## Congress of the United States

## Washington, DC 20515

January 23, 2024

Dr. Ralph de la Torre Chairman and Chief Executive Officer Steward Health Care System 1900 North Pearl Street Dallas, TX 75201

Dear Dr. de la Torre:

We write regarding recent reports indicating that Steward Health Care System (Steward) is in grave financial distress.<sup>1</sup> This comes in the wake of the announced closure of Steward's New England Sinai Hospital, allegations that Steward St. Elizabeth's Medical Center, Steward Medical Group, and Steward Health Care System violated the False Claims Act,<sup>2</sup> and reports that Steward is unable to meet existing rent and loan repayment responsibilities.<sup>3</sup>

Steward operates nine facilities in the Commonwealth: Carney Hospital in Dorchester, Good Samaritan Medical Center in Brockton, Holy Family Hospital in Haverhill and Methuen, Morton Hospital in Taunton, Nashoba Valley Medical Center, New England Sinai Hospital, Norwood Hospital (currently closed and undergoing construction following a serious flood), Saint Anne's Hospital in Fall River, and St. Elizabeth's Medical Center in Brighton, and the company employs more than 16,000 nurses, doctors and other frontline, essential health care workers in Massachusetts.

The abrupt closure of Steward's Massachusetts hospitals would significantly limit access to inpatient critical care and inpatient behavioral health care, as well as maternal and newborn health services in eastern Massachusetts. Since Steward's Good Samaritan Hospital is currently the only acute care hospital in the Greater Brockton area, the availability of medical care for residents in this area would be especially challenging as patients from that region are shifted to other hospitals, many of which do not have the capacity to absorb a sustained surge in patient volume. As you know, Steward hospitals are part of Massachusetts's network of safety net hospitals, with a high mix of Medicaid and Medicare patients. In other words, the burden of

<sup>&</sup>lt;sup>1</sup> Boston Globe, Jessica Bartlett, "Steward Health Care's financial issues could spell catastrophe for the state," January 19, 2024.

<sup>&</sup>lt;sup>2</sup> United States Attorney's Office for the District of Massachusetts, "United States Files Complaint Against St. Elizabeth's Medical Center, Steward Medical Group and Steward Health Care System," press release, December 18, 2023, <u>https://www.justice.gov/usao-ma/pr/united-states-files-complaint-against-st-elizabeths-medical-center-steward-medical-group</u>.

<sup>&</sup>lt;sup>3</sup> Medical Properties Trust, "Medical Properties Trust Provides Update on Steward Health Care," press release, January 4, 2024, <u>https://www.medicalpropertiestrust.com/press-release?page=https://medicalpropertiestrust.gcs-web.com/news-release/news-release-details/medical-properties-trust-provides-update-steward-health-care.</u>

Steward hospital closures would be borne primarily by the Massachusetts residents who already experience the greatest challenges accessing health care.

We are encouraged that Steward officials are engaged in conversations with state officials. However, residents, workers, regulators, and elected officials must have a seat at the table for conversations about Steward's plans for the future to ensure continued access to high quality medical care in their communities. Accordingly, we request a briefing on Steward's financial position, the status of your Massachusetts facilities, and your plans to ensure the communities Steward's hospitals serve are not abandoned.

Sincerely,

Elizabeth Warren United States Senator

Richard E. Neal Member of Congress

Stephen F. Lynch Member of Congress

Katreine M. Clark Katherine Clark

Katherine Clark Member of Congress

Edward J. Markey

Edward J. Markey United States Senator

James P. McGovern Member of Congress

William R. Keating Member of Congress

Seth Moulton Member of Congress

Losi Irola

Lori Trahan Member of Congress

Gum S. Tusof

Ayanna Pressley Member of Congress

Take Auchincloss Member of Congress