

**Democratic Policy Committee Hearing: Healthcare Accessibility and Hospital Closure
Impacts Testimony**

**Michael Pearson, president and CEO of Public Health Management Corporation
(PHMC)**

**March 10, 2025 | 2:00 p.m. | Neumann University, Mullen Communications Building,
Student Multipurpose Room**

Chair Miller and members of the Democratic Policy Committee,

I am Michael Pearson, president and CEO of Public Health Management Corporation, or PHMC. As the conversation continues about the role of private equity in health care and the impact of hospital closures on Pennsylvania’s health care system, I will share the story of how PHMC and our partners leveraged our collective strength to develop a public-private partnership that saved a community hospital.

In 2020, Trinity Health Mid-Atlantic, the parent organization of Mercy Philadelphia Hospital in West Philadelphia, announced it would end inpatient care at this safety-net facility. This hospital provided high-quality health care and emergency services, as well as education and outreach. A closure would have led to devastating consequences for vulnerable members of the community, who have limited access to other healthcare facilities.

This dire situation demanded fast action. PHMC joined with other local health care leaders – the Hospital of the University of Pennsylvania, Children’s Hospital of Philadelphia, and Independence Blue Cross Foundation – with the shared goal of ensuring that this facility would remain an anchor for West and Southwest Philadelphia residents.

Our collaboration preserved a vital health care presence and economic driver in West Philadelphia and laid the groundwork for the creation of the PHMC Public Health Campus on Cedar – a new model for comprehensive and integrated health care.

PHMC and its core partners are now transforming the property into an innovative health and human services campus offering critical programming. PHMC’s Public Health Campus on Cedar brings together health care leaders, community members and social service organizations from across the region to create a high-quality medical home for residents. This developing campus seeks to provide the community with a wellness hub that creates a “one-stop shopping” experience for their health care needs: primary and emergency care, dental and pharmacy services, crisis response services for adults, children and

adolescents in case of a mental or substance use emergency, behavioral health, medical respite recovery services after a hospitalization, education for parents & youth, and more.

This collaborative approach offers a unique model of care that allows us to improve public health holistically by integrating healthcare and social service programs addressing food insecurity, violence, safety, and transportation.

We're providing this public health support in a community where nearly one of five adults previously lacked a regular source of health care, more than one-in-three adults reported having high blood pressure, two-in-five adults with a mental health condition were not receiving treatment, the uninsured rate is more than three percentage points higher than the citywide average, and nearly 40% of adults utilized the emergency room within the past year.

And where we once faced the threat of an abandoned building in the middle of a community, the completed PHMC Public Health Campus on Cedar will be a revitalized neighborhood anchor that increases property values and foot traffic while reducing blight and crime. The project is an economic driver: It has preserved and created more than 1,000 jobs while providing resources for job training and placement for residents.

It's the mission of PHMC to build and sustain healthy communities, and that starts by improving and maintaining access to health care. In West Philadelphia, we have seen firsthand how working together to keep this hospital open has benefited an entire community, and we're just getting started.

Thank you for this opportunity to contribute testimony on behalf of PHMC.