

May 4, 2022

Subject: The State of Healthcare

Last Thursday I went to Asheville to participate in a round table on the State of Healthcare moderated by North Carolina Attorney General, Josh Stein, who came to Asheville to assess the state of healthcare, and to especially to see how the 2018 sale of Mission Healthcare to HCA was progressing.

There were about forty participants at the round table. State elected officials like Senator Julie Mayfield and Representative John Ager were present. Senator Mayfield played a key role in organizing the meeting. There were other mayors present including Esther Manheimer from Asheville, and Maureen Copelof from Brevard. Former doctors from the Mission system participated as well the president of the Mission Nurses Union. A representative of Blue Cross attended, and a number of representatives of nonprofits in the health and social welfare fields participated as well as representatives from HCA.

I did not go to the meeting to complain about our hospital or bash HCA. Frankly, I believe our hospital has good leadership and is making improvements in serving our community. While I acknowledge there are issues throughout the Mission system, I have also received feedback from some friends who have had good outcomes at Mission. Nevertheless, feedback from the doctors, nurses and stakeholders about HCA/Mission was problematic and sobering.

Attorney General Stein opened the meeting with a review of his approval of the sale of Mission to HCA. During the approval process Stein negotiated some important concessions and commitments from HCA. Nevertheless, he pointed out that under North Carolina statutes his approval authority was limited. The attorney general stated that more of these large healthcare mergers will continue throughout the country, as well as in North Carolina. He is asking everyone to support legislative changes to the statutes where he and future attorney generals will have more authority in approving these mega mergers.

He also emphasized that when these mergers take place, costs to patients increase at least 12.5% while services tend to diminish. He stated the Mission HCA merger was done very fast, and not enough time was given for public and stakeholder input. Many people at the round table agreed with the attorney general's observations.

The other item Attorney General Stein addressed was the expansion of Medicaid to cover more uninsured North Carolinians. He believes the legislature should expand Medicaid so the state will receive federal funds to cover the uninsured. The representative from Blue Cross agreed. He pointed out that folks coming to a hospital without insurance simply drive up premiums for those people who do have insurance.

I made two points at the round table. First, while there is a monitoring system in place that analyzes spread sheets and metrics, a system needs to be developed where experts actually communicate with healthcare stakeholders, i.e., patients, doctors and staff, to assess the actual situation on the ground so to speak. Second, I thanked the attorney general for his insistence in the approval process that there be an operation guarantee of 10 years for the smaller outlying hospitals, rather than the initial proposal of only 5 years. Put in perspective, HCA took over Mission in February of 2019. If the first five-year proposal had gone through, Highlands and the other smaller communities would be facing hospital closures at early as 2 years from now. The attorney general's 10-year requirement gives these communities 7 more years from now which hopefully is time to improve operations and services.

The big challenge will be for Mission to continue to provide services and for residents to support and use their local hospital and healthcare system.