

Public Hearing for the COPA Index Advisory Group

Appointed By the Tennessee Department of Health

Pursuant to Tenn. Comp. & R. Reg. 1200-38-01-.03

Listening Session #1 - General Public

Chair: Gary Mayes, Director, Sullivan County Health  
Department

Commissioner: John Dreyzehner, MD, MPH, FACOEM

Director: Jeff Ockerman, Division of Health Planning

TAKEN AT: CARTER COUNTY HEALTH DEPARTMENT  
403 EAST G STREET  
ELIZABETHTON, TENNESSEE

TAKEN ON: TUESDAY, MARCH 22ND, 2016

REPORTED BY: TERRY L. KOZAKEVICH, RPR, LCR

**ADVISORY GROUP**

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Rep. David Hawk, State Representative, Greene County

Rep. Matthew Hill, State Representative, Washington County

Mayor Johnny Lynch, Unicoi

Ms. Susan Reid, Executive Director, First Tennessee Development District

Mr. George Brewer, Administrator, Hancock Manor Nursing Home

Mr. Brant Kelch, Executive Director of Highland Physicians, Inc.

Dr. Teresa Kidd, President & CEO, Frontier Health

Dr. David Kirschke, Medical Director, Northeast Tennessee Regional Health Department

Ms. Minnie Miller, Former Director of Johnson County Schools

Ms. Erika Phillips, Coordinated School Health Director for Hawkins County

Ms. Chantelle Roberson, Associate General Counsel, Blue Cross Blue Shield of Tennessee

Mr. Perry Stuckey, Senior Vice President and Chief Human Resources Officer, Eastman Chemical Company

Ms. Jan Tillman, Nurse Practitioner, Roan Mountain, Rural Health Consortia

Mr. Thomas J. Wennogle, President, Jarden Zinc

Dr. Brenda White Wright, Former CEO, Girls Inc. of Kingsport

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P R O C E E D I N G S

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GARY MAYES: I really want to give everyone here a very warm welcome, and thank you very much for taking an interest in health care in northeast Tennessee and especially in what the Advisory Group is doing for northeast Tennessee and the Tennessee Department of Health.

Before we get started, I want to make sure that all the audience and the participants know that this evening is being recorded and transcribed by a court reporter.

Obviously we have our local media here. We're very thankful for that, and so I just want to give you a heads up and make sure that everyone understood.

The Advisory Committee, appointed by the Commissioner of Health, Dr. John Dreyzehner, is seated in this unique area here with their tents. And so as the audience speaks...

Can you all hear me well? Okay, good. As the audience speaks, please address the Advisory Group as much as possible. The microphone is being provided there, and so you're welcome to approach the microphone and share your

1           comments.

2                       For those that want to speak, please  
3           sign the list. There's a list at the door. Print  
4           your name so we can make sure to get a record and  
5           make sure that we recognize everyone that wants to  
6           have an opportunity to speak.

7                       And so again, thank you so much for  
8           being here. We want to give a special recognition  
9           to the Director of Carter County Health  
10          Department, Carolyn Hurt, for hosting this  
11          meeting.

12                      And we also have with us the Regional  
13          Director of Northeast Regional Health Office for  
14          the Tennessee Department of Health, Rebecca  
15          English, and so they are true leaders in public  
16          health, and so we have a great space here.

17                      This is a wonderful facility, so thank  
18          you all very much for sharing this so...

19                      All right. Without further ado, we'll  
20          begin. I'm looking for Jeff Ockerman with the  
21          Tennessee Department of Health, Public Policy  
22          Planning.

23                      JEFF OCKERMAN: Health planning.

24                      GARY MAYES: Health planning. Thank  
25          you, sir. And so Jeff is going to go over a

1 powerpoint kind of display and tell us just a  
2 little bit about the Certificate Of Public  
3 Advantage, as we call it COPA, and what the  
4 Advisory Group's role is in this process, and so I  
5 think it would be good background for the  
6 audience.

