

Dogwood Health Trust Report on

HCA Compliance in 2022

Why we do this work

Dogwood Health Trust (Dogwood) has a responsibility to help ensure that HCA lives up to certain commitments it made as part of its purchase of the Mission Health System. These 15 commitments are captured in an asset purchase agreement, also referred to as the APA. Many of the capital and investment commitments have been satisfied as noted below. Each year, on or about May 1st, HCA delivers reports to Dogwood that are reviewed for compliance purposes.



Who is Dogwood and who is the Independent Monitor?

Dogwood was created in 2018, but our ethos was inspired by a tradition of caring for a community that is more than a century old and rooted in our Appalachian culture. Our founding board established our purpose to dramatically improve health and wellbeing, grounded in a deep commitment to diversity, equity and inclusion. Since our inception, the Dogwood board and staff have called on these traditions to shape how we work across our Western North Carolina region, so that every generation can live, learn, earn and thrive – no exceptions.

Taking the role of ensuring HCA's commitments are upheld is important to Dogwood, and that is why we engaged an Independent Monitor (IM) to advise us regarding HCA's compliance with the commitments set forth in the APA. The IM is Gibbins Advisors, LLC, and a summary of their role, the reports issued by HCA and the ability to report concerns are available at independentmonitormhs.com.

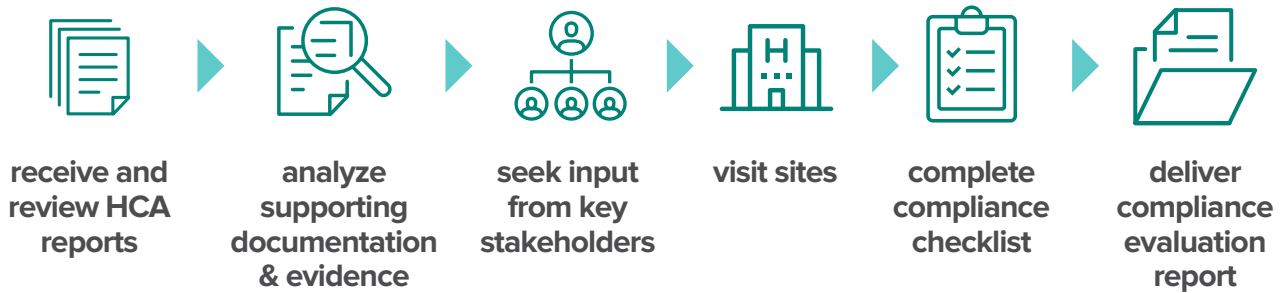
Was HCA in compliance with the APA during 2022?

Yes. The IM and Dogwood reviewed HCA's annual report for the 12-month period ending December 31, 2022 (Annual Report) and the capital expenditure report for the 12-month period ending January 31, 2023 (Cap Ex Report). Dogwood, in consultation with the IM, found no potential issues of noncompliance in this reporting period. We note that APA compliance concerns regarding HCA's activity this year will be considered as part of next year's evaluation for the 2023 reporting period.

How is the report evaluated?

In May to July each year, the Independent Monitor reviews the required Annual Report and Cap Ex Report from HCA and advises Dogwood and the 6 advisory boards on HCA's compliance with the APA for the previous year.

The Independent Monitor uses the below process to evaluate HCA's compliance with the 15 commitments.



What is evaluated – the 15 commitments

HCA's 15 commitments fall into 4 categories.



Retain Services and Hospitals

- 1 Keeping material facilities open for at least 10 years (*until 2029*).
- 2 Continuing specified services for at least 10 years (*until 2029*), with relief available under limited circumstances after 5 years for the 5 Local Hospitals.
- 3 Dogwood has a right to bid if hospitals are planned to be closed or sold.
- 4 Continue Long Term Acute Care services at St. Joseph campus for 2 years.
Note: this commitment expired on Jan 31, 2021.
This commitment has been satisfied.

What are the material facilities, and what are the specified services?

The material facilities include Mission Hospital, Angel Medical Center, Blue Ridge Regional Hospital, Highlands-Cashiers Hospital, Mission Hospital McDowell, Transylvania Regional Hospital, CarePartners Rehabilitation Hospital and the Mission Children’s Hospital – Reuter Outpatient Center.

