| **STAFF REPORT TO THE PUBLIC HEALTH COUNCIL**  **FOR A DETERMINATION OF NEED** | |
| --- | --- |
| Applicant Name | Everest Hospital, LLC |
| Applicant Address | 111 Huntoon Mémorial Highway, Leicester, MA 01542 |
| Filing Date | April 24, 2025 |
| Type of DoN Application | Transfer Of Ownership |
| Total Value | $14,928,424.00 |
| Project Number | 23101112-TO |
| Ten Taxpayer Groups (TTG) | None |
| Community Health Initiative (CHI) | Exempt from Factor 6 |
| Staff Recommendation | Approval |
| Public Health Council | August 13, 2025 |
| **Project Summary and Regulatory Review**  Everest Hospital, LLC. proposes to become the owner of Vibra Hospital of Western Massachusetts – Central Campus (the Hospital), a Long Term Care Hospital located at 111 Huntoon Memorial Highway, Leicester (Rochdale), Massachusetts 01542. The Applicant will acquire the Hospital, including all real property on which the facility is located as well as property associated with operating the Hospital.  This Determination of Need (DoN) Application falls within the definition of Transfer of Ownership, which is reviewed under the DoN regulation 105 CMR 100.000. The Department must determine that need exists for a Proposed Project, on the basis of material in the record, where the Applicant makes a clear and convincing demonstration that the Proposed Project meets each DoN Factor set forth within 105 CMR 100.210. A DoN Application for a Transfer of Ownership is subject to factors 1, 2, 3, and 4 of the DoN regulation. This staff report addresses each of the required four factors set forth in the regulation. | |

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# Background and Application Overview

**Everest Hospital, LLC**

Everest Hospital, LLC (“Applicant”), is a newly formed entity consisting of three partners. The individual partners comprising this entity possess expertise in long-term care. One partner is a practicing health care practitioner and has more than 20 years of experience as an owner of skilled nursing facilities. The other partners are experienced nursing home administrators, operating multiple post-acute facilities, including skilled nursing, assisted living, and independent living facilities, and are well-versed in the types of services and needs that apply to each.[[1]](#footnote-2) The Applicant anticipates leveraging the experience of the individual partners in implementing the Proposed Project, which includes the acquisition of both a long term care hospital (LTCH) and a Skilled Nursing Facility (SNF).

**Vibra Hospital of Western Massachusetts – Central Campus (“Vibra” or “Hospital”)** isa 47 bed Long Term Care Hospital (“LTCH”) located in Leicester (Rochdale), Massachusetts (the “Hospital”), and has been in operation since September 1, 2013. The Hospital is a part of Vibra Healthcare II, LLC, whose subsidiaries operate four LTCH’s, one located in California, one in Idaho, and two in North Dakota. The Hospital currently shares a referral intake system and corporate operations with Vibra Hospital of Southeastern Massachusetts, which is owned by Vibra Healthcare, LLC. Vibra Healthcare, LLC and Vibra Healthcare II, LLC are affiliated companies both controlled by the same super majority owner.

**The Proposed Project**

The Applicant will acquire the Hospital, including all real property on which the facility is located and property associated with operating the Hospital.[[2]](#footnote-3) The Applicant has entered into two agreements with Vibra Hospital of Western Massachusetts, LLC, the current licensee of the Hospital. The first agreement is the Contract of Sale (“Sales Agreement”) under which the Applicant will acquire the real property associated with the Hospital. The second agreement is the Operations Transfer Agreement (“OTA”) by which the Hospital operations would transfer to the Applicant after receipt of certain regulatory approvals and simultaneous with closing under the Sales Agreement.

The Applicant asserts that the Proposed Project will provide residents of Central and Western Massachusetts with continued access to long-term hospital services, allowing the acute care hospitals in the region to discharge patients to clinically appropriate levels of care and utilize acute care beds for more acute care needs. The Applicant does not anticipate any changes in the Hospital’s reimbursement rates, care referral patters, or access to needed services.

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# Patient Panel[[3]](#footnote-4)

The Applicant is a newly formed entity, created for the purposes of the Proposed Project, and therefore does not have its own Patient Panel. Table 1 shows Patient Panel information for Vibra Hospital of Western Massachusetts from FY2020-FY2024. The table demonstrates that Vibra has experienced a reduction in patients since FY2020, which the Applicant attributes to staffing issues, and the termination of the dialysis service as a result of a provider exiting the business. The Applicant states that in FY2025, the patient volume is projected to rebound based on current volumes, and due to the dialysis service resuming this year.

**Table 1: Overview of Vibra’s Patient Panel FY2020-FY2024**

| **Year** | **FY2020** | **FY2021** | **FY2022** | **FY2023** | **FY2024** |
| --- | --- | --- | --- | --- | --- |
| Vibra Unique Patients (collected at discharge) | 338 | 297 | 292 | 244 | 204 |
| Number of Licensed Beds | 47 | 47 | 47 | 47 | 47 |
| Number of Staffed Beds | 28 | 29 | 30 | 27 | 24 |

Table 2 presents demographic information for the Vibra’s Patient Panel during fiscal year (FY)2024. Staff notes the following observations about these data below:

* **Gender:** There was a greater percentage of Male patients over Female patients. When asked about the gap, the Applicant stated that gender does not factor into admission decisions, and the gender gap is a function of patients referred and then deemed eligible for LTCH services.
* **Age:** Patients between the ages of 18-64 comprise 59% of the Patient Panel, with the 65+ population closely following at 41%.
* **Race:**  The majority of patients (71%) identified as White, and approximately 9% identified as Black or African American. This hospital serves all of Massachusetts and these demographics are in line with the US Census for Massachusetts (79% White, 9% Black.)[[4]](#endnote-2)
* **Ethnicity:** Approximately 13% of patients identify as Hispanic or Latino.
* **Patient Origin:** The Applicant notes that the Hospital is able to accept referrals from the entire Commonwealth, but the majority of patients come from Worcester County (44%), Hampton County (31%) and Middlesex County (8%), with remainder coming from other locations throughout the Commonwealth (17%).
* **Payer Mix:** Nearly two thirds of patients are covered by a public payer with 39.6% insured through Medicare, and 22.7% through Medicaid.

**Table 2: Demographic Profile of Vibra Patients FY2024**

|  | **Totals** |
| --- | --- |
| **Total Patients** | 204 |
| **Gender** |  |
| Male | 62.8% |
| Female | 37.2% |
| Total | 100.0% |
| **Age** |  |
| 0-17 | 0.0% |
| 18-64 | 58.8% |
| 65+ | 41.2% |
| Total | 100.0% |
| **Race** |  |
| White | 71.6% |
| Black or African American | 9.3% |
| Asian[[5]](#footnote-5) | 3.9% |
| None of the Above | 15.2% |
| Total | 100.0% |
| **Ethnicity** |  |
| Puerto Rican | <1.0% |
| Other Hispanic/Latino Origin | 12.9% |
| Not Hispanic/Latino | 84.3% |
| Patient Declines or is Unable to Respond | <1.0% |
| Total | 100.0% |
| **Patient Origin by County** |  |
| Worcester County | 44.1% |
| Hampden County | 30.9% |
| Middlesex County | 7.8% |
| All other patient origins[[6]](#footnote-6) | 17.2% |
| Total | 100.0% |
| **Payer Mix** |  |
| Commercial | 36.3% |
| Medicaid | 18.6% |
| Medicare | 28.4% |
| Managed Medicaid | 4.4% |
| Managed Medicare | 11.8% |
| Other | 0.5% |
| Total | 100.0% |

