



SAVE SHARON HOSPITAL, INC  
P.O. Box 475, Sharon, CT 06069

February 2, 2022

VIA EMAIL AND OVERNIGHT MAIL

Kimberly Martone  
Deputy Director/Chief of Staff  
Office of Health Strategy  
P.O. Box 340308  
450 Capital Avenue, MS#51OHS  
Hartford, CT 06134-0308

Re: Certificate of Need Docket No. 18-32238-CON

Dear Ms. Martone,

This letter is written by Save Sharon Hospital, Inc.

It is our contention that Nuvance Health (“Nuvance”) is in violation of the terms set forth in Certificate of Need 18-32238,<sup>1</sup> on April 1, 2019 (“2019 CON”). The 2019 CON requires that Nuvance maintain critical services at Sharon Hospital, notably inpatient obstetrics/gynecology services and critical care services, for a period of five years. While Nuvance has made its intentions to close Sharon Hospital’s maternity unit public, at the same time it has quietly downgraded its Intensive Care Unit (“ICU”) services. Both actions are in violation of the 2019 CON.

A letter sent to the CT Office of Health Strategy (“OHS”) by a committee of the Sharon Hospital medical staff asserts that Nuvance is intentionally creating an environment that is leading to staffing shortages in the birthing suites and the ICU.<sup>2</sup> Not only is this not in keeping with maintenance of these services until regulatory decisions have been made, but it is also a clear attempt by Nuvance to manufacture a staffing crisis to circumvent the CON process. Evidence of such intent, as was described in this letter from the Sharon Hospital medical staff to OHS, is restated below.

### **CON 18-322381**

In 2018, Western Connecticut Health Network, Inc. (“WCHN”) and Health Quest, Inc. (“HQ”) submitted a petition seeking authorization from OHS to enter into an affiliation in which the

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<sup>1</sup> Agreed Settlement, Transfer of Ownership of Western Connecticut Health Network, Inc. and Health Quest Systems, Inc. to a New Not-for-Profit Parent Corporation, <https://portal.ct.gov/-/media/OHS/Testimony/WCHN-HQ-18-32238-CON-Agreed-Settlement.pdf?la=en> (“2019 CON”)

<sup>2</sup> Sharon Hospital Medical Staff Letter, OHS CON Portal docket 18-32238-CON

ownership of both WCHN and HQ would be moved to a new not-for-profit corporation, which was later named Nuvance Health. OHS approved this petition along with important provisions, notably that Nuvance agrees to file an annual affirmation for five years following approval that “Danbury, Norwalk and Sharon Hospital have each continued to maintain separate emergency room services, inpatient general medicine services, cardiology services, inpatient obstetrics/gynecology services, inpatient behavioral health services, critical care unit services and oncology services, such services shall assure patient affordability and adhere to standards of care, quality, and accessibility and reflect local community need.”<sup>3</sup>

In addition, documents submitted by WCHN and HQ included financial projections that Sharon Hospital would have operating gains of \$4.28M in 2020 and \$4.8M in 2021,<sup>4</sup> stating: “There is no capital cost and the financial projections of WCHN and HQ (Sharon Hospital) post-affiliation, demonstrate that the Applicants are financially strong.”<sup>5</sup>

### **VIOLATION OF 2019 CON: CLOSING OF MATERNITY**

On September 29, 2021, in a presentation to the community, Nuvance announced that it would close the maternity unit at Sharon Hospital within 8-12 months.<sup>6</sup> Yet no CON had been submitted to OHS, and a closure within 12 months from September 29, 2021, would be well within the five-year window prescribed by the CON. Nonetheless, Nuvance had made its decision. At a roundtable discussion with public officials on November 5, 2021, at the Sharon Town Hall, Dr. Mark Hirko, the President of Sharon Hospital, stated: “We knew this was going to be an unpopular decision, and we had to be prepared for it.”<sup>7</sup>

The announcement had a predictably devastating effect on maternity unit staff, and three of eight full-time nurses have since left Sharon Hospital.<sup>8</sup> Nuvance currently does not have any publicly listed full-time job openings on its website to replace the labor and delivery nurses who have quit. Instead, it is only looking for per diem labor and delivery nurses. (See Appendix A.) The cost of per diem nurses is \$220-\$230 per hour,<sup>9</sup> creating exorbitant and unnecessary expense for maternity that Nuvance can then cite as an excessive cost of maintaining labor and delivery. However, Nuvance would not have to resort to hiring numerous per diem nurses if premature closure announcements had not been made in both 2018 (See Appendix B) and 2021.<sup>10</sup> Moreover, Nuvance attempted to induce a key nursing manager to transfer from Sharon to