Summary of protected services

Mission Hospital

- A** Inpatient and outpatient services
 - Behavioral health
 - Cardiac services
 - Emergency and trauma services
 - General medicine services
 - Imaging and diagnostic services
 - Neuro trauma services
 - Obstetrical services
 - Oncology services
 - Pediatric services
 - Surgical services
- B** Graduate medical evaluation
- C** Program for All-Inclusive Care for the Elderly (PACE)

CarePartners & Mission Children’s Hospital

- A** Care partners
 - Inpatient rehabilitation
 - Outpatient rehabilitation
 - Orthotics & prosthetics
- B** Home health and private duty nursing
- C** Hospice
- D** Mission children’s hospital reuter outpatient service:
 - Pediatric specialty outpatient clinics

Service detail example:
IP and OP cancer services, radiation therapy, surgery, chemotherapy and infusion services.

The detailed description of the protected services is provided on the Independent Monitor website at independentmonitormhs.com/hca-commitments.

Five Local Hospitals

<div style="background-color: #008080; color: white; border-radius: 15px; padding: 5px; text-align: center; margin-bottom: 10px;">Angel Medical Center</div> <ul style="list-style-type: none"> • Emergency services • Surgical services • Acute medical services 	<div style="background-color: #008080; color: white; border-radius: 15px; padding: 5px; text-align: center; margin-bottom: 10px;">Blue Ridge Regional Hospital</div> <ul style="list-style-type: none"> • Emergency services • Surgical services • Acute medical services 	<div style="background-color: #008080; color: white; border-radius: 15px; padding: 5px; text-align: center; margin-bottom: 10px;">Highlands-Cashiers Hospital</div> <ul style="list-style-type: none"> • Emergency services • Surgical services • Acute medical services • Eckerd Living Center (skilled nursing facility) 	<div style="background-color: #008080; color: white; border-radius: 15px; padding: 5px; text-align: center; margin-bottom: 10px;">Mission Hospital McDowell</div> <ul style="list-style-type: none"> • Emergency services • Surgical services • Acute medical services • OB/GYN services 	<div style="background-color: #008080; color: white; border-radius: 15px; padding: 5px; text-align: center; margin-bottom: 10px;">Transylvania Regional Hospital</div> <ul style="list-style-type: none"> • Emergency services • Surgical services • Acute medical services • Transitional care unit (skilled nursing facility)
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Invest in Facilities

- 5 Complete the new Mission Hospital North Tower *Note: Opened in late 2019. This commitment has been satisfied.*
- 6 Build a new 120-bed behavioral health hospital in Asheville within 5 years of obtaining the necessary permits. *Note: Sweeten Creek Mental Health & Wellness Center facility ribbon cutting August 2023.*
- 7 Build a replacement hospital for Angel Medical Center within 5 years of obtaining the necessary permits. *Note: New Angel Medical Center opened September 2022. This commitment has been satisfied.*
- 8 Spend \$232 million in general capital expenditure within 5 years. *Note: Expenditure threshold reached in 2022. This commitment has been satisfied.*

Invest in Community Health and Wellbeing

- 9 Commit to invest \$25 million in an innovation fund.
- 10 Spend \$750,000 per year in Community Contributions in years 2 through 10. *Note: This commitment applies from January 31, 2020.*
- 11 Continue certain community activities, services and programs for at least 12 months. *Note: This commitment expired January 31, 2020. This commitment has been satisfied.*
- 12 For 10 years (*until 2029*), maintain the agreed Uninsured and Charity Care policy, and thereafter, maintain policies for the treatment of indigent patients.

Other Commitments

- 13 Provide graduate medical education (“GME”) for 10 years at no less than the current [2018/19] levels, subject to the availability of similar GME funding.
- 14 Participate in Medicare and Medicaid programs for at least 10 years.
- 15 Each year, provide an Annual Report and Cap Ex Report that summarize compliance with certain terms of the agreement

What was the timeline for the 2022 evaluation?

The evaluation process in May to July each year is in reference to the compliance reporting period of the preceding year. As such, HCA's Reports issued in 2023 related to its APA compliance in 2022. The deadlines are outlined in the APA:

(Cap Ex Report not required for 2023 reporting period and beyond)

- HCA's Year 4 (2022) Cap Ex Report and Annual Report were received on April 28, 2023.
- Hospital site visits occurred the weeks of May 8 and May 15, 2023.
- Dogwood accepted the Cap Ex Report on June 27, 2023 with no dispute to the capital expenditure claimed by HCA.
- Dogwood notified the North Carolina Attorney General of no potential issues of non-compliance for the Annual Report relating to the 2022 reporting period.
- On October 25, 2023, the deadline passed for the North Carolina Attorney General or Dogwood to notify HCA of any potential non-compliance issues with respect to the 2022 reporting year, concluding the annual report compliance evaluation process.