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# Factor 1a: Patient Panel Need

The Applicant attributes need for the Proposed Transfer of Ownership to the following:

1. Need to Maintain Access to LTCH Services
2. Need to Increase Access to LTCH Services for the Patient Panel
3. Need to Assist with Throughput Issues in Acute Care Hospitals
4. **Need to Maintain Access to LTCH Services**

The Applicant asserts that the Hospital provides needed access to long-term hospital services. Although the Applicant did not assert there were current concerns about the viability of the Hospital, the SNF owned by Vibra on the same campus likely would have been at risk for closure if Vibra had been unable to find a buyer. The Applicant requested to package the LTCH and SNF into one sale in the interest of preserving continuity of care between the two facilities. As a result of the Proposed Project, a party[[7]](#footnote-7) related to the Applicant will own the real property which houses the Hospital and SNF. This will remove the current real estate owner and bring both the Hospital and the real estate under the control of the principals of Everest. By removing the sale-leaseback structure in favor of an operator owned real estate structure, the Applicant aims to remove the financial uncertainty that is often associated with Real Estate Investment Trusts (REITs) and bring long-term financial stability to the Hospital. The Applicant anticipates that this financial stability will enable the Applicant to pursue opportunities to improve patient access and delivery of care, as described in detail in Factor 1b. Additional details on the Applicant’s plan to improve the financial viability of the Hospital are detailed in Factor 1f and include operational efficiencies created by the Hospital’s shared campus with the Meadows (the on-site SNF), expansion of underutilized services, and discontinuation of the Hospital’s travel staffing agency.

1. **Need to Increase Access to LTCH Services for the Patient Panel**

The Hospital is currently operating at 50% capacity due to workforce shortages. In addition to the Hospital’s lower capacity, the closure of Vibra Hospital of Western Massachusetts in Springfield in 2023, along with the closure of a number of regional skilled nursing facilities in recent years[[8]](#footnote-8) has widened already existing gaps in patients’ access to post-acute services. Given the high acuity of patients appropriate for the LTCH as well as the specialized nature of the care provided, the recent reduction in access means that patients are waiting longer in settings not designed for their needs to be able to access the appropriate level of care. LTCHs treat high acuity patients who require extended hospital stay[[9]](#endnote-3). LTCHs serve a high acuity patient mix that requires specialized clinical teams and programs for respiratory, infectious disease and other comorbidities.[[10]](#endnote-4) Table 3 illustrates the top diagnoses treated by the Hospital in the past 5 years.

**Table 3: Top Annual Admit Diagnosis by Diagnosis Related Group (DRG)**

| **DRG** | | **Description** | **2022** | **2023** | **2024** |
| --- | --- | --- | --- | --- | --- |
| 189 | | Pulmonary edema & respiratory failure | 122 | 92 | 75 |
| 208 | | Respiratory system diagnosis w ventilator support, < 96 hours | 75 | 13 | 50 |
| 207 | | Respiratory system diagnosis w ventilator support,  ≥ 96 hours |  | 47 | 11 |
| 539 | | Osteomyelitis w Major Complications or Comorbidities (MCC) |  |  | <11 |
| 682 | | Renal failure w MCC |  |  | <11 |
| 871 | | Septicemia w/o Mechanical Ventilation (MV) 96+ hours w MCC | <11 |  |  |
| 872 | | Septicemia w/o MV 96+ hours w/o MCC | <11 |  |  |
| 949 | | Aftercare w Complication or Comorbidity (CC)/MCC | 11 | 11 | <11 |
| 177 | | Respiratory infections and inflammation |  | <11 |  |
|  | **Total** | | **220** | **171** | **151** |

These conditions require specialized care and expertise when presented alongside one or more other chronic conditions such as cardiovascular disease, infectious disease, and stroke. The Applicant asserts that the Hospital plays an important role in providing the Patient Panel has access to long-term hospital services. To highlight acute care hospitals’ reliance on the Hospital, the Applicant provided Table 4 showing the volume of referrals from hospitals across the Commonwealth. The Applicant notes that referrals increased beginning in 2023 after Vibra Hospital increased its outreach programs and other marketing efforts to referring providers.

**Table 4: Volume of Intake Referrals from Acute Care Hospitals**

| Referring Provider | 2022 | 2023 | 2024 |
| --- | --- | --- | --- |
| UMass Memorial University | 100 | 224 | 195 |
| Baystate Medical Center | 45 | 146 | 133 |
| St. Vincent's Hospital | 31 | 60 | 49 |
| UMass Memorial | 45 | 90 | 67 |
| Leominster Hospital | 17 | 32 | 21 |
| Harrington Memorial Hospital | <11 | 21 | <11 |
| Mercy Medical Center Springfield | <11 | 34 | 90 |
| Cooley Dickinson Hospital | <11 | 16 | <11 |
| Lahey Hospital and Medical Center | <11 | 51 | 18 |
| Brigham & Women's Hospital | <11 | 29 | 15 |
| Holyoke Medical Center | <11 | 17 | 17 |
| Massachusetts General Hospital | <11 | <11 | 16 |
| Henry Heywood Hospital | <11 | 31 | 20 |
| Metro West Framingham | <11 | 15 | 19 |
| Emerson Hospital | <11 | 40 | 27 |
| Beth Israel Deaconess Medical Center | <11 | 48 | 25 |
| Beverly Hospital | <11 | <11 | <11 |
| Boston Medical Center |  | <11 | <11 |
| Milford Regional Hospital | <11 | 46 | 25 |
| Tufts New England Medical Center | <11 | 37 | 33 |
| Other Massachusetts[[11]](#footnote-9) | <11 | 111 | 86 |
| Out of State[[12]](#footnote-10) | <11 | 109 | 104 |
| Total Referrals | **339** | **1176** | **989** |

Increasing patient access to the Hospital through the Proposed Project will allow more of the Patient Panel to receive the appropriate level of care in a setting designed to provide that care, while also helping acute care hospitals to open beds.

The Applicant asserts that workforce shortages have been a barrier to increasing patient access to Hospital services. As previously mentioned, the Hospital’s dialysis service was offline in 2024 due to the loss of the provider, but the provider has been replaced, and the service is set to resume this year. Although the Hospital is staffed appropriately to current census[[13]](#footnote-11) and patient acuity, with increased efforts to support staff recruitment and retention, the Applicant anticipates the Hospital census will increase accordingly. Currently, the Hospital utilizes Vibra Travels program (Vibra’s travel staffing agency) to supplement its contingent of full-time staff. The Applicant intends to move away from the use of travel staff and invest in staff through recruitment, hiring, and retention practices. After the proposed transaction, the Applicant plans to analyze the Hospital’s personnel needs, enhance the Hospital’s existing human resources infrastructure and utilize other marketing techniques to boost recruitment and hiring, and implement a long-term worker retention strategy emphasizing a personal approach by Hospital leadership. In order to understand the existing staffing needs, the Applicant plans to survey current staff, establish an onsite presence, and have regular and ongoing discussions with the Director of Nursing. Based on the feedback received, the Applicant will develop a plan to address these needs. The Applicant plans to utilize recruitment software that connects providers to potential candidates and will strengthen its relationships with local clinical training programs, both of which are sources of potential hires who can also develop into longstanding employees. The Applicant will also utilize standard marketing approaches including signing and referral incentives, as well as use of social media. The Applicant plans to monitor recruitment progress using Apploi platform, which distributes job postings online and provides automated workflows for the hiring process. The Applicant plans to monitor retention internally by using employee satisfaction and exit surveys to measure engagement and focus on new employees who often need additional onboarding support. The Applicant anticipates that, when adequately supported by these monitoring and recruitment efforts, they will be able to address workforce shortages and employ sufficient staff from the communities throughout Central Massachusetts to meet its expected increase in census. The Applicant also anticipates some of the travel staff might become full-time employees as discussed in Factor 1f. The Applicant asserts that maintaining staff goes beyond recruitment and hiring, requiring investment in employee satisfaction and management. The Applicant stated its committed to creating a culture where leadership is readily available and on the premises to quickly step in when staffing or personnel issues arise.

