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Top 3 Hospital Corporations Reaped Over $38.4 Billion In Profit While Spending $32.5 Billion On Shareholders From 2020 Through 2024—All Have Faced Justice Dept. Lawsuits Accusing Them Of Cheating Federal Health Programs In Recent Years

SUMMARY: America's largest hospital systems have seen their finances "soar" over the past few years amid heavy consolidation. The problem is poised to worsen, with an October 2024 Kaiser Family Foundation (KFF) study showing heavy hospital system consolidation, with just one or two health systems controlling nearly half of inpatient hospital care in metropolitan areas in 2022. KFF warned that this industry consolidation "can contribute to higher prices, with unclear effects on quality" while noting that almost a third of all health spending goes toward hospital care.

A report from Families USA by Accountable.US, reviews the three biggest health systems in the country, who together control nearly 600 hospitals, and have reaped a total $38.4 billion in net income while spending $32.5 billion on shareholder handouts from 2020 through 2024. These companies will likely continue to see sky-high profits after reporting $2.3 billion in total net income in the first quarter of 2025, alongside $2.8 billion in stock buybacks and $212 million in shareholder dividends. On top of this, these three corporations have faced a total of $2.9 billion in total penalties since 2000, according to the Good Jobs First violations tracker:

- **HCA Healthcare**
    - HCA Healthcare—the largest health system with 219 hospitals as of January 2024—made over $31 billion in net income while spending over $28 billion on shareholder handouts in the last five years. In the first quarter of 2025, HCA Healthcare reported net income increasing to $1.83 billion, while the company spent over $2.6 billion on shareholder handouts.
    - HCA Healthcare has faced over $1.7 billion in penalties since 2000. In recent years, HCA was sued by North Carolina's attorney general over cuts it made to critical care services, received federal notice that one of its hospitals posed "immediate jeopardy" to patient safety, and it was sued by North Carolina cities and counties accusing HCA of working to "'exploit'" its monopoly power in the region.
    - In 2022, the Service Employees International Union (SEIU) accused HCA of "maximizing profits at the expense of patient care" and taking $1.8 billion in "fraudulent" Medicare payments. That year, SEIU also released a survey showing that nearly 90% of HCA healthcare workers felt short staffing was "compromising patient care."
    - In 2021, the U.S. Dept. of Health and Human Services (HHS) inspector general found that HCA's Sunrise Hospital and Medical Center of Las Vegas overbilled Medicare by $23.6 million and failed to comply with Medicare procedures in over half of the 100 claims the IG audited.

- **Universal Health Services (UHS)**
    - Universal Health Services (UHS)—the second-biggest health system with 182 hospitals as of January 2024— made $4.4 Billion in net income while spending over $3.7 billion on shareholder handouts in the last five years. In the first quarter of 2025, UHS reported net income of $322 million—a 21% increase over 2024—while the company spent $237 million on shareholder handouts, including a 57% increase in stock buybacks.
    - UHS has faced over $197 million in penalties since 2000. In recent years, UHS Reached a $122 million Justice Department settlement for defrauding Medicare, Medicaid, and TRICARE; its hospitals reportedly exposed patients to "erratic care, violence and deadly neglect"; and it was even accused of involuntarily committing psychiatric patients "to maximize insurance payments."
    - In 2024 alone, a jury found UHS Liable for $360 million for allegations of "abuse and neglect against patients," former employees alleged "patient record falsification and insurance manipulation," and another jury ordered a UHS subsidiary to pay $535 million (later reduced to $180 million) after finding that understaffing led to a sexual assault.
- **Encompass Health Corporation**
    - Encompass Health Corporation—the third-largest health system with 164 hospitals as of January 2024—made over $2.3 billion in net income while spending nearly $484 million on shareholder handouts from 2020 through 2024. In the first quarter of 2025, Encompass reported net income increasing 41% to $196.5 million, while spending $32 million on stock buybacks after reporting none in Q1 2024 alongside $18 million in shareholder dividends.
    - Encompass has faced over $978 million in penalties since 2000. In recent years, Encompass reached a $48 million Justice Department settlement over allegations it "falsely diagnosed patients" to increase Medicare Reimbursements and a separate $4 million Justice Department settlement over allegations it submitted false claims to Medicare.

America's Largest Hospital Systems Have Seen Finances "Soar" Amid Heavy Hospital Industry Consolidation Contributing To Higher Prices.

In The First Half Of 2024, America's Largest Hospital Systems Were Seeing Finances "Soar" Despite Growing Expenses

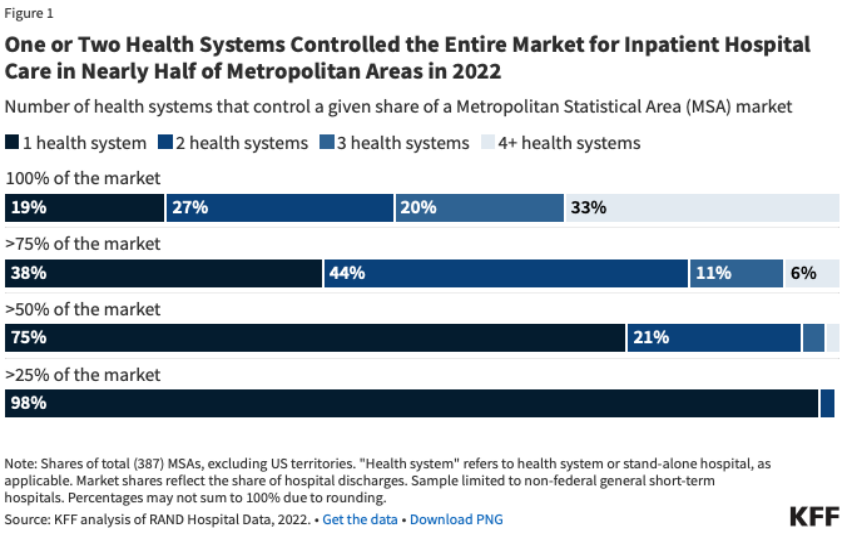
In the first half of 2024, "big, mostly for-profit health systems" saw improved profit margins—with america's largest hospital systems seeing their financials "soar." "Some of America's largest hospital systems saw their financials soar in the first half of 2024." [Axios, 08/06/24]

Large health systems are seeing margins as good or better than before COVID with huge profit growth. "Health systems with big footprints, including large academic medical centers, have weathered the pandemic and economic headwinds and are seeing margins as good or better than before COVID-19. Nashville-based industry behemoth HCA Healthcare posted 23% year-over-year profit growth for the quarter, revising its forecast for the rest of the year, projecting it'll reach as much as $6 billion. It posted a 10% year-over-year increase in revenue. King of Prussia, Pennsylvania-based Universal Health Services similarly reported a strong quarter, posting nearly 69% growth on its bottom line over the same period last year while Dallas-based Tenet Healthcare reported a 111% jump in its net income over the same quarter last year." [Axios, 08/06/24]

In October 2024, The Kaiser Family Foundation Issued A Report Showing Heavy Hospital System Consolidation In Metropolitan Statistical Areas (MSAs), With Just One Or Two Health Systems Controlling Nearly Half Of Inpatient Hospital Care In Metropolitan Areas In 2022.

October 2024: the Kaiser Family Foundation (KFF) found that "One Or Two Health Systems Controlled The Entire Market For Inpatient Hospital Care In Nearly Half Of Metropolitan Areas In 2022." "One or Two Health Systems Controlled the Entire Market for Inpatient Hospital Care in Nearly Half of Metropolitan Areas in 2022" [KFF, 10/01/24]

- **KFF Found "One Or Two Health Systems Controlled The Entire Market For Inpatient Hospital Care In Nearly Half (47%) Of Metropolitan Areas In 2022." [KFF, 10/01/24]**
- **KFF found "In More Than Four Of Five Metropolitan Areas (82%), One Or Two Health Systems Controlled More Than 75 Percent Of The Market." [KFF, 10/01/24]**
- **KFF found "Nearly All (97% Of) Metropolitan Areas Had Highly Concentrated Markets For Inpatient Hospital Care When Applying HHI Thresholds From Antitrust Guidelines To MSAs." [KFF, 10/01/24]**



[KFF, 10/01/24]

KFF Noted That "Consolidation Can Contribute To Higher Prices, With Unclear Effects On Quality" And That Hospital Industry Consolidation Has Been A Policy Focus Because Nearly A Third Of All Health Spending Goes To Hospital Care.

KFF observed that "Consolidation Can Contribute To Higher Prices, With Unclear Effects On Quality." "A substantial body of evidence has found that consolidation can contribute to higher prices, with unclear effects on quality." [KFF, 10/01/24]

KFF noted that consolidation in the hospital industry has been a policymaking focus because "Nearly One Third Of All Health Spending Goes Toward Hospital Care." "As policymakers consider a variety of strategies to make health care more affordable, they have been increasingly attentive to the effects of consolidation in health care markets and the potential implications for cost and quality of care. Hospital consolidation has been a subject of particular focus in part because nearly one third of all health spending goes towards hospital care." [KFF, 10/01/24]

Health Companies And Hospitals Have Doled Hundreds Of Billions In Awards To Shareholders Through Dividends And Stock Buybacks As Private Equity Firms Have Targeted The Likes Of Hospital Systems, Making Out With Hundreds Of Millions Despite Companies Like Steward Health Filing For Bankruptcy.

In February 2025, A Peer-Reviewed Study Found Payouts To Shareholders At Health Companies Have More Than Tripled Since 2001, As Health Companies Paid Over $170 Billion In Dividends And Stock Buybacks In 2022 Alone—Meanwhile, Hospital Systems Do Not Follow Transparency Rules That Would Allow Patients To Shop For Less Expensive Nonemergency Care.

February 2025: A peer-reviewed study In JAMA Internal Medicine found that payouts to shareholders at health companies have more than tripled over the last two decades, with $170 billion in dividends and stock buybacks in 2022 alone, a 315% increase since 2001. "Payouts to shareholders of large publicly traded health companies more than tripled over the past two decades, new research shows. In 2022, these companies paid $170 billion to shareholders in dividends and stock buybacks, a 315% increase over the $54 billion paid out in 2001, according to a study published Monday in peer-reviewed JAMA Internal Medicine." [USA Today, 02/12/25]

- **Hospitals are not transparent with prices, which would allow consumers the option to shop and compare prices for nonemergency care.** "Hospitals have been slow to comply with price transparency rules that would give consumers the option to shop and compare prices for nonemergency care. And even though more data on health quality has trickled out, relatively few consumers search for this information when selecting a surgeon, Saini said." [USA Today, 02/12/25]

Meanwhile, Private Equity Firms Have Targeted Many Hospital Systems, With Companies Such As Steward Health Failing After Private Equity Sold Off Its Properties And Caused The Company To Falter, With Investors Walking Away With Hundreds Of Millions Despite The Company Filing For Bankruptcy.

