



State of the Community *Healthcare in the High Country*

Wednesday, October 6, 2026

Today's agenda



Who is UNC Health Appalachian?



What's with the UNC Health Thing?



What's happening around us?



Where are we going?



Putting the pieces together?





Who is UNC Health Appalachian?



UNC
HEALTH®
Appalachian



UNC Health Appalachian.... By the numbers



486,188

Visits*



6,598

Admissions



35,411

Emergency Department
Visits



566

Newborn Babies



201,497

Clinic Visits



6,624

Surgical Cases



1,655

Employees



460

Medical Staff



129

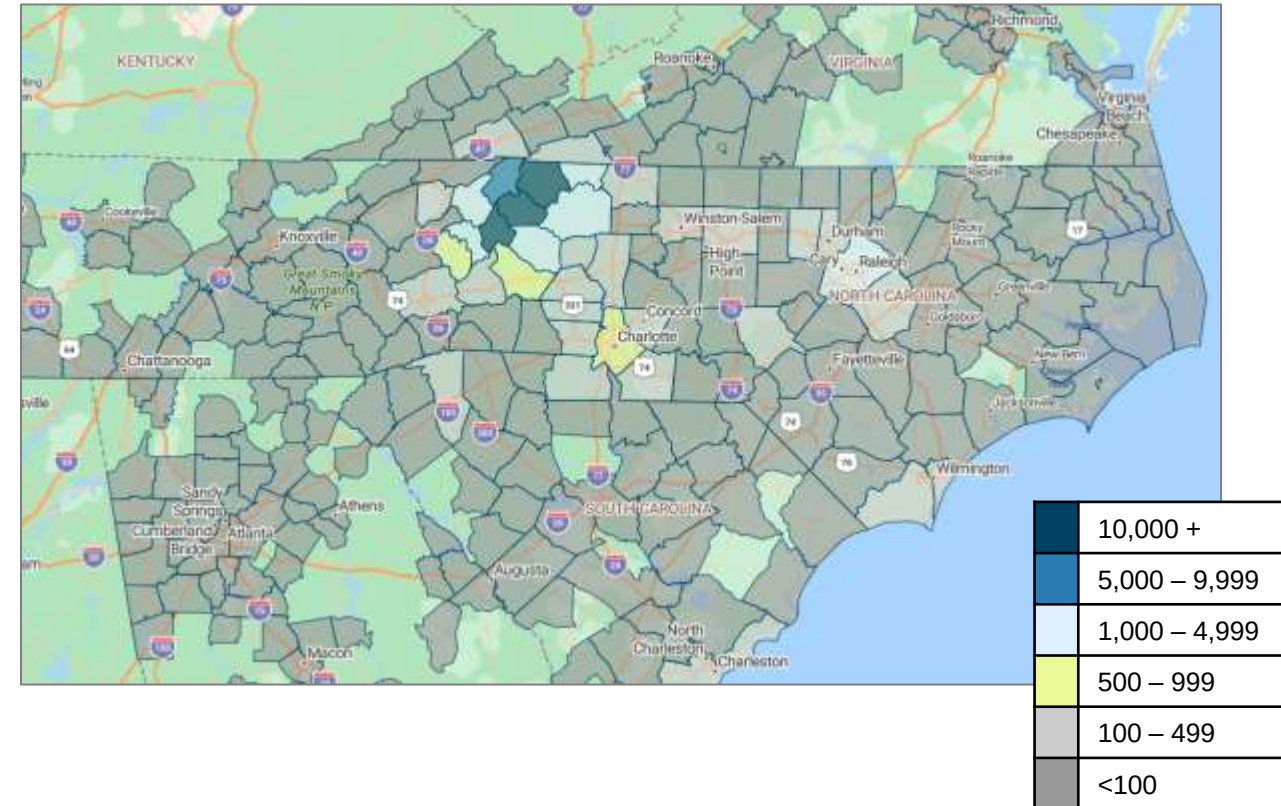
Employed Providers



600+

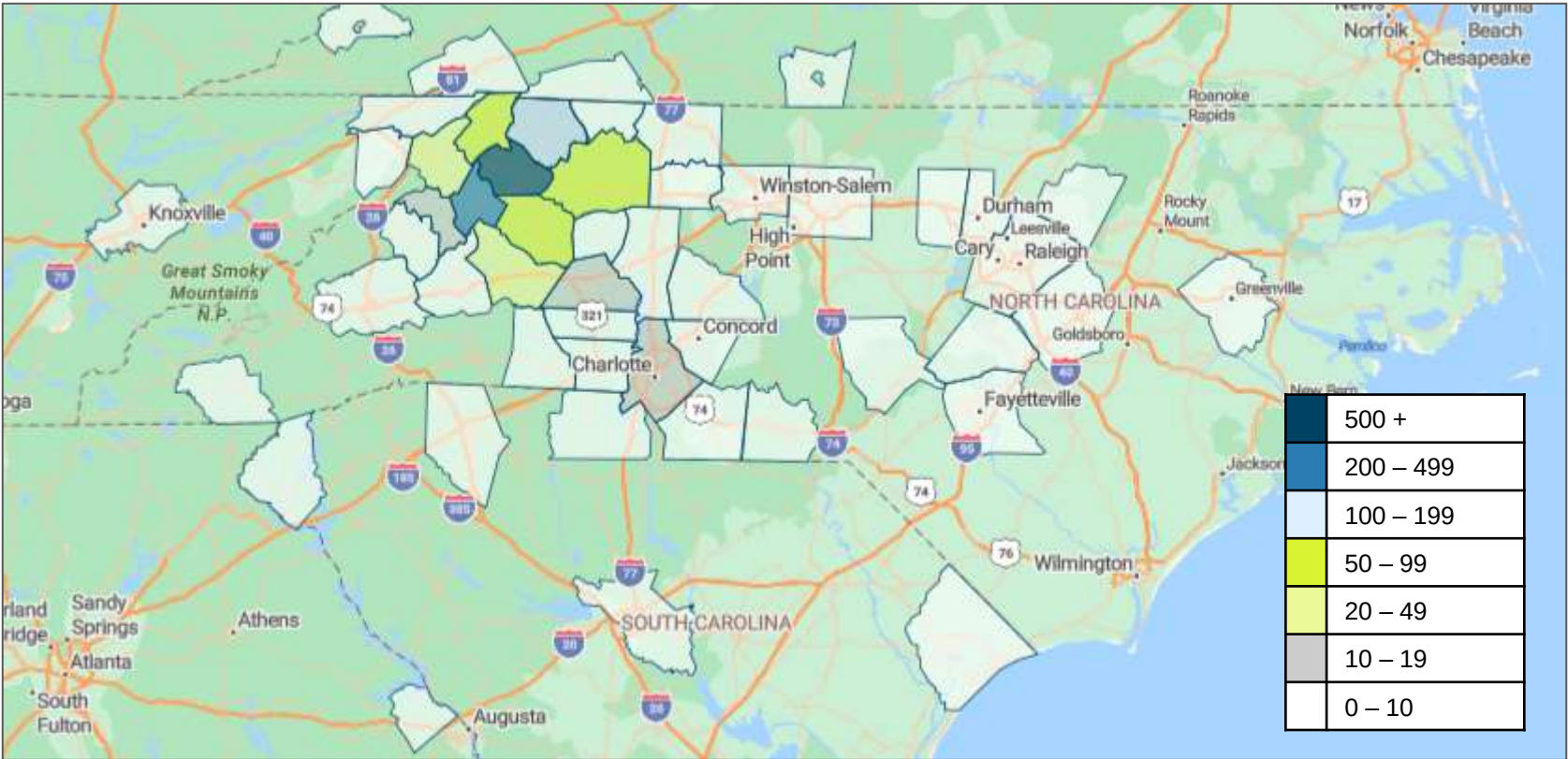
Students

UNC Health Appalachian serves patients far and wide



In the last year, we provided care to patients from **47 states** and from **98 of North Carolina's 100 counties!**

UNC Appalachian Attracts Compassionate and Talented Staff from a Multiple Locations



43.2% of our employees live in Watauga County
Another 26.2% live in Ashe / Avery

Together, 88.2% of our employees live in
Watauga, Ashe, Avery, Wilkes, Caldwell, Johnson (TN), or Carter (TN) Counties



Watauga Medical Center

- 117 Licensed Beds
- Emergency Services
- New Operating Suites
- Cardiac Cath, Electrophysiology, & Interventional Radiology Suites
- Full Cardiac Diagnostics
- High technology imaging center
- Critical Care
- Women's Services
- Cancer Center
- Sleep Center