1. **Need to Assist with Throughput Issues in Acute Care Hospitals**

The Applicant states that patients in acute care hospitals are experiencing throughput issues, and that access to LTCH placement is vital to continuing patient treatment at clinically appropriate levels of care. As of December 2024, 14.7% of all reported patients across 38 acute care hospitals in Massachusetts awaited discharge to LTCH or Inpatient Rehabilitation Facilities (IRF) settings.[[14]](#endnote-5) Of those patients awaiting discharge to an LTCH or IRF, 23% were waiting for more than 30 days.[[15]](#endnote-6) Despite the conclusion of the COVID-19 Public Health Emergency, the health care system continues to face stressors exacerbated by this throughput backlog. This backlog delays patients from reaching their appropriate care settings in a timely fashion and forces providers to provide levels of care inappropriate to their setting. For LTCH patients with comorbidities and medically complex post-acute care needs that require specialized treatment, the impact of this backlog is particularly serious and underscores the importance of LTCHs to the care continuum.[[16]](#endnote-7) To better visualize the backlog of patients in Massachusetts acute care hospitals awaiting discharge to LTCH or IRF settings, the Applicant provided Chart 1 showing the increases over time.

**Chart 1: Massachusetts Acute Care Patients Awaiting Discharge to LTCH[[17]](#endnote-8)**

The Applicant notes that the chart demonstrates that since the Massachusetts Health & Hospital Association began separately tracking LTCH throughput data in April 2023, the number of patients awaiting discharge to LTCHs have trended upward over time. The Applicant suggests that this indicates that the need for LTCH services exist, but patients have not been able to receive such services. The Proposed Project aims to improve throughput by implementing operational changes that will allow the Hospital to improve current occupancy levels. By improving operations and capacity, the Applicant will ensure that patients with chronic long-term needs have better access to the appropriate care setting.

***Analysis***

The Applicant has established that there is an ongoing need for access to LTC services. Recent closures of several LTC facilities in the Commonwealth place greater emphasis on maintaining the available LTCHs. The Applicant demonstrates that the Proposed Project will promote financial stability, and maintain or possibly, increase access to the Hospital services. The Applicant anticipates that operational changes following the transfer of ownership will improve capacity, thus improving throughput for acute care hospitals. As a result, the Proposed Project will allow the Hospital to provide needed services to the Patient Panel. As a result, Staff finds that the Proposed Project meets the requirements of Factor 1a.

## Factor 1: b) Public health value, improved health outcomes and quality of life; assurances of health equity

In this section the Applicant must demonstrate that the Proposed Project adds measurable public health value in terms of improved health outcomes and quality of life for the Applicant’s existing Patient Panel, while providing reasonable assurances of health equity.

**Public Health Value- Health Outcomes, and Quality of Life**

As discussed in the previous section, LTCHs treat some of the most medically compromised patients who need extended hospital stays. A patient admitted to the Hospital generally requires an extended hospital stay with daily physician visits, and 24 hour respiratory and nursing care. Once patients are discharged from LTCHs, evidence shows improved outcomes for those who received ventilator weaning in the LTCH setting.[[18]](#endnote-9) Studies also show that patients with complex medical illnesses which do not require ventilation also benefit from LTCH services.[[19]](#endnote-10) The Proposed Project supports access to clinically appropriate care settings for patients with chronic long-term care needs.

The Applicant’s leadership intends to have a regular and ongoing presence at the Hospital to support patient satisfaction by developing direct relationships with patients, family and staff. The Applicant plans to review the Hospital’s current comprehensive quality assurance program and target areas to improve quality and delivery of care for the Patient Panel. Under the Applicant, Hospital leadership overseeing the quality assurance program will be involved in the day-to-day operations. During the initial year of the Proposed Project, the Applicant will collect and analyze the Hospital’s historic patient outcomes and operations to identify if there are any areas for advancement, then set baselines and establish goals to work towards improvement. The Applicant plans to improve health outcomes and quality of life by implementing standardized clinical practices, disease specific programs, and best practices, where necessary.

To assess the impact of the Proposed Project, the Applicant proposed metrics, as well as metric projections for quality indicators that will measure the impact of the Proposed Project. The measures include clinical quality and patient satisfaction. The measures are presented in Appendix I and will be reported to DPH on an annual basis following implementation of the Proposed Project.

***Analysis***

Staff finds that the Applicant has highlighted the public health benefit of access to LTCH services. The Applicant has plans to analyze current operations and target areas for improvement based on the analysis in order to improve patient outcomes and patient satisfactions. The Applicant has proposed appropriate metrics to measure patient satisfaction and clinical quality in their annual report to the Department. As a result, Staff finds that the Applicant meets the requirements of the Public Health Value: Health Outcomes and Quality of Life part of Factor 1b.

**Public Health Value- Health Equity**

The Hospital reports that it complies with all state and federal requirements to protect against discrimination as well as provide culturally and linguistically appropriate services. As previously noted in the Patient Panel demographics, nearly two thirds of its Patient Panel are covered by a public payer.

The Hospital provides medical services to inmates in the Commonwealth through collaboration with nearby correctional facilities. Incarcerated individuals are often an overlooked population who are at elevated risk for chronic conditions including pulmonary disorders, in part due to socioeconomic disadvantages and limited access to medical and social services prior to their incarceration.[[20]](#endnote-11)

The Applicant plans to use the initial year after the closing of the proposed transaction to form community partnerships and educate itself about the community’s health needs[[21]](#footnote-12) so that it can promote health equity specific to its locality. The Applicant has proposed participation in local health fairs to educate the public on fall prevention, heart healthy lifestyles, nutrition, and exercise; supporting local groups like the American Heart Association or ALS Association; and partnering with other local providers to improve the Hospital’s community integration. In addition, because the Hospital is located in an area with limited public transportation access, the Applicant plans to further explore and implement transportation services programs for eligible patients and their families with access challenges.

***Analysis***

Staff finds that the Applicant has sufficiently outlined ongoing efforts to advance health equity through language accessibility, serving a high public payer mix, and providing care to a marginalized incarcerated population. As a result, Staff finds that the Applicant meets the requirements of the Public Health Value: Health Equity part of Factor 1b.

# Factor 1: c) Efficiency, Continuity of Care, Coordination of Care

In this section, staff will assess if the Proposed Project will promote continuity of care, improved health outcomes, and enhanced quality of life. The Applicant demonstrated these factors as follows:

**Communication with Other Providers:** At admission and upon patient request, the Hospital notifies the patient’s primary care provider. The patient’s attending physician at the Hospital will communicate with the patient’s primary care provider throughout the patients’ stay as needed. The Hospital communicates with any providers that will be involved with the patient’s post-discharge care. Upon discharge, the patient discharge and care plan information is provided to the patient’s primary care provider, as well as any other post-discharge care providers. Follow-up appointments will be made as necessary.

