



May 15, 2025

Dear Members of the CHASE Board,

After much consideration, post CHASE Board meeting yesterday and the related approval of the CHASE Model for FY 2024-2025, I feel great responsibility to express my concerns regarding the fundamental integrity of the CHASE enterprise status given the disparity between decreasing hospital benefit and increasing administrative and expansion/Colorado program costs. As I mentioned during the meeting, the year over year benefit of the fee-paying hospitals funding this program declined \$54M.

As we heard during the CHASE board meeting, this lost funding will directly result in reduced hospital services and investments, which will detrimentally impact patient access and health outcomes. During that same year-over-year comparison, the administrative and non-hospital CHASE program expenses grew \$588.4M. The CHASE Board had no input or oversight of this exponential growth in expenses to determine if they were reasonable or appropriate. The CHASE board was not allowed to analyze whether this growth in administrative and non-hospital expenses provided any benefit to the fee-paying hospitals.

I am gravely concerned these dynamics violate the legal parameters governing the CHASE enterprise.

Respectfully,

A handwritten signature in blue ink, appearing to read "R. Vasil", written over a horizontal line.

Robert J Vasil
HCA HealthONE