Cannon Memorial

- Critical Access Hospital
- 23 Licensed Beds
- Emergency Department
- Surgical Suites
- Imaging Center
- Comprehensive Laboratory
- Infusion Center
- Rehabilitation
- Sloop Medical Office Plaza

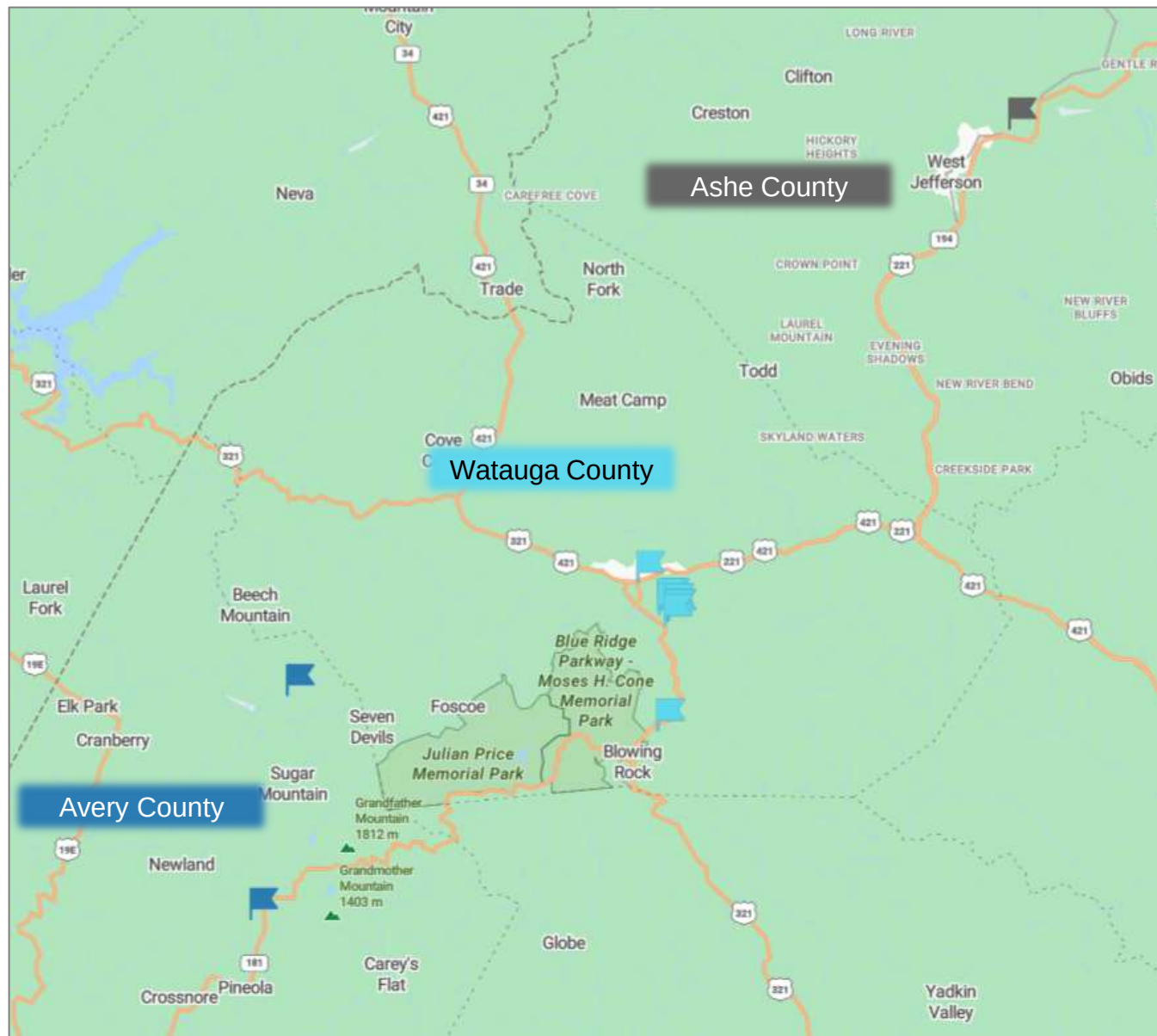


Behavioral Health

- 27 Licensed Rooms
- Outpatient Therapy
- Walk-in Clinic
- Behavioral Health Emergency Department

Appalachian Regional Medical Associates

Comprehensive care close to home across the High Country



15 Clinics • 126 Providers

Primary Care & Internal Medicine

Comprehensive Specialty Care

*Orthopedics • Cardiology • Oncology • Women's Services
Pulmonology • Surgery • Gastroenterology • Rheumatology*

Physician Residency Program

training and equipping the providers of our future





What's with the UNC Health Thing?