Who did the Independent Monitor consult with?

The Independent Monitor received and responded to emails and website submissions and met with community organizations, elected officials, county health officials, healthcare professionals and individuals. Meeting participants included nonprofit healthcare organizations such as Sustaining Essential and Rural Community Healthcare (SEARCH) and several city and county officials. In the fall of 2023, the Independent Monitor held community meetings in Transylvania, Buncombe, Macon and Jackson Counties. Sessions in the counties of Mitchell and McDowell are planned for early 2024.

How do I contact the Independent Monitor?

Independent Monitor

Your voice is important to the IM's work. Please get in touch using email or the IM's online contact form to provide feedback or ask questions. IM contact details are:

Web: IndependentMonitorMHS.com

Email: IndependentMonitor@gibbinsadvisors.com



Who do we talk to if our concerns fall outside of the 15 commitments?

The Independent Monitor website has many resources available, including:

Mission Health System Quality Office

Phone: 828-213-1210

Hours: Monday-Friday, 8 a.m. - 5 p.m.

Email: contactmission@hcahealthcare.com

NC DHHS Division of Health Service Regulation

- Complaint Intake and Health Care Personnel Investigations

NC DHSR CIHCP investigates complaints regarding the care and services provided to patients, residents and consumers by healthcare facilities, agencies and homes that are licensed by the Division of Health Service Regulation. For more information or to download a complaint form, visit info.ncdhhs.gov/dhsr/ciu/filecomplaint.html.

To report incidents that have occurred in the past year and that are regulated by federal regulations or state statutes, use the following resources:

Complaint Hotline

1-800-624-3004 (within NC)
or 919-855-4500

Fax

919-715-7724

Mail

Complaint Intake
Unit 2711 Mail Service Center
Raleigh, NC
27699-2711

The Joint Commission

The Joint Commission is an accrediting body for hospitals and healthcare organizations. It receives complaints about care quality and patient safety. You'll find information about filing a complaint at [jointcommission.org/resources/patient-safety-topics/report-a-patient-safety-concern-or-complaint](https://www.jointcommission.org/resources/patient-safety-topics/report-a-patient-safety-concern-or-complaint). You can share information about a safety concern by completing The Joint Commission's online reporting form (*scan QR code*). You may also print and complete the form and submit it by mail to:



Office of Quality and Patient Safety
The Joint Commission
One Renaissance Boulevard
Oakbrook Terrace, Illinois 60181

The Centers for Medicare and Medicaid (CMS)

Medicare beneficiaries can file complaints about their health care or health care provider by using the following avenues. For more information, visit the CMS website at [cms.gov/center/special-topic/ombudsman/medicare-beneficiary-ombudsman-home](https://www.cms.gov/center/special-topic/ombudsman/medicare-beneficiary-ombudsman-home).

Medicare Quality of Care Complaints

1-800-MEDICARE

Email

beneficiary.complaints@kepro.com

Medicaid Quality of Care Complaints

Toll-free Phone: 888-317-0751

Local Phone: 813-280-8256

TTY: 855-843-4776

Mail

5201 West Kennedy Blvd.

Suite 900

Tampa, FL 33609

Fax

833-868-4058

Complaints about Discrimination or Working Conditions

For more information about filing a complaint, you can visit [hhs.gov](https://www.hhs.gov), the Office for Civil Rights. You can also visit the North Carolina Department of Labor for information.

Wage complaints can be made by phone at 1-800-625-2267.

Workplace Safety and Health Complaints can be made by phone at 1-800-625-2267.

Attorney General's Office

The Attorney General's Office has a consumer complaint line, 919-716-6000, where quality of care complaints can be made. For more information or to submit your concern online, scan the QR code or visit

[ncdoj.gov/file-a-complaint/consumer-complaint](https://www.ncdoj.gov/file-a-complaint/consumer-complaint)



The Better Business Bureau

For more information or to file a complaint, visit

[bbb.org/us/nc/asheville/profile/hospital/mission-health-0473-1818/complaints](https://www.bbb.org/us/nc/asheville/profile/hospital/mission-health-0473-1818/complaints).