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<sup>3</sup> 2019 CON, Page 18, Section 16(d)(iv)

<sup>4</sup> 2019 CON, Page 8

<sup>5</sup> 2019 CON, Page 8

<sup>6</sup> Sharon Hospital Community Forum – September 29, 2021, PowerPoint presentation slide 20

<https://www.nuvancehealth.org/locations/sharon-hospital/sharon-hospital-transformation>

<sup>7</sup> Nuvance meeting with local and state public officials, November 5, 2021, starting at 15 min and 7 sec,

<https://fb.watch/alxql8b62l/>

<sup>8</sup> Sharon Hospital Medical Staff Letter, OHS CON Portal docket 18-32238-CON, page 4

<sup>9</sup> Nuvance meeting with local and state public officials, November 5, 2021, starting at 1 hour 11 minutes and 41 seconds, <https://fb.watch/alxql8b62l/>

<sup>10</sup> Sharon Hospital Community Update – September 29, 2021, PowerPoint presentation slide 20, <https://www.nuvancehealth.org/locations/sharon-hospital/sharon-hospital-transformation>

Danbury, an effort which thankfully was rebuffed.<sup>11</sup> This is a crisis of Nuvance’s own making and should not be used as evidence against keeping Sharon Hospital’s maternity unit open.

Nuvance alleges difficult financial conditions at Sharon Hospital, claiming that it lost \$41.16M between FY17-FY21<sup>12</sup> (an average loss of \$8.23M per year), and therefore the birthing suites must be shuttered.<sup>13</sup> The claim that the Hospital lost \$41.16M is not supported by the financial statements that have been filed by Nuvance with OHS. In addition, as far as we can tell and partially confirmed by Nuvance, Sharon Hospital has not been given financial or economic credit for the procedures and tests ordered by doctors at the Hospital but performed at other Nuvance hospitals since Sharon Hospital was acquired by Health Quest. The Stroudwater consultant’s report stated that the economic benefit of these procedures to Sharon Hospital was \$5.3 million in 2019.<sup>14</sup> In addition, lab tests outsourced from Sharon Hospital to Vassar Brothers Hospital amounted to \$1 million annually. Questions raised with Nuvance about large corporate overhead allocations charged to Sharon Hospital have still not been fully answered by management to date. Reflecting all these economic benefit add-backs should, based on the current available financial information, result in a break-even financially for Sharon Hospital for the past five years. Moreover, the purported loss of \$41.16M is in stark contrast to the \$17.45M between FY19-FY22 in operating gains (an average *gain* of \$4.36M per year) that it had represented to OHS in its 2018 petition.<sup>15</sup> Such a swing is enormous relative to the total revenue of Sharon Hospital: it represents a 20% discrepancy in total costs, and it should be investigated further. Nuvance reports in its latest CON filing, to close labor and delivery, that it currently loses \$3 million annually; however, the financial information that Nuvance supplied to us is incomplete and unsupported.

Nuvance also reported to the community that “Sharon Hospital has seen an average of fewer than 200 annual deliveries for the past four years, and birthrates are decreasing.” (See appendix C.)<sup>16</sup> However, the Sharon Town Hall reports that the town of Sharon had 230 births in 2018, 192 births in 2019, 212 births in 2020, and 213 births in 2021. (See Appendix D.) In their letter to OHS, the medical staff reports 185 births at Sharon Hospital in 2019, 212 in 2020, and 211 in 2021.<sup>17</sup> The discrepancy between the numbers from the Sharon Town Hall and the medical staff letter may be due to inclusion of home births in the numbers in the Sharon Town Hall records. However, regardless of which set of numbers are used, neither backs up Nuvance’s assertion to the community that there was an average of less than 200 births annually over the past four years and that birthrates decreased over this time period.

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<sup>11</sup> Sharon Hospital Medical Staff Letter, OHS CON Portal docket 18-32238-CON, page 10

<sup>12</sup> Stroudwater Associate’s Executive Summary, slide 3, <https://www.nuvancehealth.org/locations/sharon-hospital/sharon-hospital-transformation>

<sup>13</sup> Sharon Hospital Community Update – September 29, 2021, PowerPoint presentation slide 20, <https://www.nuvancehealth.org/locations/sharon-hospital/sharon-hospital-transformation>

<sup>14</sup> Stroudwater Associate’s Executive Summary, <https://www.nuvancehealth.org/locations/sharon-hospital/sharon-hospital-transformation>

<sup>15</sup> 2019 CON, Page 8

<sup>16</sup> Sharon Hospital Community Update – September 29, 2021, PowerPoint presentation slide 20, <https://www.nuvancehealth.org/locations/sharon-hospital/sharon-hospital-transformation>

