

Pennsylvania's governor, local Democrats posture over closure of Chester's hospital system

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Are you a resident in or near Chester, Pennsylvania? Tell us how the closures have affected you and your family, friends and co-workers by filling out the form below. All submissions will be kept anonymous.

Democratic Pennsylvania Governor Josh Shapiro visited the city of Chester on May 15 to address the recent closures of Crozer and Taylor hospitals which have devastated the community.

The closures are the result of the bankruptcy of the hospitals' corporate owners, Prospect Medical Holdings, Inc., and its majority owner, the private equity firm Leonard Green & Partners (LGP). It has left Delaware County without a full-fledged medical facility.

Thousands of people previously treated by Crozer and Taylor are now forced to drive for up to 40 minutes in case of an emergency to the next available locations, which are already stretched thin and understaffed.

The closures also resulted in over 2,600 layoffs, the most in Pennsylvania since the mass job cuts at Bethlehem Steel in the 1980s. This event has revealed the socially criminal mechanics of the American capitalist system, in which billionaires, under Republican and Democrat alike at every level of government, view society as their piggy bank. Such forces suck all the known value dry from essential social services and commodities and toss away what remains.

The Democratic Party, which controls the levers of government in Pennsylvania, is now attempting to provide political cover for this parasitic social system. This is after the *World Socialist Web Site*'s articles have been read tens of thousands of times and its reporters have spoken to dozens of local residents about the social crisis in Chester.

Shapiro, whose office had been virtually dead silent about the hospitals' closures in late April through early May, finally roused himself to appear before news

cameras three weeks after the closures.

Rather than offering assistance to the community, Shapiro offered bluster: "Private equity has no place in our health care system," he declared. "We've seen what happens when corporate raiders like Prospect Medical Holdings prioritize profits over patients — families lose access to care, health care workers lose their jobs, and communities across the commonwealth suffer."

In reality, the governor's top financial backers are involved in the private equity market. Michael Bloomberg, the former Mayor of New York City and financial speculator with a net worth of over \$100 billion, was one of Shapiro's top financial backers in his successful 2022 run for the governor's mansion, at more than \$2 million.

Bloomberg's investment portfolio includes holdings in Oscar Health, a for-profit health insurance startup, and he has invested through private equity and venture capital in various sectors, including healthcare.

Some other notable campaign contributions to Shapiro's 2022 Pennsylvania governor campaign include:

- \$1.1 million from LinkedIn founder and multi-billionaire tech giant Reid Hoffman
- \$1 million from Chris Larsen, a multi-billionaire and purveyor of cryptocurrency

\$500,000 from Bill Harris, former CEO of PayPal

Shapiro offered a measly sum of \$1 million dollars to the community, supposedly intended to assist "managing an orderly and safe wind-down of services." Aside from this, his "solution" was to urge the state legislature to pass a bill that would "grant the Pennsylvania Office of Attorney General authority to oversee hospital mergers, acquisitions, and major financial transactions that may jeopardize patient access and public health."

The bill, dubbed the Health System Protection Act, claims to address the role of private equity in hospital closures. The proposed legislation prohibits the use of sale-leaseback practices, in which a property is sold to a buyer only to be rented back out to the former owner. Prospect Medical used this tactic many times at its hospital properties, increasing the latter's debt as it went.

The legislation does not challenge the role of private profit in the healthcare system in general, only “predatory” profiting. There are nearly 900 private equity-backed healthcare facilities in the Greater Philadelphia area alone, according to the Private Equity Stakeholder Project. The proposed bill will do nothing to disrupt their hold on the healthcare system.

Like many such “reforms” meant for public consumption, the bill may not pass in the state legislature, dominated as it is by corporate interests. Previous iterations of the bill, which included attempts to completely bar for-profit groups from running hospitals in the state, have been killed in the legislature.

Democratic State Senator Tim Kearney, speaking at the press conference, said “fairly powerful interests,” such as the hospital lobby and private equity firms themselves, played a key role in killing previous versions of the law.

Even the toothless provisions in the law would be whittled away to nothing in the course of legislative “negotiations.” This was stated directly by state Attorney General David Sunday, who, in a comment to the Capital-Star said he expected a “robust negotiation process” in discussing the bill.

According to the *Philly Voice*, “Shapiro also echoed a similar tone, noting that the General Assembly is divided between Democrats and Republicans. He would prefer to have a more broad version of the measure, but recognizes compromise may be needed.”

The real purpose of the legislation and press conference was hinted at when state senator Kearney declared: “This is America... most folks don’t have a problem with doing good and doing well. But profits should be earned. They should not be taken, especially when it comes to our health. This is the balance that our legislation seeks to restore in our healthcare system.”

In fact, far from “most folks” supporting capitalism’s right to profit from their misery, a growing number of polls show outright hostility to the rich’s control of society. A 2025 Reuters/Ipsos poll found that most Americans believe the very wealthy have too much influence over government. A recent KFF health tracking poll found broad majorities opposed to cuts and

privatization of public healthcare programs.

Meanwhile, opposition to capitalism and support for socialism has been growing for many years, especially among the youth. This is what the Democratic Party is really opposed to.

Since 2020, beginning under former Pennsylvania Governor Tom Wolf, also a Democrat, at least 26 hospitals in Pennsylvania have closed their doors due to financial strain and mismanagement. No Democratic Party official has raised a finger during this time to prevent the closure of hospitals within the state.

Attacks on healthcare and science are being driven nationally by the Trump administration. While the Democrats posture as his opponents, they all support the basic aims of the Trump administration’s policies, including suppressing opposition from below while redirecting society’s resources towards war.

Trump’s policies, including in public health, are an escalation of those of the Biden administration, which declared in September 2022 that the “pandemic is over,” even as COVID-19 infections were rising. His administration normalized mass infections and death, dismantling public health infrastructure set up to combat the virus.

While Shapiro, Kearney and others seek to peddle the shopworn lie that the Democratic Party represents working people, they are the paid political agents of American capitalism. The goal of their intervention in Chester is to head off growing anger before it can find an anti-capitalist, socialist direction.

The closures of hospitals will continue nationwide as long as healthcare remains subordinated to profit. Healthcare must be subordinated to human needs in order to prolong and improve human life. The fight for access to high-quality healthcare is inseparable from the fight for socialism.



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