**APPLICANT QUESTIONS 4**

*Responses should be sent to DoN staff at* DPH.DON@mass.gov

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| While you may submit each answer as available, please * List question number and question for each answer you provide
* Submit responses as a separate word document, using the above application title and number as a running header and page numbers in the footer
* We accept answers on a rolling basis however, when providing the answer to the final question, submit all questions and answers in order in one final document.
* Submit responses in WORD or EXCEL; only use PDF’s if absolutely necessary. **Whenever possible, include a table in data format (NOT pdf or picture) with the response.**
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In order for us to review this project in a timely manner, please provide the responses by **August 21, 2025**.

The Public Health Council has requested the following information:

1. What are the applicant’s plans for retaining a management agreement with a company with significant Long Term Care Hospital (“LTCH”) experience to manage day-to-day operations? If the applicant has entered an agreement or plans to do so, what is or will be the duration that agreement? If the applicant has entered an agreement or plans to do so, does or will the agreement include a deferral of management fees?

**Response:** The Applicant as the operator and licensee of the Hospital will be running the day-to-day operations. Yedidya Danziger, one of the three principals of the Applicant, will be the Executive Director of Operations and be onsite at the Hospital at least 4 days a week and intimately involved in all aspects of operations for the foreseeable future. This is a change from how the Hospital is currently run by Vibra. As a national company, Vibra does not have administrative leadership that is regularly onsite and runs much of the administrative leadership and back-office operations out of their flagship Massachusetts location in New Bedford or out of the central office in Pennsylvania. Over the last few years, Vibra’s investment in the Hospital has been stagnant, which is demonstrated by the Vibra patient panel and staffing data presented in the application and CMS quality scores identified by PHC Council members. The Applicant’s primary goal, through the investments in the Hospital discussed in the application and in these responses, is to revitalize the Hospital and the Meadows, a skilled nursing facility (SNF) located at the same address as the Hospital, which will provide more resources for the Commonwealth, particularly Central Massachusetts, to ease throughput and ensure that patients are receiving the appropriate level of care. Accordingly, the Applicant can commit to prioritizing eligible Massachusetts residents for admission and plans to foster the relationships with UMass Memorial Medical Center and other Central Massachusetts providers who support this Proposed Project.

Even though the Applicant is an experienced post-acute health care operator, given that the Proposed Project is the Applicant’s first time operating an LTCH, they have proactively engaged Whittier Health Network as a consultant to assist them during the licensure process and with post-acquisition operations. Whittier has over 20 years of experience in the LTCH space in Massachusetts. The Applicant and Whittier will have a formal 3-year consulting agreement in place to start and will evaluate if future assistance is needed.

The relationship between the Applicant and Whittier was disclosed to the Health Policy Commission (HPC) during their review of the Material Change Notice (MCN), which the HPC closed out on July 3, 2025 when it concluded that it conducted its preliminary review of the MCN and elected not to proceed with a cost and market impact review. As discussed with the HPC, through the consulting arrangement Whittier will assist Applicant on matters regarding admissions, hiring and training, marketing, provider contracting, case management, budgeting and revenue cycle. Whittier will also assist with regulatory compliance and development and implementation of a robust quality assurance process to review risk areas on an ongoing basis. To the extent the services were to ever change beyond this scope the Applicant has committed to updating the HPC and filing another MCN if required.

The Applicant also committed to the HPC that it would not be taking any management fee. The Applicant can make that same commitment to DPH.

At the same time, the Applicant wants to reaffirm to DPH that it will be acquiring both the operations, equipment and real property associated with the Hospital. The Applicant confirmed the following with the HPC as part of the MCN review - the Hospital, the Meadows, and related real property will be held by the Applicant in single purpose entities for liability purposes and consistent with standard corporate structures in the post-acute space.  The real estate is not being held in a REIT and this Proposed Project would terminate Medical Properties Trust (Steward’s landlord) interest in the real property that it currently has with Vibra. The real property would be owned by the operator with no lease-back or unrelated third-party interests.

Lastly, the Applicant also plans to join Massachusetts Hospital Association, the state hospital association, which will provide access to up to date education, policy, and advocacy resources alongside other Massachusetts LTCHs.

1. Please provide more information related to staffing plans. If Vibra removes the current travel staff from the facility, what staff will remain? Please provide a more robust plan addressing how the Applicant will hire and retain adequate staffing, including:
	1. A description of physician staffing essential for LTCH including but not limited to the current physician coverage and plans for future physician staffing including specialties.

**Response:** The Hospital contracts with UMass Memorial Health physician groups (hospitalists and specialists) and other physician groups to ensure appropriate physician coverage in accordance with the Medicare and DPH physician staffing requirements for LTCHs. The Applicant’s plan is to maintain the relationship with UMass Memorial Health and their physicians and to enhance that relationship through further collaboration. The Applicant, working with Whittier as its consultant, will also explore expanding physician staffing with other local provider groups.

* 1. A description of nurse staffing including but not limited to the current nursing coverage and plans for future nursing staff.

**Response:**   Medicare requires a hospital to have 24-hour nursing services but does not mandate a nurse staffing ratio.   DPH does not require mandated nurse staffing ratio for LTCHs.  The Hospital currently has a nurse staffing pattern consistent with acuity of care and aims to have a ratio of 1:5 during the day and evening shifts.  The Applicant plans to continue to use the same staffing pattern as Vibra, though it will adjust staffing daily based on overall acuity of the patient population and individual patient needs. The Applicant aims to ensure ample certified nursing assistant support on each shift, 24-hour respiratory therapy care, and a robust inpatient rehabilitation department.  Staffing assignments will be adjusted based on a review of several primary variables, including patients with airway management issues, patients requiring IV medication, wound care treatment needs, cardiac stability medication, and patients’ overall functional level. This staffing pattern aligns with its proforma reviewed in the CPA Report and is an established model utilized by other LTCHs that will provide a higher standard of care with better patient outcomes.