<sup>17</sup> Sharon Hospital Medical Staff Letter, OHS CON Portal docket 18-32238-CON, page 10

At the roundtable discussion on November 5, 2021, Dr. Hirko reported that “greater than 40% of the people that actually live in this region [who] seek care for labor and delivery... are bypassing all of the closest hospitals even in our region including Charlotte Hungerford.”<sup>18</sup> In other words, more than 40% of the people in the Sharon Hospital catchment area are choosing not to use the birthing suites at Sharon Hospital to deliver their babies. Nuvance apparently is failing to capture these births at Sharon Hospital through a lack of community outreach, lack of substantial advertising, and poisoning of the well when it states publicly that the maternity unit is closing.

At the roundtable discussion with state and local public officials, Dr. Hirko described difficulty maintaining maternity services and argued that the 2019 CON allows Sharon Hospital to close maternity before the required five years: “... per the agreement that was made during the creation of Nuvance Health, it was that, you know, that we would keep the services open... as long as it was commercially reasonable, and that’s the part that we’re having difficulty with... Commercially, it’s being very difficult to maintain the service.”<sup>19</sup>

While we disagree that Nuvance has used all commercially reasonable efforts to maintain labor and delivery at Sharon Hospital, even the assertion that it has done so is irrelevant to the 2019 CON. The term “commercially reasonable” only applies in the following directive: “[Nuvance] shall use commercially reasonable efforts to employ, engage or otherwise include on the Sharon Hospital medical staff a minimum of two (2) full-time equivalent Obstetrics and Gynecology physicians that provide obstetrical services at Sharon Hospital, subject to the availability of appropriate physicians and community need.”<sup>20</sup> However, as mentioned above, the 2019 CON also requires that Sharon Hospital maintain inpatient obstetrics and gynecology for a period of five years,<sup>21</sup> without a caveat of whether it is commercially reasonable or not.

In the roundtable with public officials, Dr. Hirko stated that Nuvance would keep maternity open for 8-12 months but added this: “The only thing that can throw a monkey wrench in the short run is that if staffing makes us close earlier.”<sup>22</sup> He later confirmed that Nuvance is at the very least encouraging such a staff shortage by telling the officials that “we have recommended to the docs that because we are planning on closing that it’s in their best interest to seek privileges at another institution.”<sup>23</sup>

No matter what the rationale, Nuvance must not be allowed to circumvent OHS mandates and close the maternity unit without due process.

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<sup>18</sup> Nuvance meeting with local and state public officials, November 5, 2021, starting at 13 min and 16 sec, <https://fb.watch/alxql8b62l/>

<sup>19</sup> Nuvance meeting with local and state public officials, November 5, 2021, starting at 7 min and 25 sec, <https://fb.watch/alxql8b62l/>

<sup>20</sup> 2019 CON, Page 19, Section 18

<sup>21</sup> 2019 CON, Page 18, Section 16(d)(iv)

<sup>22</sup> Nuvance meeting with local and state public officials, November 5, 2021, starting at 16 min and 333 sec, <https://fb.watch/alxql8b62l/>

<sup>23</sup> Nuvance meeting with local and state public officials, November 5, 2021, starting at 17 min and 59 sec, <https://fb.watch/alxql8b62l/>

## VIOLATION OF CON: REPLACEMENT OF ICU

During the September 29, 2021, presentation to the community, Nuvance administration described its plan to “consolidate inpatient care services to capture efficiencies in staffing and care.” (See appendix E.)<sup>24</sup> There was no specific reference to the ICU, and many in the audience were not likely to understand that Nuvance was discussing its plans for the ICU at that time. However, on December 14, 2021, Nuvance submitted a petition to OHS to close the ICU without a CON application. Instead, it would establish a PCU. Not only do we consider the closure of an ICU during a pandemic to be morally unacceptable, but this action is a direct violation of the 2019 CON, which requires that “critical care unit services” be attested to at Sharon Hospital for five years.<sup>25</sup> The CON specifies “critical care unit services” must be maintained, and not critical care treatment in an ER where patients are stabilized and then transferred to another hospital’s critical care unit for admission. As stated in Nuvance’s own petition, progressive care is defined by the American Association of Critical Care Nurses as “moderately stable” with “less complexity with a decreased risk of a life-threatening event, a decreased need for invasive monitoring, increased stability, and an increased ability to participate in their care.”<sup>26</sup> Progressive care in a PCU is therefore not equivalent to critical care in an ICU, as a PCU cannot handle the high intensity patients typical of an ICU.

