

>>Healthcare is always a political issue — but this year, the stakes are especially high. The One Big Beautiful Bill Act will bring major cuts to Medicaid funding in North Carolina, threatening patient access and straining our hospitals.

Through it all, NCHA has stayed focused on solutions. Together, we've advanced policies to improve care, strengthened our workforce, and supported hospitals through a fast-changing landscape. This report highlights the progress we've made — and the important advocacy work ahead to protect access to care for North Carolinians.

Thank you for your leadership, your engagement, and your continued support. It's never mattered more.

— **Josh Dobson**
NCHA President & CEO



NCHA President and CEO Josh Dobson, right, and NCHA Board Chair Frank E. Emory, Jr, center, meet with Rep. Donny Lambeth (R-Forsyth) during NCHA's Advocacy Day in May.

Advocating Together

>>This year's political environment has been nothing short of unconventional, and healthcare is at the top of policymakers' minds (and the newspaper fold). NCHA and its members have once again been hard at work crafting legislative and policy solutions to improve care for patients and support the hard-working healthcare workers who provide care 24/7/365.

Given the significant healthcare discussion at the federal level, NCHA and its members' top priority is to protect Medicaid and the many individuals who count on Medicaid coverage for their care. The impact to Medicaid cuts doesn't stop there — our hospitals rely on a strong Medicaid program, including North Carolina's Healthcare Access and Stabilization Program (HASP), to keep their doors open for all who need hospital care.



The NCHA Advocacy team along with hospital and health system Government Relations Officers in Washington, DC to lobby Congress.

On July 4, 2025, President Trump signed the One Big Beautiful Bill Act, setting in motion major changes to the Medicaid program. These include cuts to provider taxes, caps on directed payment programs like HASP, and new work requirements for able-bodied adults. These measures were adopted as part of a broader budget reconciliation effort to fund other tax and spending priorities. While the Administration and Congress previously outlined differing visions

for Medicaid reform, the passage of this legislation reflects a unified federal approach driven more by political alignment than policy consensus, with little willingness to challenge party priorities.

What remains uncertain is how these sweeping changes will play out at the state level — and what they will mean for patients, providers, and state Medicaid programs. NCHA continues to engage with North Carolina's federal delegation to ensure lawmakers understand the real-world impacts these decisions will have on our communities.

Meanwhile, state lawmakers are facing their own healthcare challenges. As of this writing, 1,786 bills and resolutions have been filed — 1,014 in the House and 772 in the Senate. NCHA has tracked 142 bills touching on critical issues such as eliminating certificate of need, changing prior authorization rules, addressing the crisis of children in emergency departments due to placement gaps, repealing the state 340B program, regulating care-team fees, and overseeing the use of AI in healthcare.

Through our policy committees, task forces, lobbying efforts, and a successful Advocacy Day, NCHA has been a well-received voice, helping shape informed policymaking on these key issues.

The long session continues, with the SFY26 budget still pending. Lawmakers are taking a break but are expected to reconvene at a date to be determined. Much like Congress, the General Assembly still has significant healthcare legislation to debate and resolve — and NCHA will continue serving as a trusted resource as these decisions take shape.

Donate Today to HOSPAC



>> Whether lawmakers are new or returning to office, it is vital that we have a strong voice in the conversation. Now more than ever, we need you to engage by donating to HOSPAC so we can champion candidates who support health care. We have only raised 58% (\$129K) of our annual goal of \$220,000. If you haven't donated to HOSPAC, today's your day to take action.

Preserving the Safety Net

>> The Centers for Medicare and Medicaid Services approved the SFY 2026 preprint for HASP with an estimated dollar amount of \$6.46 billion for North Carolina acute care hospitals. While the actual payment amounts will be determined by actual paid Medicaid managed care utilization, the increased inpatient and outpatient payments each year will help NC hospitals absorb uncompensated costs of care for Medicaid and uninsured patients.

Building Payor Relationships

>> NCHA continues to reshape hospitals' and health systems' relationship with health insurance payors. NCHA meets regularly with Medicaid prepaid health plans (PHPs) for systematic improvements with the Medicaid managed care program. NCHA provided recommendations to NC Division of Health Benefits for the next procurement cycle for the Medicaid managed care Standard Plans to support patient access to high quality care and reduce administrative burden.

