



Beth Israel Lahey Health

*September 29, 2022*

**BETH ISRAEL LAHEY HEALTH, INC. STATEMENT OF ACQUIRER  
UNDER RSA 7:19-b, III**

## STATEMENT OF ACQUIRER

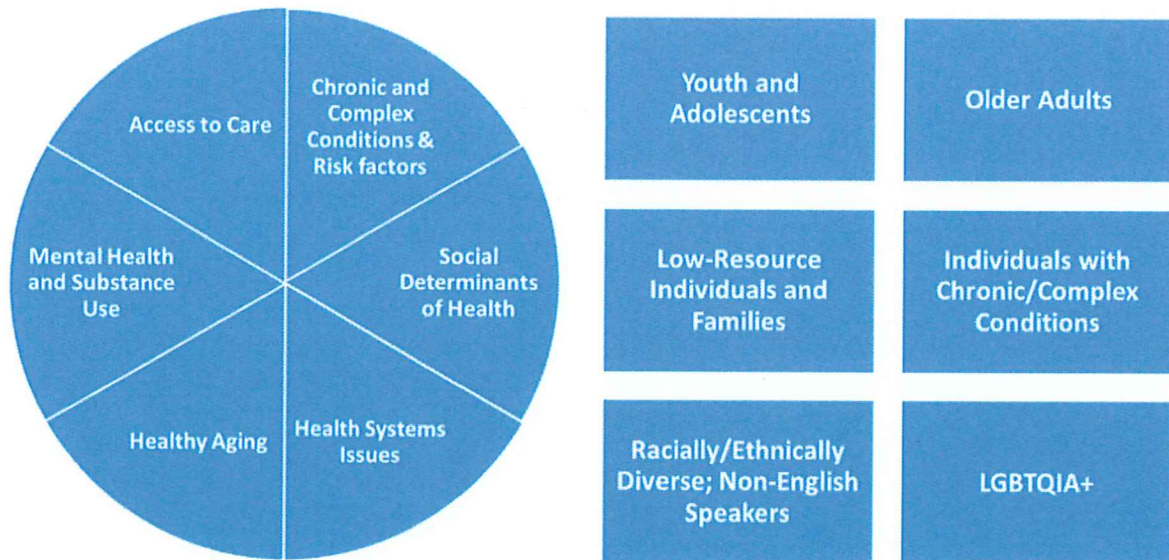
I, Kevin Tabb, M.D., exclusively in my capacity as President and Chief Executive Officer of Beth Israel Lahey Health, Inc., a Massachusetts nonprofit corporation (“BILH”), and on behalf of the Board of Trustees of BILH (the “Board”) pursuant to authority granted by the Board to me by resolutions dated June 17, 2022, do hereby provide this statement in accordance with New Hampshire RSA 7:19-b, III.

1. This statement is being provided in connection with the proposed affiliation transaction (the “Affiliation”) between BILH and Exeter Health Resources, Inc., a New Hampshire nonprofit corporation (“EHR”), together with its subsidiaries including Exeter Hospital, Inc., a New Hampshire nonprofit corporation (“EH”), Core Physicians, LLC, a New Hampshire limited liability company (“Core”), and Rockingham VNA & Hospice, a New Hampshire nonprofit corporation (“RVNA”) (together, the “EHR Entities”). Through the proposed Affiliation, in accordance with the terms and conditions of a detailed Affiliation Agreement between BILH and EHR, dated June 28, 2022 (the “Affiliation Agreement”), BILH shall become the sole corporate member of EHR and the indirect parent of the EHR Entities, including EH.
2. BILH and EHR believe that the integration of EHR and the EHR Entities with and into the BILH system will strengthen and improve access to high-quality, affordable health care service for the communities they serve, and through the Affiliation, seek to preserve, sustain and enhance the EHR Entities’ status as a recognized value-based health care system for the region in furtherance of its charitable mission, including the continued provision of care to vulnerable populations. In support of this unified vision and the common set of goals articulated in the Affiliation Agreement and its ancillary documents, through the Affiliation, BILH is committed to continuing to fulfill the charitable objects of EHR and its subsidiaries as described herein and in the Notice to the Director of Charitable Trusts that is being submitted by EHR and the EHR Entities with respect to the Affiliation as of the date hereof (the “Notice”).
3. Through the Affiliation, BILH will sustain EHR’s strength and leadership in community benefits programming while providing EHR access to BILH resources and support. BILH will sustain, reinforce and expand EHR’s and the EHR Entities’ existing programs to address the most significant health needs of their communities. Moreover, as a system, BILH will work with EHR to further identify and address EHR’s immediate and long-term community needs, including those already identified by EHR. Some of BILH’s specific commitments, including in the critical areas of behavioral health capacity and access, programs for substance use disorder treatment, access to health care for low-

income communities, and elder care capacity and services, are more fully described in the Notice.

