GHS, Palmetto Health to form state's largest health system

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GREENVILLE — Greenville Health System and Palmetto Health have announced a partnership to create a locally governed health company that will form the state's largest health system and one of the 50 largest in the nation.

Billed as a nonprofit company, the system will include 13 hospitals and hundreds of physician practices and ambulatory centers, serving 1.2 million patients annually and generating $3.9 billion in annual net revenue, according to a news release announcing the merger Thursday.

The company will also become the largest private employer in South Carolina, with more than 28,000 team members and 2,800 physicians.

GHS said in its release that the new company would improve the patient experience, clinical quality and access to care, and address rising health care costs.

"Greenville Health System and Palmetto Health are joining together from individual positions of strength," GHS chief executive officer Michael Riordan said. "We have a long history of successful collaboration, as well as a strong cultural fit and mutual commitment to make South Carolina healthier. Together we will continue to ensure our community members, including those in rural areas, have access to high-quality, locally based care."

Nearly half of all South Carolinians will be within 15 minutes of the new health company's physician practices, hospitals and other health care facilities, according to the news release. Because of its scale, the new company will have the potential to invest up to an additional $1 billion over the next five years in programs, technology, facilities and team members.

"Both organizations are committed to ensuring our community members receive the health care they need, regardless of their ability to pay," Palmetto Health CEO Charles Beaman Jr. said in a statement. "Our integration to become a new health company continues our commitment to serving our patients. We will create a culture that attracts, retains and develops the highest quality and diversity of team members, and continue to teach the next generation of physicians and other caregivers."

The boards of directors of the organizations have agreed to combine the operations of Greenville Health System and Palmetto Health to form the new health company. The decision follows months of discussions and unanimous votes by both boards to pursue the partnership.

Frances Ellison, chair of Greenville's Strategic Coordinating Organization board, said, "Our board recognizes what can be accomplished when we work together. This is an investment in our community to create a solution that will help residents be healthier and address rising health care costs — now and in the future."

Beverly Chrisman, chair of the Palmetto Health board, added, "Palmetto Health and Greenville Health System coming together as one ensures that a South Carolina-based, not-for-profit health company will be here for our patients. We are building this new health company based on our prior collaborative successes, which demonstrate the promise of our partnership."

A newly organized board with equal representation from boards affiliated with Greenville Health System and Palmetto Health will oversee the new health company. Riordan and Beaman will serve as co-CEOs of the new company and share leadership responsibilities.
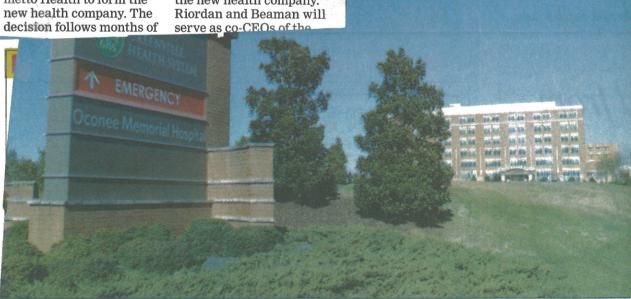
During the next phases of due diligence and planning for integration, both organizations are seeking necessary third-party approvals. In the meantime, Greenville Health System and Palmetto Health will continue to offer care and services as two separate, independent organizations.

The new combined organization will be South Carolina's leading provider of charity and uncompensated care, with hundreds of millions of dollars provided annually and nearly one-third of the state's Medicaid services, the release claims.

For more information, visit SCBetterTogether.org.

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FILE
Oconee Memorial Hospital will soon be part of the state's largest health system after Greenville Health System and Palmetto Health announced a partnership this week.