Atrium Health is proud to be the largest provider of health care to poor and low-income patients in North Carolina. In 2021, we provided $2.46 billion in uncompensated and undercompensated care and other community benefits. In Mecklenburg County alone, our community benefit was $875 million.

Some have criticized the industry-standard community benefit formula for including losses serving Medicare and Medicaid patients. In many regards, we are “price takers” as opposed to “price makers” as it pertains to amounts the government pays for health care services on behalf of both traditional Medicare and Medicaid beneficiaries. As labor, equipment, supplies and inflation continue to drive health care costs higher, the gap between Medicare and Medicaid payments from the government and costs incurred to deliver the quality care we provide has grown in the post-pandemic inflationary environment. Health systems must take what is given them and cannot negotiate the reimbursement rates with the government.

The losses we incur from undercompensated care provided to Medicare and Medicaid patients are one component of the community benefit calculation we publish and share each year. It’s also worth noting we have a generous charity care policy – offering free care to those who are living in poverty – which is also included in the community benefit amount. Community benefit was 19.1% of Atrium Health’s operating expenses incurred in 2021.

As it pertains to taxes, we follow the law – paying what is required and utilizing the proceeds from the tax exemptions afforded us to improve care for the communities we are privileged to serve. It’s worth noting that Atrium Health actually goes above and beyond, in this regard. While we are technically exempt from all property taxes, Atrium Health regularly pays millions of dollars in property taxes - voluntarily. In Mecklenburg County, these voluntary payments amount to nearly 30% of what our total property tax bill would likely be if there were no available exemptions. In general, we have historically done this on properties that aren’t part of a health care facility or its surrounding campus.

We’d also encourage those critical of the tax exemptions extended to health systems to look at some other tax revenue we generate for the state and the economy, as a whole. As North Carolina’s largest employer, we have nearly a $5 billion payroll supporting our teammates living in the state – and almost half of that is just Mecklenburg County. As a result, our more than 58,000 teammates are using those funds to pay their own personal income, property and sales taxes, in addition to the $190 million in annual payroll taxes we pay.

Additionally, as it relates to voluntary taxes, we’re extremely proud of the leadership role we have taken in providing affordable health care to communities across our state – so much so that Atrium Health is supporting a $100 million tax hike on our own operations in the form of Medicaid expansion. Assuming the legislature approves and the governor signs the Medicaid expansion bill, this will provide coverage to roughly 500,000 uninsured residents of North Carolina, but will force hospitals to shoulder an even greater financial burden to meet the growing needs within our state. But we do it willingly, because we are called to improve health, elevate hope and advance healing – for all.