# Bankruptcy of Steward Health Care Prompts Debate on Hospital Oversight in Massachusetts



Steward Health Care, a major hospital operator, filed for bankruptcy, prompting discussions about the effectiveness of Massachusetts' regulatory oversight of financially struggling hospitals. The bankruptcy hearing is set in Texas, presided over by a judge who formerly worked at a law firm representing Steward. This situation has ignited commentary from local officials including Massachusetts Governor Maura Healey and Boston University professor Alan Sager.

Governor Healey remarked on the company's bankruptcy filing, suggesting motives of greed and possibly other wrongdoing. Professor Alan Sager, noted for his long-term advocacy for stringent state regulation of hospitals, criticized the state's historically weak oversight. He proposed three measures to prevent similar occurrences: fulfilling a 2012 law for cataloging health resources, enacting a receivership law for essential hospitals, and creating a hospital stabilization trust fund financed by assessments on hospitals.

Despite these recommendations, there has been resistance to such legislative changes, often due to opposition from powerful hospitals and other stakeholders. The urgency of these reforms has been underscored by the potential impact on Steward's eight hospitals in Massachusetts and the communities they serve.