Meanwhile, private equity firms are "Sucking The Resources Out Of America's Hospitals" where wealthy investors are exempt from many regulations and disclosure requirements, spending half a trillion dollars since 2018 buying up medical resources. "Private equity firms are sucking the resources out of America's hospitals and nursing homes, and feeding on doctors to generate profits. These firms — which pool funds from wealthy investors and are exempt from many of the regulations and disclosure requirements that apply to other types of investments — have spent a half-trillion dollars since 2018 buying up medical resources." [STAT News, 08/19/24]

Private equity owners often compound financial injury by selling off hospital systems, like steward health with ultimately filed for bankruptcy after the company sold off properties to a trust and then leased them back, where some facilities couldn't afford artificial valves for heart surgeries. Private equity owners often compound that financial injury by selling off the hospitals' land and buildings, handing the proceeds to investors and saddling the hospitals with unaffordable rents for facilities they once owned. Take the 33-hospital Steward system, which originated from the private equity purchase of a Catholic hospital chain in Massachusetts in 2010 by Cerberus Capital Management. When Steward sold its properties to a trust and then leased them back in 2016, some facilities were so cash-strapped they couldn't afford artificial valves for heart surgeries, supplies for their ER trauma center, or repairs for broken elevators" [STAT News, 08/19/24]

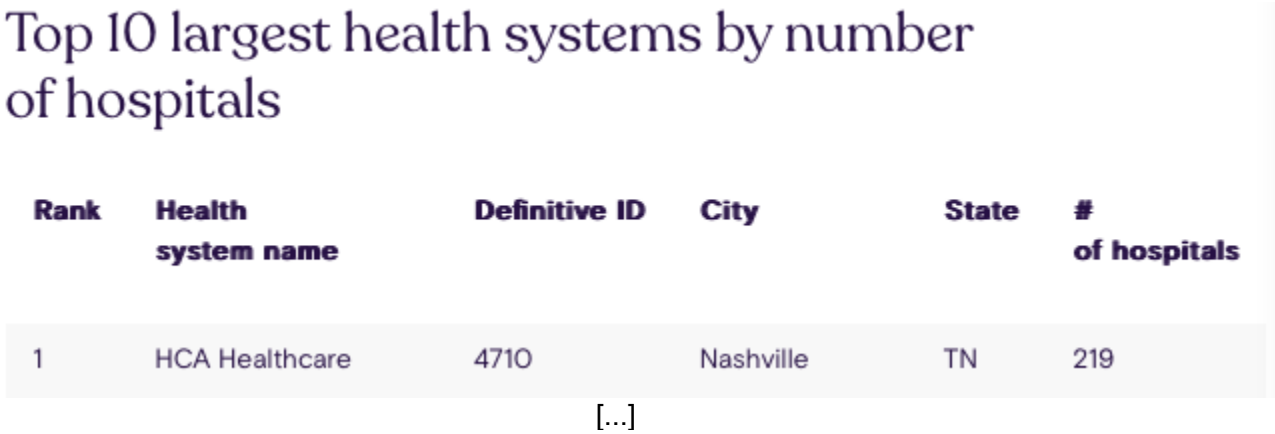
- **Although Steward filed for bankruptcy, many private equity investors "Walked Away With Hundreds Of Millions, And Steward's CEO still sails on his $40 million superyacht."** "Steward eventually spiraled down to bankruptcy; several of its hospitals that provided vital care to nearby communities for decades look set to close. But private equity investors walked away with hundreds of millions, and Steward's CEO still sails on his $40 million superyacht." [STAT News, 08/19/24]

HCA Healthcare

HCA Healthcare, The Largest Health System With 219 Hospitals, Made Over $31 Billion In Net Income While Spending Over $28 Billion On Shareholder Handouts In The Last Five Years—In The First Quarter Of 2025, HCA Reported Net Income Increasing To $1.83 Billion, While The Company Spent Over $2.6 Billion On Shareholder Handouts.

As Of January 2024, HCA Healthcare Was The Largest Health System, With 219 Hospitals.

As Of January 2024, HCA Healthcare Was The Largest Health System, With 219 Hospitals:



Top 10 largest health systems by number of hospitals

Rank	Health system name	Definitive ID	City	State	# of hospitals
1	HCA Healthcare	4710	Nashville	TN	219

[...]

Fig. 1 Data is from the Definitive Healthcare's **HospitalView** product. Health system data is sourced from proprietary research and updated on a continuous basis. Data is accurate as of January 2024.

[Definitive Healthcare, 01/10/24]

- **As of March 2025, HCA Healthcare stated that it had 186 hospitals and about 2,400 sites of care in 20 U.S. states and the United Kingdom.** "HCA Healthcare is dedicated to giving people a healthier tomorrow. As one of the nation's leading providers of healthcare services, HCA Healthcare is comprised of 186 hospitals and approximately 2,400 sites of care in 20 states and the United Kingdom." [HCA Healthcare, accessed 03/11/25]

From 2020 Through 2024, HCA Healthcare Raked In Over $31.6 Billion In Net Income, While It Spent Over $28.2 Billion On Stock Buybacks And Shareholder Dividends.

2020-2024: HCA Healthcare saw over $31.6 billion in net income, spent over $25.5 billion on stock buybacks and over $2.7 billion on shareholder dividends, and had an average CEO pay ratio of 385-to-1:

Year	Net Income (Millions)	Stock Buybacks (Millions)	Dividends (Millions)	CEO Pay	CEO Pay Ratio
2024	$6,657	$6,042	$690	$23,799,137	391:1
2023	$6,091	$3,811	$661	$21,315,984	356:1
2022	$6,834	$7,000	$653	$14,637,726	254:1
2021	$7,721	$8,215	$624	$20,635,260	368:1
2020	$4,387	$441	$153	$30,397,771	556:1
Total:	**$31,690**	**$25,509**	**$2,781**	**$110,785,878**	**385:1**

In The First Quarter Of 2025, HCA Healthcare Reported Net Income Increasing To $1.83 Billion, While The Company Spent Over $2.6 Billion On Shareholder Handouts.

In the first quarter of 2025, HCA Healthcare reported net income of $1.83 billion, an increase from $1.8 billion in 2024:

	2025		2024	
	Amount	Ratio	Amount	Ratio
Revenues	**$ 18,321**	**100.0 %**	$ 17,339	100.0 %
Salaries and benefits	**7,997**	**43.6**	7,707	44.4
Supplies	**2,764**	**15.1**	2,671	15.4
Other operating expenses	**3,845**	**21.0**	3,606	20.9
Equity in (earnings) losses of affiliates	**(18)**	**(0.1)**	2	—
Depreciation and amortization	**860**	**4.7**	795	4.5
Interest expense	**547**	**3.0**	512	3.0
Gains on sales of facilities	**(1)**	**—**	(201)	(1.2)
	15,994	**87.3**	15,092	87.0
Income before income taxes	**2,327**	**12.7**	2,247	13.0
Provision for income taxes	**502**	**2.7**	445	2.6
Net income	**1,825**	**10.0**	1,802	10.4

[HCA Healthcare Q1 2025 Earnings Report, 04/25/25]

Meanwhile, HCA Healthcare spent $2.5 billion on stock buybacks, with $8.3 billion on buyback authorization remaining. "During the first quarter of 2025, the Company repurchased 7.762 million shares of its common stock at a cost of $2.506 billion. The Company had $8.259 billion remaining under its repurchase authorization as of March 31, 2025." [HCA Healthcare Q1 2025 Earnings Report, 04/25/25]

HCA Healthcare also spent $180 million on shareholder dividends:

	2025	2024
Cash flows from financing activities:		
Issuances of long-term debt	**5,233**	4,483
Net change in revolving credit facilities	**220**	(1,880)
Repayment of long-term debt	**(3,895)**	(2,066)
Distributions to noncontrolling interests	**(220)**	(152)
Payment of debt issuance costs	**(57)**	(40)
Payment of dividends	**(180)**	(185)
Repurchase of common stock	**(2,506)**	(1,180)
Other	**(90)**	(196)

[HCA Healthcare Q1 2025 Earnings Report, 04/25/25]

HCA Healthcare Has Faced Over $1.7 Billion In Penalties Since 2000—In Recent Years, HCA Was Sued By North Carolina's AG Over Cuts It Made To Critical Care Services, Received Federal Notice That One Of Its Hospitals Posed "Immediate Jeopardy" To Patient Safety, And Was Sued By North Carolina Cities And Counties For Seeking To "'Exploit'" Its Monopoly Power In The Region.

HCA Healthcare And Its Subsidiaries Have Faced Over $1.77 Billion In Penalties, Including Nearly $1.54 Billion In Government Contracting Offenses, Since 2000.

HCA Healthcare and its subsidiaries have faced over $1.77 billion in penalties since 2000, including nearly $1.54 billion in government contracting related offenses:

Violation Tracker Current Parent Company Summary

Current Parent Company Name: HCA Healthcare
Ownership Structure: publicly traded (ticker symbol HCA)
Headquartered in: Tennessee
Major Industry: healthcare services
Specific Industry: hospitals (for-profit)
Penalty total since 2000: **$1,770,780,596**
Number of records: 73

[...]

TOP 5 OFFENSE GROUPS (GROUPS DEFINED)	PENALTY TOTAL	NUMBER OF RECORDS
government-contracting-related offenses	$1,537,737,058	14
consumer-protection-related offenses	$220,000,000	1
competition-related offenses	$8,840,000	2
employment-related offenses	$3,167,503	8
environment-related offenses	$442,404	20

[Good Jobs First, accessed 03/14/25]

In 2003, HCA Concluded A "Record" $1.7 Billion Justice Department Settlement Over Health Care Fraud It Allegedly Committed Through False Claims To Medicare And Other Federal Health Programs Going Back To 2000.

2003: The U.S. Justice Department concluded a "Record" $1.7 billion settlement with HCA over false claims it made to Medicare and other Federal Medical Programs In "The most comprehensive health care fraud investigation ever undertaken by the Justice Department." "HCA Inc. (formerly known as Columbia/HCA and HCA - The Healthcare Company) has agreed to pay the United States $631 million in civil penalties and damages arising from false claims the government alleged it submitted to Medicare and other federal health programs, the Justice Department announced today. This settlement marks the conclusion of the most comprehensive health care fraud investigation ever undertaken by the Justice Department, working with the Departments of Health and Human Services and Defense, the Office of Personnel Management and the states. The settlement announced today resolves HCA's civil liability for false claims resulting from a variety of allegedly unlawful practices, including cost report fraud and the payment of kickbacks to physicians." [U.S. Justice Department, 06/26/03]

- **December 2000: HCA subsidiaries previously agreed to pay $840 million in criminal fines and civil restitution and penalties over its cost reporting practices, bringing the total recovered to $1.7 billion.** "Previously, on December 14, 2000, HCA subsidiaries pled guilty to substantial criminal conduct and paid more than $840 million

in criminal fines, civil restitution and penalties. Combined with today's separate administrative settlement with the Centers for Medicare & Medicaid Services (CMS), under which HCA will pay an additional $250 million to resolve overpayment claims arising from certain of its cost reporting practices, the government will have recovered $1.7 billion from HCA, by far the largest recovery ever reached by the government in a health care fraud investigation." [U.S. Justice Department, 06/26/03]

- **Press Release Headline: LARGEST HEALTH CARE FRAUD CASE IN U.S. HISTORY SETTLED HCA INVESTIGATION NETS RECORD TOTAL OF $1.7 BILLION** [U.S. Justice Department, 06/26/03]

In February 2025, A North Carolina Legislator, Clergy, And Healthcare Workers Called Out "'Chronic Understaffing'" At HCA-Owned Mission Health, Which Some Allege Led To A Preventable Death Of A Patient Waiting For Emergency Care.

February 2025: A North Carolina state senator held a press conference with healthcare workers, clergy, and others to call out "'Chronic Understaffing'" at HCA-Owned Mission Health, which some believed led to an emergency room patient's death earlier in the month. "Buncombe County's state senator on Friday called out what she described as 'chronic understaffing' at Mission Health, which some believe contributed to a patient's death in the ER earlier this month. N.C. Sen. Julie Mayfield joined current Mission Health employees, clergy, and public safety officials in a press conference held at the Buncombe County Administration building. The group called on HCA Healthcare – which owns Mission Health Hospital in Asheville – to increase staffing and transparency." [Blue Ridge Public Radio, 02/28/25]

In early 2025, a patient waiting for emergency care died in a mission hospital bathroom after he could not be admitted for treatment—medical staffers said the emergency room was "Understaffed And [There Were] No Rooms Available." "This comes nearly three weeks after a patient waiting for treatment at Mission Hospital's emergency room died in a bathroom. As first reported last week by the Asheville Watchdog, a man arrived at the ER on Feb. 10 via ambulance but couldn't be admitted for treatment right away because – as anonymous medical staffers told the Watchdog – the ER was understaffed and no rooms were available. Watchdog, which confirmed some details of what staffers say happened with Mission officials, reported the patient who died was at the ER with possible chest pain." [Blue Ridge Public Radio, 02/28/25]

An emergency department worker at mission health said the hospital is severely understaffed, saying "'We Start Nearly Every Shift Short On Nurses'" and they have had as few as nine nurses for the 100-bed emergency room. "Bunting, who works in the emergency department at Mission Health, alleged the hospital is severely understaffed. 'It could kill and unfortunately we start nearly every shift short on nurses,' Bunting said. 'In fact, we have had as few as nine nurses running the entire 100-bed ER.'" [Blue Ridge Public Radio, 02/28/25]

A Mission Hospital emergency department worker said Mission wasn't always understaffed, noting "Temporary Improvement" when Mission Was "On The Verge Of Losing Medicare And Medicaid Funding." "Bunting, who works in the emergency department at Mission Health, alleged the hospital is severely understaffed. [...] She added that hasn't always been the case. Last year when HCA health care was on the verge of losing Medicare and Medicaid funding, there was temporary improvement, she claims." [Blue Ridge Public Radio, 02/28/25]

In January 2025, North Carolina's New Attorney General Jeff Jackson Said He Would Continue His Predecessor Josh Stein's Lawsuit Alleging HCA's Cuts To Emergency, Trauma, And Oncology Services Broke A State Agreement It Made When It Bought Mission Health.