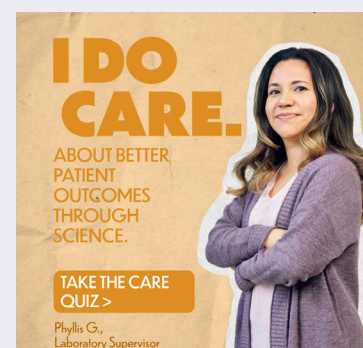
Protecting Access to Care

>> NC hospitals provide significant contributions toward the NC Medicaid program, which is a significant savings for our state. Hospitals provided \$524 million annually towards the cost of Medicaid expansion on behalf of North Carolina.

Prioritizing Workforce

>> NCHA understands that your most valuable resource is the people who care for your patients and communities. That's why we continue to work across teams to advance the following strategies for recruitment, retention, and workplace safety:

- NCHA partnered with the NC Department of Public Instruction to host a Virtual Healthcare Career Day on February 28, aimed at inspiring middle and high school students to pursue healthcare careers. The event highlighted roles like nursing, physical therapy, imaging, and lab sciences, reaching over 3,500 students through videos featuring real NC professionals.
- Phase two of NCHA's "I Do Care" social media campaign ran January through May generating over 16.8 million impressions and 126,874 clicks, an 11% increase from last year's campaign. Page views of IDoCareNC.org were 28,360 during this period, up from 15,692.
- In March, NCHA sponsored the NC HOSA State Leadership Conference for the first time. We engaged with enthusiastic students, many of whom participated in interviews sharing their passion for healthcare. A scholarship was also awarded by NCHA to a student aspiring to become a family physician.



- NCHA launched an Instagram account this year to spotlight workforce programs like Camp Med at UNC Health Johnston which NCHA attended to feature.
- This year, NCHA Strategic Partners (NCHASP) continues to grow the Regional Staffing Pool designed to help participating hospitals share qualified, part-time clinicians — reducing reliance on costly contingency staff and improving workforce flexibility.
- NCHASP continues to grow its workforce portfolio and has partnerships with Camacho Consulting, HSC, Intellassist, Qualivis, and Tootris.
- NCHA collaborates with other NC organizations on workforce like the North Carolina Clinician and Physician Retention and Wellbeing (NCCPRW) Consortium, the Center on the Workforce for Health, and NC Chamber Foundation's Health Talent Alliance initiative.

Harnessing the Value of Data

>> NCHA delivers data-driven insights to help members navigate policy changes and reduce financial risk. Our analyses support hospitals and health systems across North Carolina by:

- Providing timely reviews of federal and state budget proposals that affect healthcare funding.
- Conducting hospital-specific impact analyses to identify financial risk from proposed legislative changes.
- Highlighting the community benefits delivered by NC hospitals.
- Measuring the financial and operational impacts of Medicaid expansion and HASP.

NCHA also supports public health, academic research, and strategic planning through advanced data initiatives:

- In partnership with the NC Division of Public Health, NCHA expanded our syndromic surveillance footprint to include an additional 36 urgent care facilities, bringing the total to 154. Ninety two percent of all NC health system-associated urgent care facilities are reporting to the North Carolina Hospital Emergency Surveillance System (NCHESS).
- NCHA continues to collaborate with members on data linkages for research aimed at improving outcomes for individuals with mental health and substance use disorders.



Telling the Healthcare Story

>> NCHA continues to inform legislators, the public, and the statewide business community about how North Carolina's hospitals and health systems are actively investing in initiatives that keep communities healthy.

New this year is *In Session*, NCHA's original podcast exploring the most pressing issues facing hospitals, patients, and the broader healthcare system. Whether you're a legislator, policy expert, or community leader, the series offers valuable insights into the challenges and opportunities shaping healthcare today.

We also continue our partnership with Curtis Media on *Conversations on the State of Healthcare*, a podcast featuring hospitals from across the state. These storytelling

efforts complement the content on our microsite, NCHealthcare.org, as well as our print and digital ad campaigns, social media outreach, and event sponsorships.

