

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

Dear Dr. de la Torre:

We write regarding the Boston Globe report and other recent developments indicating that Steward Health Care Systems (Steward) is “in such grave financial distress that it may be unable to continue operating some facilities.”<sup>1</sup>

This is disturbing news that 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 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 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. The burden of Steward hospital closures would be borne primarily by the poorest and most vulnerable Massachusetts residents.

We are encouraged by the Globe report that Steward officials are engaged in “ongoing discussion with” state officials. However, residents, workers, regulators, and elected officials have a right to

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<sup>1</sup> Boston Globe, Jessica Bartlett, Steward Health Care’s financial issues could spell catastrophe for the state,” January 19, 2024.

<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, <https://www.justice.gov/usao-ma/pr/united-states-files-complaint-against-st-elizabeths-medical-center-steward-medical-group>.

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

know whether they may soon face hospital closures in their communities and to have a seat at the table for conversations about Steward's plans for the future. To provide us with this information, 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,