Since Nuvance administration announced to Sharon Hospital staff the conversion of the ICU to a PCU, four ICU nurses have left.<sup>27</sup> Nuvance is not currently seeking to hire full-time critical care nurses to replace those who have left. Instead, it lists openings for “General Medicine/Telemetry” RN on its website (See Appendix F.), which are requirements for a PCU nurse, but do not describe the full skillset possessed by a critical care nurse. Similar to the situation in maternity, Nuvance has created, prior to any authorization or other decision by OHS, an environment that is not conducive to a healthy ICU. The replacement of the ICU with a PCU is another violation of the 2019 CON, and Nuvance must not be allowed to circumvent due process and regulatory oversight.

## REQUESTED ACTIONS BY OHS

### Request 1: Enforcement of CON

We request that Nuvance be advised that it must not seek to discontinue services at Sharon Hospital in violation of the CON.

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<sup>24</sup> Sharon Hospital Community Update – September 29, 2021, PowerPoint presentation slide 19, <https://www.nuvancehealth.org/locations/sharon-hospital/sharon-hospital-transformation>

<sup>25</sup> 2019 CON, Page 18, Section 16(d)(iv)

<sup>26</sup> OHS Docket #32504, CON Determination Form, page 4

<sup>27</sup> Sharon Hospital Medical Staff Letter, OHS CON Portal docket 18-32238-CON, page 4

## Request 2: Finances

As the reported financial losses<sup>28</sup> at Sharon Hospital are inconsistent with the audited financial statements submitted to OHS and with the large financial gains predicted by Nuvance in 2018,<sup>29</sup> we request that OHS investigate these discrepancies further. In addition, as we have pointed out to OHS in a previous letter, charity care provided by Sharon Hospital has significantly declined over the past several years and thus Sharon Hospital is not in accordance with the CON Order - this must be investigated and corrected.

## Request 3: Staffing of the birthing suites and the ICU

We request that OHS obtain the names and contact information from Nuvance of the maternity and critical care nurses who recently resigned, so that their reasons for quitting and locations of their new employment may be obtained by OHS. Proof of the negative working conditions could be attested to by current nursing staff or by staff who have quit these services. In addition, these staff members could state whether they were courted to leave maternity or the ICU to work elsewhere within Nuvance, while these services remain open. If OHS requested statements from the nurses, they may be less likely to fear repercussions than if they came forward on their own. In addition, we request that Nuvance be required to cease all actions which may promote loss of staff or providers, including in particular efforts to induce these persons to transfer to another Nuvance hospital, and immediately recruit full-time replacements.

## Conclusion

Nuvance must not be allowed to create an environment on the ground leading to premature closures of Sharon Hospital's birthing suites and the ICU without approval from OHS.

Respectfully submitted,


Save Sharon Hospital, Inc.

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<sup>28</sup> Stroudwater Associate's Executive Summary, slide 3, <https://www.nuvancehealth.org/locations/sharon-hospital/sharon-hospital-transformation>

<sup>29</sup> 2019 CON, Page 8

## Appendix A:

 Careers   

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USA:CT:Sharon  
Posted: 11/12/2021  Save

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**Registered Nurse- Emergency Room Per Diem**  
Category: Nursing  
USA:CT:Sharon  
Posted: 11/5/2021  Save

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**Registered Nurse- Delivery Per Diem**  
Category: Nursing  
USA:CT:Sharon  
Posted: 11/5/2021  Save

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**Registered Nurse- Delivery Per Diem**  
Category: Nursing  
USA:CT:Sharon  
Posted: 11/5/2021  Save

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**Reg Respiratory Therapist**  
Category: Professional - Clinical / Allied Health  
USA:CT:Sharon  
Posted: 10/28/2021  Save

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**Physical Therapist**  
Category: Professional - Clinical / Allied Health  
USA:CT:Sharon  
Posted: 10/28/2021  Save

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## Appendix B:

**From:** InternalCommunications  
**Sent:** Monday, July 2, 2018 10:33 AM  
**To:** All SH Users  
**Subject:** A MESSAGE ON BEHALF OF PETER CORDEAU, PRESIDENT TO ALL SHARON HOSPITAL ASSOCIATES: OB Services



Dear Associates:

Sharon Hospital has seen a deep decline in the number of birth deliveries. Census and demographics reporting reveal the steady labor and delivery decline will continue to increase.

Simply put, there are not as many babies being born and with such low volumes, it is difficult to be proficient in managing unanticipated emergencies. In essence, as the number of cases decreases, the chance of complications increases.

However, there is an immediate and growing need for all other women's health services. Therefore, the maternity unit will stop delivering babies at a date to be determined and we will transition to focus on women's healthcare that will continue to offer pre- and post-natal, as well as lactation services.