Looking ahead, the communications team is preparing a 2025 report showcasing the work of North Carolina hospitals to improve health and well-being in every community they serve.

Engaging Members in Education

>> NCHA Winter Meeting did not occur this year, due to severe weather in the Raleigh area. NCHA would like to thank our Board and members for the great support we received in making this difficult decision.

This year, NCHA partnered with fellow state hospital associations, content field experts, Strategic Partners and our Foundation to offer topical webinar content that is current and relevant across the healthcare industry. We have successfully offered and sponsored 31 webinars to date, which is a 40% increase from previous years.

Be sure to save the date for the 2026 Winter Meeting at the Embassy Suites in Cary on February 18-20, 2026 and Summer Meeting at the Omni Grove Park Inn in Asheville on July 15-17, 2026.

We continue to seek partnerships with you to deliver on topics that your staff want to know more about. Email education at education@ncha.org with suggestions.



**NORTH CAROLINA
HEALTHCARE FOUNDATION**

Convening Change

>>As the charitable arm of NCHA, the North Carolina Healthcare Foundation (NCHF) accelerates initiatives from concept to sustainability, uniting hospitals, health systems, and community partners to improve health across the state. NCHF and NCHA share a bold vision: high-quality healthcare for every North Carolinian — no matter who they are or where they live.

Addressing Social Drivers of Health

In Robeson County, NCHF's Social Impact Program strengthens community infrastructure and partnerships to improve health outcomes. In 2025, NCHF launched its second round of mini-grants to address transportation barriers, distributing \$300,000 as part of a three-year, \$900,000 investment by the Kate B. Reynolds Charitable Trust. Community leaders help select grantees, and NCHF provides capacity-building and collaboration opportunities to support sustainability. Early results include:

- 50 patients with complex conditions transported to essential outpatient care
- 689 mobile clinic visits provided in underserved neighborhoods

These efforts offer a blueprint for hospitals to expand access, reduce avoidable use, and manage chronic disease more effectively.

Strengthening the Rural Health Workforce

NCHF supports rural hospitals with training funded by the Small and Rural Hospital Improvement Program (SHIP). Delivered through NCHF's Certified Professional in Healthcare Quality (CPHQ) Certification Preparation and Professional Development Program, this initiative equips staff with practical skills to lead quality improvement efforts that also strengthen financial performance.

Participants gain clinical coaching, leadership skills, and mentorship that connects quality goals to measurable improvements. Capstone projects have enhanced safety, care, satisfaction—and, in many cases, financial performance. In May, NCHF celebrated its largest graduating class. Among certification seekers, 92% passed the CPHQ exam—well above the national average.



NCHF and NC Office of Rural Health teams convened critical access hospitals in February.

Convening Rural Hospital Leaders & Stakeholders

Through the Medicare Rural Hospital Flexibility Program (Flex), NCHF and the NC Office of Rural Health support the state's critical access hospitals (CAHs). Flex provides technical support for data-driven improvement in quality, access, and population health. In February 2025, NCHF hosted "Get in Gear," a statewide CAH convening focused on leveraging the strong community ties of rural systems to drive innovation in workforce, population health, and care coordination.

Transforming Maternal Health Care

The Maternal Health Action Network (MHAN), led by NCHF, brings hospitals together to implement high-impact maternity care strategies. In its first year, nine hospitals participated in monthly learning sessions and peer collaboration.

In April, a Root Cause Analysis workshop helped leaders identify systemic drivers of maternal health outcomes. A second MHAN cohort launches in September 2025, expanding to all interested NCHA members with a focus on:

- Meeting new CMS Conditions of Participation
- Elevating patient and family voices
- Addressing non-medical drivers in care improvement

All efforts emphasize patient and community engagement in driving better outcomes.

Coalition-Building for Population Health

Celebrating 10 years of impact, the Healthy People, Healthy Carolinas (HPHC) initiative — funded by The Duke Endowment — supports 19 North Carolina coalitions through NCHF's implementation assistance and program evaluation efforts. These multi-sector coalitions drive policy, systems, and environmental changes that reduce chronic diseases like diabetes and heart disease.

