

Case Study: Lifepoint in North Carolina

Apollo and Lifepoint paint a rosy picture of PE hospital ownership; safety and quality data tell a different story

Private equity ownership of healthcare providers has increasingly come under scrutiny for a business model that prioritizes short term profits over patient care.

Lifepoint Health is one of the [largest](#) hospital systems in the US, with [facilities](#) in over 30 states and [50,000 workers](#). It is owned by private equity firm Apollo Global Management.

Under Apollo's ownership Lifepoint hospitals around the country have attracted scrutiny for serious quality failures that put patients at risk, including: allegedly [turning away](#) low-income cancer patients seeking care; [underinvestment](#) at a hospital in Iowa that may have contributed to a series of sexual assaults; and [chipping away](#) at staffing and services at a hospital in a rural working class community until most services were transferred to another Lifepoint hospital 30 miles away.

In January 2025, the US Senate Budget Committee released the results of a [bipartisan investigation](#) into private equity ownership of hospitals that focused on Lifepoint. In a case study of Lifepoint's Iowa hospital, the investigators found that staffing shortages limited the hospital's capacity to care for patients and may have also been a contributing factor to the hospital's higher than average falls and falls with injury rates from 2021 to 2023.

"When hospital staff see that their leaders, such as their senior managers or parent company, are creating or are willing to accept these kinds of unsafe conditions in the workplace," the Committee wrote, "the culture of safety erodes and this puts patients at risk for harm."

The Senate report concludes:

"In sum, the findings of the investigation call into question the compatibility of private equity's profit-driven model with the essential role hospitals play in public health. The consequences of this ownership model—reduced services, compromised patient care, and even complete hospital closures—potentially pose a threat to the nation's health care infrastructure, particularly in underserved and rural areas."

Apollo has [argued](#) that quality of care has improved at Lifepoint hospitals under its ownership. However, in North Carolina, where Lifepoint has the largest footprint of acute care hospitals, declining safety and quality ratings paint a different picture.

Lifepoint's North Carolina Hospitals

Lifepoint owns [ten](#) acute care hospitals in North Carolina, but not all of them are currently ranked by the Centers for Medicare and Medicaid Services (CMS). It ranks as the third [worst hospital system](#) in North Carolina, according to the Lown Institute.¹ Three of its hospitals (Person Memorial Hospital, Central Carolina Hospital, and Wilson Medical Center) rank among the top ten [worst acute care hospitals in the state](#).²

Over the last year, three of Lifepoint's hospitals have had their star rating from CMS reduced.³ One (Wilson Medical Center) has remained unchanged from a rating of 1 star, the lowest possible rating. None of the ratings for Lifepoint's North Carolina hospitals have improved as of January 2025.

Central Carolina Hospital

[127 beds](#)

CMS Rating: [1 star](#)

Sanford, NC

Central Carolina Hospital suffered a precipitous decline in its star ratings from CMS from 2023 to the end of 2024, reducing from 3 to 1 star.⁴

Central Carolina has had significant issues in care. It is the 21st worst acute care hospital in the country, out of over 2,000 hospitals reporting, for the ratio of expected catheter-associated urinary tract infections (CAUTI) versus actual CAUTIs. (Another Lifepoint hospital, Berkeley Medical Center in West Virginia, is the 3rd worst). From April 1, 2023 through March 31, 2024, 2.68 times as many patients got CAUTIs as CMS predicted would get CAUTIs at Central Carolina.⁵ A 2012 study from the *American Journal of Infection Control* found that insufficient staffing and nurse burnout were highly correlated with hospital urinary tract infections.⁶

6 percent of patients at Central Carolina leave the emergency room before being seen, according to CMS data, which is triple the national average of 2 percent. Finally, Central Carolina's readmission rate is 16.4 percent, which is worse than the national average of 14.6 percent.⁷

While hospital-level staffing data is not tracked in North Carolina, readmission problems are frequently driven by short staffing, a 2021 study from *Medical Care* found. The researchers found that after adjusting for potential confounders each additional patient per nurse, for surgical and medical patients, respectively, was associated with higher odds of 30-day readmission,⁸ while a 2013 study from *Medical Care* found that each additional patient per nurse in the average nurse's workload was associated with a 6% higher odds of readmission for pneumonia patients.⁹



