

HUSCH BLACKWELL

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January 3, 2024

VIA EMAIL

Stephen Davis, Director
Division of Health Care Facility Licensure and Certification
Bureau of Health Care Safety and Quality
Department of Public Health
67 Forest Street
Marlborough, MA 01752

Re: New England Sinai Hospital – 90 Day Notice of Hospital Closure

Dear Mr. Davis:

We write on behalf of Steward Health Care System regarding New England Sinai Hospital, located at 150 York St., Stoughton, MA 02072 (the “Hospital” or “NESH”). Pursuant to 105 CMR 130.122(B), the Hospital hereby provides ninety (90) days’ notice to the Department of Public Health (“Department”) of its decision to close the Hospital. The Hospital’s closure will include the following: 39 Rehabilitation Service beds, 119 Chronic Care Service beds, and all ambulatory care services at the Hospital. The Hospital intends to close as of April 2, 2024.

This was a very difficult decision, but numerous factors have made it impossible to continue operations.

- Chronic under-reimbursement rates through public programs like Medicaid have put an unsustainable strain on resources at NESH.
- Delayed or denied prior authorizations and a lack of discharge availability have resulted in increased lengths of stay and higher costs.
- Over the last five years, NESH’s financial performance has decreased by more than 1,600 percent (-1,600%).
- Skyrocketing expenses associated with labor, material costs due to inflation, and the lingering impacts of the COVID-19 pandemic contributed to those losses.

The closure of the Hospital will not leave patients without alternative care. In addition to the other rehabilitation facilities discussed in more detail later in this notice, we note that many of the current patients at the Hospital can be appropriately and successfully transferred to one of the 150 skilled nursing facilities in the region.

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In further compliance with applicable requirements at 105 CMR 130.122(B), the Hospital provides the following information regarding the Hospital's closure for review by the Department:

1. Current and historical utilization rates for the Hospital (Fiscal Year through November 2023 and last full Fiscal Year).

The Hospital is licensed for 39 Rehabilitation Service beds and 119 Chronic Care Service beds. Since January 2022, the Hospital has been operating below 40% capacity. On average, more than 100 beds are unoccupied each day.

Service	Average Daily Census FY2022 ¹	Average Daily Census FY2023 (through 11/23)
Chronic Care and Rehabilitation Beds	61.8	44.7

2. A description of the anticipated impact on individuals in the Hospital's service area following the closure of the Services.

The Hospital does not anticipate a significant impact on patient access following the closure. As noted above, the Hospital's historical utilization rates illustrate low demand by individuals in the service area. Therefore, the Hospital anticipates future demand can be adequately and sufficiently absorbed by the other rehabilitation facilities in the region, noted below.

- PAM Specialty Hospital of Stoughton, 909 Summer St Stoughton, MA 02072
- Vibra Hospital of Southeastern Massachusetts, 4499 Acushnet Ave, New Bedford, MA 02745
- Encompass Health Rehabilitation Hospital of Braintree 250 Pond St, Braintree, MA 02184
- Spaulding Rehabilitation Hospital Boston, 300 1st Avenue, Boston, MA 02129

3. Date for the closure of the Service.

The Hospital anticipates closing on April 2, 2024.

¹ The Hospital's fiscal year runs on the calendar year, January 1 to December 31.

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4. Names and addresses of any organized health care coalitions and community groups known to the Hospital when the notice is issued to DPH that would have an interest in the closure of the Services.

Stoughton Council on Aging
P.O. Box 582
Stoughton, MA 02072

5. A detailed account of any community engagement and planning which has occurred prior to filing notice of the closure of the Services.

The Hospital has and will continue to engage with local stakeholders such as select board members, city councilors, state senators, and state representatives. The purpose of such community engagement is to identify concerns with the closure of the Hospital and determine how they will be addressed. Additionally, Steward Senior Leadership has engaged in ongoing conversations with the Department and the Executive Office of Health and Human Services to discuss the planned closure.

The following communications have occurred.

December 4th

- Telephone notification and written correspondence with Stoughton Select Board Chair Debra Roberts, Representative William Galvin, Representative Ted Phillips, State Senator Walter Timilty, and US Senator Elizabeth Warren
- Notification to the NESH Board of Directors and Hospital Leadership
- Hospital and Steward Leadership hosted a Town Hall for all hospital staff
- Hospital Human Resources hosted open Office Hours
- President's notice of closure sent to all staff via email
- Telephone and written notification to the Hospital's Patient Family Advisory Council
- Written notification to all hospitals that most commonly refer patients to NESH.

December 5th

- Second Town Hall for all staff
- Written notice letters were hand delivered to all patients
- Telephone calls to family members and guardians of patients
- Written notice letters were mailed to family members and guardians of patients

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- Mark Brewster, CEO Brewster ambulance notified via telephone by NESH's President
- Stoughton Chief of Police notified via telephone by NESH's President
- Stoughton Fire Chief notified via telephone by NESH's President

The Hospital continues to engage with patients, staff, and community members to maintain open and ongoing communication regarding the closure process.

Thank you for your attention to this matter. If you have any questions, please feel free to contact me.

Sincerely

HUSCH BLACKWELL LLP



Rebecca Rodman

cc: J. Barrelle, DPH
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Center for Health Information and Analysis
Executive Office of Labor and Workforce Development
Health Policy Commission
Office of the Attorney General