to establish a freestanding ambulatory surgery center ("ASC") to be located West of Boston. The joint-venture primarily involves Shields through a related entity (Shields ASC, LLC), Reliant MSO, LLC ("Reliant") and ASC HoldCo, LLC ("Holdco"), an entity owned and organized by a group of qualified physicians from Orthopedics New England and New England Hand Associates, P.C. The Parties seek to develop an ASC that will be both quality driven and cost-effective.

15. *Briefly* describe the anticipated impact of the proposed Material Change, including but not limited to any anticipated impact on reimbursement rates, care referral patterns, access to needed services, and/or quality of care:

The establishment of the freestanding ASC will allow the Parties to offer routine outpatient surgical care in a cost effective, freestanding setting. The new ASC will expand the availability of surgery services and, accordingly, will provide improved access and convenience to patients. The ASC will be treated by government payors as a freestanding site.

DEVELOPMENT OF THE MATERIAL CHANGE

16. Describe any other Material Changes you anticipate making in the next 12 months:

Shields does not anticipate making any other Material Change notices at this point in time.

17. 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:

None.

SUPPLEMENTAL MATERIALS

18. Submit the following materials, if applicable, under separate cover to HPC-Notice@state.ma.us.

The Health Policy Commission shall keep confidential all nonpublic information, as requested by the parties, in accordance with M.G.L. c. 6D, § 13(c), as amended by 2013 Mass. Acts, c. 38, § 20 (July 12, 2013).

a. Copies of all current agreement(s) (with accompanying appendices and exhibits) governing the proposed Material Change (e.g., definitive agreements, affiliation agreements);
b. A current organizational chart of your organization
c. Any analytic support for your responses to Questions 14 and 15 above.

[Remainder of this page intentionally left blank]

This signed and notarized Affidavit of Truthfulness and Proper Submission is required for a complete submission.

Affidavit of Truthfulness and Proper Submission

I, the undersigned, certify that:

1. I have read 958 CMR 7.00, Notices of Material Change and Cost and Market Impact Reviews.
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, the Office of the Attorney General, and the Center for Health Information and Analysis as required.

Signed on the 12 day of October, 20 18, under the pains and penalties of perjury.

Signature: _____

Name: Thomas A. Shields

Title: President

FORM MUST BE NOTARIZED IN THE SPACE PROVIDED BELOW:

ANDRIA MENDES
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
October 23, 2020

Andria Mendes
Notary Signature

Copies of this application have been submitted electronically as follows:

Office of the Attorney General (1)

Center for Health Information and Analysis (1)

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. *Definitions of terms:* "Carrier", an insurer licensed or otherwise authorized to transact accident or health insurance under M.G.L. c. 175; a nonprofit Hospital service corporation organized under M.G.L. c. 176A; a nonprofit medical service corporation organized under M.G.L. c. 176B; a health maintenance organization organized under M.G.L. c. 176G; and an organization entering into a preferred provider arrangement under M.G.L. c. 176I; provided, that this shall not include an employer purchasing coverage or acting on behalf of its employees or the employees of one 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.

		"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. "Net Patient Service Revenue", the total revenue received for patient care from any third party Payer net of any contractual adjustments. For Hospitals, Net Patient Service Revenue should be as reported to the Center under M.G.L. c. 12C, § 8. For other Providers or Provider Organizations, Net Patient Service Revenue shall include the total revenue received for patient care from any third Party payer net of any contractual adjustments, including: (1) prior year third party settlements; and (2) premium revenue, which means per-member-per-month amounts received from a third party Payer to provide comprehensive Health Care Services for that period, for all Providers represented by the Provider or Provider Organization in contracting with Carriers, for all Providers represented by the Provider or Provider Organization in contracting with third party Payers.. "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. "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 one or more health care Providers in contracting with Carriers or third-party administrators for the payments of Heath Care Services; provided, that a 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.
13.	Proposed Effective Date of the Proposed Material Change	Indicate the effective date of the proposed Material Change. NOTE: The effective date may not be fewer than 60 days from the date of the filing of the Notice.
14.	Description of the Proposed Material Change	Provide a brief narrative describing the nature and objectives of the proposed Material Change, including any exchange of funds between the parties (such as any arrangement in which one party agrees to furnish the other party with a discount, rebate, or any other type of refund or remuneration in exchange for, or in any way related to, the provision of Health Care Services). Include organizational charts and other supporting materials as necessary to illustrate the proposed change in ownership, governance, or operational structure.
15.	Impact of the Proposed Material Change	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: • Costs • Prices, including prices of the Provider or Provider Organization involved in the proposed Merger, Acquisition, affiliation or other proposed Material Change • Utilization • Health Status Adjusted Total Medical Expenses • Market Share • Referral Patterns • Payer Mix • Service Area(s) • Service Line(s) • Service Mix

