APPLICANT QUESTIONS 5

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

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.**

In order for us to review this project in a timely manner, please provide the responses by **September 3, 2025**.

1. Provide details about the weekly time commitment from Whittier for their consultation.

Response: The consulting agreement between the Applicant and Whittier does not contain a weekly minimum or maximum time commitment. The agreement is structured so that Whittier can provide consulting as needed with the mutual understanding between the parties that the time commitment will be significant during the first year and gradually reduce over time. This arrangement is not meant to be permanent and should enable the Applicant to efficiently and effectively operate the Hospital in the long-run. Whittier has prior experience working under a similar arrangements with other Massachusetts LTCH providers. At the outset, Whittier will be consulting with Everest on a number of operational matters identified in Round 4, Question #1, including investing in and setting up long term systems needed to support the Hospital going forward. Applicant proactively invested in the hospital's future success by engaging Whittier during this pre-approval process with the understanding that the most substantive work would take place when all approvals for this Project are in place.

2. Round 4 question responses noted that that the Applicant won't take a management fee. Will Whittier be taking a management fee or will they delay taking a management fee until a future date?

Response: To clarify, Whittier is a consultant to the Applicant and not manager, so it will not be taking a management fee. Whittier also is an independent contractor unrelated to Applicant and is not providing financing for the Project; it operates its own LTCHs and Inpatient Rehabilitation Facilities. Thus, the consulting agreement between Applicant and Whittier is a fair market value arrangement negotiated by the parties at arms-length in compliance with law. The consulting fee has been accounted for in the Applicant's financial projections which were reviewed for this Application.

3. Provide details of the hours of coverage provided on site by UMass physicians as described in your Round 4 question responses.

Response: There is currently 24/7 physician coverage at the Hospital. The Hospital has a Medical Director who is responsible for overseeing medical care, developing and implementing patient policies, coordinating physician and other professional services and participating in quality assurance activities. The Applicant has no plans to change this. The Applicant will continue to work with the existing Medical Director and maintain the existing physician coverage which includes both hospitalists/internists who round daily on the inpatient census and specialists like nephrologists and pulmonologists as needed for consults. Many of these physicians are in UMass affiliated practices. UMass Memorial Health Center has informed the Applicant that it supports the proposed transfer of ownership that will help take the pressure off overwhelmed emergency departments, allowing patients to receive care in the most medically appropriate environment and that that it ensures that patients in its region have access to all the levels of care they need supporting positive outcomes and lower admission rates. In fact, the Applicant aims to expand and enhance the physician coverage and hopes to attract additional physicians to work at the Hospital and expand the Hospital's relationships with other providers.

4. In response to Round 4 Question #3, the Applicant states that the hospital would close if the transaction doesn't take place. However, in response to Round 1 Question #9a, the Applicant stated, "Vibra would continue to operate the Hospital without the Proposed Project; however, the SNF, which is on the same campus and is owned by Vibra, likely would have been at risk for closure if Vibra had been unable to find a buyer." Please explain what has occurred to cause the reversal.

Response: Vibra has confirmed to the Applicant that if the Proposed Project does not go through that it would continue to operate the Hospital and look to renegotiate the lease. It will also continue to review the ongoing operations to determine the best direction for the Hospital in the future. Vibra provided that it would still look to proceed with the sale of the SNF for a reasonable period of time before it would consider closing it.

5. In Round 4 Responses (#3, at the bottom of page 4), the Applicant said they had “no concerns” about sharing expenses with the SNF. Please share the Applicant’s plan for managing expenses in the event that the SNF closes.

Response: Today the hospital financially supports the SNF which is not being utilized at its full capacity. In the unlikely event that the SNF closes, the Hospital will absorb the expenses to ensure that it continues to operate in the most efficient manner while continuing to provide quality care to its patients and meet its regulatory and payor requirements.

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