

Presentation Transcript

Please note the transcript of the public comment component of the meeting is provided in a separate document.

Given the Independent Monitor's presentation is the same for all six community meetings in this series, only one version of the transcript¹ is provided, which was the first meeting held on October 17, 2023.

TRANSYLVANIA COUNTY MEETING

TUESDAY, OCTOBER 17, 2023, 5:30pm Eastern

Please refer to accompanying [Presentation Slides](#) which were shown during the presentation.

RONALD WINTERS: I wanted to start by saying thank you. During the course of the program, there'll be some opportunities to capture QR codes and web addresses from your phones. We have arranged for a special WIFI network to use with the name "Monitor" and the password is "independent".

So let me get started. Again, welcome everyone. My name is Ron Winters. I'm one of the founders of Gibbins Advisors who is the Independent Monitor. I'll be leading the engagement tonight. And here with me as you'll see, during the slide show, we have 3 members of our team, Ginger Smith, Isabelle Premkumar, and Brad Williams. They will be helping during the course of the evening. I appreciate your attendance here tonight. We appreciate you coming. We appreciate all of the folks you represent here by coming tonight. The face-to-face meetings that we have are very important to us and capturing your feelings about what's going on is very important to us in our understanding and we take it very seriously.

¹ Minor edits have been made by Gibbins Advisors to correct for sentence flow and comprehension in a written format.

We also want you to know to the extent that I think that many of you are not able to speak tonight, we can be reached 24/7 via our website. You can put messages on the website, you can send us emails, and also all that information is provided on the tables and ready for you to take those materials away with you.

We understand your concern about Mission Health, and we continue to list and gather information from you and various others. We have various ways of capturing information from you, data that we get from HCA, etcetera. It helps us in evaluating HCA's compliance with the various commitments they made when they bought the facilities. We will hold another event like this in the spring, likely in May. It will be the warm-up act for the White Squirrel Festival. We are looking forward to that, and we will continue to have conversations with you here tonight and anytime you would like to meet with us on the phone.

Now this meeting tonight was made with your concerns in mind. There may be a bit of pressure on what we can and can't address based on those 15 Commitments HCA made when they purchased the facilities when they purchased Mission. Those that fall within the realm of the 15 Commitments we can do something about it, or at least are areas we can assist with in evaluating their compliance. That might be things like, for example, a minimum amount of capital expenditure, constructing certain new facilities, and the requirement to continue to provide certain services. There are a number of things that fall outside those 15 commitments and, in effect, outside of what we can do about them. Things like that might be billing matters or employee matters, or quality of care metrics, or the ways in which HCA operates the hospitals. Those are things that fall outside of our scope. Our ability to be impactful here is within the 15 commitments HCA made, but there are other organizations that can assist with those other matters outside the 15 commitments. We have left resource guides on the tables to guide you towards those other organizations and we're here tonight to also help direct you to parts of that. We've prepared this to help you find solutions for those matters that fall outside of our purview. We're certainly here to listen to your concerns about complying with those commitments, and we've provided those guides to help you find solutions to those problems that fall outside of those commitments.

With us tonight, in addition to our host at the Brevard Music Center, we have a number of folks from the community that we met with earlier from the hospital's Local Advisory Board, Parker Platt, John Hunt, and Ruffin Benton. We also have here tonight general counsel for Dogwood Health Trust, Rachel Ryan. I was hoping that someone from the Attorney General's office is here. Oh, is that them in the back of the room? Yes, thank you for being here.

The presentation will be broken down into two parts. We are going to start with a short PowerPoint which we will walk through quickly to go over those 15 commitments and our role. We are going to then open the floor to questions and comments. We are going to try to hold that to about a half of an hour. We'd like to have a hard stop at 6:15 so we can get to that last part of the

meeting which will involve assisting you in finding solutions outside of those commitments, and time to meet our team for Q&A on the 15 commitments. For those members of the press here tonight, when we get to those questions, we would like to limit those questions to come from members of the community. We'd be happy to meet with the press during another time. Again, questions will give you the chance to speak up, stand up, and we will also be taking down your questions or comments. You can also send us emails or submit them on our website.

With that, I would like to turn to spending the next 15 minutes going over this brief presentation. I want to point you toward the colorful sheets of paper on the tables which go over those 15 commitments. And with that I'll turn to our presentation.

Our first part of the program will go over our role and those HCA commitments and then we are going to move to the second part of the program which again is the public comment period. From there, we will break out and work on finding those solutions to those problems using the resource guide. To make that happen, we have two tables. On this table over here, you can raise concerns you have about complying with the commitments. We will be sitting over here, myself, along with at least one member of my team will be sitting here. At this table, the [Assistant] Attorney General, Llogan [Walters] has offered to sit with one of the other members of our team and maybe help boost some of the opportunities on the resource guide, and maybe help channel to the appropriate organizations.