4. Central to BILH's philosophy of addressing community health needs is balancing system support, coordination, and infrastructure with local oversight and autonomy. This approach has achieved the following results through long-standing, locally-driven programs and partnerships that would be extended to EHR:
  - a. The BILH system has provided approximately \$125 million in Community Benefit funding over FY19 and FY20. Achievement of partnership goals related to growth, financial performance, and high-quality, cost-effective care will allow BILH to continue to provide significant contributions to the community and its most vulnerable populations.
  - b. BILH considers the provision of charity and uncompensated care as "mission critical" and one of its core purposes. BILH serves its communities and cares for all patients, regardless of ability to pay. BILH also offers credit, collections, and financial assistance policies, including a sliding scale for those at or below 400% of the Federal Poverty Level.
  - c. Upon BILH's formation, the system committed to investing in behavioral health, affiliated safety net institutions, and community health centers. For example, BILH has committed to providing \$49.8 million for community-based health care providers and safety net providers affiliated with BILH by 2027 to ensure financial support for programs specifically targeted to underserved populations. As of September 2021, BILH has already provided approximately \$19.5 million to support these providers and programs.
  - d. BILH continues to sustain and expand investments in behavioral health and substance use disorder treatment across its system, including hospital partnerships to address substance use disorder and its Collaborative Care model to improve behavioral health access across BILH primary care practice sites.
5. Another essential part of BILH's mission is access to health care for communities of color and low-income communities. BILH has and will continue to invest in programs and services targeting improvement in health equity, including the \$49.8 million commitment described above. Further, BILH committed an additional \$5 million in strategic investments to expand access to health care services for these communities.
6. BILH believes that there is strong alignment between the needs of the greater EHR community and BILH's current initiatives. Historically, each BILH hospital has completed a Community Health Needs Assessment ("CHNA") every three years. These CHNAs have been analyzed at the system level and themes and priority populations have been identified as follows:

## BILH System Community Benefit Priorities & Prioritized Populations



Across BILH's portfolio of over 200 community benefit programs, **Behavioral Health programs represent the largest share (approximately 31%)**. In recent years, the BILH system has also placed considerable focus on the social determinants of health and how access (or lack of access) to basic necessities can greatly impact health outcomes. As a result, community programs have been developed and/or expanded to address these issues, particularly food insecurity.

These are examples of system-wide priorities that would help EHR serve overlapping community needs. While there are certainly benefits to system scale, BILH supports local leadership and oversight of community benefits programming. BILH is accustomed to supporting local organizations with their unique community needs. Pursuant to the Affiliation Agreement and the proposed amended and restated Bylaws of EHR, the EHR governing Board of Trustees will retain the power to approve expenditures from the Local Community Benefit Allocation (as referenced in the Affiliation Agreement and herein). Although there is opportunity for coordination and collaboration, BILH's highest priority is supporting EHR in addressing the most pressing needs of its communities.

7. As discussed above, BILH will support the strengthening of each pillar of EHR's community benefits program, all of which are critical to addressing the complexity and uniqueness of local community health needs. Specifically, BILH has committed to supporting EHR in a number of important ways, including but not limited to:
  - a. Providing its historical levels of charity care and continued access for uninsured and Medicaid patients in the communities it serves.

- b. Working collaboratively with community partners to proactively identify health needs, address disparities to improve health status, and promote preventive health measures in its community.
- c. Bolstering community programs, education and outreach efforts by offering system resources and infrastructure to assist program development. BILH supports community benefit initiatives as identified by local affiliate priorities and expects that BILH community benefit initiatives underway in adjacent communities will further support stated EHR community benefit activities to expand access and reduce health disparities for target populations.
- d. Expanding access and programs for behavioral health and substance use disorder treatment, calibrated to the needs of New Hampshire and leveraging system-wide initiatives.

Through the Affiliation, BILH will support EHR to strengthen its community benefits program by supporting local teams with large-scale system resources. BILH hospitals have worked collaboratively with community partners to proactively identify health needs, address disparities to improve health status, and promote preventive health measures in its existing service communities. BILH has over 200 community benefits programs across its system, the diversity of which reflect the mosaic of local needs, partnerships, and opportunities for each of the communities BILH serves. While BILH will bring its system level resources to bear on the identification of particular community needs and priorities, the solutions will reflect the particular health challenges facing communities in southeastern New Hampshire.

- 8. Through the measures specified above and the terms of the proposed Affiliation, BILH will work collaboratively with EHR to enable EHR to continue to fulfill its charitable mission and purpose.

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Dated on this 29th day of September, 2022.



**BETH ISRAEL LAHEY HEALTH, INC.**

By: \_\_\_\_\_

**Kevin Tabb, M.D., CEO**

*[Signature Page to BILH Statement of Acquirer]*