Our Affiliation with UNC Health – Why does this matter?



- ✓ UNC Health is a state entity, affiliate of the University of North Carolina
- ✓ 20 hospitals and over 900 clinics
- ✓ UNC School of Medicine

- Shared VALUES
- Epic and all things Information Services
- Supplies and Equipment
- Managed Care support
- Professional Billing
- Compliance and Legal
- Finance service and information support
- Government Affairs
- Quality alignment, Pharmacy
- Medical Staff Credentialling

We are in year 5 of a 10-year Management Services Agreement.

Changes are Widespread and Organizations are Not Sitting Still

Nathan



Duke buys CHS hospital for \$284 million

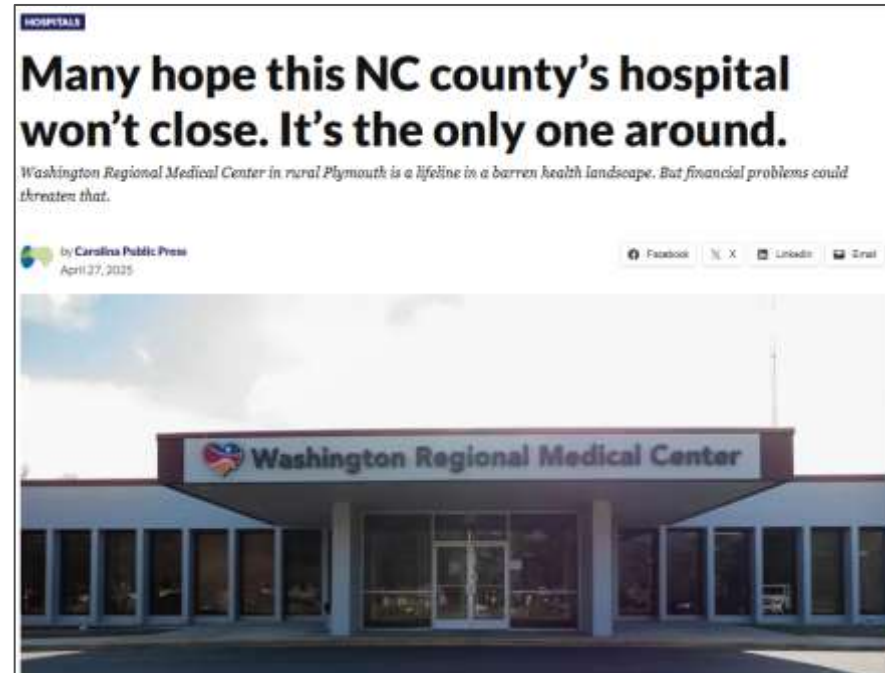
By Jeff Lagasse | 11:30 am | April 08, 2025

Duke has assumed operations at the Mooresville, North Carolina-based hospital and its related businesses.

Atrium Health and WakeMed propose to merge

By Susan Morse | 11:19 am | May 05, 2026

The proposed deal comes with a \$2B investment in the hospitals.



Health Care

UNC to take over Eastern NC hospitals, invest \$825M



TRIANGLE BUSINESS JOURNAL

UNC Medical Center in Chapel Hill

ZAC EZZONE



By Zac Ezzone – Reporter, Triangle Business Journal
Jun 1

UNC Health applies to build new, 92-bed hospital in Asheville

WFO News | By Felicia Sanchez

Published June 14, 2025 at 1:15 PM EDT

▶ LISTEN - 1:08



The name of Asheville, North Carolina.

UNC Health is applying to build a new hospital in Asheville.