Frye Regional Medical Center

[355 beds](#)

CMS Rating: [1 star](#)

Hickory, NC

Like Central Carolina, Frye has also suffered from a decline in its CMS star ratings from 2023 to 2024, also going from 3 to 1 stars.¹⁰ This is paralleled by Frye's results in heart failure mortality: according to CMS care data, Frye is the 28th worst hospital in the country out of over 3,000 hospitals reporting for heart failure mortality from July 1, 2020 through June 30, 2023, at 17.5 percent compared to the national average of 11.9 percent, and has the worst heart failure mortality in the state.¹¹



Wilson Medical Center

[294 beds](#)

CMS Rating: [1 star](#)

Wilson, NC

Wilson has also suffered from substantial care deficiencies. In late 2024, the hospital was temporarily placed on immediate jeopardy status by CMS for an incident related to its behavioral health units in February 2024.¹² This followed the hospital being put into immediate jeopardy four times in 2022, including for patient deaths.¹³ A 2021 study in the *Journal of Patient Safety* found that just 2.4 percent of violations found by CMS were classified as immediate jeopardy.¹⁴

Wilson has highly elevated death rates for pneumonia patients. For hospitals that disclose their data and are categorized by CMS as having worse rates than the national standard, it is tied for 126th worst in the country for death rates for pneumonia patients, which is in the bottom 4 percent of hospitals nationwide.¹⁵

5 percent of emergency room patients in Wilson leave before being seen, which results in Wilson being in the bottom 10 percent of hospitals nationwide that report their data to CMS. The national average is 2 percent and the North Carolina average is 3 percent.¹⁶



Maria Parham Medical Center

[205 beds](#)

CMS Rating: [2 stars](#)

Henderson, NC

Maria Parham's star rating decreased from 3 stars to 2 stars in 2024.¹⁷ Just 46 percent of sepsis patients at Maria Parham receive adequate care, according to CMS, compared to the national average of 62 percent and the North Carolina average of 61 percent. This score puts Maria Parham in the bottom quintile for adequate sepsis care.¹⁸

Maria Parham also has a death rate of 24.3 percent for pneumonia patients, compared to a 17.9 percent average nationwide. This means that Maria Parham is tied for 82nd worst in the country for pneumonia death rates for hospitals categorized as worse than the national rates by CMS. Maria Parham is also the eighth-worst hospital in the state for hospital return days for pneumonia.¹⁹

While hospital-level staffing data is not tracked in North Carolina, academic research has found tight correlation with nurse staffing and sepsis outcomes. A 2021 study from the American Journal of Infection Control found that **"Each additional patient per nurse is associated with 12% higher odds of in-hospital mortality, 7% higher odds of 60-day mortality, 7% higher odds of 60-day readmission, and longer lengths of stay,"** for sepsis patients.²⁰

Additionally, a 2024 study from *Epidemiology and Infection* found that lower ICU staffing led to higher rates of hospital-acquired pneumonia.²¹

Person Memorial Medical Center

[38 acute beds](#)

CMS Star Rating: [Not Rated](#)

Roxboro, NC

Person Memorial features ER wait times that are 50 percent above the national average and 27 percent above North Carolina's average. The hospital has elevated rates of double opioid or opioid

and benzodiazepine prescriptions at discharge, which CMS urges hospitals to lower due to the risk of abuse, with a 20 percent rate as opposed to the North Carolina average of 16 percent and the national average of 15 percent—meaning that Person makes dangerous opioid prescriptions at a 33% higher rate than the national average.²²



Rutherford Regional Medical Center

[143 beds](#)

CMS Star Rating: [3 stars](#)

Rutherfordton, NC

Rutherford is the 44th worst hospital in the country for heart failure mortality, and the second-worst hospital in the state after Frye Regional for heart failure mortality. ²³