January 2025: North Carolina's new Attorney General Jeff Jackson (D-NC) said he would continue a lawsuit filed by his predecessor now-Gov. Josh Stein (D-NC) alleging that HCA "Failed To Maintain Then-Current Levels Of Emergency Services And Oncology Services As It Promised" when it bought mission health system. "North Carolina's new Attorney General, Jeff Jackson, said Thursday he will continue the legal battle against HCA Healthcare that his predecessor, now-Gov. Josh Stein, started in December 2023. Stein's lawsuit, filed on behalf of Dogwood Health Trust, alleges HCA failed to maintain then-current levels of emergency services and oncology services as it promised when it bought the nonprofit Mission Health system in 2019 for $1.5 billion." [Asheville Watchdog, 01/17/25]

The lawsuit alleges that "HCA Has Mismanaged Mission, Endangering Patients And Prompting An Exodus Of Doctors And Nurses, And Has Shuttered Or Reduced Some Services," in violation of an agreement it made with the state. "The lawsuit alleges that Nashville-based HCA has mismanaged Mission, endangering patients and prompting an exodus of doctors and nurses, and has shuttered or reduced some services in violation of the 2019 Asset Purchase Agreement approved by then-Attorney General Stein." [Asheville Watchdog, 01/17/25]

Attorney General Jackson said, "'We're Not Going To Drop That Case Because They Broke The Agreement That They Made With The State To Provide A Certain Level Of Service, Specifically With Respect To Emergency, Trauma And Oncology.'" "'I have heard that some of their [HCA's] attorneys were hoping that a new attorney general would drop that case,' Jackson said at a press conference in Canton. 'Well, I am the new attorney general, and we're not going to drop that case because they broke the agreement that they made with the state to provide a certain level of service, specifically with respect to emergency, trauma and oncology.'" [Asheville Watchdog, 01/17/25]

The lawsuit was updated to include evidence revealed by the HHS Inspector General showing that HCA "Violated Federal Standards Of Care" And Accused HCA Of Putting Patients In "Immediate Jeopardy," the "The Most Severe Sanction A Hospital Can Face." "The lawsuit was later updated to include evidence revealed after an investigation found Mission Hospital in Asheville, the flagship facility in the six regional hospitals purchased by HCA, violated federal standards of care. The lawsuit contends the finding of immediate jeopardy — the most severe sanction a hospital can face — leveled by the U.S. Centers for Medicare & Medicaid Services (CMS) in February 2024 was evidence that HCA violated the purchase agreement." [Asheville Watchdog, 01/17/25]

The investigation found that Four Mission Hospital patients died in two years due to causes "Related To [The] Violations Of Care And Leadership Mismanagement" it found. "The CMS investigation revealed that four Mission patients died in two years related to those violations of care and leadership mismanagement." [Asheville Watchdog, 01/17/25]

As of January 2025, the case was still ongoing. "The case is ongoing in North Carolina Business Court, where there have been more than 140 related filings in the past year. Most

recently, on Dec. 6, Judge Julianna Theall Earp filed an opinion dismissing HCA's counterclaims against Stein." [Asheville Watchdog, 01/17/25]

In August 2024, A Study Found That HCA "Pushed Out" Care Providers After Acquiring Mission Health, "Drastically" Decreasing Nurse And Emergency Staffing, Causing Two-Thirds Of Its 750 Physicians To Leave, And Leading Its Entire Oncology Staff To Leave Due To Inadequate Resources And Staffing…

August 2024: a draft study from Wake Forest University alleged that HCA drove doctors away from Mission Hospital and "drastically decreased nurse and emergency department staffing" after acquiring Mission in 2019 for $1.5 billion. "A new working draft study from Wake Forest University alleges HCA has driven doctors away from Mission Hospital and drastically decreased nurse and emergency department staffing since acquiring North Carolina-based Mission Health in 2019. [...] The analysis, which draws on dozens of interviews, alleges doctors left Mission following HCA's $1.5 billion acquisition due to care quality concerns." [HealthcareDive, 08/16/24]

- **Headline: HCA pushed out providers, downgraded care after acquiring Mission Health: report** [Healthcare Dive, 08/16/24]

Mission Hospital nurses unionized for the first time in 2020, "Citing Concerns About Staffing And Resource Shortages." "Mission nurses unionized for the first time in 2020, a year after the hospital was acquired by HCA, citing concerns about staffing and resource shortages." [Healthcare Dive, 08/16/24]

Over 200 doctors left The Mission Health System in 2022, with some doctors writing a "blistering" open letter criticizing concerns about patient care and staffing after HCA bought Mission. "More than 200 doctors left the health system in 2022, according to a report from local outlet the Asheville Watchdog. Some of the departing physicians wrote a blistering open letter detailing concerns about patient care and staffing levels under HCA's leadership prior to departing." [Healthcare Dive, 08/16/24]

- **The doctors alleged that HCA "Closed Or Reduced Funding For Less Lucrative Specialties," including urology, rheumatology, orthopedics and neurology.** "HCA allegedly closed or reduced funding for less lucrative specialties, causing physicians to leave Mission. Some specialties, including otolaryngology, urology, rheumatology, orthopedics and neurology are now severely depleted or gone, according to the report." [Healthcare Dive, 08/16/24]

The Wake Forest Report found that "Two-Thirds Of Mission's 750 Physicians Left" after the HCA acquisition. "In total, the report said two-thirds of Mission's 750 physicians left following the acquisition." [Healthcare Dive, 08/16/24]

The report alleged HCA reduced some patient care roles, leading the head of Mission's cancer services and his entire oncology staff to leave over a few years, "due to concerns over inadequate resources and staffing." "The report also alleges HCA both reduced some patient care roles and struggled to hire staff to fill other positions. Staffing shortages have built on each other, according to the report. For example, the head of the cancer service and his entire oncology staff, who HCA recruited, allegedly left over the space of just a couple of years due to concerns over inadequate resources and staffing." [Healthcare Dive, 08/16/24]

One doctor said that under HCA, physicians were "'frankly powerless,'" saying even medical directors and committee chairs were "'Routinely Left Out Of Any Of The Decision-Making Processes.'" "One physician said HCA 'was seemingly incapable of addressing physician concerns …. Physicians were routinely left out of any of the decision-making processes. Although physicians were given titles of medical director, service line leaders, and committee chairs, they were frankly powerless and often ignored/sidelined in the decision-making process.'" [Healthcare Dive, 08/16/24]

…According To The Report, A Former Advisor To Mission's Board Said HCA Viewed Internal Medicine Physicians As "'Cogs In A Machine.'"

According to the report, a former advisor to Mission Hospital's said HCA viewed internal medicine physicians as "'Cogs In A Machine.'" "A former financial adviser to Mission's board was quoted in the report saying internal medicine physicians were viewed by HCA as 'cogs in a machine': readily and repeatedly replaceable." [Healthcare Dive, 08/16/24]

In February 2024, HCA-Owned Mission Hospital In Asheville, North Carolina Received Official Federal Notice That Its Facilities Pose "'Immediate Jeopardy' To Patients' Safety," Putting Its Medicare And Medicaid Funding At Risk…

February 2024: HCA-owned Mission Hospital in Asheville, North Carolina received official federal notice that its facilities pose "'Immediate Jeopardy' To Patients' Safety," putting it on track to lose its Medicare and Medicaid funding if issues are not resolved. "Asheville's Mission Hospital has received official notice from federal authorities that conditions there pose "immediate jeopardy" to patients' safety, putting the facility on track to potentially lose its Medicare and Medicaid funding if the issues are not resolved." [Blue Ridge Public Radio, 02/02/24]

- **Headline: Mission Hospital receives official notice of 'immediate jeopardy' violations, putting Medicare and Medicaid funding at risk** [Blue Ridge Public Radio, 02/02/24]

- **"'Immediate Jeopardy'" is when the Centers for Medicare and Medicaid Services (cms) finds that a healthcare provider's noncompliance with requirements "Has Caused, Or Is Likely To Cause, Serious Injury, Harm, Impairment, Or Death To A Resident.'"** "State investigators identified the 'immediate jeopardy' violations late last year, based on a total of nine incidents from April 2022 to November 2023. [...] CMS defines 'immediate jeopardy' as "a situation in which the provider's noncompliance with one or more requirements of participation has caused, or is likely to cause, serious injury, harm, impairment, or death to a resident.'" [Blue Ridge Public Radio, 02/02/24]

- **HCA Healthcare purchased Mission Hospital in 2019.** "Management now has 23 days to rectify the problems at the hospital, which has seen mounting complaints, multiple lawsuits and an exodus of staff since it was purchased by HCA Healthcare in 2019." [Blue Ridge Public Radio, 02/02/24]

Then-North Carolina Attorney General Josh Stein called CMS's preliminary findings "'Extremely Alarming,'" after filing a December 2024 lawsuit accusing HCA of breaching the terms of its $1.5 billion purchase of Mission Health Systems. "North Carolina Attorney

General Josh Stein last month called news of the preliminary findings 'extremely alarming.' Stein, who is running for governor as a Democrat, filed a lawsuit against HCA Healthcare in December, accusing the country's largest for-profit hospital company of breaching the terms of its $1.5 billion purchase of Mission Health System by failing to provide quality, consistent emergency services and cancer care." [Blue Ridge Public Radio, 02/02/24]

…One Longtime Mission Hospital Nurse Said That After HCA's 2019 Purchase, The Hospital Went From "'The Best Hospital [She] Had Worked In'" To "'Traumatic,'" Worse Than Hospitals "'Overseas In Developing Countries'" She Had Worked At.

A former Mission Hospital Nurse who worked at Mission Hospital prior to the HCA purchase said it went from "'The Best Hospital [She] Had Worked In'" To "'Traumatic,'" saying it was worse than small rural hospitals, overseas hospitals in developing countries, and large medical centers she had worked in. "Maureen Quinn, 65, is a former Mission Hospital nurse who worked at the facility for 11 years, prior to the purchase by HCA. She said that during those years, 'it was the best hospital I had worked in in my 43-year career as a nurse.' Things were different when she returned last year to bring her 89-year-old mother to the emergency room for health-related issues, Quinn said. 'It was very, very traumatic. I've worked in small rural [hospitals], and I've worked overseas in developing countries and large medical centers, and I've never experienced something so stress-inducing,' Quinn said." [Blue Ridge Public Radio, 02/02/24]

- **HCA Healthcare purchased Mission Hospital in 2019.** "Management now has 23 days to rectify the problems at the hospital, which has seen mounting complaints, multiple lawsuits and an exodus of staff since it was purchased by HCA Healthcare in 2019." [Blue Ridge Public Radio, 02/02/24]

In February 2024, A Federal Judge Denied HCA's Healthcare's Motion To Dismiss Antitrust Litigation Filed By North Carolina Cities And Counties Alleging HCA Bought Mission Health To "'Exploit' The Monopoly Power It Had In The Region, Allowing It To Raise Prices, Discontinue Certain Services, And Cut Staffing.