7 So, Jeff?

8 JEFF OCKERMAN: Thank you very much,  
9 Gary. Lights, please. Thank you. My name is  
10 Jeff Ockerman. I'm the Director of Health  
11 Planning for the State Department of Health.

12 And under the statute and regulations,  
13 should a Certificate of Public Advantage end up  
14 being granted, it will fall to the Division of  
15 Health Planning to do a lot of the work.

16 At this point, we are a support group  
17 for the Advisory Group and working with them to  
18 help them fulfill their charge. So I'm going to  
19 tell you a little bit about what is a Certificate  
20 of Public Advantage.

21 I'm going to talk to you about the  
22 Advisory Group. I'm going to talk to you about  
23 what the Advisory Group is looking to hear from  
24 you, the public, this evening and in the rest of  
25 the meetings that are scheduled.

1           So a Certificate of Public Advantage is  
2 written approval by the Tennessee Department of  
3 Health. It governs what's called a cooperative  
4 agreement between two or more hospitals or  
5 hospital systems, and the whole purpose of the  
6 Certificate of Public Advantage is to protect the  
7 interests of the public in the specific region and  
8 also in the state.

9           And while this statute has been in  
10 existence since 1993, it has never before been  
11 used for the purpose of a hospital merger, and, in  
12 fact, we're not even sure it's ever before been  
13 used in the state of Tennessee.

14           So what that means is that this is all  
15 new ground. And we're working very hard to make  
16 sure we're doing what is correct under the  
17 statute, under the rules, to protect the interest  
18 of the public. Okay. Thank you, Allison.

19           So to apply for a COPA, a Certificate of  
20 Public Advantage, a hospital is required to submit  
21 an application with some really specific detailed  
22 information and some data about the proposed  
23 merger.

24           And examples of the information that's  
25 required to be submitted include the actual

1 agreement to merge, any plans to integrate  
2 services, financial details, a plan of separation.  
3 I'll tell you a little bit more about that later.  
4 A proposed index of measures, and that sounds very  
5 complicated, but I'm going to go through that, and  
6 then some other information as well.

7 So under the current application for  
8 Mountain States and Wellmont, the letter of intent  
9 was received on September 16th of last year. The  
10 required pre-submission report, which they put  
11 on-line as well, was received by the Tennessee  
12 Department of Health on January 7th of this year.

13 The actual application was received  
14 February 16th. And just so you know, the  
15 application takes up a full banker's box, so it's  
16 a lot of documents. It's over 2,000 pages.

17 And we asked them to deliver 10 copies  
18 to us, which they did. It was really very  
19 gracious of them to do that. Addendum No. 1 was  
20 received March 16th of this year, so that was just  
21 recently received.

22 In this submission of information and  
23 letters on the application, we responded to that  
24 pre-submission report, and we requested  
25 clarification on several of the issues, and that's

1 why the applicants submitted Addendum No. 1 on  
2 March 16th. We are continuing to review the  
3 application.

4 We're waiting to receive some additional  
5 information from the applicants that we knew was  
6 not going to be submitted initially, and that  
7 material includes some financial and other  
8 information that's considered competitively  
9 sensitive or even confidential, but we do expect  
10 to receive that in the near future.

11 Once the Department of Health has  
12 determined that an application, the application is  
13 actually complete so that we can conduct a review,  
14 a 100-day -- 120-day period begins during which we  
15 have to conduct the review and then issue a  
16 decision on whether the Certificate of Public  
17 Advantage should be issued.

18 And under the law, the Certificate of  
19 Public Advantage is to be issued if the Department  
20 of Health determines that the applicants have  
21 demonstrated by clear and convincing evidence that  
22 the benefits resulting from the cooperative  
23 agreement outweigh any disadvantage that's  
24 attributable to a reduction in competition. It's  
25 a pretty high standard.