Lifepoint's Joint Venture Strategy

Lifepoint operates all of its hospitals in North Carolina through a [joint venture](#) (JV) with Duke University that began in 2011. It was among the first JVs between academic and investor-owned health systems. Since then, Lifepoint's JV strategy has ballooned; as of November 2024, Lifepoint operates through joint ventures at least 78 of its hospitals.²⁴

In most (or all) of Lifepoint's joint venture relationships, Lifepoint provides management services, administrative services and direction of the day-to-day operations, which are established through a management services agreement with the JV partner.²⁵ Multiple of these JVs are with tax-exempt nonprofit hospitals and allow Lifepoint to access patients and geographic markets it might otherwise be unable to readily access if it were to use a traditional mergers and acquisitions strategy.

Academic and nonprofit health system joint ventures with for-profit entities such as Lifepoint remain a relatively under-scrutinized and under-regulated area in the health policy landscape.

Duke Lifepoint Acquisition Timeline

- February 2011: Lifepoint and Duke [form joint venture](#) (DLP Healthcare LLC) to own and operate hospitals in North Carolina.
- September 2011: Duke Lifepoint acquires [Person Memorial Hospital](#)
- November 2011: Duke Lifepoint acquires [Maria Parham Medical Center](#)
- March 2014: Duke Lifepoint acquires [Wilson Medical Center](#)
- [June 2014: Duke Lifepoint acquires Rutherford Regional Health System](#)
- August 2014: Duke Lifepoint [acquires](#) Harris Regional Hospital Swain County Hospital, along with an outpatient medical center in Franklin, from WestCare. Duke Lifepoint also acquires [Haywood Regional Medical Center](#) from MedWest.
- September 2014: Duke Lifepoint acquires [Conemaugh Health System](#) in Pennsylvania, which includes three hospitals.
- January 2016: Duke Lifepoint [acquires](#) Central Carolina Hospital and Frye Regional Medical Center from Tenet Healthcare.
- July 2018: Apollo [acquires](#) Lifepoint and merges it with hospital chain RegionalCare Hospital Partners ([acquired](#) in 2015).

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ENDNOTES

¹ [Lown Institute 2024-2025 rankings](#). Searched for rankings: "Hospital Systems" and location: "North Carolina." Accessed February 2025. https://lownhospitalsindex.org/rankings/?type=HospTyp_ACH

² [Lown Institute 2024-2025 rankings](#). Searched for rankings: "Acute Care" and location: "North Carolina." Accessed February 2025. https://lownhospitalsindex.org/rankings/?type=HospTyp_ACH

³ CMS Care Compare Data, accessed January 2024 and February 20, 2025. <https://www.medicare.gov/care-compare/>

⁴ CMS Care Compare Data, accessed January 2024 and February 20, 2025. <https://www.medicare.gov/care-compare/>

⁵ "Healthcare-Associated Infections - Hospital." CMS Provider Data Catalogue. Covering period of January 1, 2023 to December 31, 2023. Accessed February 20, 2025. <https://data.cms.gov/provider-data/>

⁶ <https://pmc.ncbi.nlm.nih.gov/articles/PMC3509207/>

⁷ Central Carolina Hospital CMS Care Compare profile. <https://www.medicare.gov/care-compare/details/hospital/340020/view-all?city=Sanford&state=NC&zipcode=>, as well as additional research in [CMS hospital quality data](#).

⁸ "Is Hospital Nurse Staffing Legislation in the Public's Interest?: An Observational Study in New York State." Karen Lasater, *et al.* Medical Care. May 2021. <https://pubmed.ncbi.nlm.nih.gov/33655903/>

⁹ ["Hospital Nursing and 30-Day Readmissions among Medicare Patients with Heart Failure, Acute Myocardial Infarction, and Pneumonia."](#) Matthew McHugh, and Chenjuan Ma. Medical Care. January 2013.