February 2024: A federal judge denied HCA healthcare's motion to dismiss antitrust legislation brought by North Carolina cities and counties alleging HCA bought Mission Health "In order to obtain and 'exploit' the monopoly power it had in the general acute care and outpatient markets of North Carolina's Asheville region." "A federal judge has denied HCA Healthcare's motion to dismiss antitrust litigation brought by North Carolina cities and counties related to the for-profit's 2019 acquisition of Mission Health. The ruling, signed Wednesday, relates to consolidated class-action complaints filed in 2022 by the city of Brevard, Buncombe County, the city of Asheville and Madison County. HCA and Mission Health, both listed as defendants, filed motions to dismiss the complaint later that year. The local governments alleged that HCA had purchased Mission Health in order to obtain and 'exploit' the monopoly power it had in the general acute care and outpatient markets of North Carolina's Asheville region and the surrounding counties." [Fierce Healthcare, 02/23/24]

- **The case was in The U.S. District Court for the western district of North Carolina.** "The case is In re: Mission Health Antitrust Litigation, U.S. District Court for the Western District of North Carolina, No. 1:22-cv-00224-MR." [Reuters, 02/22/24]

The lawsuit alleged that HCA's "Monopoly Power" allowed it to use "'Anti-Competitive Provisions'" in insurance plans and the company "Raised Prices Faster Than Others Across The State" and "Discontinued Certain Services And Reduced Staffing." "That monopoly power has allowed HCA to use 'anti-competitive provisions' when contracting with insurance plans, the plaintiffs alleged, including 'all-or-nothing provisions,' 'anti-steering' and 'anti-tiering' provisions and 'gag clauses.' The company has also raised prices faster than others across the state, discontinued certain services and reduced staffing, according to the complaints." [Fierce Healthcare, 02/23/24]

The lawsuit also alleged "Unreasonable Restraint Of Trade And Unlawful Monopolization, Both Violations Of The Sherman Antitrust Act." "The plaintiffs' consolidated complaints alleged unreasonable restraint of trade and unlawful monopolization, both violations of the Sherman Antitrust Act." [Fierce Healthcare, 02/23/24]

In September 2012, HCA Inc. Agreed To Pay $16.5 Million To Resolve Allegations That It Violated Several Federal And State Laws By Offering Kickbacks To Physicians In Order To Have Them Refer Patients To HCA Facilities, Which Can "'Corrupt Medical Decision-Making.'"

September 2012: HCA Inc. agreed to pay $16.5 million to resolve federal and state health care allegations that the company violated The Ethics in Patient Referrals Act, The False Claims Act, and other federal and state laws and regulations through the operation of its subsidiary, Parkridge Medical Center, Inc. "HCA Inc., one of the nation's largest private hospital chains, has agreed to pay $16.5 million to settle alleged violations of the Ethics in Patient Referrals Act (also known as the Stark law), the False Claims Act, and other federal and state laws and regulations in connection with the operation of its subsidiary, Parkridge Medical Center, Inc., in Chattanooga. In addition, Parkridge Medical Center has entered into a comprehensive five-year Corporate Integrity Agreement with the Office of Inspector General of the U.S. Department of Health and Human Services (HHS-OIG) to ensure its continued compliance with federal health care benefit program requirements." [U.S. Attorney's Office for the Eastern District of Tennessee, 09/19/12]

- **Press release headline: HCA Inc to pay $16.5 million to resolve federal & state health care fraud investigation** [U.S. Attorney's Office for the Eastern District of Tennessee, 09/19/12]

HCA Physician Services and Parkridge allegedly violated The Ethics In Patient Referrals Act And The Anti-Kickback Statute—"Laws Designed To Protect Patients As Well As The Integrity Of Government-Funded Health Care Benefit Programs"—by trying to induce physicians to refer patients to HCA facilities. "As alleged in the settlement agreement, during 2007, HCA, through its subsidiaries Parkridge and HCA Physician Services (HCAPS), entered into a series of financial transactions with a physician group, Diagnostic Associates of Chattanooga, through which it provided financial benefits intended to induce the physician members of Diagnostic to refer patients to HCA facilities. The financial benefits included lease of office space from Diagnostic at a rental rate well in excess of fair market value to meet the mortgage obligations of the Diagnostic members and release of Diagnostic members from a separate lease obligation. These financial arrangements violated the Ethics in Patient Referrals Act and the Anti-Kickback Statute – laws designed to protect patients as well as the integrity of government-funded health care benefit programs such as Medicare, Medicaid, TRICARE, and TennCare." [U.S. Attorney's Office for the Eastern District of Tennessee, 09/19/12]

Derrick L. Jackson, special agent in charge for the HHS OIG in Atlanta, said, "'These Arrangements Can Corrupt Medical Decision-Making And May Result In Unnecessary Diagnostic Testing And Hospital Admissions.'" "'We will not allow hospitals to provide financial incentives to induce physicians to steer patients their way,' said Derrick L. Jackson, Special Agent in Charge, HHS-OIG in Atlanta. 'These arrangements can corrupt medical decision-making and may result in unnecessary diagnostic testing and hospital admissions.'" [U.S. Attorney's Office for the Eastern District of Tennessee, 09/19/12]

In 2022, The Service Employees International Union (SEIU) Accused HCA Of "Maximizing Profits At The Expense Of Patient Care" And Taking $1.8 Billion In "Fraudulent" Medicare Payments—SEIU Also Found That Nearly 90% Of HCA Healthcare Workers Felt Short Staffing Was "Compromising Patient Care."

In February 2022, The Service Employees International Union (SEIU), Which Represents Healthcare And Other Workers, Accused HCA Of "Maximizing Profits At The Expense Of Patient Care," Allegedly Taking $1.8 Billion In "Fraudulent" Payments From Medicare By Needlessly Admitting Emergency Room Patients To Its Hospitals.

February 2022: The Service Employees International Union (SEIU), accused HCA Healthcare of "Maximizing Profits At The Expense Of Patient Care" and taking $1.8 billion in "Fraudulent" payments from Medicare. "Service Employees International Union is taking aim at Nashville, Tenn.-based HCA Healthcare, accusing the hospital operator of maximizing profits at the expense of patient care and obtaining more than $1 billion in fraudulent payments from Medicare. The accusations were released in a 45-page investigative report published this week and are based on the union's analysis of Medicare data and lawsuits filed against HCA." [Becker's Hospital Review, 02/02/22]

- **SEIU estimated that HCA may have taken $1.8 billion in excess Medicare payments since 2008.** "SEIU estimates that due to these admission practices, HCA may have obtained $1.8 billion in excess payments from the Medicare program since 2008." [Becker's Hospital Review, 02/02/22]

- **SEIU, "One Of The Largest Unions In The U.S.," represents about 2 million healthcare, public sector, and property services workers.** "SEIU is one of the largest unions in the U.S., representing about 2 million members in healthcare, the public sector and property services." [Becker's Hospital Review, 02/02/22]

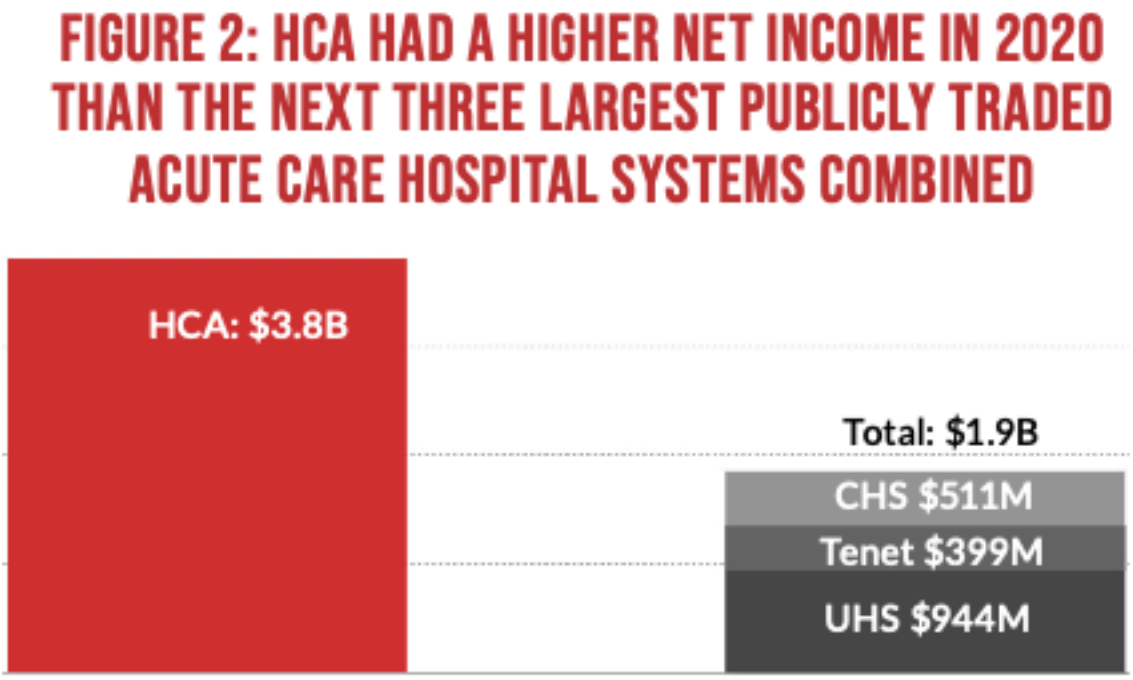
SEIU found that HCA's Hospital admission rates exceeded the national average by over 5% from 2014 to 2019, concluding that it was "'The Result Of HCA Corporate Efforts To Increase Admissions Without Medical Need.'" "The Medicare fraud allegations stem from SEIU's analysis of the average emergency department admission rate among HCA hospitals. The union found that HCA hospitals' admission rates exceeded the national average by more than 5 percent from 2014 to 2019. In some states, like Texas and California, the average HCA ED admission rate is 10 percent higher than the state average, the report found. 'After rigorous exploration of this data, we have not found any reasons that we believe could justify this difference — leading to concerns that it is the result of HCA corporate efforts to increase

admissions without medical need,' SEIU wrote in the report." [Becker's Hospital Review, 02/02/22]

SEIU also alleged that HCA "Marks Up Its Prices More Than Twice The National Average And That Its Staffing Levels Lag Behind The National Average By About 30 Percent." "The union also argues HCA marks up its prices more than twice the national average and that its staffing levels lag behind the national average by about 30 percent." [Becker's Hospital Review, 02/02/22]

SEIU's report stated, ""This Possibly Illegal, Unethical Patient Care Practice Pads The Corporation's Pockets While Costing Taxpayers And Consumers Billions In Unnecessary Procedures And Services." "This possibly illegal, unethical patient care practice pads the corporation's pockets while costing taxpayers and consumers billions in unnecessary procedures and services and exposing patients to unnecessary risk." [Service Employees International Union, accessed 03/11/25]

SEIU found that "HCA Had Higher Net Income In 2020 Than The Next Three Largest Publicly Traded Acute Care Hospital Systems Combined":



[Service Employees International Union, accessed 03/11/25]

SEIU found that "HCA's Medicare emergency department admission rates exceeded state averages in 19 of the 20 states in which they operated":

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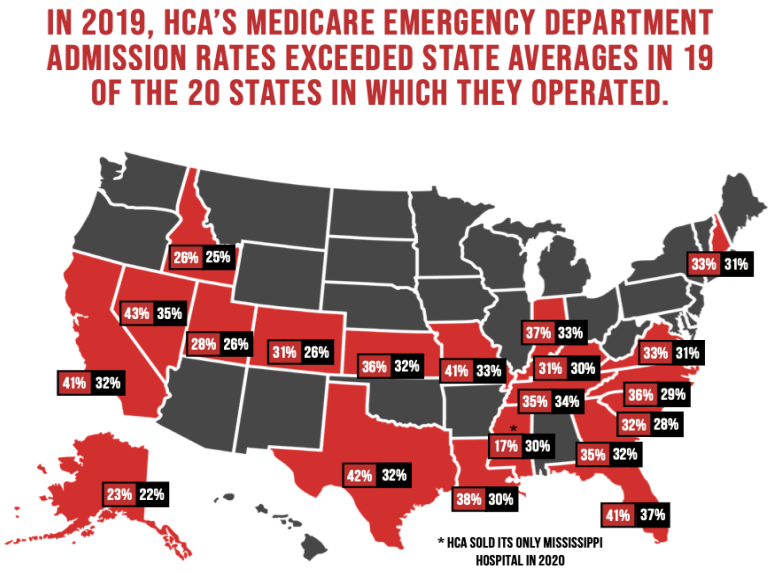


[Service Employees International Union, accessed 03/11/25]

2022: SEIU Released A Survey Of Over 1,500 Frontline HCA Healthcare Workers Showing 89% Felt Short Staffing Was "Compromising Patient Care"—SEIU Noted That HCA's Near-$32 Billion In Stock Buybacks And Dividends Since 2011 Was The Highest In The Healthcare Industry.