HOSPITAL REVIEW

Leadership ▾ Finance ▾ Health IT ▾ Clinical Care ▾ Specialties ▾ Info

Transactions & Valuation Issues

UNC Health to take over 162-bed hospital: 5 things to know

By Alan Cadeoer Monday, June 23rd, 2025

Chapel Hill, N.C.-based UNC Health plans to take over Onslow Memorial Hospital, a 162-bed hospital in Jacksonville, N.C., under a strategic affiliation agreement approved by the Onslow County Board of Commissioners, a spokesperson for the health system confirmed to Becker's.

Five things to know:

1. Commissioners approved the resolution June 15, authorizing county officials to execute agreements tied to the phased integration of Onslow Memorial and affiliated entities into UNC Health, according to ABC affiliate [WCTI12](#).

2. UNC Health will invest more than \$150 million to support the integration, according to the resolution.

CISION

News Resources Contact

Atrium Health and OrthoCarolina join forces to build nationally recognized orthopedic destination

NEWS PROVIDED BY
OrthoCarolina
Jul 11, 2025, 10:00 ET

Expanded collaboration builds on a longstanding relationship to advance access, coordinated care, education and innovation

CHARLOTTE, N.C., July 13, 2025 (PRNewswire-PRWeb) -- Atrium Health, part of Advocate Health, and OrthoCarolina announced they are strengthening and expanding their longstanding affiliation to advance orthopedic care across the greater Charlotte region. The new agreements align Atrium Health's nationally recognized Musculoskeletal Institute with OrthoCarolina, one of the nation's leading independent orthopedic practices, with the goal of building a regionally, nationally and internationally recognized destination for all orthopedic care.

Together, the organizations will focus on exceptional outcomes, an outstanding patient experience and greater, more efficient access to care for the communities they serve.

Through a clinical affiliation agreement, the organizations will more closely align orthopedic care across all specialties, clinical operations, education and research activities. Through the affiliation, they will focus on evidence-based medicine; coordinated care pathways; aligned provider networks; shared quality measures; population health initiatives and performance goals. The organizations are also creating a new ambulatory surgery center joint venture to support broader access to high-quality orthopedic procedures in lower-cost outpatient settings.

"This affiliation brings together the strengths of OrthoCarolina and Atrium Health to create something even greater for the patients and communities we serve," said Eugene A. Woods, chief executive officer of Advocate Health, of which Atrium Health is a part.

APPSTATE

Employee Wellness

About Counseling Services ▾ Health Promotion ▾ Health Clinic ▾ News & Events ▾

Mammograms

HOME HEALTH PROMOTION PREVENTATIVE SCREENINGS MAMMOGRAMS

Mammograms are a pivotal tool in the early detection of breast cancer. Our screenings are conducted in a comfortable and supportive environment, prioritizing your well-being and providing peace of mind.

APPSTATE is honored to be able to host monthly on-campus mammogram screenings for App State staff, retirees, and their immediate family members. Mammograms are offered through partnership with Mount Sinai Center of Women's Health to meet the needs of our campus community.

Appointment Information

An appointment is required. 3-D mammography screenings are conducted by the Mount Sinai Breast Center of Women's Health.

Please call Mount Sinai's Mobile Mammography Team at 238-397-0800 or email directly at Skyline@mountsinai.com to request an appointment time.

PORTCITYDAILY

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UNC Health files CON for 150-bed facility

By Port City Daily staff June 18, 2026



HEALTH INSURANCE

What's coming for state employees' insurance in the coming year? Here are the details.

State Health Plan leaders say premiums will rise slightly this year, but they've designed the plan so that employees have the opportunity to save big if they take advantage of new incentives.



By Eve Wilson
July 10, 2025

Key Takeaways:

- The NC State Health Plan board of trustees adopted a four-tier provider network.
- Premiums for most of the 750,000 State Health plan members will rise 5 percent in 2027.
- There are monetary incentives for members, carrots for choosing "preferred providers" and sticks for staying with "non-preferred" providers.