**Coordination With On-Site SNF:** The Hospital’s case management and clinical personnel communicate regularly with the on-site SNF to promote a cohesive transfer of patients between the facilities as appropriate for each patient’s individual needs. The Hospital also coordinates home discharges with the patient and their care team to ensure proper durable medical equipment and community support is provided, as needed. The Hospital has a senior team with prior experience working with other post-acute care providers to focus on the integration of services specifically with area SNF operations.

**Improved Intake System:** The Hospital and Vibra Hospital of Southeastern Massachusetts (Vibra Southeastern) currently have a centralized referral/intake system and other shared back-office resources that serve both facilities[[22]](#footnote-13). The two facilities are more than 75 miles from each other, and although the Hospital takes referrals from throughout the Commonwealth, the majority come from regional acute care hospitals, resulting in the two facilities primarily serving different acute care hospital partners. The Applicant anticipates uncoupling these systems and creating a referral/intake process that is specific to the Hospital that will positively impact patient access in Central and Western Massachusetts, helping with throughput. The Applicant states that separating operations will result in more resources directly invested to promote the Hospital and to enhance patient programming.

**Efficiency Consultant:** Upon completion of the Proposed Project, the Applicant plans to have a consulting agreement with another regional LTCH provider with over 20 years of experience[[23]](#footnote-14) to provide operational support in an effort to identify areas to improve efficiency. This includes assistance with admissions, marketing, provider contracting, case management, and revenue cycle.

***Analysis***

Staff finds that the Proposed Project’s emphasis on care coordination with primary care and SNF providers, as well as a focus on improving the Hospital’s operation procedures, will contribute positively to efficiency, continuity, and coordination of care. As a result, Staff finds that the Proposed Project meets the requirements of Factor 1c.

# Factor 1: d) Consultation

The Applicant has provided evidence of consultation, both prior to and after the Filing Date, with all government agencies that have licensure, certification, or other regulatory oversight, which has been done and will not be addressed further in this report.

# Factor **1: e) Evidence of Sound Community Engagement through the Patient Panel**

The Department’s Guideline[[24]](#endnote-12) for community engagement defines “community” as the Patient Panel and requires that, at minimum, the Applicant must “consult” with groups representative of the Applicant’s Patient Panel. Regulations state that efforts in such consultation should consist of engaging “community coalitions statistically representative of the Patient Panel.”[[25]](#endnote-13)

In addition to advertising the Proposed Project in the local newspaper, the Applicant held a live Zoom presentation about the Proposed Project on October 29, 2024. The notice of the live presentation was provided to Hospital patients, staff and community partners and included a copy of the presentation embedded with the notice. The notice also invited the community to submit written comments and questions in advance of the presentation. There were no questions or comments from the public about the Proposed Project.

***Analysis***

Staff reviewed the information on the Applicant’s community engagement and finds that it has met the required community engagement standard of Consult in the planning phase of the Proposed Project.

# Factor 1: f) Competition on Price, Total Medical Expenses (TME), Costs and Other Measures of Health Care Spending

The Applicant states the Proposed Project is not anticipated to have an adverse impact on competition in the Massachusetts health care market based on price, total medical expense (“TME”), provider costs, or other recognized measures of health care spending. The Hospital is a certified Medicare and MassHealth provider that serves the entire Commonwealth and has a large public payer mix (approximately 62%). The Applicant anticipates that the Proposed Project will likely have a net neutral impact or reduce the Hospital’s TME.

The Applicant aims to harness operational efficiencies that are created through the Hospital’s shared campus with the Meadows (the SNF that Applicant is also acquiring under the Sales Agreement and OTA (this transaction)). Such efficiencies may include bulk purchasing, shared contracting services, and sharing of certain back-office services such as housekeeping and dining. The Applicant anticipates this will result in cost savings to the Hospital. The Applicant has also identified additional under-utilized services including rehabilitation, dialysis, and telemetry that it will explore expanding to optimize the services provided to the Patient Panel.

Though the Applicant does not plan to make significant changes to the Hospital’s clinical operations, it will no longer use Vibra Healthcare, LLC or Vibra Healthcare II, LLC corporate or administrative functions, which the Applicant expects will significantly reduce the corporate overhead expenses. The Applicant also plans to discontinue the use of the Vibra Travels program, which is the Hospital’s travel staffing agency. The Applicant anticipates that this will significantly lower the fees associated with staffing. In support of this effort, the Applicant anticipates offering a competitive compensation and benefits package. The Applicant anticipates that its compensation and benefits package combined will result in some travel staff seeking direct employment by the Hospital, rather than transferring to another location. Given that the Hospital and Vibra Southeastern are located roughly 70 miles away from one another and each facility has its own direct care staff, the Applicant believes the Hospital is unlikely to attract or hire staff away from Vibra Southeastern.

***Analysis***

The Proposed Project has the potential to reduce the total medical expenses through operational efficiencies, and improved staffing practices. These efficiencies can result in an overall reduction in healthcare costs. Staff finds that the Proposed Project will likely compete on the basis of price, TME provider costs, and other measures of health care spending.

## *Summary, FACTOR 1*

As a result of the information provided by the Applicant and additional analysis, staff finds that the Applicant has demonstrated that the Proposed Project meets Factor 1.

# Factor 2: Cost Containment, Improved Public Health Outcomes and Delivery System Transformation

For Factor 2 the Applicant must demonstrate that the Proposed Project will meaningfully contribute to the Commonwealth’s goals for cost containment, improved public health outcomes, and delivery system transformation beyond the Patient Panel.

**Cost Containment**

Placing patients in need of long-term hospital services into clinically appropriate level of care opens up capacity at the acute care hospitals, which the Applicant anticipates will reduce the burden on the overall acute hospital system. Applicant’s plan to improve care coordination at the time of discharge is part of its strategy for reducing preventable and costly hospital readmissions.[[26]](#endnote-14)

The presence of LTCHs enable throughput from acute care hospitals to a more appropriate level of care, resulting in the availability of hospital levels of care, including ICU beds, for higher acuity patients. In March 2025, the Massachusetts Health & Hospital Association reported to the Health Policy Commission and the Joint Committee on Health Care Financing that hospitals spend $400 million annually to care for patients who were awaiting discharge to the appropriate post acute settings.[[27]](#endnote-15) The Applicant notes that it is difficult to quantify the cost of care in an inpatient setting, as the cost will fluctuate based on each patient’s specific needs. The Applicant also notes the difficulty in comparing the cost of caring for a patient in a short-term acute care hospital (STACH) versus an LTCH, as LTCH patients are the most critically ill and medically complex, and are likely to have greater needs than many STACH patients.