January 2022: SEIU released a survey of over 1,500 HCA's frontline nurses and healthcare workers, with 80% of the workers reporting patient care being jeopardized due to low staffing. "According to a January 2022 survey of over 1,500 frontline nurses and healthcare workers at HCA hospitals, nearly 80 percent reported witnessing patient care being jeopardized due to low staffing. [...] HCA is the largest hospital system in the country, with nearly $60 billion in annual revenue." [Service Employees International Union, accessed 03/12/25]

- **The survey of SEIU members was conducted at HCA hospitals in six states from December 13, 2021, to January 2022.** "This opt-in survey of 1,500 SEIU nurses and healthcare workers working at HCA hospitals in California, Florida, Missouri, Kansas, Nevada and Texas was conducted from December 13, 2021 to January 10, 2022. The survey has a margin of error of +/- 3%." [Service Employees International Union, 01/13/22]

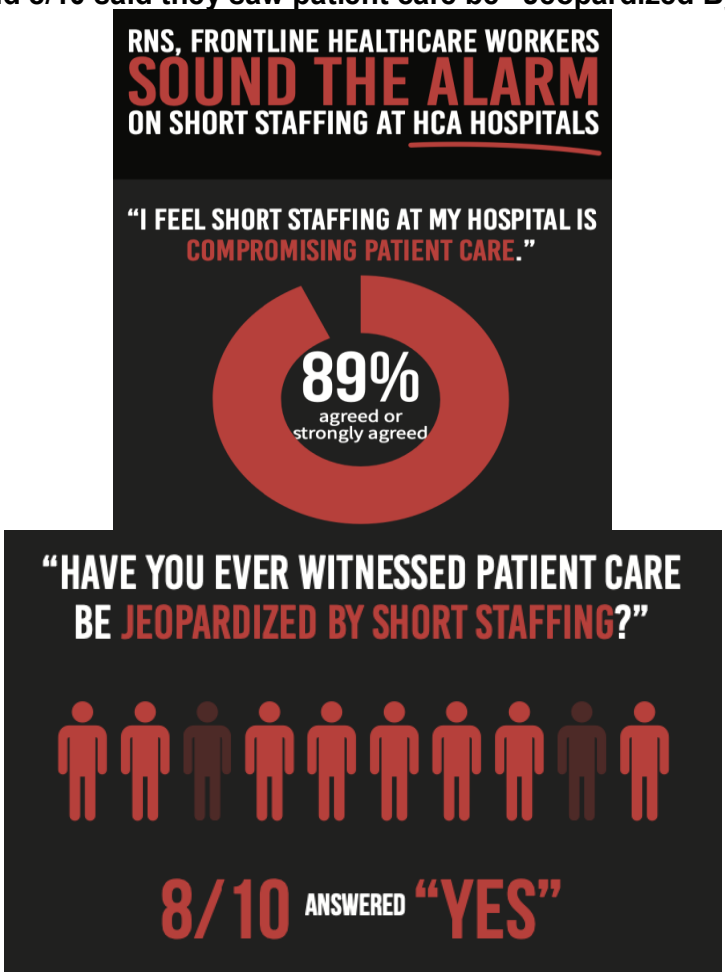
SEIU noted that HCA took nearly $7 billion in profits in 2021—its highest profit since its 2011 initial public offering—and in 2021, HCA spent $8 billion on stock buybacks. "In 2021, HCA earned close to $7 billion in profits, its highest profits since the 2011 IPO. HCA chose in 2021 to repurchase $8 billion worth of the company's stock from their shareholders." [Service Employees International Union, accessed 03/12/25]

From HCA's 2011 IPO to 2021, it spent $4.9 billion on dividends and $26.9 billion on stock buybacks—the highest amount of stock buybacks in the healthcare industry at the time and the 17th-highest among all publicly traded companies. "This is a regular theme for HCA: Since the company's IPO in March 2011, HCA has paid to its investors more than $4.9

billion in dividends and $26.9 billion in share repurchases, a total of over $32.2 billion in payouts. While share repurchases are common in many industries, HCA stands out for having the highest share repurchases in the healthcare industry and the 17th highest among all publicly traded companies in the U.S. in 2021." [Service Employees International Union, accessed 03/12/25]

SEIU said HCA's "Volume Of Share Repurchases Is Even More Concerning Given That Roughly 40% Of HCA's Revenue ($24 Billion In 2021) Comes From The Taxpayer-Funded Medicare And Medicaid Programs"—A "Staggering" transfer of public funding to private investors. "This volume of share repurchases is even more concerning given that roughly 40% of HCA's revenue ($24 billion in 2021) comes from the taxpayer-funded Medicare and Medicaid programs—a staggering use of public funding to facilitate the transfer of wealth to private shareholders." [Service Employees International Union, accessed 03/12/25]

89% of HCA Workers said they felt short staffing was "Compromising Patient Care" at their hospitals and 8/10 said they saw patient care be "Jeopardized By Short Staffing":



[Service Employees International Union, accessed 03/12/25]

In 2021, The U.S. Dept. Of Health And Human Services (HHS) Inspector General Found That HCA's Sunrise Hospital And Medical Center Of Las Vegas Overbilled Medicare By $23.6 Million And Failed To Comply With Medicare Procedures In Over Half Of The 100 Claims The IG Audited.

In April 2021, The Department Of Health And Human Services (HHS) Office Of Inspector General (OIG) Found That HCA-Owned Sunrise Hospital And Medical Center Of Las Vegas Overbilled Medicare By $23.6 Million, Finding Sunrise Billed Medicare For "Unnecessary Inpatient Visits" And Did Not Comply With Medicare Procedures In 54 Of 100 Claims The OIG Audited.

April 2021: Sunrise Hospital and Medical Center Of Las Vegas, which was owned by HCA Healthcare, improperly billed Medicare for over $23.6 million, according to an audit By The Office Of The Inspector General (OIG) for the Department Of Health And Human Services (HHS). "A federal audit has concluded that Sunrise Hospital and Medical Center of Las Vegas improperly billed Medicare for more than $23.6 million in services and called on it to refund the money. Sunrise Hospital will appeal the decision by the Office of the Inspector General for the U.S. Department of Health and Human Services, triggering a process that could take 'several years,' CEO Todd Sklamberg said Thursday. [...] HCA Healthcare, which owns Sunrise and is one of the nation's biggest health care providers, has had issues with Medicare payments in the past." [Las Vegas Review-Journal, 04/02/21]

The OIG found that in 54 of the 100 claims it audited, Sunrise "Did Not Comply With Medicare Billing Procedures," reprocessing five of the claims during the course of the audit. "As part of a routine audit, the OIG's office looked at 100 inpatient and outpatient claims. According to the report, the hospital did not comply with Medicare billing procedures in 54 of the claims, although five were reprocessed during the course of the audit. Those claims have been accepted by the OIG and removed from the amount it wants Sunrise to repay." [Las Vegas Review-Journal, 04/02/21]

The OIG found that Sunrise "Billed Medicare For Unnecessary Inpatient Visits, Or Situations Where The Patient Did Not Meet The Standard For Necessary Inpatient Care." "According to the report, Sunrise billed Medicare for unnecessary inpatient visits, or situations where the patient did not meet the standard for necessary inpatient care — a situation where 'the ordering physician expects the patient to require care for a period of time that crosses two midnights.'" [Las Vegas Review-Journal, 04/02/21]

Universal Health Services (UHS)

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Universal Health Services (UHS), The Second-Biggest Health System With 182 Hospitals, Made $4.4 Billion In Net Income While Spending Over $3.7 Billion On Shareholder Handouts In The Last Five Years—In The First Quarter of 2025, UHS Saw Its Net Income Increase 21% To $322 Million, While Spending $237 Million On Shareholder Handouts, Including A 57% Increase In Stock Buybacks.

As Of January 2024, Universal Health Services (UHS) Was The Second-Biggest Health System, With 182 Hospitals.

"King of Prussia, Pennsylvania-based Universal Health Services similarly reported a strong quarter, posting nearly 69% growth on its bottom line over the same period last year while Dallas-based Tenet Healthcare reported a 111% jump in its net income over the same quarter last year." [Axios, 08/06/24]

- **Headline: Gulf widens between rich and poor hospitals** [Axios, 08/06/24]

Rank	Health system name	Definitive ID	City	State	# of hospitals
		[...]			
2	Universal Health Services	7055	King Of Prussia	PA	182
		[...]			

Fig. 1 Data is from the Definitive Healthcare's **HospitalView** product. Health system data is sourced from proprietary research and updated on a continuous basis. Data is accurate as of January 2024.

[Definitive Healthcare, 01/10/24]

UHS States that it "Has More Than 400 Acute Care Hospitals, Behavioral Health Facilities And Ambulatory Centers Across The U.S., Puerto Rico And The U.K." "Universal Health Services (UHS), one of the nation's largest and most respected providers of hospital and healthcare services, has more than 400 Acute Care hospitals, Behavioral Health facilities and ambulatory centers across the U.S., Puerto Rico and the U.K. As we continue to grow, we stay focused on making health a positive and local experience." [Universal Health Services, accessed 03/13/25]

As of February 2025, UHS was "The Largest Operator Of Private For-Profit Hospitals In The Country." "Based in King of Prussia, Pennsylvania, Universal Health Services is the largest operator of private for-profit hospitals in the country, with more than 400 facilities in the United States and United Kingdom." [The Washington Post, 02/24/25]

From 2020 Through 2024, UHS Saw Over $4.4 Billion In Net Income While It Spent Over $3.7 Billion On Stock Buybacks And Shareholder Dividends.

From 2020 through 2024, UHS had over $4.4 billion in net income, spent over $3.4 billion on stock buybacks, and over $250 million on shareholder dividends:

Year	Net Income (Thousands)	Stock Buybacks (Thousands)	Dividends (Thousands)	CEO Pay	CEO Pay Ratio
2024	$1,163,109	$670,754	$53,346	$15,021,836	281:1
2023	$719,307	$547,363	$55,480	$14,407,937	287:1
2022	$656,982	$832,918	$58,449	$10,919,976	221:1
2021	$987,632	$1,220,875	$65,896	$14,020,942	309:1
2020	$952,790	$206,719	$17,344	$2,345,997	305:1
Total:	**$4,479,820**	**$3,478,629**	**$250,515**	**$56,716,688**	**Average: 280.6:1**

In The First Quarter Of 2025, UHS Reported Net Income Increasing To $322 Million—A 21% Increase Over 2024—While The Company Spent $237 Million On Shareholder Handouts, Including A 57% Increase In Stock Buybacks.

In the first quarter of 2025, Universal Health Services reported net income of $322 million, a 21% increase from 2024:

	Three months ended March 31,	
	2025	2024
Cash Flows from Operating Activities:		
Net income	$321,628	$265,822

[Universal Health Services Q1 2025 Earnings Report, 04/28/25]

Meanwhile, Universal Health Services Spent $223 Billion On Stock Buybacks, A 57% Increase from 2024, And $13.5 Million on Shareholder Dividends:

Cash Flows from Financing Activities:		
Repayments of long-term debt	(9,113)	(63,905)
Additional borrowings	152,454	12,038
Repurchase of common shares	(223,385)	(142,084)
Dividends paid	(13,534)	(13,601)

[Universal Health Services Q1 2025 Earnings Report, 04/28/25]

UHS Has Faced Over $197 Million In Penalties Since 2000—In Recent Years UHS Reached A $122 Million Justice Department Settlement For Defrauding Medicare, Medicaid, And TRICARE; Its Hospitals Reportedly Exposed Patients To "Erratic Care, Violence And Deadly Neglect"; And It Was Even Accused Of Unnecessarily Committing Psychiatric Patients "To Maximize Insurance Payments."