As I said, our firm is the Independent Monitor. We were hired at the end of 2019. We were here at the facilities right away after we were hired and we had an original community meetings in either January or February of 2020. Some of our team is here tonight. You see Ginger and Brad and Isabelle here. Other members of the team are shown here who have also worked on this.

We are independent of Mission and HCA. We are not, and I take special effort to mention this in every one of these meetings, we are not engaged by HCA. We are not paid by HCA. It is very important we emphasize that. People sometimes express concern which is why we emphasize again that we are independent of HCA.

Our Role. In the purchase agreement HCA was required to make certain commitments to ensure healthcare in western North Carolina counties. We, in our role as the Independent Monitor, help evaluate their ongoing compliance with those commitments. Then we advise the Dogwood Health Trust who is in charge of enforcing that compliance.

How we work and use your feedback. Very briefly, each April 30 we receive the required Annual Report that HCA prepares that demonstrates compliance. They send it to us on or about the 120th day of the year. We then perform an analysis and request

additional information from HCA that supports their assertion of compliance. We seek input from the communities. We visit the sites. We visit with many of the community leaders at the same time we see the facilities, which we do with Dogwood in May of each year. We complete our compliance checklist and then we provide an evaluation during the ~75 days or so that follows April 30th so that Dogwood can act *{distorted audio recording @ 13:11}*.

From there, here's how we take information from the community. We receive submissions, by email, as I said, emails, calls, letters, phone calls. We log everything in. We evaluate whether it falls within the scope of the 15 commitments. We follow-up with more information from the person who submitted to us and get information. If they choose to identify themselves, we will respond to everyone who asked us to respond. We confirm with them that it's ok to share their name with HCA and the information. If they permitted their name to be identified, we do so and if not, we don't. We share the information with HCA and we follow-up with further information requests as necessary. We consider all that information in our analysis to evaluate if there has been and if they are in compliance with the 15 commitments.

So, let me then go back to the one important part here. To what the 15 commitments are. The 15 commitments are basically in four categories; they are in retaining services and hospitals, investing in facilities, investing in community health and wellbeing, and the catchall of "other commitments".

So, let's look at the retain services and hospitals first. Number one is they are required, HCA is required, to keep all the material facilities open and Transylvania Regional Hospital is one of the material facilities for 10 years. They are required to continue certain services, for 10 years, with a special set of circumstances under special procedure at the 5 local hospitals, where they are allowed under the limited circumstances to close services after 5 years. I'm not aware of any plans at this time to suspend services pursuant to this clause. Dogwood has the right to bid if hospitals are closed or sold by HCA. There is a long-term acute care hospital in Asheville called St. Josephs. It was a requirement that it be open for 2 years following the transaction and now the two years has passed, they [HCA] are no longer required to operate that hospital, but they continue to do.

On the next page, we summarize some of the services. These are the services on this page that Mission is required to do but in a little bit more detail than what's required for the smaller hospitals. Next, these are the services that they are required to provide in each of the local hospitals. In each of them, they are required to provide emergency services, surgical services, acute medicine services, and in the case of Transylvania, they required to provide the Transitional Care Unit.

Moving on to required investment in facilities, HCA was required to complete a new Mission hospital tower which they completed in 2019. They were required to build a 120-bed behavioral health facility; this is the Sweeten Creek Mental Health and Wellness Center where construction was completed this past summer. Our team and Dogwood visited this facility I believe it was in late August. They were required to build a replacement to Angel Medical Center and that was opened in 2022. And they were required to cumulatively spend 232 million dollars in general capital expenditures within five years. They satisfied that last year with an excess to the 232 million dollars. We are showing this page to show the amount that they have spent along with some images of Angel Medical Center and the Sweeten Creek facility.

The third major group of commitments is investing in health and wellbeing. HCA is required to spend 25 million dollars in innovation fund. They are required to spend \$750,000 in community contributions in years 2-10. They were required to continue certain community services for at least 12 months. That 12 months has now expired. Some of those services continue. Some of those no longer. And for 10 years, they are required to maintain the existing charity care policy. And now we go to the fourth category. And by the way, they're required to provide medical education at the same level as the 2018 and 2019 years. They are required to maintain participation in the Medicare and Medicaid program for at least 10 years. And they are required to provide us an Annual Report and Cap Ex report demonstrating compliance.

That pretty much concludes our presentation. We are going to now, in a moment here, open the floor to the community. It's very important that you have the opportunity to ask questions or provide comments. We will hear you and there will be a couple of microphones travelling around for those wanting to speak. We would like to ask to limit this portion of the meeting to about a half of an hour or to 6:15 so that we hold that time for the other part of our program. If you could hold your questions or comments to 2 minutes. If you would like to speak privately, we ask that you scan the QR code to capture this. Again, I would like to ask you to refer to the handout we left on the table in regard to those 15 commitments as well as the resource guide for resources on those items that fall outside the 15 commitments.

So, with that, let me open the floor.

[\[Please refer to a separate document for a transcript of the public Q&A section of the meeting\]](#)