



May 19, 2022

By Email: stephen.davis@state.ma.us
and U.S. Mail

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

Re: Shriners Hospitals for Children-Springfield
Essential Services Notification Letter

Dear Mr. Davis,

This 90 day notice is submitted pursuant to 105 CMR 130.122(B).

The Shriners' Hospital for Children is licensed to operate Shriners Hospital for Children—Springfield (the "Hospital") a 20-bed pediatric acute care specialty hospital that serves the needs of children up to age 18 for a range of orthopaedic, neuromuscular, cleft lip and palate, urology, and other specialty conditions. The Hospital provides services to its patients on both an inpatient and an outpatient basis. As part of our strategic planning process, we assess how we can plan to meet the current and future needs of the children we serve, and have determined that transitioning our Springfield, Massachusetts facility from a hospital model to an outpatient clinic model would best meet those needs.

By way of background, the current building occupied by the Hospital was constructed during the late 1980s at a time when almost all surgical procedures of the type provided at the Hospital required an inpatient stay, and those stays were much longer than today's length of stay. Today, very few of our patients require inpatient admission associated with surgery or otherwise. Since inpatient services are the cornerstone of the hospital model, given recent trends discussed below, we have determined that the most efficient way to meet the increasingly outpatient-focused needs of our patients at our Springfield location is to transition from a hospital model to an outpatient clinic model.

Year over year, the Hospital has seen the average length of stay become shorter. Increasingly, we are able to provide most services on an outpatient basis, which has resulted in an average inpatient census that simply will not support the hospital model into the future. For calendar year 2021, we delivered care to more than 8,000 unique patients. The Hospital had 79

inpatient discharges including 134 patient days (excluding short stays or observations), with an average length of stay of 2.1 days and an average daily census of 0.4 patients. Outpatient volume was strong, with 13,234 outpatient encounters. Outpatient encounters included 11,769 outpatient clinical visits with a physician or other provider, and 6,989 rehabilitation visits¹ for occupational, speech and physical therapy. Additionally, 529 outpatient surgical procedures were performed in 2021.

We have carefully reviewed our projections for inpatient and outpatient services over the next 3-5 years and have estimated that if all of our target thresholds are reached, our 20-bed inpatient acute pediatric beds will operate at an inpatient occupancy rate of less than 2%. Accordingly, after evaluating the needs of our patients, we have determined that Shriners' Hospitals for Children may best serve our patients and fulfill our charitable mission by transitioning this location from a hospital to an outpatient clinic model.

While most of our patients come from the greater Springfield area, because our charitable outreach is broad, the Hospital treats patients from across the country and around the world. Therefore, the Hospital's service area differs from that one would expect from a community hospital or a pediatric hospital focusing primarily on meeting the needs of patients in the vicinity of the hospital.

Given the current and trending inpatient utilization data, because we intend to continue to provide the full range of outpatient services (other than ambulatory surgery) under the clinic model, and given the availability of pediatric inpatient and ambulatory surgery facilities in the Springfield area and within the Shriners Hospitals for Children system (the "Shriners System"), the closure of the Hospital should not have a significant impact.

Baystate Medical Center, in Springfield, is able to provide inpatient pediatric services, including surgery, as well as ambulatory surgery services to pediatric patients who may otherwise have sought such care at the Hospital. Other area hospitals that provide these services include Connecticut Children's Medical Center in Hartford, Connecticut, and UMass Memorial Medical Center in Worcester. Boston Children's Hospital provides a full complement of pediatric hospital services. In addition, although Shriners Hospital for Children – Boston, focuses on treatment of severe burn injuries, the Boston hospital also provides treatment for cleft lip and palate needs, which the Hospital currently provides.

As is the case today, the inpatient needs of our international and non-local patients are directed to hospital facilities within the Shriners System that may best fit their needs. These include our hospitals in Boston, Philadelphia and other hospitals located across the continental

¹ Because of the nature of outpatient rehabilitation services, multiple rehabilitation visits may be associated with a single rehabilitation encounter.

May 19, 2022

Page 3

United States and in Hawaii. International patients may be directed to any of our U.S. hospitals or our hospitals in Montreal, Canada and Mexico City, Mexico. Outpatient surgery within the Shriners System may also be provided at our outpatient surgical facilities operating in other states or coordinated with hospital affiliates that are closely aligned with our outpatient clinics.

Discontinuing the operation of a licensed hospital constitutes the discontinuation of an Essential Health Service pursuant to the Department of Public Health's Hospital Licensure Regulations. We will follow the regulatory process required for such discontinuation, including the filing of this notice 90 days in advance of discontinuation. Following receipt of our notice, the Department will publish a public notice and schedule a public hearing. We plan to discontinue providing hospital services effective October 31, 2022, following receipt of all required licenses, permits and approvals.

We plan to transition to a clinic model at our Springfield location to avoid interruption of outpatient services. Our goal is to work with the Department to secure the necessary clinic licensure and other approvals so that outpatient services will transition from the hospital model to the clinic model without disruption to non-surgical outpatient services.

Shriners Hospital for Children—Springfield remains committed to our mission of providing the highest quality care for children with neuromusculoskeletal conditions and other special healthcare needs within a compassionate, family-centered and collaborative environment, to provide for the education of physicians and other healthcare professionals, and to conduct research to discover new knowledge that improves quality of care and quality of life of children and families regardless of the ability of a patient or family to pay.

We welcome any questions or concerns you might have and will work with the Department of Public Health throughout the process.

Respectfully submitted,



Edward Geoffrion
Chairman, Board of Governors



Andrew D. Graul
Interim Hospital Administrator

cc: Health Policy Commission
Office of the Attorney General
Center for Health Information and Analysis
Executive Office of Labor and Workforce Development
Coalition of Western Massachusetts Hospitals