Universal Health Services And Its Subsidiaries Have Faced Over $197 Million In Penalties, Including Over $171 Million In Government Contracting Offenses, Since 2000.

Universal Health services and its subsidiaries have faced over $197 million in penalties since 2000, including over $171 million in offenses related to government contracting offenses:

Violation Tracker Current Parent Company Summary

Current Parent Company Name: Universal Health Services Inc.
Ownership Structure: publicly traded (ticker symbol UHS)
Headquartered in: Pennsylvania
Major Industry: healthcare services
Specific Industry: hospitals (for-profit)
Penalty total since 2000: **$197,453,322**
Number of records: 53

TOP 5 OFFENSE GROUPS (GROUPS DEFINED)	PENALTY TOTAL	NUMBER OF RECORDS
government-contracting-related offenses	$171,250,000	7
employment-related offenses	$25,360,773	17
environment-related offenses	$466,848	11
safety-related offenses	$375,701	18

[Good Jobs First, accessed 03/14/25]

In March 2025, UHS's For-Profit Hospitals Were Criticized As California Psychiatric Facilities That "Capitalized On Lax State Regulations To Strip Their Workforces Bare, Generating Massive Earnings For Investors And Owners While Exposing Patients To Erratic Care, Violence And Deadly Neglect."

March 2025: The San Francisco Chronicle reported on California's increasing reliance on for-profit psychiatric hospitals, finding that hospital companies have "capitalized on lax state regulations to strip their workforces bare, generating massive earnings for investors and owners while exposing patients to erratic care, violence and deadly neglect." "Psychiatric hospitals operated by for-profit companies are now the fastest-growing destination for tens of thousands of Californians experiencing mental health emergencies. But instead of offering a healing respite, reporters found that these companies have capitalized on lax state regulations to strip their workforces bare, generating massive earnings for investors and owners while exposing patients to erratic care, violence and deadly neglect. The fallout over the past six years has been statewide and devastating. Hundreds of patients have reported

being beaten and sexually assaulted, leaving them bloodied, bruised and begging to go home. They have struggled to breathe under dangerous and improper restraints. And some have died, unnoticed in their bedrooms and bathrooms, after these facilities failed at their most basic job: to watch them." [The San Francisco Chronicle, 03/09/25]

- **Headline: California is embracing psychiatric hospitals again. Behind locked doors, a profit-driven system is destroying lives** [The San Francisco Chronicle, 03/09/25]

UHS was among four companies that own nearly all of California's for-profit psychiatric hospitals. "Four companies — Signature Healthcare Services, Universal Health Services, Acadia Healthcare and College Health Enterprises — own 20 of California's 21 for-profits. Together, they have added more than 600 acute psychiatric treatment beds across the state since 2019, a roughly 33% increase, while the number of beds available in nonprofits and psychiatric units has remained stagnant amid sputtering finances." [The San Francisco Chronicle, 03/09/25]

In 2023, The California Department of Public Health found that UHS's Del Amo Hospital "Repeatedly Saddled A Single Nurse With Nearly 40 Patients," while an employee warned that staffing shortages were ''affecting patient safety.'" "In 2023, CDPH found that Universal's Del Amo had repeatedly saddled a single nurse with nearly 40 patients, as an employee warned that persistent staffing shortages were 'affecting patient safety.'" [The San Francisco Chronicle, 03/09/25]

A former mental health technician who worked at UHS's Heritage Oaks Hospital but Left due to understaffing said, "'People Are There Because They Need Help, And Early Intervention, But Nothing Was Being Done For Them,'" adding, "'It Was Awful.'" "'People are there because they need help, and early intervention, but nothing was being done for them,' said Alexandra Del Cima, who worked as a mental health technician from 2017 to 2019 at Universal's Heritage Oaks Hospital, but left after raising concerns about understaffing. 'It was awful.'" [The San Francisco Chronicle, 03/09/25]

A UHS facility in Torrance "Failed To Report" serious incidents to cdph—including one incident where the facility was understaffed while two patients "Beat An Adolescent Boy Unconscious In The Cafeteria And Broke His Shoulder." "At Universal's Del Amo Behavioral Health System in Torrance (Los Angeles County), two patients beat an adolescent boy unconscious in the cafeteria and broke his shoulder while an employee, who was watching twice as many patients as she should have been, tried to shield him with her body. The assault was one of several serious incidents the facility failed to report to CDPH as required, with a hospital official explaining that 'kids fight all the time.'" [The San Francisco Chronicle, 03/09/25]

In 2023, state health inspectors opened their "Second Investigation In Seven Weeks Into Reports That Staff Members Had Assaulted And Injured Patients In Their Care At Universal's Heritage Oaks Hospital." "'I think it's a big day for, not only the state, but I think this is a model for the nation as well,' the governor told reporters in Los Angeles after signing the Prop 1 bills on Oct. 12, 2023. [...] Also that day, in Sacramento, health inspectors were opening their second investigation in seven weeks into reports that staff members had assaulted and injured patients in their care at Universal's Heritage Oaks Hospital." [The San Francisco Chronicle, 03/09/25]

In UHS's Fremont Hospital, "There Were Roughly Two Dozen 911 Calls Alleging Physical Or Sexual Abuse In An 18-Month Period." "At Universal's Fremont Hospital, for example, there were roughly two dozen 911 calls alleging physical or sexual abuse in an 18-month period." [The San Francisco Chronicle, 03/09/25]

In February 2025, A Former Patient At UHS's Psychiatric Institute Of Washington In D.C. Filed A Lawsuit Alleging It "Prioritizes Profits Over Patient Care, Systematically Committing Patients When Not Medically Necessary To Maximize Insurance Payments"—D.C. Government Has Also Investigated "Nearly Every" Involuntary Admission At The Hospital For Possible Abuse.

February 2025: A former patient—who was "Held For Four Days [...] In Unsanitary Conditions While Doctors Allegedly Falsified Her Mental Health Records"—sued the UHS-owned Psychiatric Institute for Washington, alleging it "Prioritizes Profits Over Patient Care, Systematically Committing Patients When Not Medically Necessary To Maximize Insurance Payments." "The District's only for-profit psychiatric hospital prioritizes profits over patient care, systematically committing patients when not medically necessary to maximize insurance payments, a former patient alleges in a lawsuit. The unidentified patient was held for four days at the Psychiatric Institute of Washington in unsanitary conditions while doctors allegedly falsified her mental health records and refused her access to a telephone, according to a civil lawsuit filed this month in federal court in D.C. The lawsuit seeks unspecified damages for the plaintiff and certification of a class of thousands of patients involuntarily hospitalized at the Tenleytown facility in the decade since it was acquired by corporate hospital giant Universal Health Services." [The Washington Post, 02/24/25]

- **Headline: D.C. psych hospital committed patients to boost profits, lawsuit says** [The Washington Post, 02/24/25]

- **The Psychiatric Institute of Washington Is "The Go-To Facility For Adults And Adolescents Who Are Involuntarily Committed."** "The 130-bed psychiatric hospital is the go-to facility for adults and adolescents who are involuntarily committed, after a visit to an emergency room and evaluation from a doctor." [The Washington Post, 02/24/25]

The lawsuit alleged UHS and the hospital "Violated The Americans With Disabilities Act, The D.C. Human Rights Act, And The Patient's Constitutional Rights To Privacy And Due Process." "The lawsuit alleges the hospital and corporate parent violated the Americans With Disabilities Act, the D.C. Human Rights Act, and the patient's constitutional rights to privacy and due process, among other laws, and intentionally inflicted emotional distress." [The Washington Post, 02/24/25]

The plaintiff's lawyer said, "'Behind This Is A Massive Corporate Enterprise That Is Continuing To Expand Rapidly And Has Made No Bones About The Fact That They Are Interested In Nothing More Than Expansion And Increasing Occupancy In These Facilities.'" "'Behind this is a massive corporate enterprise that is continuing to expand rapidly and has made no bones about the fact that they are interested in nothing more than expansion and increasing occupancy in these facilities,' the plaintiff's attorney, Drew LaFramboise of Greenbelt, Maryland, said in an interview Thursday." [The Washington Post, 02/24/25]

Prompted by disability rights watchdogs who have investigated "Incidents Of Abuse And Neglect" At The Hospital, D.C.'s Department Of Behavioral Health Reviewed "Nearly

Every Involuntary Admission To The Hospital," and the Department was expected to issue updated hospital regulations and expand district authority over The Hospital. "Disability rights watchdogs have investigated the psychiatric hospital for incidents of abuse and neglect that have left patients traumatized and prompted city agencies that have multimillion dollar contracts with the hospital to step up their oversight. In almost five months, the city's Department of Behavioral Health has reviewed 600 cases, nearly every involuntary admission to the hospital, which is many more cases than the administration previously reviewed, said Wayne Turnage, deputy mayor for health and human services. The city plans to issue updated hospital regulations this summer expanding the District's authority, he said." [The Washington Post, 02/24/25]

In July 2020, UHS And Its Georgia-Based Turning Point Care Center Reached A $122 Million Justice Department Settlement Over Allegations It Made False Claims For Payment To Medicare, Medicaid, TRICARE, And Other Federal Entities And Offered "Illegal Kickbacks" To Use Its Facilities.

July 2020: uhs and its Georgia-Based turning point care center llc agreed to a $122 settlement with the U.S. Justice Department to settle false claims act allegations relating to medically unnecessary inpatient behavioral health services and illegal kickbacks. "Universal Health Services, Inc., UHS of Delaware, Inc.(together, UHS), and Turning Point Care Center, LLC (Turning Point), a UHS facility located in Moultrie, Georgia, have agreed to pay a combined total of $122 million to resolve alleged violations of the False Claims Act for billing for medically unnecessary inpatient behavioral health services, failing to provide adequate and appropriate services, and paying illegal inducements to federal healthcare beneficiaries, the Department of Justice announced today." [U.S. Justice Department, 07/10/20]

- **Press release headline: Universal Health Services, Inc. and related entities to pay $122 million to settle false claims act allegations relating to medically unnecessary inpatient behavioral health services and illegal kickbacks** [U.S. Justice Department, 07/10/20]

- **47 states joined the settlement.** "Today, Nevada Attorney General Aaron D. Ford announced that Nevada and 46 other states, territories and the federal government are settling allegations of fraud against Universal Health Services, Inc. (UHS)." [Nevada Attorney General, 07/22/20]

As part of the settlement, UHS agreed to pay the $117 million over allegations that it "Knowingly Submitted False Claims For Payment To The Medicare, Medicaid, TRICARE, Department Of Veterans Affairs, And Federal Employee Health Benefit Programs For Inpatient Behavioral Health Services." "As part of a comprehensive civil settlement, UHS will pay the United States and participating states a total of $117 million to resolve allegations that its hospitals and facilities knowingly submitted false claims for payment to the Medicare, Medicaid, TRICARE, Department of Veterans Affairs, and Federal Employee Health Benefit programs for inpatient behavioral health services that were not reasonable or medically necessary and/or failed to provide adequate and appropriate services for adults and children admitted to UHS facilities across the country." [U.S. Justice Department, 07/10/20]

As part of the settlement, Turning Point Agreed to pay $5 million to resolve allegations it offered free or discounted transportation services to induce Medicare and Medicaid Beneficiaries To Use Its Inpatient Facilities. "In a separate civil settlement, Turning Point will

pay the United States and the State of Georgia $5 million to resolve allegations that it provided free or discounted transportation services to induce Medicare and Medicaid beneficiaries to seek treatment at Turning Point's inpatient detoxification and rehabilitation program or intensive outpatient program." [U.S. Justice Department, 07/10/20]

From January 2006 to December 2018, UHS allegedly "Admitted Federal Healthcare Beneficiaries Who Were Not Eligible For Inpatient Or Residential Treatment," "Properly Discharge Appropriately Admitted Beneficiaries When They No Longer Required Inpatient Care," and "Failed To Provide Adequate Staffing, Training, And/Or Supervision Of Staff." "The government alleged that, between January 2006, and December 2018, UHS's facilities admitted federal healthcare beneficiaries who were not eligible for inpatient or residential treatment because their conditions did not require that level of care, while also failing to properly discharge appropriately admitted beneficiaries when they no longer required inpatient care. The government further alleged that UHS's facilities billed for services not rendered, billed for improper and excessive lengths of stay, failed to provide adequate staffing, training, and/or supervision of staff, and improperly used physical and chemical restraints and seclusion." [U.S. Justice Department, 07/10/20]

Acting Assistant Attorney General Ethan P. Davis said, "'The Department Of Justice Is Committed To Protecting Patients And Taxpayers By Ensuring That The Treatment Provided To Federal Healthcare Beneficiaries Is Reasonable, Necessary, And Free From Illegal Inducements.'" "'The Department of Justice is committed to protecting patients and taxpayers by ensuring that the treatment provided to federal healthcare beneficiaries is reasonable, necessary, and free from illegal inducements,' said Acting Assistant Attorney General Ethan P. Davis for the Department of Justice's Civil Division. 'The Department will continue to be especially vigilant when vulnerable patient populations are involved, like those served by behavioral healthcare providers.'" [U.S. Justice Department, 07/10/20]

In December 2019, George Washington University And Its Medical Practice Sued UHS, Alleging Its Medical School And Practice Were "'Struggling Financially'" Because UHS Was "Keeping Profits That Should Be Invested In The University's Medical School And Network Of Physicians."