In an effort to provide a basis for comparison, the Applicant cited the American Hospital Directory report, published in November 2014, comparing the per-day estimated facility costs for the providing care in a STACH versus an LTCH.[[28]](#endnote-16) The Applicant applied an inflation rate of 28.3% to this data, which is the percentage CPI increase from November 2014 to May 2025 for Medical Care for the Boston-Cambridge-Newton Core Based Statistical Area (CBSA) of Massachusetts.[[29]](#endnote-17)

Table 5 is a rough calculation of the per-day cost of care in an STACH versus an LTCH in May 2025, arranged by DRG code, showing that the cost per pay is consistently lower in the LTCH setting:

**Table 5: Cost Per Day Short Term Acute Care Hospital (STACH) versus an LTCH**

| MS DRG | Code Description | STACH Cost per Day (May 2025) | LTCH Cost per Day (May 2025) |
| --- | --- | --- | --- |
| 004 | Tracheostomy with Mechanical Ventilation greater than 96 hours | $ 3,381.99 | $ 2,333.78 |
| 177 | Respiratory Infections and Inflammations with Major Complication or Comorbidity | $ 2,387.66 | $ 1,637.11 |
| 193 | Simple Pneumonia and Pleurisy with Major Complication or Comorbidity | $ 2,288.87 | $ 1,584.51 |
| 207 | Respiratory system diagnosis w ventilator support,  ≥ 96 hours | $ 3,258.82 | $ 2,142.61 |
| 208 | Respiratory system diagnosis w ventilator support, < 96 hours | $ 2,761.02 | $ 2,007.90 |
| 297 | Cardiac Arrest, Unexplained with Complication or Comorbidity | $ 2,417.17 | $ 1,666.62 |
| 853 | Infectious and Parasitic Diseases with O.R. Procedure with Major Complication or Comorbidity | $ 3,157.46 | $ 1,848.80 |
| 870 | Septicemia or severe sepsis with mechanical ventilation >96 hours or peripheral extracorporeal membrane oxygenation | $ 3,682.21 | $ 2,013.03 |
| 871 | Septicemia or Severe Sepsis without Mechanical Ventilation >96 hours with Major Complication or Comorbidity | $ 2,589.09 | $ 1,612.73 |

By comparison, a recent state-by-state breakdown on average costs of hospital stays in the US for 2025 found that the average cost per inpatient day at STACH in Massachusetts was $3,529.[[30]](#endnote-18) As previously noted, we presume that the average cost of a patient who will be discharged to an LTCH would be significantly higher, as these patients are more likely to have more complicated medical issues than patients discharged to other post-acute settings.

LTCHs are particularly adept and experienced in the treatment of high acuity patients, such as those needing placement on a ventilator. Prolonged ventilation in an acute care setting is costly. The Agency for Healthcare Research and Quality cites research studies showing that each day that a patient spends on a ventilator in an acute care setting costs an average of $2,300 per day, rising to $3,900 after the fourth day.[[31]](#endnote-19) The Applicant notes that approximately 20% of the Hospital’s census require ventilation.

A 2021 study examining Medicare claims data from 2014-2015 found that, on the whole, patients who were intubated at an acute care hospital and were discharged to an LTCH to wean off the ventilator were more likely to be weaned when discharged earlier to the LTCH.[[32]](#endnote-20) The study showed that each additional day spent in an acute care setting after intubation reduced the odds of weaning in an LTCH by 11.6%. The study explains that for those critically ill patients who will benefit from LTCH, timely transition to an LTCH is not only beneficial to the individual, but to the hospital system as a whole by assisting with hospital throughput issues. Improving patient ventilation outcomes by enabling patients to transition from an acute care setting to an LTCH where they can receive appropriate specialized care (such as weaning protocols and rehabilitation), is likely to lower the rates of hospital readmissions, which the Applicant notes is identified as an area of cost concern in the Commonwealth.[[33]](#endnote-21)

***Analysis: Cost Containment***

Staff finds that the Applicant has adequately explained how it aligns with cost containment goals through improved access to the appropriate treatment setting for high acuity patients. Therefore, DoN Staff can conclude that the Proposed Project will likely meet the cost containment component of Factor 2.

**Public Health Outcomes**

As mentioned earlier, the Applicant plans to analyze the Hospital’s quality assurance data and target areas of focus. The Applicant is planning to concentrate on the Hospital’s rehabilitation, dialysis, and telemetry services to provide comprehensive care and optimize its resources. The Applicant also stated its goal to increase clinical acuity in both the Hospital and the SNF so that both facilities have the resources and personnel to accept higher acuity patients. Better access to long term care has the potential to improve outcomes for patients as well as improve throughput for acute care hospitals.

***Analysis: Public Health Outcomes***

Staff finds that the Applicant’s plans to analyze current quality outcomes, determine areas for improvement, and enhance the capacity to admit higher acuity patients has the potential to improve health outcomes for patients. Therefore, DoN Staff can conclude that the Proposed Project will likely meet the Public Health Outcomes component of Factor 2.

**Delivery System Transformation**

The Hospital considers the needs and challenges along with the patient’s care continuum and works to begin identifying post-discharge challenges upon patient admission. For example, as discussed in factor 1c, the Hospital holds regular interdisciplinary team meetings to discuss patient discharge needs, which enables case managers to coordinate with providers that will be involved with the patient’s post-discharge care. Such regular communication between the Hospital and any identified potential post-discharge provider throughout the duration of a patient’s hospitalization ensures that the appropriate providers and programs are involved and consulted well ahead of the patient’s discharge. Additionally, the close proximity of the Meadows SNF to the Hospital enables both facilities to work cohesively for patients transitioning to Meadows SNF ahead of discharge.

The discharge planning process is woven into the Hospital’s policies and procedures. The process identifies many factors that could impact successful discharge, including patient functionality, patient caregiver supports, financial and social support systems, sociocultural and religious practices, emotional and mental status, and social determinants of health (e.g. availability/accessibility to adequate housing and transportation, language barriers). To ensure continuity of care related to patient’s needs, the Hospital makes referrals when needed, subject to patient choice and relevant to the discharge plan and patient goals/preferences of treatment, to extended care providers, community-based resources, durable medical equipment, and/or specialized ambulatory services (physical therapy, occupational therapy, home health, hospice, mental health, wound care, dialysis, infusion clinics, skilled nursing facility, etc.). The Applicant recognizes that post-discharge care requires a variety of resources and works with home care agencies and non-providers as appropriate to address client’s other supportive needs (e.g., working with home improvement retailors to install in-home grab bars and other modifiers, provide special equipment).

The Applicant will also assist patients with scheduling post-discharge follow-up appointments with primary care providers and/or specialists as applicable. The Applicant ensures the transfer of medically necessary information for continuity of care for post-discharge services and/or follow-up needs of the patient. The Applicant will also provide relevant training to the patient and designated supportive caregiver as applicable.

In addition to these processes that are already in place to address patients’ SDoH, the Applicant stated its plan to explore additional opportunities to expand its contributions in the local community after the Proposed Project has completed.  Although it serves a Patient Panel from a broad geographic area, the Hospital is in a rural area with limited public transportation access. As a result, the Applicant plans to implement transportation services programs for eligible patients and their families with access challenges. This includes connecting with local hotels to develop potential discounts so that families and friends can be local while their loved ones are in the Hospital.

***Analysis: System Delivery Transformation***

Central to the goal of Delivery System Transformation is the integration of social services and community-based expertise. The Applicant has a discharge process embedded in its policies to incorporate SDoH factors linkages to needed community resources as part of its discharge planning process. The Applicant also has plans to expand its community resources in order to improve patients’ access to resources. Therefore, DoN Staff can conclude that the Proposed Project will likely meet the Delivery System Transformation component of Factor 2.