© 2025, Charlotte-Mecklenburg Schools and Mount Sinai Medical Services

Reimbursements are not keeping pace with inflation



Key cost drivers include Labor Expense, Drug Costs, Drug Shortages, and Supply Costs

- Over a third (38%) of rural adults used the ER for care that could have been provided at a primary care practice.²
- Rural communities are disproportionately affected by health professional shortages. 56% of Health Professional Shortage Areas (HPSAs) are located in rural regions. **Primary care, dental, and mental health** shortages affect 66%, 67%, and 62% of rural HPSAs, respectively²
- Rural areas typically have **30 physicians per 100,000 people**, compared to 263 in urban areas³
- By 2037, rural physician supply is projected to meet only **68% of demand**, leaving millions without adequate primary care³

¹ <https://www.chiefhealthcareexecutive.com/view/hospitals-face-financial-hurdles-as-costs-rise-reimbursements-lag>

² <https://www.ruralhealth.us/nationalruralhealth/media/documents/advocacy/nrha-policy-brief-workforce-retention-factors-final-3-7-25.pdf>

³ <https://www.commonwealthfund.org/publications/issue-briefs/2025/nov/state-rural-primary-care-united-states>

What's happening in the industry: We are not alone

OUR PEOPLE	OUR PATIENTS	OUR COMMUNITY	HEALTHCARE ECONOMICS	EXTERNAL RISKS
• Growing competition for healthcare workers • Burnout and workforce challenges across healthcare • Housing and childcare challenges affect recruitment and retention	• Increasing demand for care and specialty services • Ongoing investments needed in facilities, technology, and equipment • Recruiting providers to expand local access to care	• Higher expectations for access, quality, and experience • Aging population with more complex needs • Social and geographic factors continue to impact health outcomes • Partnership that leverage strengths	• Rising costs and reimbursement pressure (OBBBA, HASP) • Limited capital requires careful prioritization • Managed Care contracts • Protecting and strengthening essential services	• Evolving political and regulatory landscape • Certificate of Need, Medicaid, Medicare.... • Infrastructure resilience and cybersecurity • Preparing for unexpected disruptions
▪ Our average physician is 49 years vs 54 nationwide ▪ Projected 10% nursing shortage by 2030 in USA	▪ 37 counties within NC are considered “low / no” care for maternal services ▪ Medical School enrollment nationwide is up, but primary care and family medicine is flat	▪ UNCHA = Leapfrog A ! ▪ 1.3% Pop growth here vs. 7% NC ▪ Avg age is 40 years old vs. 39 NC ▪ 45% Medicare, 9% Medicaid	▪ Impact on nation ▪ Rural transformation grants	▪ "Healthcare is the costliest industry for data breaches for 14 consecutive years, with an average breach cost of \$9.77 million." — IBM, 2024 ▪ Impact of AI on Care, Provider quality of life (pajama time), and Reimbursement



Where are we going?

What's this mean to UNCHealth Appalachian?

- +** **Reputation** for top *Quality and Service*
 - Relevance as a top-tier health services provider. We expect *Excellence* will exist here.

- +** **Access** to Services the High Country *Wants*
 - Think “Regional” - keeping our community on the mountain for care.
 - Core Service Line Commitment – Critical Care, Women’s Services, Cancer, Cardiac, Surgery, Ambulatory

- +** *Employer* of **Choice**
 - Create a culture where the best doctors want to practice and top staff want to work.
 - Be progressive and market competitive (people centric).

- +** *Visible Contributor* to **Community Quality of Life**
 - A reliable leader that improves the quality of life in the High Country. We thrive if our community does.
 - Deepen partnerships with healthcare colleagues, educators, government, and businesses.

- +** Catalyst for **Inspiring and Training** our *Legacy*
 - Belief that the High Country is a *medical and educational destination*.
 - Growing our own healthcare workforce via pipeline relationships with regional educators.

So, What Does That Look Like?

Wise Stewardship & Growth!

\$26 million in capital spent in FY '26, more to come in FY '27!

- ✓ Facility renovations and maintenance (electrical, mechanical systems and common spaces)
- ✓ Appalachian State Sports Medicine
- ✓ Mobile MRI and Imaging Access
- ✓ Rural Health Clinic designation
- ✓ Multispecialty Clinics across
- ✓ Palliative Care
- ✓ Provider Residency Programs
- ✓ Shared Training Space with Caldwell Community College

Final Thoughts for Healthcare and Wellness in the High Country

- ✓ You work, live, and play in a *medical destination*
- ✓ There is a thin, dedicated network of caregivers in our region responsible for healthcare with the same issue: *Scarcity*
- ✓ Education + Willpower + Common Goals = *Workforce Sustainability*
- ✓ Helene's Terrible Lesson: *Trusting partnerships* are keys to successfully caring for our workforce, community, visitors, and our LEGACY



UNC
HEALTH®
Appalachian

Thank you!