1           So what does this really mean? Well, if  
2           the COPA -- Certificate of Public Advantage -- is  
3           issued, the department will assess the impact of  
4           the merger based on terms included in the  
5           Certificate of Public Advantage that we issue.

6           One way to look at that is, and part of  
7           this is there will be an index that will look at  
8           different measures that will enable the department  
9           to determine on an ongoing basis whether or not  
10          the public advantage continues over the  
11          disadvantage of loss of competition.

12          The index is one way that we would plan  
13          to grade this proposed new health system. The  
14          COPA Index Advisory Group, the people sitting  
15          right up here, are going to suggest different  
16          subjects that will be included on this index.

17          The index is kind of like a report card.  
18          The Advisory Group is going to suggest the  
19          different subjects, and the index score eventually  
20          that the department comes up with is going to be  
21          like a grade point average, and the grades in  
22          different subjects will be compiled together on  
23          that.

24          So what subjects should be on this  
25          report card? And the rules require that the

1 subjects should be in these following categories:  
2 Population, health, access to health services,  
3 economics, and then any other factors that come up  
4 from these public meetings and from any  
5 information that's submitted to the department.

6 And as an example, if the category was  
7 math, you know, the subjects could be geometry or  
8 algebra. So the COPA Index -- this kind of report  
9 card -- is going to be created and used for and by  
10 the Department of Health to evaluate the proposed  
11 continuing public advantage of the COPA, if the  
12 COPA is issued.

13 The department will set a baseline score  
14 and ranges for that score to determine whether the  
15 advantage is clear and convincing, and that score  
16 will be reported to the public on a regular basis.

17 If the advantage is not evident, it's  
18 not clear and convincing under that standard, then  
19 the Department of Health may terminate the COPA,  
20 and then the merge system will then complete its  
21 plan of separation, which it has had to file with  
22 its application.

23 And in the event a COPA is granted, they  
24 have to update that annually. So that if the  
25 merger has to be unwound, if the public advantage

1 no longer continues, it can be done, and we will  
2 know how it's to be done, and you will know how  
3 it's to be done.

4 So here we have the COPA Index Advisory  
5 Group sitting right up here. It's a group of  
6 citizens. They represent the region, northeast  
7 Tennessee. They were appointed by the  
8 Commissioner of Health, Dr. John Dreyzehner.  
9 They're conducting listening sessions to hear from  
10 you.

11 Following these public listening  
12 sessions, the Advisory Group will recommend  
13 measures with the subjects to be included on that  
14 index report card for the Department of Health to  
15 use to track the impact, including the advantages  
16 and disadvantages should a COPA be granted.

17 The Advisory Group's job is over once it  
18 recommends these measures for the COPA Index. The  
19 Advisory Group does not make a recommendation on  
20 whether to approve the COPA or not. It is not the  
21 Advisory Group's job to determine if there are  
22 more advantages than there are disadvantages or  
23 vice-versa.

24 The Advisory Group's job is to recommend  
25 the measures to be included on the index that the

1 department uses in the event a COPA is granted for  
2 the department to assess advantages and  
3 disadvantages.

4 Here are the names. They're on our  
5 website. They're on the name cards right in front  
6 of them, and a lot of you know a lot of these  
7 people.

8 Guidance for the Advisory Group from the  
9 Department of Health. We are looking for guidance  
10 on big-picture concepts. What worries you, the  
11 public, the most. We're concerned with outcomes,  
12 not what we call process measures.

13 So an outcome would be how did the new  
14 health system do on their test? How did they do  
15 on that measure over time? Not -- or a process  
16 would be how often did the new health system study  
17 for that test?

18 We're not interested in that. You can  
19 study as much as you want. What the result is is  
20 what is important to the Department of Health, and  
21 that's what we're looking for in guidance from you  
22 all and the Advisory Group.

23 The health systems have had their chance  
24 and are continuing to have their chance through  
25 their application and any additions and amendments

1 to that application. Now is the opportunity for  
2 the community to have its say, to tell us what  
3 they are really worried and concerned about for  
4 these measures.

