



Mecklenburg County
Board of County Commissioners
600 East Fourth Street
Charlotte, North Carolina 28202
Telephone 704-336-2472

June 1, 2011

Mr. James E. S. Hynes, Chair
Carolinas Healthcare System
P. O. Box 32861
Charlotte, NC 28232

Dear Mr. Hynes:

It was my pleasure, and that of Vice Chairman Jim Pendergraph, to meet with you and Messrs. Tarwater and Piemont last Thursday.

While I always appreciate brevity in meetings, I was somewhat startled and dismayed that the meeting consisted solely of your reading of a prepared statement from you and the leadership of Carolinas HealthCare System, though not from your Board. In reading the statement, you said that you believe the County Manager's proposed budget does not honor the obligation under the Joint Undertaking Agreement with respect to funding of indigent care, and for the County not to be surprised if Carolinas HealthCare System pursues legal recourse. You did not provide us with a copy of your comments, and upon concluding your reading, you and the CHS representatives declined our request for further discussion and abruptly left the meeting.

The Mecklenburg County Board of Commissioners will begin considering the County Manager's proposed budget this evening and will face significant budgetary challenges in considering all the funding needs of this community. As I understand the County Manager's budget proposal, he is recommending

no appropriation to the \$17.7 million indigent care fund, as compared to Mr. Tarwater's recommendation to the County contained in his letter of April 4, 2011 to eliminate \$1.2 million in indigent care funding to Presbyterian/Novant and \$6.5 million to CHS, and beginning in Fiscal Year 2012, and each year thereafter that the County fund only the CHS clinic deficit at \$9 million with an annual inflationary increase based upon the medical care services CPI.

I do not know what action the Mecklenburg County Board of Commissioners will take with respect to the issue of an appropriation to the indigent care fund or any other funding requests to address the many needs of the community. I do regret, however, that CHS would feel the need for legal recourse (which I understand to be termination of the Joint Undertaking Agreement) over a reduction in the County's subsidy to CHS when Mecklenburg County has provided subsidies in excess of \$320 million in discretionary funds to Carolinas HealthCare System for indigent care over the past 20 years alone. Further, as you pointed out, the County has provided discretionary funds to CHS for 71 years.

Although you did not feel the need for discussion or further comment, please know that Vice Chairman Pendergraph and I have open doors and are available at any time to discuss any matter of concern to you.

I anticipate discussion will have a better outcome for all concerned if we are able to talk about these issues face to face.

Sincerely,

A handwritten signature in black ink that reads "Jennifer Roberts". The signature is written in a cursive style with a large, stylized initial "J".

Jennifer Roberts
Chairman