 Day and Evening: 1 nurse to 4-5 patients depending on acuity

 Night: 1 nurse to 8 patients

* 1. A description of the applicant’s plan for training new staff.

**Response:**  Vibra’s staffing model for the Hospital (both clinic and administrative staff) has been through its related staffing agency, Vibra Travels, which operates out of a central location (not the Hospital). Vibra Travels acts as the Hospital’s human resource department and directly employs all staff some of whom are classified as agency and some who are direct hires. It is a misnomer that the agency staff employed by Vibra Travels are “travelers” as all are local and live within driving distance to the Hospital. With the upcoming transfer of ownership, a number of the Vibra Travels staff classified as agency have already shifted to direct employees of the Hospital instead of Vibra Travels. In the Applicant’s view, Vibra’s staffing model creates added expense to the Hospital’s operations. The Applicant aims to change that staffing model and invest in the Hospital, its staff, and the community. The Applicant recognizes that the change will be gradual and that there are industry-wide challenges. Despite this, the Applicant remains positive that by being actively involved in management of the Hospital and developing a robust recruitment, retention and staff training program that it will result in positive changes at this facility.

There is no intent to eliminate existing staff who will convert to direct hires of the Hospital, if they are not already, and remain in place. The Applicant will run its dedicated human resource department at the facility focused on Hospital and Meadows staff only. As the Applicant builds out its staff recruitment model, it will leverage agency staff as needed with the goal of eventually eliminating the need for the regular use of an agency. The Applicant also aims to foster employee satisfaction. The Applicant will staff appropriately for LTCH skills and competencies but it also intends to leverage and build upon Vibra’s existing training program that helps providers build these skills. There will be a robust onboarding program that includes a 12-week preceptorship where all new employees receive hands-on training consistency with their competencies.

1. Please re-evaluate and provide an expanded description of your revenue projections.

**Response:** The LTCH’s current financials under Vibra are precarious and indicate that they would have to invest significant capital to sustain the Hospital in the long run based on their current operations. By its own accord, Vibra has stated that it will have to close the Hospital if this transaction does not take place. The Applicant believes that small changes in a number of operational areas, including but not limited to staffing, will result in significant financial improvements that will put them on track to meet the pro forma in the CPA Report.

The Hospital is a small facility with only 47 beds. As noted, it is currently running at approximately 50% and under Vibra’s management has had a decline in census over the last few years. Adding even a few patients to the Patient Panel will have a dramatic impact on the financials. To support an increased census, Applicant will simultaneously invest in staff recruitment, retention and education to increase overall employee satisfaction.

Improving staffing is key to the Applicant’s plans to revitalize the Hospital; however, it is not the only action item. The Applicant plans to improve the Hospital’s reputation and foster local relationships with acute care hospitals to bolster its referrals. It will have onsite marketing liaisons that are dedicated only to the Hospital and the Meadows. Currently Vibra does this work out of its New Bedford location which does not prioritize the Hospital.

The Applicant will also ensure that back-office operations are run efficiently and meet the needs of the facility. Currently Vibra manages the Hospital at regional and national levels which has potential economies of scale; however, this model has diverted much-needed focus and onsite leadership from the Hospital while creating significant expenses.

The Applicant has no concerns about sharing expenses with the Meadows. The Applicant is a seasoned SNF provider and similar to the Hospital sees tremendous opportunity to turn around the Meadows and enhance the beds and services available to residents of the Commonwealth. Lastly, as noted above the Applicant is going to waive the management fee noted in the CPA Report until the Hospital financials have stabilized and its outlook improved.

1. Please provide additional background information about the three applicants/owners including their experience relevant to operating a LTCH.

**Response:**  The Applicant is not associated with private equity. It is regional health care owner/operator. As noted in the application, the three principals of Everest Hospital are Mr. Chaim Klein, Mr. Yisrael Klein, and Mr. Yedidya Danziger. Mr. Chaim Klein is a practicing health care practitioner and along with Mr. Yisrael Klein has more than 20 years of experience owners of skilled nursing facilities, which provides valuable insight and experience on the practicalities of delivering quality patient care. Mr. Danziger is an experienced nursing home administrator, operating multiple post-acute facilities, including SNFs, assisted living, and independent living facilities, and is well-versed in the types of services and needs that apply to each. Together, these partners have the necessary leadership experience to address the major operational functions that are required for any health care facility, including LTCHs, such as patient satisfaction, quality of care, case management and care coordination, goal setting, cost-effectiveness, and health equity. This team understands that the clinical aspects of care fall under purview of the clinicians; therefore its focus is to bring forth its management experience from the long-term care space – which is, in some ways, more highly regulated than LTCHs.

As noted in Response #1, the Applicant is also proactively working with Whittier and will continue working with Whittier as a consultant to assist them with the LTCH-specific operational and compliance requirements, which will supplement their operational experience.

In addition to the above, Mr. Danziger has a track record of successfully turning around facilities. For example, he was able to improve one facility’s referral and marking process, as well as its reputation in the community, which resulted in a 40% increase to the census in a short period of time. To accommodate the increased census, he fully renovated units that had been closed and in disarray for many years. At the same facility, he was able build out a strong staff recruitment and retention model and move the facility away from agency to employed staff within a few months. This included ensuring market rate pay and eliminating an above market shift bonus that the facility previously needed to attract staff. Mr. Danziger was also able to work with his team to improve the facility’s survey scores within one year. Leveraging this experience along with the assistance of Whittier and the trust and goodwill he will garner by being an involved owner/operator who is on-site at the facility, the Applicant will be in a good position to revitalize the operations of LTCH.

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