5 The Advisory Group represents community  
6 concerns, and the goal is to have a clear and  
7 well-defined index that can be easily understood  
8 by the hospital systems who will be impacted by  
9 how they are measured, by industry stakeholders,  
10 and by you, the general public, so you're going to  
11 know whether or not there's a continuing advantage  
12 under that certificate.

13 At these listening sessions, the rules  
14 require that our Advisory Group friends hear from  
15 these groups, external stakeholders, people,  
16 groups who work in health or health care and  
17 compete with the hospital systems.

18 This includes health insurance  
19 companies, including self-insured employers.  
20 Includes governmental agencies, nongovernmental  
21 agencies, nonprofits, anyone who really is not  
22 getting paid by Mountain States or Wellmont.

23 Another listening session will be held  
24 particularly for internal stakeholders, people who  
25 receive their income from Mountain States Health

1 Alliance or Wellmont Health System. It could be  
2 an employee. It could be a contractor, a vendor.  
3 It could be a clinician.

4 And then members of the community at  
5 large, maybe current potential patients, family  
6 members, people who are not affiliated with or  
7 competing with Mountain States Health Alliance or  
8 Wellmont Health System. Those are people we want  
9 to hear from as well.

10 So the goal for the Advisory Group  
11 listening sessions: We want you to tell the  
12 Advisory Group what measures you think should be  
13 included in this index, in this report card, what  
14 outcomes would matter to you in those areas of  
15 population, health, access to health care, of  
16 economic impact of the merger, and anything else  
17 that you come up with.

18 Let's go back, and here are the dates of  
19 those meetings. We've got March 22nd, obviously  
20 here today, the community meeting. The external  
21 stakeholders meeting March 29th at Northeast  
22 State.

23 April 5th, community again, Holston  
24 Electric Cooperative. April 19th, for internal  
25 stakeholders back at Northeast State. And then on

1 May 17th, the measures as drafted as proposed will  
2 be presented, and we'll get comments from the  
3 public on those at that time.

4 And then finally at the very end there  
5 will be a public hearing, and the goal of that  
6 meeting is should the Certificate of Public  
7 Advantage be issued? In looking at the measures  
8 for the index, looking at everything else that's  
9 been monitored.

10 If so, what should the Department of  
11 Health consider during its ongoing active  
12 supervision of a potential Certificate of Public  
13 Advantage? That meeting is set for June 7th at  
14 Northeast State Community College.

15 We've also got a way for you to submit  
16 comments on-line via email. We have a box in the  
17 back with index cards. If you don't want to put  
18 your name on something, we don't care. That's  
19 perfectly fine. We just want to know what you're  
20 thinking.

21 So here today, the Advisory Group is  
22 here to listen. We're going to call the speakers.  
23 Gary will call them from the sign-up sheets. If  
24 you're not already signed up, please go back to  
25 that table and do so.

1           We're estimating each speaker gets three  
2 to five minutes. Questions about the process  
3 itself should be submitted in that box at the back  
4 of the room.

5           Be careful, it's next to a trash can.  
6 Don't put it in the wrong one. And if you prefer,  
7 written comments can also be submitted in the box.

8           A reminder, this session is being  
9 videod, and it's being transcribed by our friend  
10 the court reporter up here, and so just know it's  
11 a very public process. We are being as  
12 transparent as we possibly can and as we know how  
13 to be, and we want you all to know that as well.

14           One last housekeeping measure. The  
15 restrooms are right outside to the left and  
16 through that door at the back, if for any reason  
17 to need to know that.

18           Again, today's goal: The COPA Index  
19 measures. If a COPA is issued, what measures are  
20 going to be included, should be included in the  
21 index, in that report card, which the Department  
22 of Health will use to judge the impact of the  
23 merger?

24           How should this impact of the merger be  
25 measured or tested? What of these outcomes matter

1 most to you? Health, health care access,  
2 economics? And what matters to you when it comes  
3 to the health of people in this region? Your  
4 access to health services.

