



Statement on HCA Compliance for Year 5 Reporting Period – Calendar Year 2023

Dogwood Health Trust (Dogwood) has a responsibility to help ensure that HCA fulfills certain commitments it made as part of its purchase of the Mission Health System.

Dogwood takes this responsibility seriously and engaged an Independent Monitor (IM) to advise us regarding HCA's compliance with the commitments set forth in the Asset Purchase Agreement. The IM is Affiliated Monitors, Inc. and a summary of their role, key reports, and a place to report concerns, are available at www.independentmonitormhs.com.

The IM and Dogwood reviewed HCA's Annual Report dated April 30, 2024, for the 12-month period ended December 31, 2023. To further explore compliance with the commitments in the Asset Purchase Agreement, the IM visited Mission Health System hospitals and facilities in June of 2024, received and responded to emails and website submissions from community members, and met with community organizations, elected officials, county health officials, healthcare professionals, and individuals.

After consultation with the IM and the North Carolina Attorney General (NCAG), Dogwood sent HCA notification that it found **three areas of potential noncompliance** for this reporting period, including:

- 7.13(a) – Protected Services at Mission Hospital (pending litigation in State Court)
- 7.13(b) – Participate and remain in good standing with Medicare/Medicaid Services
- 7.15 – Maintain Uninsured and Charity Care Policies/Approval Process

Access the Full Report here: <https://independentmonitormhs.com/wp-content/uploads/2024/07/IM-Report-Reporting-Year-2023.pdf>.

Due to the aftermath of Hurricane Helene that impacted Western North Carolina communities in late September 2024, the negotiations between Dogwood and HCA regarding the areas of potential noncompliance were delayed several months. On April 24, 2025, the IM provided an update to Dogwood related to developments and progress made against the three areas of potential noncompliance.

Dogwood determined that one area remains pending:

- (7.13(a) – Protected Services at Mission Hospital) subject to ongoing litigation – *Jackson ex rel. Dogwood Health Trust v. HCA Management Services et al.*

Based on the assessment of the Independent Monitor, Dogwood affirms that two of the three areas have been addressed for Year 5:

- Related to 7.13(b) – Participate and remain in good standing with Medicare/Medicaid Services – the acceptance of the Plan of Correction by the Centers of Medicare & Medicaid Services (CMS) on June 11, 2024, returned HCA to good standing with the agency.
- Related to 7.15 – Maintain Uninsured and Charity Care Policies/Approval Process – the adoption of a revised policy, effective January 1, 2025, resolved the changes to the policy edits regarding the use of liens, which were not reviewed as required by the agreement.

Dogwood, in coordination with the IM, continues to monitor HCA's compliance with its commitments, including charity care and the provision of services at the Mission Health System hospitals. Dogwood will continue to notify the NCAG and HCA, as applicable, regarding HCA's compliance with its commitments.

Dogwood and the IM are currently undertaking an assessment of HCA's compliance with its commitments for calendar year 2024. Dogwood will notify NCAG of its findings on July 30, 2025, and shortly thereafter share its findings with the public.

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