16.	Future Planned Material Changes	Provide a brief description of the nature, scope and dates of any pending or planned Material Changes, occurring between the notifying organization and any other entity, 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 TradeCommission/Department of Justice (e.g., Notification and Report Form pursuant to 15 U.S.C. sec. 18a).

Exhibit A(8)

The Commonwealth of Massachusetts
William Francis Galvin

Minimum Fee: $500.00

Secretary of the Commonwealth, Corporations Division
One Ashburton Place, 17th floor
Boston, MA 02108-1512
Telephone: (617) 727-9640

Certificate of Organization
(General Laws, Chapter)

Identification Number: 001355611

1. The exact name of the limited liability company is: NATICK SURGERY CENTER, LLC

2a. Location of its principal office:

No. and Street: 700 CONGRESS STREET - SUITE 204
City or Town: QUINCY State: MA Zip: 02169 Country: USA

2b. Street address of the office in the Commonwealth at which the records will be maintained:

No. and Street: 700 CONGRESS STREET - SUITE 204
City or Town: QUINCY State: MA Zip: 02169 Country: USA

3. The general character of business, and if the limited liability company is organized to render professional service, the service to be rendered:

TO ENGAGE IN ANY OR ALL LAWFUL ACTIVITIES FOR WHICH LIMITED LIABILITY COMPAN IES MAY BE ORGANIZED UNDER THE MASSACHUSETTS LIMITED LIABILITY COMPANY ACT, INCLUDING BUT NOT LIMITED TO THE ACQUISITION, OWNERSHIP, DEVELOPMENT, AND M ANAGEMENT OF MEDICAL FACILITIES.

4. The latest date of dissolution, if specified:

5. Name and address of the Resident Agent:

Name: SHIELDS HEALTH CARE GROUP, INC.
No. and Street: 700 CONGRESS STREET - SUITE 204
City or Town: QUINCY State: MA Zip: 02169 Country: USA

I, SHIELDS HEALTH CARE GROUP INC. BY THOMAS SHIELDS, PRES resident agent of the above limited liability company, consent to my appointment as the resident agent of the above limited liability company pursuant to G. L. Chapter 156C Section 12.

6. The name and business address of each manager, if any:

Title	Individual Name First, Middle, Last, Suffix	Address (no PO Box) Address, City or Town, State, Zip Code

7. The name and business address of the person(s) in addition to the manager(s), authorized to execute documents to be filed with the Corporations Division, and at least one person shall be named if there are no managers.

Title	Individual Name	Address (no PO Box)

	First, Middle, Last, Suffix	Address, City or Town, State, Zip Code
SOC SIGNATORY	THOMAS A. SHIELDS	700 CONGRESS STREET - SUITE 204 QUINCY, MA 02169 USA
SOC SIGNATORY	CARMEL A. SHIELDS	700 CONGRESS STREET - SUITE 204 QUINCY, MA 02169 USA
SOC SIGNATORY	JEFFREY RONNER	700 CONGRESS STREET - SUITE 204 QUINCY, MA 02169 USA

8. The name and business address of the person(s) authorized to execute, acknowledge, deliver and record any recordable instrument purporting to affect an interest in real property:

Title	**Individual Name** First, Middle, Last, Suffix	**Address** (no PO Box) Address, City or Town, State, Zip Code
REAL PROPERTY	THOMAS A. SHIELDS	700 CONGRESS STREET - SUITE 204 QUINCY, MA 02169 USA
REAL PROPERTY	CARMEL A. SHIELDS	700 CONGRESS STREET - SUITE 204 QUINCY, MA 02169 USA
REAL PROPERTY	JEFFREY RONNER	700 CONGRESS STREET - SUITE 204 QUINCY, MA 02169 USA

9. Additional matters:

SIGNED UNDER THE PENALTIES OF PERJURY, this 19 Day of November, 2018,
THOMAS A. SHIELDS

(The certificate must be signed by the person forming the LLC.)

MA SOC Filing Number: 201846996650 Date: 11/19/2018 11:39:00 AM

THE COMMONWEALTH OF MASSACHUSETTS

I hereby certify that, upon examination of this document, duly submitted to me, it appears that the provisions of the General Laws relative to corporations have been complied with, and I hereby approve said articles; and the filing fee having been paid, said articles are deemed to have been filed with me on:

November 19, 2018 11:39 AM

WILLIAM FRANCIS GALVIN

Secretary of the Commonwealth

Exhibit A(9)

Massachusetts Department of Public Health
Determination of Need
Affidavit of Truthfulness and Compliance with Law and Disclosure Form 100.405(B)

Version: 7-6-17

Instructions: Complete Information below. When complete check the box "This document is ready to print:". This will date stamp and lock the form. Print Form. Each person must sign and date the form. When all signatures have been collected, scan the document and e-mail to: **dph.don@state.ma.us** Include all attachments as requested.

Application Number: _____ Original Application Date: _____

Applicant Name: _____

Application Type: Ambulatory Surgery

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

Is the Applicant the sole member or sole shareholder of the Health Facility(ies) that are the subject of this Application? ◉ Yes ○ No

The undersigned certifies under the pains and penalties of perjury:

1. The Applicant is the sole corporate member or sole shareholder of the Health Facility[ies] that are the subject of this Application;
2. I have ~~read~]* 105 CMR 100.000, the Massachusetts Determination of Need Regulation;
3. I understand and agree to the expected and appropriate conduct of the Applicant pursuant to 105 CMR 100.800;
4. I have ~~read~]* this application for Determination of Need including all exhibits and attachments, and ~~certify that~]** all of the information contained herein is accurate and true;
5. I have submitted the correct Filing Fee and understand it is nonrefundable pursuant to 105 CMR 100.405(B);
6. I have submitted the required copies of this application to the Determination of Need Program, and, as applicable, to all Parties of Record and other parties as required pursuant to 105 CMR 100.405(B);
7. I have caused, as required, notices of intent to be published and duplicate copies to be submitted to all Parties of Record, and all carriers or third-party administrators, public and commercial, for the payment of health care services with which the Applicant contracts, and with Medicare and Medicaid, as required by 105 CMR 100.405(C), et seq.;
8. I ~~have caused~]** proper notification and submissions to the Secretary of Environmental Affairs pursuant to 105 CMR 100.405(E) and 301 CMR 11.00; will be made if applicable
9. If subject to M.G.L. c. 6D, § 13 and 958 CMR 7.00, I have submitted such Notice of Material Change to the HPC - in accordance with 105 CMR 100.405(G);
10. Pursuant to 105 CMR 100.210(A)(3), I certify that both the Applicant and the Proposed Project are in material and substantial compliance and good standing with relevant federal, state, and local laws and regulations, as well as with all ~~previously issued~] Notices of Determination of Need ~~and the terms and Conditions attached therein~];***
11. I have ~~read~]* and understand the limitations on solicitation of funding from the general public prior to receiving a Notice of Determination of Need as established in 105 CMR 100.415;
12. I understand that, if Approved, the Applicant, as Holder of the DoN, shall become obligated to all Standard Conditions pursuant to 105 CMR 100.310, as well as any applicable Other Conditions as outlined within 105 CMR 100.000 or that otherwise become a part of the Final Action pursuant to 105 CMR 100.360;
13. Pursuant to 105 CMR 100.705(A), I certify that the Applicant has Sufficient Interest in the Site or facility; and
14. Pursuant to 105 CMR 100.705(A), I certify that the Proposed Project is authorized under applicable zoning by-laws or ordinances, whether or not a special permit is required; or,
    a. If the Proposed Project is not authorized under applicable zoning by-laws or ordinances, a variance has been received to permit such Proposed Project; or,
    b. The Proposed Project is exempt from zoning by-laws or ordinances.