# Summary, FACTOR 2

As a result of the information provided, staff finds that the Proposed Project has sufficiently met the requirements of Factor 2.

# Factor 3: Relevant Licensure/Oversight Compliance

The Applicant has provided evidence of compliance and good standing with federal, state, and local laws and regulations and this Factor will not be addressed further in this report. As a result of information provided by the Applicant, staff finds the Applicant has reasonably met the standards of Factor 3.

# Factor 4: Demonstration of Sufficient Funds Independent CPA Analysis

Under factor 4, the Applicant must demonstrate that it has sufficient funds available for capital and operating costs necessary to support the Proposed Project without negative effects or consequences to the existing Patient Panel. Documentation sufficient to make such a finding must be supported by an analysis by an independent CPA.

The CPA analysis included a review of numerous documents in order to form an opinion as to the reasonableness and feasibility of the projections regarding the Proposed Project including: the Financial Model for 2025-2029; Financial Statements from 2019-2023; Census, Admission and Discharge Data 2019-2023; and documents relevant to reimbursement rates. The CPA assessed the reasonableness[[34]](#footnote-15) of assumptions used in the preparation and feasibility[[35]](#footnote-16) of the projections with regards to the Proposed Project.

**Revenues**

Projected total revenue is projected to grow by 47% from 2025-2029. Increases in gross revenue are driven by gains in patient occupancy, as the Hospital is currently operating at only 50% occupancy. In order to determine the reasonableness of the projected revenue, the CPA reviewed the underlying assumptions upon which Management relied that includes historical operating results. As a result of the analysis, the CPA concluded that the revenue growth projected by the Applicant reflects a reasonable estimation of future revenue of the Applicant.

**Expenses**

Total expenses are projected to grow by approximately 32% in the first year of operation, followed by relatively consistent growth of 1% for the remainder of the projected years. The expense increase is tied to this anticipated occupancy increase as there are a number of expenses which are variable based on occupancy (i.e. patient nursing staffing which is based on hours of nursing care per patient day). The projections assume that operating expenses will become more efficient based on higher utilization.

**Lease agreement, Capital Expenses, and Cash Flows**

The CPA Report noted that the Applicant is planning to finance 80% of the purchase price and the remainder will be funded by members equity. The lease agreement will call for rent satisfactory to cover the realty’s debt service plus additional rent sufficient to ensure a debt service coverage ratio of 1.35. The tenant (LTCH and SNF) will be responsible for all taxes, insurances, maintenance, escrows, repairs, and other additional costs necessary to ensure the lease is triple net. Annual rent and other costs for the LTCH are based on the number of licensed beds. For the purpose of the[[36]](#footnote-17) projections, the LTCH would be responsible for 36.43% of the annual rent (based on 47 LTCH beds out of the 129 combined LTCH & SNF beds.) The CPA report shows that the impact of the rent on operating expenses would experience a net loss in 2025, followed by a steep increase in net income from 2026 -2029 based on normalization of utilization and improved margins.

As a result of its analysis the CPA determined that the Projections are reasonable and feasible, and not likely to have a negative impact on the patient panel or result in a liquidation of assets of the project.

**CPA’s Conclusion of Feasibility**

As a result of its analysis the CPA states that:

*“Based on the applicant’s financial resources as well as existing relationships with lending institutions, this process is expected to be completed pursuant to the terms of the asset purchase agreements. We have no reason to believe that the applicant will not be able to obtain financing. Based on the projected financial information prepared by the applicant, the proposed project is financially feasible.”*

***Factor 4 Analysis***

Staff finds the CPA analysis to be acceptable and that the Applicant has met the requirements of Factor 4.

# Factor 5: Relative Merit

# *Transfers of Ownership are exempt from this factor.*

# 

# Factor 6: Community-based Health Initiatives

# *Transfers of Ownership are exempt from this factor.*

# Findings and Recommendations

Based upon a review of the materials submitted, staff finds that the Applicant has met each applicable DoN factor and recommends approval of this Application for Transfer of Ownership, subject to all applicable Standard and Other conditions.[[37]](#footnote-18)

# Appendix I: Measures for Annual Reporting

1. Increased Capacity: The Applicant will improve staffing levels, which should allow for increased capacity at the Hospital.

*Measure A:* The Applicant will report annually on the facility’s capacity, using the current 50% capacity as a baseline.

*Measure B:* The Applicant will report annually on the Direct Care Staffing levels (in FTE’s), providing the current (FY2025) staffing levels as a baseline.

* 1. *Monitoring:* The Applicant will provide an analysis for any reduction in capacity and/or staffing levels, including a plan to address these losses.

1. **Patient Satisfaction:** The Holder will review patient satisfaction levels with LTCH services.

*Measure:* The Hospital’s Exceptional Care program will be provided to all eligible patients. The program will focus on the following key areas:

* Delivering exceptional experiences for Hospital patients;
* Ensuring safe and quality outcomes; and
* Engaging Hospital’s patients and their loved ones in their care plan.

*Projections:* Since the Proposed Project has not occurred, the Applicant will establish a benchmark of 92%[[38]](#footnote-19) for the overall rating of care.

*Monitoring:* Any category receiving less than the national benchmark will be evaluated and policy changes instituted as appropriate. Metrics will be reviewed monthly.

1. **Clinical Quality** - **Vent Wean Rates:** One of the top five diagnosis for the Hospital is respiratory illness. This measure evaluates the number of patients that are weaned from ventilators, i.e. decreasing the degree of ventilator support and allowing the patient to assume a greater proportion of their own ventilation.

*Measure:* The wean rate is determined by the number of patients on a ventilator at admission that are successfully weaned (≥48 hours) at the time of discharge.

*Projections:* The Hospital has demonstrated a wean rate from ventilators that is higher than the national average. For the reporting period of April 1, 2023, through March 30, 2024, the Hospital reported a wean rate of 67.5% compared to the national average of 52.9%.[[39]](#endnote-22) Since the Proposed Project has not occurred, the Applicant will maintain its wean rate of 67.5% for this measure and reassess as Applicant collects data.

*Monitoring:* Reviewed monthly

1. **Clinical Quality - New or Worsened HAPUs[[40]](#footnote-20):** LTCHs by their nature serve chronic conditions that include complex wounds. For the reporting period of April 1, 2023, through March 30, 2024, the Hospital reported that 9.5% of its patients had any stage of pressure ulcers that were new or worsened, compared to the national average of 2.4%.

*Measure:* The number of patients with Stage 2-4 pressure ulcers, or unstageable pressure ulcers due to slough/eschar, non-removable dressing/device, or deep tissue injury, that were not present or were at a lesser stage on admission.

*Projections:* Since the proposed project has not occurred, the Applicant plans to collect and assess the relevant patient data and address areas of need with respect to this measure. Applicant’s provisional projected discharge rates for this measure are as follows: 7.2% at the end of Year 1; 4.9% in Year 2; and 2.5% in Year 3, consistent with the national average. As stated above, Applicant will reassess its projections as it collects data and further familiarizes itself with the patient population.

