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IREDELL COUNTY BOARD OF COMMISSIONERS

February 20, 2024

The Honorable Kenneth D. Bell United States District Judge 7200 Charles R. Jonas Federal Bldg. 401 West Trade Street Charlotte, NC 28202

Dear Judge Bell:

We write as the Iredell County Board of Commissioners regarding Novant Health's proposed acquisition of Lake Norman Regional Medical Center and Davis Regional Medical Center. Our Board is the governing body responsible for formulation policy, adopting ordinances and adopting budgets, among other duties, for Iredell County. We are responsible to a citizenry of nearly 200,000 residents that cover a geographic area of 575 square miles; this geographic area is unique in that it extends roughly forty miles from our northern county line to our southern county line at Lake Norman, with our county seat of Statesville nearly at the center point.

The Board wishes to express its strong support for Novant Health to join our existing hospital, Iredell Memorial, in providing high-quality healthcare and medical services to our residents through the proposed acquisition.

Iredell County is experiencing significant population growth, having a growth rate nearly double that of the State of North Carolina. That growth has come from the southern end of the County, north through the Town of Troutman, and into the City of Statesville. We expect that growth to continue and have no reason to expect otherwise.

While we like to think this growth is a result of people recognizing Iredell County is an amazing place to live, work and play, we also recognize that our county-wide economic development efforts have new industry employers choosing our County to locate their headquarters and expand existing businesses. Access to high quality healthcare is very important to both our growing community and to our ability to recruit and retain employers. The announcement of the nearly overnight transition of Davis from a general acute care hospital with emergency services into a behavioral health facility came as a surprise to the Board and the community at large. If Lake Norman Regional took a similar trajectory, the impact on our residents and existing facilities would be substantial. The Lake Norman Regional facility already receives a lower Leapfrog safety rating than other hospitals in our area, and we are not aware of steps that are being taken by their current owner to turn that facilities will continue to decline or, even worse, that the quality and availability of services at those facilities will continue to decline or, even worse, that the current owner will stop operating Lake Norman Regional as a general acute care hospital.

To learn that Novant is seeking to acquire those hospitals and bring them up to their high standards,

which we know by reputation if not firsthand knowledge, was welcomed news. It is our view that this transaction will help ensure that the Lake Norman Regional and Davis hospitals not only stay open but improve the quality and expand the availability of services to our community. As we understand it, Novant has already made public commitments to do so and has committed to restoring the Level II Neonatal Intensive Care Unit at Lake Norman Regional (which was transitioned to Level I in 2021), enhancing Lake Norman Regional's interventional cardiac catheterization capabilities, providing tele-stroke and tele-ICU coverage to patients served by Lake Norman Regional, and extending Novant's tele-psychiatry program to provide 24/7 services to Lake Norman Regional's emergency department. Novant also has committed to enhancing physician coverage at Lake Norman Regional and exploring ways to ensure access to emergency care in the Statesville area now that Davis no longer has an emergency department. These are exactly the types of services that will benefit our community and will encourage additional investments by employers in Iredell County.

We would also encourage the parties involved to look beyond the "Eastern Lake Norman Area" as the geographic focus and area of impact of the proposed acquisition by Novant. This also goes beyond concerns of cost and insurance plans. The services offered at the Lake Norman Regional and Davis facilities, and as proposed by Novant, will have a farther reach and benefit a larger geographic area. Too often, these are life and death decisions our residents are making for themselves and their loved ones – if high quality medical care and services are not available, it doesn't matter what the cost is negotiated by insurers. Our residents, and those in neighboring counties, deserve to have the best healthcare opportunities available to them.

Robust access to quality healthcare is a requirement for any thriving community. We therefore support Novant's efforts to ensure that Lake Norman Regional and Davis can provide that level of care for years to come.

Kindest regards,

Melissa Neader

Chair

Bert Connolly Vice Chair

Scottie Brown