¹⁰ CMS Care Compare Data, accessed January 2024 and February 20, 2025. <https://www.medicare.gov/care-compare/>

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- ¹¹“Complications and Deaths - Hospital.” CMS Provider Data Catalogue. Covering period of July 1, 2020 to June 30, 2023. Accessed February 20, 2025. <https://data.cms.gov/provider-data/>
- ¹² “Hospital CEO: Regulators lift hospital’s immediate jeopardy status.” *Wilson Times*. November 11, 2024. <https://restorationnewsmedia.com/articles/wilsons-times/hospital-ceo-regulators-lift-hospitals-immediate-jeopardy-status/>
- ¹³“2 patient deaths threaten federal funding for Wilson hospital.” WRAL News. July 8, 2022. <https://www.wral.com/story/2-patient-deaths-threaten-federal-funding-for-local-hospital/20366151/>
- ¹⁴Data extrapolation from “Hospital Surveys by the Centers for Medicare and Medicaid Services: An Analysis of More Than 34,000 Deficiencies.” Joseph Antognini, *Journal of Patient Safety*. June 1, 2021. <https://pubmed.ncbi.nlm.nih.gov/30896558/>. CMS identified 34,522 deficiencies at facilities across the country for a 10-year period (2007-2017). A total of 30,808 deficiencies were assigned tags related to conditions of CMS participation, such as patient rights, nursing services, quality improvement. Immediate jeopardy was assigned in 730 tags. 730 immediate jeopardy tags of 30,808 total deficiencies is 2.4%.
- ¹⁵“Complications and Deaths - Hospital.” CMS Provider Data Catalogue. Covering period of July 1, 2020 to June 30, 2023. Accessed February 10, 2025. <https://data.cms.gov/provider-data/>
- ¹⁶ Wilson Medical Center CMS Care Compare profile. <https://www.medicare.gov/care-compare/details/hospital/340126/view-all?city=Wilson&state=NC&zipcode=#ProviderDetailsDetailsContainer>, as well as additional research in [CMS hospital quality data](#).
- ¹⁷ CMS Care Compare Data, accessed January 2024 and February 20, 2025. <https://www.medicare.gov/care-compare/>
- ¹⁸ “Timely and Effective Care - Hospital.” CMS Provider Data Catalogue. Covering period of January 1, 2023 to December 31, 2023. Accessed February 20, 2025. <https://data.cms.gov/provider-data/>
- ¹⁹ Maria Parham CMS Care Compare profile. <https://www.medicare.gov/care-compare/details/hospital/340132/view-all?city=Henderson&state=NC&zipcode=>, as well as additional research in [CMS hospital quality data](#).
- ²⁰ “Evaluation of hospital nurse-to-patient staffing ratios and sepsis bundles on patient outcomes.” Karen Lasater, *et al. American Journal of Infection Control*. July 2021.
- ²¹“Association between nurse staffing level in intensive care settings and hospital-acquired pneumonia among surgery patients: result from the Korea National Health Insurance cohort.” Yu Shin Park, *et al. Epidemiology and Infection*. February 2024. [https://www.researchgate.net/publication/378069965 Association between nurse staffing level in intensive care settings and hospital-acquired pneumonia among surgery patients result from the Korea National Health Insurance cohort](https://www.researchgate.net/publication/378069965_Association_between_nurse_staffing_level_in_intensive_care_settings_and_hospital-acquired_pneumonia_among_surgery_patients_result_from_the_Korea_National_Health_Insurance_cohort)
- ²² Person Memorial CMS Care Compare profile. <https://www.medicare.gov/care-compare/details/hospital/340159/view-all?city=Roxboro&state=NC&zipcode=>
- ²³ Rutherford Regional CMS Care Compare profile. <https://www.medicare.gov/care-compare/details/hospital/340159/view-all?city=Roxboro&state=NC&zipcode=>, as well as additional research in [CMS hospital quality data](#).
- ²⁴ Pg. 448 of “Certificate of Need Application Hospital Projects - PeaceHealth Southwest, LLC.” Washington State Department of Health, August 9, 2024. <https://doh.wa.gov/sites/default/files/2024-08/CN25-04.pdf>.
- ²⁵ For an example of a management agreement, see pg. 88 pf “Certificate of Need Application Hospital Projects - PeaceHealth Southwest, LLC.” Washington State Department of Health, August 9, 2024. <https://doh.wa.gov/sites/default/files/2024-08/CN25-04.pdf>.