Based on our ongoing and extensive evaluation of present community health needs, there is a present and growing demand for a comprehensive women's health services to the aging population. Plans include purchasing a 3-D mammography unit. Furthermore, we will form a dedicated community-based Women's Advisory Group to guide development of this new focus, which will include peri-menopausal care, heart health, integrative care, aesthetics and more.

Thank you for all you do to make a difference in the lives of our patients throughout the Health Quest system. And thank you for your continued dedication to making Sharon Hospital the warm and caring environment it is today and will continue to be for years to come.

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Health Quest has a secure e-mail policy.  
About Health Quest Systems, Inc.

Health Quest Systems, Inc., headquartered in LaGrangeville, New York, is a leading nonprofit healthcare system in the Mid-Hudson Valley and northwest Connecticut. The network includes four hospitals: Vassar Brothers Medical Center in Poughkeepsie, Northern Dutchess Hospital in Rhinebeck, Putnam Hospital Center in Carmel and Sharon Hospital in Sharon, Conn. It also includes Health Quest Medical Practice, Health Quest Urgent Care, and several affiliates, including Health Quest Home Care and The Heart Center. Health Quest comprises 691 licensed beds and more than 6,000 employees.

If assistance is required, please send a message to the Help Desk at [hqithelpdesk@health-quest.org](mailto:hqithelpdesk@health-quest.org) or call (845) 483-6789. This email is intended for the use of the named recipient only. It may contain information that is privileged, confidential and exempt from disclosure under applicable law. If you are not the intended recipient, please be notified that any use, dissemination, distribution or copying of this communication is



## Appendix C:

### Phase Out Labor & Delivery

**Sharon Hospital has seen an average of fewer than 200 annual deliveries for the past four years, and birthrates are decreasing.**

**We cannot continue serving the long-term needs of our community without adapting to our current realities, so we plan to:**

- Pending the regulatory process, phase out Labor & Delivery services over 8-12 months so today's pregnant women who planned to deliver at Sharon Hospital can do so
- Incentivize staff to remain at Sharon Hospital to care for pregnant women through their deliveries
- Help connect future mothers with high-quality, compassionate Labor & Delivery services at other Nuvance Health hospitals in the region
- Continue expanding access to women's health services in our region

## Appendix D:

1732



1739

TOWN CLERK'S OFFICE

January 24, 2022

According to the births recorded in the office of the Sharon Town Clerk the **estimated** number of births for 2018 to 2021 are as follows:

2018 - 230

2019 - 192

2020 - 212

2021 - 215

Some births occurred in other Connecticut Hospital Towns - 11 total for 2018-2021

Respectfully,

A handwritten signature in black ink, appearing to read "L. Amerighi", is written over a long, horizontal, wavy line.

Linda R. Amerighi  
Sharon Town Clerk

## Appendix E:

### **Consolidate Inpatient Care Services to Capture Efficiencies in Staffing and Care**

**We will convene work groups of clinical staff, including physicians and nurses, to develop an operational plan to:**

- Goal of the work group is to ensure we are providing the right care, at the right time and at the right place. We envision that once finalized, the plan will be to continue providing the majority of care in the same manner we are today.
- More effectively assign staff and resources to serve the needs of our patients
- Maintain ventilator capacity and telemetry monitoring
- Stabilize patients and keep them at Sharon Hospital whenever possible

## Appendix F:

The screenshot displays a mobile application interface for a careers page. At the top, there is a blue header with the text "Careers" and navigation icons (a search icon, a list icon, and a more options icon). Below the header, there are five job listings, each separated by a horizontal line. Each listing includes the job title, category, location, and posting date, along with a "Save" button represented by a document icon.

**ER Technician**  
Category: Nursing Support - Patient Services  
USA:CT:Sharon  
Posted: 12/8/2021

**LPN - \$4,000 Sign-On Bonus**  
Category: Professional - Clinical / Allied Health  
USA:CT:Sharon  
Posted: 12/3/2021

**Occupational Therapist**  
Category: Professional - Clinical / Allied Health  
USA:CT:Sharon  
Posted: 12/3/2021

**Patient Monitor Tech**  
Category: Nursing Support - Patient Services  
USA:CT:Sharon  
Posted: 12/2/2021

**Registered Nurse (RN) - General Medicine / Telemetr...**  
Category: Nursing  
USA:CT:Sharon  
Posted: 11/19/2021

At the bottom of the screen, there is a navigation bar with left and right arrows. Below that is a browser address bar showing "AA" and the URL "chnprod-lm01.cloud.infor.com" with a refresh icon.