December 2019: George Washington University (GWU) sued UHS, alleging UHS was "Keeping Profits That Should Be Invested In The University's Medical School And Network Of Physicians." "George Washington University is suing King of Prussia, Pa.-based Universal Health Services in District of Columbia Superior Court, alleging UHS is keeping profits that should be invested in the university's medical school and network of physicians, according to The Washington Post." [Becker's Hospital Review, 12/11/19]

- **Headline: Lawsuit accuses UHS of improperly diverting $100M from hospital** [Becker's Hospital Review, 12/11/19]

GWU alleged that UHS—which owned 80% of GWU Hospital—left its medical school and network of doctors "'Struggling Financially'" although the Partnership's operating margin was above 13%. "UHS owns 80 percent of Washington, D.C.-based George Washington University Hospital under a 22-year-old agreement with the university. Over the past four years, the hospital partnership's average operating margin has been above 13 percent. However, the medical school and physician network affiliated with the hospital are

'struggling financially,' according to The Washington Post, which cited the university's complaint." [Becker's Hospital Review, 12/11/19]

- **The 13% operating margin was "Well Above The Median 2.4 Percent Operating Margin Of U.S. Teaching Hospitals."** "The complaint asserts that figure is well above the median 2.4 percent operating margin of U.S. teaching hospitals. 'Instead of investing sufficient Hospital revenue in the University's research and teaching missions . . . UHS has paid itself these funds in the form of outsized dividends from artificially inflated, excess profits,' the complaint states." [The Washington Post, 12/10/19]

GWU alleged, "'Instead Of Investing Sufficient Hospital Revenue In The University's Research And Teaching Missions … UHS Has Paid Itself These Funds In The Form Of Outsized Dividends From Artificially Inflated, Excess Profits.'" "'Instead of investing sufficient hospital revenue in the university's research and teaching missions … UHS has paid itself these funds in the form of outsized dividends from artificially inflated, excess profits,' the complaint states." [Becker's Hospital Review, 12/11/19]

The lawsuit was filed by GWU and Medical Faculty Associates, "The Practice Associated With The University's Medical School." "The lawsuit, filed by both GWU and Medical Faculty Associates — the practice associated with the university's medical school — also names top UHS executives as defendants." [The Washington Post, 12/10/19]

In 2024 Alone, A Jury Found UHS Liable For $360 Million For Allegations Of "Abuse And Neglect Against Patients," As Former Employees Alleged "Patient Record Falsification And Insurance Manipulation," And Another Jury Ordered A UHS Subsidiary To Pay $535 Million (Later Reduced To $180 Million) After Finding That Understaffing Led To A Sexual Assault.

In October 2024, A Jury Found UHS, UHS Of Delaware, And UHS-Owned Cumberland Children's Hospital Liable For $360 Million In Damages Over "Allegations Of Abuse And Neglect Against Patients," At Cumberland, Which Treats "Medically Complex Children."

October 2024: UHS disclosed that a jury awarded $360 million in damages to three plaintiffs alleging abuse at UHS' Cumberland Hospital for Children and Adolescents in Virginia—40 more plaintiffs had pending litigation. "Universal Health Services may be forced to pay millions in damages related to the alleged sexual abuse of minors at one of its subsidiaries, the health system disclosed in a securities filing last week. A jury awarded three plaintiffs $360 million in damages related to alleged abuse at the hands of a physician at UHS' indirect subsidiary Cumberland Hospital for Children and Adolescents. Approximately 40 additional plaintiffs have pending litigation and could also be entitled to damages, according to the filing." [Healthcare Dive, 10/02/24]

July 2023: UHS, UHS of Delaware, and UHS-owned Cumberland Children's Hospital Faced a $387 million lawsuit over "Allegations Of Abuse And Neglect Against Patients" at Cumberland, which treats "Medically Complex Children." "Some former Cumberland Children's Hospital patients are one step closer to having their date in court in a $387,000,000 lawsuit against the facility, its owner Universal Health Services (UHS), UHS of Delaware (UHS-

D), and former medical director Dr. Daniel Davidow. The first multi-million-dollar lawsuit was filed in the case in October 2020 over allegations of abuse and neglect against patients by certain staff members at the facility that treats medically complex children." [WTVR, 07/31/23]

Cumberland Children's Hospital was "Cited At Least Five Times For Substantiated Allegations Including Verbal And Physical Abuse And Improper Seclusion," according to Virginia Department Of Behavioral Health And Developmental Services Records. "Under the Freedom of Information Act, CBS 6 has learned the hospital was cited at least five times for substantiated allegations including verbal and physical abuse and improper seclusion. In a Department of Behavioral Health and Developmental Services (DBHDS) Abuse Allegation Report dated October 9, 2022, the report states that 'the RN cursed at the resident' and threatened to 'Beat the resident's ass then press charges if the resident came behind the RN station.' There were also several complaints the last year that weren't substantiated." [WTVR, 07/31/23]

The Virginia state police were "Investigating Abuse And Neglect Claims Against Staff At The Hospital Since October 2017," With Investigations Still Ongoing As Of 2023. "The Virginia State Police has been investigating abuse and neglect claims against staff at the hospital since October 2017. VSP Spokesperson Corinne Geller confirmed for CBS 6 the investigation is still active and ongoing." [WTVR, 07/31/23]

In November 2022, Cumberland's former medical director was "Indicted On Sex Crimes," the third Cumberland employee to be criminally indicted at the time. "Dr. Davidow served as Cumberland's Medical Director for more than 20 years but was terminated in February 2020 shortly after a CBS 6 investigative report detailed some of the accusations against him. Davidow was indicted last November on sex crimes. [...] Dr. Davidow is the third Cumberland employee to be criminally indicted." [WTVR, 07/31/23]

In May 2024, Former Employees At UHS's Brynn Marr Hospital In North Carolina Alleged "Patient Record Falsification And Insurance Manipulation," Saying The Facility Exploited TRICARE Insurance And That "'Brynn Marr Cares More About Your Money Than Helping Your Loved One.'"

May 2024: Former employees at UHS's Brynn Marr Hospital in Jacksonville, North Carolina alleged the facility "Engaged In Patient Record Falsification And Insurance Manipulation." "Former employees of Jacksonville's Brynn Marr Hospital allege that the facility engaged in patient record falsification and insurance manipulation. Their accounts appear to mirror past issues with the hospital's parent company, Universal Health Services, documented in several lawsuits." [NC Health News, 05/07/24]

Several former Brynn Marr employees said they quit due to "Unethical Practices," Including Making Patients Appear Sicker Than They Were So "The Hospital Could Bill More To Insurers." "Hatcher's experience isn't that surprising to some former Brynn Marr employees, including several who told NC Health News that they quit in part due to what they perceived and described as unethical practices at the hospital. One of those practices, they alleged, included documenting more severe diagnoses for patients to make them appear sicker than they were, so that the hospital could bill more to insurers." [NC Health News, 05/07/24]

A former employee alleged that management instructed nurses to avoid documenting patients' denial of suicidal thoughts, homicidal thoughts, or hallucinations, in order to

keep insurance payments coming. "A former hospital employee who reviewed patient records at Brynn Marr from 2017 to 2019 alleged that management told nurses to avoid documenting a patient's denial of suicidal or homicidal thoughts or hallucinations. If it was in the record, the former employee said, then it would have to be reported to the insurance company. Once reported, the insurance company would stop paying, they said." [NC Health News, 05/07/24]

Former Brynn Marr employees alleged "Unchecked Violence And Lack Of Mental Health Treatment" At The Hospital. "NC Health News interviewed 13 former Brynn Marr Hospital employees who made allegations about what goes on behind the locked doors of the facility, including claims of unchecked violence and lack of mental health treatment." [NC Health News, 05/07/24]

12 Of 13 former Brynn Marr employees who were interviewed said the hospital "Engaged In Records Falsification," saying management instructing them to "Falsify Or Exaggerate Information In Patient Records." "Most of the former employees who were interviewed alleged that the hospital engaged in records falsification. The majority of former staff, 12 out of the 13 interviewed, say they were instructed by management to falsify or exaggerate information in patient records or claim to have seen evidence of falsification in records they worked with." [NC Health News, 05/07/24]

Brynn Marr reportedly used "Questionable Tactics" to keep patients with better insurance at the hospital for longer, with a former unit coordinator reportedly saying patients with TRICARE were "Considered Particularly Valuable." "Many former employees said they left the hospital's employment disturbed by what they said were explicit efforts to cherry pick patients with the best insurance and use questionable tactics to keep patients longer. The better the insurance, the longer some patients would stay, one former unit coordinator said. Tricare, the military-sponsored insurance which is common near Marine Corps Base Camp Lejeune in Jacksonville, was considered particularly valuable." [NC Health News, 05/07/24]

Former Brynn Marr employees said the hospital's "Sole Priority" Was Patients' Insurance Money, With One Former Mental Health Technician Saying, "'"Brynn Marr Cares More About Your Money Than Helping Your Loved One.'" "Former Brynn Marr employees told NC Health News that they took issue with what they perceived as the hospital's sole priority — patients' insurance money. 'I get it. They are for profit. But there's also ethics within the profession,' said Aaron McDonald, a former Brynn Marr mental health technician. 'So you have to be able to make a profit and be ethical at the same time.' He added: 'Brynn Marr cares more about your money than helping your loved one.'" [NC Health News, 05/07/24]

In April 2024, A Jury Ordered A UHS Subsidiary To Pay $535 Million, Including $475 Million In Punitive Damages (Later Reduced To $120 Million), Over A Sexual Assault That Allegedly Occurred Due To Understaffing—The Court Later Reduced The Punitive Fine To $120 Million.