So far, NC coalitions have achieved:

- 162 policy changes
- 197 environmental changes
- 343 systems changes, reaching 1.8 million people

Early data suggests counties with longstanding coalitions are seeing slower growth in diabetes-related hospitalizations among adults under 45, pointing to a reduced burden on hospitals.



NCHA Strategic Partners
Your source for business solutions.

MID-YEAR REPORT

NCHA Strategic Partners is your source for business solutions you can trust.

>> This year, NCHA Strategic Partners (NCHASP) launched a brand refresh to better reflect our mission and the value we bring to members. The new messaging emphasizes our role as a trusted resource for vetted business solutions that support healthcare organizations across North Carolina. By clearly communicating how we help members save time, reduce costs, and reinvest in their missions, the refreshed brand reinforces our identity as a strategic ally in a rapidly evolving healthcare landscape. Here's how we deliver value to our members every day:

- **We provide workable solutions.** We serve as a liaison to business partners and resources, offering dedicated support and guidance every step of the way.
- **We safeguard your interests.** Every partner goes through a rigorous vetting process before being accepted into our program and introduced to you. We negotiate favorable contract terms and ensure high standards for product quality and service delivery.
- **We reinvest in you.** More than just a business partner, we are a resource for business education and support advocacy efforts for a healthier North Carolina—through our affiliation with the North Carolina Healthcare Association.

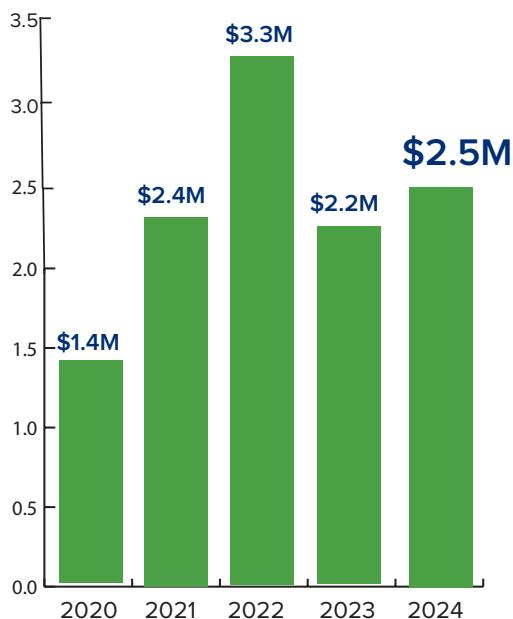


Together with NCHA and the North Carolina Healthcare Foundation, we are convening, innovating, and driving solutions to support high-quality, fair, and accessible healthcare for all.

— **Jody Fleming**
President, NCHA Strategic Partners

NCHA Strategic Partners supports NCHA

In 2024, NCHA Strategic Partners made a significant impact by contributing \$2.5 million toward NCHA's operating expenses. Additionally, NCHASP contributed \$750,000 to support the work of NCHA Advocacy and the North Carolina Healthcare Foundation, further strengthening healthcare initiatives across the state.



Amount NCHA Strategic Partners contributed to NCHA operating expenses over the past 5 years.

New Partners

Medicporter

This year, NCHA Strategic Partners introduced its partnership with Medicporter, a real-time, centralized platform that streamlines how hospitals and medical transport agencies request, manage, and track patient transports — all in one place. By improving communication and coordination, Medicporter helps ensure patients move efficiently through the healthcare system while enabling transport providers to maximize their time and resources.

RetroCheck

Our newest partner, RetroCheck, helps hospitals identify hidden Medicaid coverage and ensure compliance with North Carolina's Medical Debt Policy. Its HASP-compliance support provides healthcare facilities with clear data preparation instructions, Medicaid eligibility checks, DHHS-ready reports, and an approved debtor notification letter.

NCHA Strategic Partners By the Numbers

8	Number of Sponsors converted from Solution Station
2	Number of New Business Partners
12	Number of New Sponsors
11	Number of Business Partners that are also Sponsors

Special Updates

Medical Debt Relief

In response to North Carolina's DHHS Medical Debt Policy, the NCHA Strategic Partners team, in collaboration with the NCHA Finance team, led the effort to identify and vet business partners capable of supporting members in understanding and implementing the policy's requirements. Strategic Partners carefully evaluated potential vendors to ensure they met rigorous standards for compliance, reliability, and value. This process not only protected members from potential risk but also secured favorable pricing to maximize return on investment. Our goal remains to make this complex transition as smooth and beneficial as possible for our members.

