

# SHEEHAN PHINNEY

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Jason D. Gregoire, Esq.  
Direct Dial: 603-627-8154  
jgregoire@sheehan.com

Reply to: Manchester Office  
1000 Elm Street, 17<sup>th</sup> Floor  
Manchester, NH 03101

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VIA ELECTRONIC MAIL

Diane Murphy Quinlan, Esq.  
Director of Charitable Trusts  
Department of Justice  
Office of the Attorney General  
33 Capitol Street  
Concord, NH 03301  
[diane.m.quinlan@doj.nh.gov](mailto:diane.m.quinlan@doj.nh.gov)

**Re: *Proposed Transaction between Exeter Health Resources, Inc. and Beth Israel Lahey Health, Inc. – Responses to Requests for Additional Information***

Dear Attorney Quinlan:

On December 13, 2023, Exeter Health Resources, Inc. (“EHR”) and Beth Israel Lahey Health (“BILH”) produced narrative responses and documents in response to your office’s first requests for information. On January 20, 2023, following a virtual meeting with representatives of EHR and BILH, you requested (i) that the parties supplement some of their December 13<sup>th</sup> responses, and (ii) provide information on related inquiries raised during the virtual meeting. Below are the parties’ responses to some of your requests. We expect to provide responses to the remaining requests shortly. Where applicable, this letter references the original response being supplemented.

## RESPONSES

1. *Request 20*: How will EHR’s plans regarding the provision of community benefits change following the closing of the BILH transaction?

**SUPPLEMENTAL RESPONSE: As EHR’s financial performance improves sufficiently to be able to reinstitute community benefit investments without compromising its mission critical services and access to acute care programs, EHR will consider additional incremental investments in services provided either by EHR or by aligned community partners. The EHR board will also consider additional investments in community benefits up to the \$3 Million Local Community Benefits Allocation cap,**

**which will be adjusted upward annually for inflation as described in the Affiliation Agreement over a several year period.**

2. *Response 30:* What are the plans for continued participation in the NH-CARES ACO?

**SUPPLEMENTAL RESPONSE: EHR and BILH confirm that, as of the present date, no information has yet been made publicly available about Medicare ACO program offerings for future years which would permit Core Physicians and BILH to make decisions about Core Physician’s continued participation in the NH-CARES ACO. Core Physicians remains open to the possibility of continuing its participation.**

3. *Response 31:* Please provide an update on the plans for addressing the needs identified in the 2019 and 2022 Community Needs Assessment.

**SUPPLEMENTAL RESPONSE: As recently reported and detailed in EHR’s annual community benefits filing, Exeter Hospital, Core Physicians and Rockingham VNA & Hospice combined to provide \$116,196,740 in FY 2022.**

**Due to a significant operating deficit of \$34,375,941 for the previous fiscal year—and a projected additional \$31,720,000 operating deficit for the current fiscal year—and the associated reduced cash flow due to increasingly delayed third party payor reimbursement, EHR community grant programs remain suspended for the time being but will be considered for re-initiation in FY 2024.**

**Attached is a two-page slide summarizing EHR’s Community Needs Action Plan for 2023-25.**

4. *Response 32:* Are there any changes envisioned with care levels provided to individuals and families without insurance or the financial counseling process and assistance in place?

**SUPPLEMENTAL RESPONSE: The parties do not currently anticipate changes to Exeter Hospital’s, Core Physicians’, or Rockingham VNA & Hospice’s existing financial assistance policies.**

5. Did EHR board members participate in any of EHR's community outreach activities and meetings?

**RESPONSE: Some EHR board members participated in the Exeter-hosted public forum that occurred on May 18, 2022. Since then several board members have participated in Exeter's regularly occurring monthly community calls where Exeter representatives have briefed community leaders on the status of the affiliation.**

6. Did EHR board members meet with the Anna Jaques Hospital board regarding Anna Jaques' experience affiliating with BILH?

**RESPONSE: Upon information and belief, no EHR board members met with their counterparts at Anna Jaques Hospital. However, EHR board members participated in coordinated interactions with board and leadership representatives from other community hospitals in each of the finalist organizations. EHR board members also had the opportunity to meet with BILH board representatives during the selection process.**

7. What interactions did the EHR board have with the BILH board during the due diligence process?

**RESPONSE: During the selection process, the EHR board chair participated in calls with the chairs of the BILH-Needham Hospital board, the BILH-Winchester Hospital board, and BILH. The BILH board chair also personally visited EHR. EHR board members did not interact formally with BILH board members during the due diligence period, post selection.**

8. What is the nearest BILH cancer center to Exeter Hospital?

**RESPONSE: The nearest cancer center is the Anna Jaques Cancer Center in Newburyport, MA, which is affiliated with Beth Israel Deaconess Medical Center.**

Please contact me if you have any questions or concerns. Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read "J.D. Gregoire". The signature is written in a cursive, slightly slanted style.

Jason D. Gregoire, Esq.

cc: Constance Sprauer, Esq. (via email)  
David Szabo, Esq. (via email)  
Leslie Joseph, Esq. (via email)

Enclosure