*Monitoring:* Reviewed quarterly

# REFERENCES

1. The facilities where the partners have served in leadership/management roles include: Harbour View Senior Living Corp (NJ), Country Arch Care Center, LLC (NJ), Resorts at Pooler Inc. (GA), Resorts at Beaufort LLC (SC), Elmhurst Care Center, Inc. (NY), Elm York LLC (NY), Madison York Rego Park LLC (NY), Madison York Assisted Living Community LLC (NY), Milton HC Operating LLC (MA). [↑](#footnote-ref-2)
2. As part of the same transaction, Applicant will also acquire The Meadows of Central Massachusetts, a Skilled Nursing Facility located at the same address as the Hospital and currently licensed by Vibra. There is no statutory requirement for DoN for SNFs, and 100.735 “Transfer of Ownership- Applicability” is not applicable to SNFs. Therefore, the details of the SNF part of this transaction will not be analyzed in this DoN. [↑](#footnote-ref-3)
3. As defined in 105 CMR 100.100, Patient Panel is the total of the individual patients regardless of payer, including those patients seen within an emergency department(s) if applicable, seen over the course of the most recent complete 36-month period by the Applicant or Holder. [↑](#footnote-ref-4)
4. United States Census Bureau, [*Quick Facts July 1, 2023 (V2023)*,](https://www.census.gov/quickfacts/fact/table/MA/PST045223) Retrieved April 25, 2025, from <https://www.census.gov/quickfacts/fact/table/MA/PST045223> . [↑](#endnote-ref-2)
5. This category includes “Asian Indian”, and “Other Asian.” [↑](#footnote-ref-5)
6. This category combines totals for Hampshire, Franklin, Essex, Berkshire, Norfolk, Suffolk, Bristol, Plymouth, and Barnstable Counties, due to HIPAA concerns. [↑](#footnote-ref-6)
7. The “related party” will be Huntoon 111 Real Estate, LLC – which shares the same partners as Everest Hospital LLC. The Applicant asserts that it is typical to segregate real estate and operations into different entities to segregate liabilities and have a lease between them, even if common ownership. [↑](#footnote-ref-7)
8. Closures include the 2023 closures of Willimansett Center East and West, Governor’s Center and Chapin Center; the 2024 closure of Pioneer Valley Health and Rehabilitation Center; and the pending closure of Highview of Northampton. [↑](#footnote-ref-8)
9. See [AHA Fact Sheet: Long-term Care Hospitals](https://www.aha.org/system/files/media/file/2019/04/fact-sheet-ltch-0319.pdf) at: <https://www.aha.org/system/files/media/file/2019/04/fact-sheet-ltch-0319.pdf> (March 2019). [↑](#endnote-ref-3)
10. *Id.* [↑](#endnote-ref-4)
11. Cambridge Hospital; Fairlawn Rehab Hospital; Holden Rehab; Lawrence Memorial Hospital; St. Anne's Hospital; Anna Jaques Hospital; Athol Hospital; Baystate Franklin Medical Center; Baystate Wing Hospital; Bear Mountain at Worcester; Berkshire Medical Center; Beth Israel Deaconess of Needham; Boston Children's Hospital; Brigham & Women’s Faulkner Hospital; CHA Cambridge Hospital; Charlton Memorial Hospital; Clinton Hospital; Fairlawn Hospital; Falmouth Hospital; Family Lives Homecare; FMC Devens Fed Prison Clinical Unit; Good Samaritan Medical Center; HOLY FAMILY HOSPITAL; Lawrence General Hospital; Lowell General Hospital; Marlborough Hills Rehabilitation & Health; Mass Eye and Ear Infirmary; MelroseWakefield Hospital; Mercy Medical Center; MetroWest Medical Center; Milton Hospital (Beth Israel Deaconess); Mount Auburn Hospital - Cambridge Ma; Nashoba Valley Medical Center; New England Sinai Hospital and Rehab; Newton Wellesley; NWH Newton Wellesley Hosp; Salem Hospital; South Shore Hospital; Southcoast St Luke's Hospital; St Elizabeth's Boston Hospital; St. Elizabeth's Medical Center; The Meadows; Vibra Hospital of SE Mass; Winchester Hospital. [↑](#footnote-ref-9)
12. Hartford Hospital; Rhode Island Hospital; Dartmouth-Hitchcock Medical Center; Hospital Auxilio Mutuo; Johnson Memorial Medical Center; Lawnwood Regional Medical Center; Samaritan Hospital; St Francis Hospital ; St Peter's Hospital; Yale New Haven Hospital; Adventhealth Orlando; Albany Medical Center; Ascension Sacred Heart Bay; Backup Hospital; Carilion Roanoke Memorial Hospital; Cary Medical Center; Catholic Medical Center; CCS Cleveland Fairhill; Central Maine Medical Center; Cheshire Medical Center; Concord Hospital; Crouse Hospital; Danbury Hospital; Elliot Hospital; Ellis Hospital; Exeter Hospital; Frisbie Memorial Hospital; HCA Florida Memorial Hospital; HCA Florida Osceola Hospital; HealthAlliance Hospital Marys Avenue Cam; Kent County Hospital; Kindred Hospital LTACH Los Angeles; Maine Medical Center; Mid Coast Hospital; MidState Medical Center; Mt Sinai Rehab Hospital; Nazareth Hospital; New York Presbyterian Hospital; Northern Light East Maine Medical Center; Northern Lights Eastern Maine Medical Center; NYU Langone Hospital Brooklyn; Our Lady of Fatima; Portsmouth Regional Hospital; Rochester General Hospital; Saint Francis Hospital and Medical Center; Southern New Hampshire Medical Center; St Joseph Hospital; St. Vincent's Medical Center; The Saratoga Hospital; The University of Vermont Medical Center; University of Alabama at Birmingham; University of Vermont Medical Center; Vassar Brothers Medical Center; Waterbury Hospital; West Roxbury VA; York Medical Center. [↑](#footnote-ref-10)
13. Current census is 22 patients served by 10 direct care staff. [↑](#footnote-ref-11)
14. [*Throughput Survey Report*](https://mhalink.informz.net/mhalink/data/images/December%202024%20Throughput%20Survey%20Report%20Draft%20v2.pdf), Mass. Health & Hosp. Assn (Dec. 2024), <https://mhalink.informz.net/mhalink/data/images/December%202024%20Throughput%20Survey%20Report%20Draft%20v2.pdf> . [↑](#endnote-ref-5)
15. [*Throughput Survey Report*](https://mhalink.informz.net/mhalink/data/images/December%202024%20Throughput%20Survey%20Report%20Draft%20v2.pdf), Mass. Health & Hosp. Assn (Dec. 2024), <https://mhalink.informz.net/mhalink/data/images/December%202024%20Throughput%20Survey%20Report%20Draft%20v2.pdf> . [↑](#endnote-ref-6)
16. The backlog facing patients that are transferring to post-acute facilities remains an issue, most recently highlighted by the planned closure of New England Sinai Hospital in Stoughton. (“‘The planned closure of New England Sinai adds yet another layer of fragility to our state’s healthcare system,’ said MHA Vice President of Clinical Affairs Patricia Noga, R.N. ‘We know it is already a massive challenge for patients to find post-acute care services and for hospitals to discharge individuals to the next level of care.’” *Monday Report, New England Sinai Closure Adds to SE Mass. Capacity Problem*, Mass. Health & Hosp. Assn, Electronic mail, Dec. 11, 2023.). [↑](#endnote-ref-7)
17. MHA, [Monthly Throughput Survey Reports,](https://www.mhalink.org/throughputreports/) MASS. HEALTH & HOSP. ASSN, <https://www.mhalink.org/throughputreports/> . [↑](#endnote-ref-8)
18. See e.g., A. Jubran, B. J.B. Grant, L. A. Duffner et al., [*Long-term Outcome after Prolonged Mechanical Ventilation*](https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6580672/pdf/rccm.201806-1131OC.pdf), 199 Am J. Respiratory & Crit. Care Med. 1508 (June 15, 2019), <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6580672/pdf/rccm.201806-1131OC.pdf>. [↑](#endnote-ref-9)
19. See L. Koenig et al., [*The Role of Long-term Acute Care Hospitals in Treating the Critically Ill and Medically Complex An Analysis of Nonventilator Patients*](https://journals.lww.com/lww-medicalcare/Fulltext/2015/07000/The_Role_of_Long_term_Acute_Care_Hospitals_in.5.aspx), 53 Med. Care 582 (July 2015), <https://journals.lww.com/lww-medicalcare/Fulltext/2015/07000/The_Role_of_Long_term_Acute_Care_Hospitals_in.5.aspx>. [↑](#endnote-ref-10)
20. E.M. Viglianti, et al., *Mass Incarceration and Pulmonary Health: Guidance for Clinicians*, 15 Annals Am. Thoracic Soc’y 409 (2018). [↑](#endnote-ref-11)
21. Neither for profit nor non-acute hospitals are required to perform a Community Health Needs Assessment (CHNA). [↑](#footnote-ref-12)
22. Vibra Healthcare II owns the Hospital and Vibra Healthcare owns the Southeastern Vibra. Vibra Healthcare, LLC and Vibra Healthcare II, LLC are affiliated companies both controlled by the same super majority owner. [↑](#footnote-ref-13)
23. The Applicant notes that these providers are not affiliated with the Applicant and are two independent parties who have negotiated a consulting agreement. [↑](#footnote-ref-14)
24. Community Engagement Standards for Community Health Planning Guideline. https://www.mass.gov/doc/community-engagement-guidelines-for-community-health-planning-pdf/download. [↑](#endnote-ref-12)
25. [DoN Regulation 100.210 (A)(1)(e).](https://www.mass.gov/files/documents/2018/12/31/jud-lib-105cmr100.pdf) [at https://www.mass.gov/files/documents/2018/12/31/jud-lib-105cmr100.pdf](https://www.mass.gov/files/documents/2018/12/31/jud-lib-105cmr100.pdf) . [↑](#endnote-ref-13)
26. A.J. Weiss, et al., [*Overview of Clinical Conditions With Frequent and Costly Hospital Readmissions by Payer, 2018*,](https://hcup-us.ahrq.gov/reports/statbriefs/sb278-Conditions-Frequent-Readmissions-By-Payer-2018.jsp#:~:text=The%20average%20readmission%20cost%20was,%2416%2C400%20for%20privately%20insured%20stays) AHRQ Statistical Brief, July 2021, <https://hcup-us.ahrq.gov/reports/statbriefs/sb278-Conditions-Frequent-Readmissions-By-Payer-2018.jsp#:~:text=The%20average%20readmission%20cost%20was,%2416%2C400%20for%20privately%20insured%20stays> . [↑](#endnote-ref-14)
27. [Mass. Health & Hosp. Assn, Testimony Regarding the Potential Modification of the 2026 Healthcare Cost Growth Benchmark](https://masshpc.gov/sites/default/files/2025-03/2025_Benchmark_Testimony_MHA.pdf.) (Mar. 14, 2025), <https://masshpc.gov/sites/default/files/2025-03/2025_Benchmark_Testimony_MHA.pdf>. [↑](#endnote-ref-15)
28. [Am. Hosp. Directory, Cost analysis: STACHs Versus LTACHs](https://www.ahd.com/news/HFM_DataTrends_2014_November.pdf.), Nov. 2014, <https://www.ahd.com/news/HFM_DataTrends_2014_November.pdf>. [↑](#endnote-ref-16)
29. [Consumer Price Index for All Urban Consumers: Medical Care in Boston-Cambridge-Newton, MA-NH](https://fred.stlouisfed.org/series/CUURA103SAM) (CBSA), Fed. Reserve Bank St. Louis, <https://fred.stlouisfed.org/series/CUURA103SAM> (last updated June 11, 2025). Historical Medical Services CPI information for the CBSA of Springfield is not available. The only Medical Services CPI information available for Massachusetts pertains to the Boston-Cambridge-Newton CBSA. [↑](#endnote-ref-17)
30. R. McAllister, [*State-by-State Breakdown – Average Cost of Hospital Stays in the U.S. 2025*,](https://nchstats.com/average-cost-of-hospital-stays-in-us/#google_vignette) NCHstats (Nov. 22, 2024), <https://nchstats.com/average-cost-of-hospital-stays-in-us/#google_vignette> (last updated July 2, 2025). [↑](#endnote-ref-18)
31. Agency for Healthcare Research and Quality, [*Overview: Getting Patients Off the Ventilator Faster: Facilitator Guide*,](https://www.ahrq.gov/hai/tools/mvp/modules/vae/overview-off-ventilator-fac-guide.html) AHRQ.gov (Feb. 2017), <https://www.ahrq.gov/hai/tools/mvp/modules/vae/overview-off-ventilator-fac-guide.html> (Citing Berenholtz S., et al., *Collaborative cohort study of an intervention to reduce ventilator associated pneumonia in the ICU,* 32 Infection Control Hosp Epidemiology 305 (2011); Lipitz-Snyderman A et al., *Impact of a statewide intensive care unit quality improvement initiative on hospital mortality and length of stay: retrospective comparative analysis*, 219 BMJ 342 (2011)). [↑](#endnote-ref-19)
32. Demiralp, B. et al., *Time spent in prior hospital stay and outcomes for ventilator patients in long‑term acute care hospitals*, 104 BMC Pulmonary Med. 1, 3 (2021). [↑](#endnote-ref-20)
33. CHIA, [Hospital Readmissions and Revisits in Massachusetts](https://www.chiamass.gov/hospital-readmissions-and-revisits-in-massachusetts)