April 2024: A jury ordered UHS Subsidiary Pavilion Behavioral Health System to pay $535 million over an assault that occurred in one of its psychiatric facilities. "An Illinois-based subsidiary of for-profit hospital operator Universal Health Services was ordered by a jury to pay $535 million after an assault occurred at one of its psychiatric facilities. [...] The size of the damages levied against Pavilion Behavioral Health System was 'unexpected' and

'unprecedented' for a lawsuit of its type in Champaign County, Illinois, UHS said in a Monday filing with the Securities and Exchange Commission." [Healthcare Dive, 04/02/24]

- **Headline: UHS could face hit from $535M judgment against subsidiary** [Healthcare Dive, 04/02/24]

In 2020, a 16-year-old male patient raped a 13-year-old female patient—the victim's attorneys accused "Accused Pavilion Of Negligence, Saying The Assault Occurred In Part Because The Ward Was Understaffed." "The case, filed in Champagin County on behalf of the plaintiff and her mother, centered on the rape of a 13-year-old female patient by 16-year-old male patient in 2020, according to the News-Gazette. The full complaint against Pavilion is not available online, per county policy, due to its depiction of juvenile abuse and neglect. One evening, attorneys allege the boy covered hallway cameras with toothpaste, distracted mental health technicians on patrol and invited the girl to his room, where he then assaulted her. Attorneys for the plaintiff accused Pavilion of negligence, saying the assault occurred in part because the ward was understaffed and therefore difficult to monitor." [Healthcare Dive, 04/02/24]

The jury awarded the victim $60 million in damages and fined pavilion $475 million in punitive damages. "The jury ultimately awarded the plaintiff $60 million in compensatory damages — $20 million for the girl's 'loss of normal life' and $40 million for her 'pain and suffering,' according to the News-Gazette. It further fined Pavilion $475 million in punitive damages." [Healthcare Dive, 04/02/24]

October 2024: The court reduced the punitive fine from $475 million to $120 million, while not reducing the compensatory damages to the victim. "However, on Thursday, October 10, 2024, the court ordered a reduction of the punitive damages from $475 million to $120 million, while the compensatory damages remained unchanged. The plaintiff now has 21 days from the order's date to accept the reduced punitive damages or proceed with further legal action." [Investing.com, 10/14/24]

Encompass Health Corporation

Encompass Health Corporation, The Third-Largest Health System With 164 Hospitals As Of January 2024, Made Over $2.3 Billion In Net Income While Spending Nearly $484 Million On Shareholder Handouts From 2020 Through 2024—In The First Quarter Of 2025, Encompass Reported Net Income Increasing 41% To $196.5 Million, While Spending $32 Million On Stock Buybacks After Reporting None In Q1 2024 And $18 Million In Shareholder Dividends.

Encompass Health Corporation Is The Third-Largest Health System, With 164 Hospitals As Of January 2024.

Encompass Health Corporation is the third-largest health system as of january 2024, with 164 hospitals:

Rank	Health system name	Definitive ID	City	State	# of hospitals
[...]					
3	Encompass Health Corporation	7277	Birmingham	AL	164
[...]					

Fig. 1 Data is from the Definitive Healthcare's **HospitalView** product. Health system data is sourced from proprietary research and updated on a continuous basis. Data is accurate as of January 2024.

[Definitive Healthcare, 01/10/24]

- **As of March 2025, Encompass, which claimed to be "The Largest Owner And Operator Of Inpatient Rehabilitation Hospitals In The United States," stated that it had 166 hospitals.** "Encompass Health Corporation is the largest owner and operator of inpatient rehabilitation hospitals in the United States in terms of patients treated, revenues, and number of hospitals. We are committed to provide inpatient rehabilitative care across an array of diagnoses and deliver comprehensive, high-quality, cost-effective patient care services. Our 166 hospitals provide advanced therapy and nursing services through a care delivery model that includes independent physician oversight of plan of care, 24/7 nursing care, multi-disciplinary therapy, and extensive clinical support services." [Encompass Health, accessed 03/14/25]

July 2022: Encompass Health spun off Enhabit Inc., its home health and hospice business. "Encompass Health Corporation (NYSE: EHC) ('Encompass Health'), today announced that it has completed the spin off of 100% of Enhabit, Inc. ('Enhabit'), its home health and hospice business. Enhabit is now an independent public company. Encompass Health will continue to trade on the New York Stock Exchange under the symbol 'EHC' and, effective today, Enhabit will begin 'regular-way' trading on the NYSE under the symbol 'EHAB.'" [Encompass Health via PR Newswire, 07/01/22]

From 2020 Through 2024, Encompass Health Corporation Saw Over $2.3 Billion In Net Income While It Spent Nearly $484 Million On Stock Buybacks And Shareholder Dividends.

From 2020 through 2024, Encompass Health Corporation saw over $2.3 billion in net income, spent over $37 million on stock buybacks, and spent over $446 million on shareholder dividends:

Year	Net Income (Millions)	Stock Buybacks (Millions)	Dividends (Millions)	CEO Pay	CEO Pay Ratio
2024	$596.6	$31.1	$62.8	$9,301,929	204:1
2023	$463.0	$0.0	$60.4	$8,836,376	211:1
2022	$365.9	$0.0	$99.0	$7,735,969	183:1
2021	$517.2	$0.0	$112.4	$8,252,128	180:1

2020	$368.8	$6.1	$111.9	$6,925,127	157:1
Total:	**$2,311.5**	**$37.2**	**$446.5**	**$41,051,529**	**187:1**

In The First Quarter Of 2025, Encompass Reported Net Income Increasing 41% To $196.5 Million, While Spending $32 Million On Stock Buybacks After Reporting None In Q1 2024 And $18 Million In Shareholder Dividends.

In the first quarter of 2025, Encompass reported net income of $196.5 Million, A 41% increase from 2024:

	Three Months Ended March 31,	
	2025	2024
	(In Millions)	
Cash flows from operating activities:		
Net income	$ 196.5	$ 138.8

[Encompass Health Q1 2025 Earnings Report, 04/24/25]

Meanwhile, Encompass spent $32 million on stock buybacks, after having none in q1 2024, and $18 million on shareholder dividends:

	Three Months Ended March 31,	
	2025	2024
	(In Millions)	
Dividends paid on common stock	(18.0)	(15.9)
Distributions paid to noncontrolling interests of consolidated affiliates	(32.9)	(24.7)
Repurchases of common stock, including fees and expenses	(32.1)	—

[Encompass Health Q1 2025 Earnings Report, 04/24/25]

Encompass Has Faced Over $978 Million In Penalties Since 2000—In Recent Years, Encompass Reached A $48 Million Justice Department Settlement Over Allegations It "Falsely Diagnosed Patients" To Increase Medicare Reimbursements, A Separate $4 Million Justice Department Settlement Over Allegations It Submitted False Claims To Medicare.

Encompass Health And Its Subsidiaries Have Faced Over $978 Million In Penalties—Including $545 Million In Financial Offenses And Over $404 Million In Government-Contracting Related Offenses—Since 2000.

Encompass Health and its subsidiaries have faced over $978 million in penalties since 2000, including $545 million in financial offenses and over $404 million in government contracting-related offenses:

Violation Tracker Current Parent Company Summary

Current Parent Company Name: Encompass Health
Ownership Structure: publicly traded (ticker symbol EHC)
Headquartered in: Alabama
Major Industry: healthcare services
Specific Industry: healthcare services
Penalty total since 2000: **$978,182,289**
Number of records: 20

TOP 5 OFFENSE GROUPS (GROUPS DEFINED)	PENALTY TOTAL	NUMBER OF RECORDS
financial offenses	$545,000,000	2
government-contracting-related offenses	$404,160,683	7
employment-related offenses	$28,895,210	6
healthcare-related offenses	$100,000	1
safety-related offenses	$12,324	2

[Good Jobs First, accessed 03/14/25]

In October 2019, Encompass Health Corporation Reached A $4 Million Justice Department Settlement Over Allegations That One Of Its Inpatient Rehabilitation Facilities (IRFs) "Submitted False Claims" To Medicare To Receive More Reimbursement "Than Was Warranted"—A U.S. Attorney Said The Settlement Helped Protect Medicare From "'Fraud And Abuse.'"

October 2019: Encompass Health Corporation agreed to a $4 million settlement With The U.S. Justice Department over allegations that one of its Nevada inpatient rehabilitation facilities (IRFs) was "Improperly Billing Medicare." "Encompass Health Corp. (EHC), formerly known as HealthSouth Corporation, has agreed to pay the United States $4 million to settle allegations that an inpatient rehabilitation facility the company owned and operated in Nevada was improperly billing Medicare." [U.S. Department of Justice, 10/29/19]

The Justice Department alleged that, from January 1, 2008, through December 31, 2012, an Encompass-owned IRF "Submitted False Claims To Medicare Seeking And Receiving Greater Reimbursement For Its Services For [...] Patients Than Was Warranted." "Encompass Health Rehabilitation Hospital of Henderson, LLC is owned by EHC, which operates an inpatient rehabilitation facility, formerly HealthSouth Henderson, Inc. (HHI). Kenneth Bowman was the Chief Executive Officer of HHI from approximately January 2010 through approximately March 2012. The settlement resolves allegations that, from January 1, 2008 through December 31, 2012, HHI improperly assigned inaccurate and artificially low admission Functional Independence Measure scores on Patient Assessment Instrument forms to some of its patients. Given these allegations, the United States alleges that HHI submitted false claims to Medicare seeking and receiving greater reimbursement for its services for those patients than was warranted." [U.S. Department of Justice, 10/29/19]

U.S. Attorney Nicholas A. Trutanich said, "'This Significant Settlement Demonstrates Our Continued Commitment To Protecting The Medicare Program Against Fraud And Abuse.'" "'This significant settlement demonstrates our continued commitment to protecting the

Medicare program against fraud and abuse,' said U.S. Attorney Nicholas A. Trutanich for the District of Nevada." [U.S. Department of Justice, 10/29/19]

In June 2019, Encompass Health Reached A $48 Million Justice Department Settlement Over Allegations That Its Inpatient Rehabilitation Facilities (IRFs) "Falsely Diagnosed Patients" To "Increase Medicare Reimbursement"—A U.S. Attorney General Called It "'A Nationwide Scheme [...] To Defraud Our Fragile Public Health Programs.'"

June 2019: Encompass Health Corporation reached a $48 million settlement with the U.S. Justice Of Department over allegations that some of its inpatient rehabilitation facilities (IRFs) "Provided Inaccurate Information To Medicare To Maintain Their Status As An IRF And To Earn A Higher Rate Of Reimbursement." "Encompass Health Corporation (formerly known as HealthSouth Corporation), the nation's largest operator of inpatient rehabilitation facilities (IRFs), has agreed to pay $48 million to resolve allegations that some of its IRFs provided inaccurate information to Medicare to maintain their status as an IRF and to earn a higher rate of reimbursement, and that some admissions to its IRFs were not medically necessary." [U.S. Department of Justice, 06/28/19]

The Justice Department alleged that, beginning in 2007, some IRFs "Falsely Diagnosed Patients" to "Increase Medicare Reimbursement." "The government alleged that beginning in 2007, in order to insure compliance with Medicare's rules regarding classification as an IRF, and to increase Medicare reimbursement, some Encompass IRFs falsely diagnosed patients with what they referred to as 'disuse myopathy' when there was no clinical evidence for this diagnosis." [U.S. Department of Justice, 06/28/19]

The Justice Department also alleged Encompass IRFs "Admitted Patients Who Were Not Eligible For Admission To An IRF Because They Were Too Sick Or Disabled To Participate In Or Benefit From Intensive Inpatient Therapy." "Additionally, Encompass IRFs allegedly admitted patients who were not eligible for admission to an IRF because they were too sick or disabled to participate in or benefit from intensive inpatient therapy." [U.S. Department of Justice, 06/28/19]

Assistant Attorney General Jody Hunt said, "'Medicare And Medicaid Providers Who Seek To Profit Inappropriately At The Expense Of Taxpayers Will Be Held Accountable.'" "'This settlement demonstrates our commitment to ensuring that those who participate in federal healthcare programs follow the rules,' said Assistant Attorney General Jody Hunt for the Department of Justice's Civil Division. 'Medicare and Medicaid providers who seek to profit inappropriately at the expense of taxpayers will be held accountable.'" [U.S. Department of Justice, 06/28/19]

U.S. Attorney Maria Chapa Lopez said, "'This Important Civil Settlement Concludes A Lengthy, Comprehensive Investigation That Brought To Light A Nationwide Scheme That The Government Contends Was Intended To Defraud Our Fragile Public Health Programs.'" "'This important civil settlement concludes a lengthy, comprehensive investigation that brought to light a nationwide scheme that the government contends was intended to defraud our fragile public health programs,' said U.S. Attorney Maria Chapa Lopez. 'In doing so, we confirm our commitment to civil health care fraud enforcement as a key component of the mission of our office.'" [U.S. Department of Justice, 06/28/19]