As a result, we partnered with AblePay, which enables providers to offer flexible, no-interest patient payment options that increase transparency and help reduce bad debt. We also engaged RetroCheck to support Medicaid eligibility checks, guide data preparation, and produce DHHS-compliant reports—helping members maintain compliance and recover revenue that might otherwise be lost.

Hurricane Helene Recovery

In the aftermath of Hurricane Helene, NCHA Strategic Partners teamed up with the North Carolina Healthcare Foundation to assist healthcare workers in Western North Carolina. Dansko generously donated 100 pairs of shoes, which our team helped unload and organize for distribution. Combined with Disaster Relief Funds, these donations brought meaningful support to frontline staff in storm-affected areas. We extend our heartfelt thanks to Dansko, our donors, and our partners for making this relief possible.

In addition, NC MedAssist launched Project Delivering Hope: WNC, aimed at maintaining uninterrupted access to essential medications and health supplies for those impacted by the storm. With strong support from community partners and donors, the program has delivered thousands of medication care packages and held numerous outreach events — addressing urgent health needs and supporting long-term recovery across vulnerable communities in the region.



Kelsey Adams, NCHASP Account Manager for Eastern NC, volunteering with NC MedAssist's Project Delivering Hope: WNC.

Business Partner Highlights

Bamboo Health - Over the past year, North Carolina providers used Bamboo Health's platform to generate more than 8 million Pings — with 6.2 million received, including 1.6 million from out-of-state — greatly enhancing real-time care coordination across care settings. Bamboo Health expanded its network, going live with 36 post-acute facilities and 14 hospitals. This year, Bamboo launched several impactful solutions, including:

- Bamboo Bridge, which reduced behavioral health wait times and lowered readmissions and costs
- Bamboo/Radial, which supports more effective post-acute placement decisions
- HCC ADT, which helped providers identify 41% new risk codes, closing coding gaps and preventing major revenue losses

NCHA Strategic Partners Workers Compensation Fund -

Since its launch in 1993, the NCHA Strategic Partners Workers' Compensation Fund — managed in partnership with Gallagher — has delivered dependable coverage, excellent service, and cost savings to members. In addition to workers' compensation, Gallagher provides customized property and executive risk insurance, helping members reduce premiums while improving coverage. In 2025, the Fund issued a \$1.78 million dividend to members and has reduced rates by 45.8% since 2016, reaffirming its long-standing value and commitment to North Carolina's healthcare providers.

NC MedAssist - During the 2023-2024 fiscal year, NC MedAssist dispensed more than \$61.6 million in prescription and over-the-counter medications, serving over 67,000 individuals and families statewide. More than 16,000 patients — 85% of whom required life-saving medication — relied on NC MedAssist as their pharmacy home. Through the Free Pharmacy Program, Mobile Free Pharmacy events, and the OTC Free Store, the organization delivered a total economic impact exceeding \$160 million in uncompensated healthcare costs for the state and its residents.

Qualivis - Qualivis is the only vendor-accountable managed service provider (MSP) designed by hospitals, for hospitals. It delivers workforce solutions that help healthcare organizations optimize staffing and build a more resilient, sustainable workforce. The Qualivis MSP program streamlines access to critical staffing resources under hospital-friendly terms and offers solutions including travel nursing, allied health, IT, non-clinical staffing, permanent placement, international recruitment, locum tenens, interim leadership, and rapid response staffing.

Vizient - Vizient partners with more than half of all U.S. healthcare organizations — including all 20 of the country's top-ranked hospitals—to help them deliver high-quality, cost-effective care. With over 40 years of experience, Vizient brings deep expertise in strategic growth, clinical and operational excellence, and financial sustainability. Their client-centered model blends expert guidance with robust data and technology to meet each provider's unique needs and deliver measurable, lasting results.