    CHIAMass.gov, <https://www.chiamass.gov/hospital-readmissions-and-revisits-in-massachusetts> . [↑](#endnote-ref-21)
34. Reasonableness is defined within the context of this report as supportable and proper, given the underlying information. [↑](#footnote-ref-15)
35. 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 existing Patient Panel. [↑](#footnote-ref-16)
36. Triple net is a real estate term which means the tenant is responsible for items such as real estate taxes, property insurance, repairs, maintenance, and escrows. [↑](#footnote-ref-17)
37. (B)(1) A Determination of Need Application for Transfer of Ownership pursuant to 105 CMR 100.735 is exempt from105 CMR 100.310(A)(5), (6), (7), (9), (10) and (13). [↑](#footnote-ref-18)
38. The Applicant selected 92% as its own organizational goal. Applicant believes that a 92% satisfaction rate is both exemplary and realistic considering the opportunities and challenges faced by the Hospital. [↑](#footnote-ref-19)
39. [*Vibra Hospital of Western Mass – Central Campus*](https://www.medicare.gov/care-compare/details/long-term-care/222046?city=Rochdale&state=MA&zipcode=01542), Medicare.gov, <https://www.medicare.gov/care-compare/details/long-term-care/222046?city=Rochdale&state=MA&zipcode=01542> (last updated Dec. 18, 2024). [↑](#endnote-ref-22)
40. HAPU is a hospital-acquired pressure ulcer. Medicare collects outcome measures from all LTCHs on HAPUs. [↑](#footnote-ref-20)