LLC

All parties must sign. Add additional names as needed.

Type name here		
Name: THOMAS A. SHIELDS	Signature:	Date 11/13/18

This document is ready to print: ☐ Date/time Stamp: _____

*been informed of the contents of
**have been informed that
***issued in compliance with 105 CMR 100.00, the Massachusetts Determination of Need Regulation effective January 27, 2017

Exhibit A(10)

Void if not Cashed After 90 Days

Shields Health Care Group, Inc.

90259317

VENDOR NO: 1875 NAME: Commonwealth of MA CHECK DATE: 12/5/2018

REFERENCE	INV DATE	INV DESCRIPTION	GROSS AMOUNT	DISCOUNT TAKEN	NET AMOUNT PAID
DEC 04 2018	12/4/2018	Natick ASC - DON Filing Fee	20,113.83	0.00	20,113.83
		TOTAL >	20,113.83	0.00	20,113.83

THIS CHECK IS VOID WITHOUT A BLUE & RED BACKGROUND AND A WATERMARK - HOLD UP TO THE LIGHT TO VERIFY

Shields Health Care Group, Inc.
55 Christy's Drive
Brockton, MA 02301
Fed ID# 04-3164965
75860002874

Santander Bank
5-7515/0110

90259317

DATE 12/5/2018
AMOUNT ***20,113.83

Acct#

PAY Twenty Thousand One Hundred Thirteen and 83/100******

TO THE ORDER OF
Commonwealth of MA
250 Washington St.
Boston, MA 02108

CHECK IS PRINTED ON SECURITY PAPER WHICH INCLUDES A MICROPRINT BORDER & FLUORESCENT FIBERS

Void if not Cashed After 90 Days

⑈90259317⑈ ⑆011075150⑆ 75860002874⑈

Exhibit A(11)

The Commonwealth of Massachusetts
HEALTH POLICY COMMISSION
50 MILK STREET, 8TH FLOOR
BOSTON, MASSACHUSETTS 02109
(617) 979-1400

STUART H. ALTMAN
CHAIR

DAVID M. SELTZ
EXECUTIVE DIRECTOR

December 29, 2017

Jonathan Chines
Reliant Medical Group, Inc.
630 Plantation Street
Worcester, MA 01605

RE: ACO Certification

Dear Mr. Chines:

Congratulations! The Health Policy Commission (HPC) is pleased to inform you that Reliant Medical Group, Inc. meets the requirements for ACO Certification. This certification is effective from the date of this letter through December 31, 2019.

The ACO Certification program, in alignment with other state agencies including MassHealth, is designed to accelerate care delivery transformation in Massachusetts and promote a high quality, efficient health system. ACOs participating in the program have met a set of objective criteria focused on core ACO capabilities including supporting patient-centered care and governance, using data to drive quality improvement, and investing in population health. Reliant Medical Group, Inc. meets those criteria.

The HPC will promote Reliant Medical Group, Inc. as a Certified ACO on our website and in our marketing and public materials. In addition, a logo is enclosed for your use in accordance with the attached Terms of Use. We hope you will use the logo to highlight the ACO Certification to your patients, payers, and others.

The HPC looks forward to your continued engagement in the ACO Certification program over the next two years. In early 2018, HPC staff will contact you to discuss any updates to your submission and to plan a site visit for later in the year.

Thank you for your dedication to providing accountable, coordinated health care to your patients. If you have any questions about this letter or the ACO Certification program, please do not hesitate to contact Catherine Harrison, Deputy Policy Director, at HPC-Certification@state.ma.us or (617) 757-1606.

Best wishes,

David Seltz
Executive Director