April 25th, 2022

Vanessa A. Countryman
Securities and Exchange Commission
100 F St NE
Washington, DC 20549

Re: Private Fund Advisers; Documentation of Registered Investment Adviser Compliance Reviews (File No: S7-03-22)

Secretary Countryman,

We greatly appreciate the opportunity to express our strong support for the Securities and Exchange Commission's ("the Commission") proposed rules (File No: S7-03-22) that would provide investors with needed details on the fees, expenses, returns and compliance records of the private equity funds in which they are either invested or considering investing.

Take Medicine Back represents, among others, specialists in emergency medicine who are increasingly alarmed at the deleterious effects that private equity ownership of emergency department staffing firms have on patient care. Our specialty arose in the early 1970s out of a conviction, fostered by the civil rights movement, that every person deserves access to medical care by a board certified emergency physician at a time of acute need. We remain deeply committed to this..

The SEC has proposed that investors should receive more information about the fees and expenses charged by private fund managers. The SEC is also proposing that this information be comparable across funds, allowing investors to shop around for the best return. And it has proposed bans on certain practices that can limit the legal rights of investors.

Though our profession pledges to keep the risks to patients in mind, the enrichment of a small number of private equity executives at the expense of quality, human care in emergency situations is also a risk *to investors*. That risk originates with the effects private equity has had on our specialty.

Private equity firms have consolidated an estimated 50% of the nation's emergency departments. The two main players in this regard are Blackstone's Team Health and Envision, owned by KKR. While squeezing the hours and money spent on actual patient care by EM professionals, they have dramatically increased the cost of emergency care through aggressive billing practices.

The reputations of the private equity firms and their portfolio companies already suffer because of the practices we have identified, and the financial risk is rising. Envision, burdened by debt, is a case in point. And a new law aimed at curbing abusive billing practices may squeeze the company even more. Whether patients – via higher costs and less care – investors, or employees pay the price for KKR's bad decisions remains to be seen; it will likely be a combination of all three. At the same time, investors will pay fees for a badly managed investment. SEC measures that mandate clear, comparable disclosure of private equity fees and expenses can only help investors avoid situations like this one in the future.
It is worth noting that the abusive practices of private equity firms in our field shows no sign of accruing to the benefit of private equity investors, such as the savers and retirees whom you represent. The money private equity extracts from businesses, hospitals, or patients is more likely to line the pockets of executives – one prominent scholar calls private equity a "billionaire factory" – than it is to raise returns to investors. Indeed, the evidence is mounting that private equity is not the great deal for investors that the industry claims.

While greater transparency for investors cannot prevent all the abuses of private equity that we see daily in emergency departments across the country, we do see the SEC proposal as a first step in bringing greater accountability to private markets. That alone is a worthy goal.

We have made similar representations to the major pension funds that invested with Blackstone and Apollo. Please contact John Hopkins at [redacted] if you have any questions. You can read more about Take Medicine Back on our website.

Sincerely,

Mitchell Li, MD
Founder
Take Medicine Back
[redacted]