



Statement on HCA Compliance for Year 6 Reporting Period - Calendar Year 2024

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 for the 12-month period ended December 31, 2024. At Dogwood's request, the IM also made site visits at the Mission Health System hospitals and facilities, 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 [[link to IM Report](#)]. Those areas included:

- 7.13(a) – Protected Services at Mission Hospital (the meaning of this provision is the subject of pending litigation in North Carolina Business Court - *Jeff Jackson, Attorney General, ex rel. Dogwood Health Trust v. MH Master Holdings, LLLP*)
- 7.13(b) – Participate and remain in good standing with Medicare/Medicaid Services
- 7.15 – Maintain Uninsured and Charity Care Policies/Approval Process

Dogwood determined that one area remains pending:

- 7.13(a) – Protected Services at Mission Hospital - *Data provided by HCA and information shared by community members raised concerns regarding the continued decrease in certain protected services. The Business Court's decision in Jackson v MH Master Holdings, LLLP may impact whether a significant diminishment of access to medical service constitutes a discontinuance of the provision of such service. Consequently, Dogwood notified HCA of its potential*

noncompliance under Section 7.13(a) and is currently in dialogue with HCA regarding several protected services.

Based on the assessment of the Independent Monitor, and with agreement from NCAG, Dogwood affirms that two of the three areas have been addressed for Year 6:

- 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, that were not reviewed as required by the agreement.

Dogwood, in coordination with the IM, continues to monitor HCA's compliance with its commitments, including protected services, charity care and HCA's obligation to remain enrolled and in good standing with the Medicare and Medicaid programs. 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 2025. Dogwood will notify NCAG of its findings on July 29, 2026 and shortly thereafter share its findings with the public.

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