5 Again, the economic impact of the  
6 merger. What else should be included on that  
7 list? And I think we are at the end, great.

8 So, lights up. Thank you very much.  
9 Thank you all for listening to me. Gary?

10 GARY MAYES: Nice job, Jeff. And also  
11 I'd like to thank Jeff and Allison Thigpen, who's  
12 seated in the front row. They work very diligent  
13 to make sure this meeting flows very smoothly and  
14 we have a good process for the Advisory Group.

15 Because if you have a good process,  
16 hopefully we'll have a good outcome and a good  
17 relationship. So, and, again, thank you, the  
18 Advisory Group, for being here tonight. I know  
19 you're volunteering your time for a very large  
20 responsibility, so I'm very, very thankful for  
21 your attendance.

22 Dr. David Kirschke, with the Northeast  
23 Regional Health Office, will be joining us. He's  
24 a member of the Advisory Group. He's running just  
25 a little bit late.

1           So without further ado, again for those  
2           that want to speak, please approach the  
3           microphone. And this list is in random order. We  
4           will leave the slide on the screen to keep  
5           everyone mindful and keep us on pace for the three  
6           to five minutes.

7           So first is Glenn Tilson. Thank you,  
8           Mr. Tilson.

9           GLENN TILSON: Thank you very much. I  
10          am Glenn Tilson from Erwin. I may have to revise  
11          and extend my comments for you later on some of  
12          the things here to be submitted.

13          But, Chairman Mayes, members of the  
14          committee, I strongly support the merger. I think  
15          that there will be, there has been a lot of  
16          changes in medical care in the past several years  
17          and continuing to be changes.

18          I remember years ago, people would be in  
19          the hospital for days and weeks, and today maybe  
20          overnight. Maybe can be treated in a doctor's  
21          office and sent home today.

22          But some changes I think that will  
23          result from this merger, if it's approved, and I  
24          do strongly support it. I think that there should  
25          be an emphasis on wellness and continuing this

1 emphasis on wellness.

2 I think that we're seeing that today.  
3 There will be reduced length in hospital stays in  
4 the future. We've seen that, as I mentioned just  
5 a moment ago.

6 I think that also that in the future, we  
7 will see increased cost in treating patients, so  
8 cost should be definitely considered. I know that  
9 many of the insurance companies and the government  
10 are pushing wellness and trying to keep the costs  
11 lower, so I think cost should be considered.

12 Insurance companies play a major role in  
13 health care today, as we're familiar with.  
14 Expectations for hospitals to be more  
15 cost-effective and support to the value-based  
16 purchasing ideas.

17 I think now Medicare and some of these  
18 others may be giving increased payment if you're  
19 able to reduce cost. And if you're not able to  
20 reduce cost, they're even penalizing keeping some  
21 of the money back, so that might even be  
22 considered.

23 The merger should improve medical care,  
24 in my opinion. There should be less duplication  
25 of services, and maybe that might be one of the

1 points that we want to look at, may allow for more  
2 specialization at the hospitals.

3 One hospital may specialize in  
4 something. Another hospital may specialize in  
5 something else. But with the current situation  
6 with as many hospitals that we have, all these  
7 hospitals are trying to be competitive in doing  
8 these services.

9 So I'm sure that this is going to be  
10 involved. I haven't read that 2500 page COPA.  
11 That's a lot of words. I hope to one day, but I  
12 haven't so far. But some of these are my thoughts  
13 that I think probably should be considered in it.

14 I would also think that the merger will  
15 probably not reduce the number of doctors and  
16 nurses, but the merger I'm sure will reduce the  
17 number of employees, especially at corporate  
18 levels. Because with the merger, they're going to  
19 have one corporate headquarters, I believe, and  
20 the supporting staff for that instead of two.

21 Without this merger, the larger  
22 corporation could take over one or both, MSHA and  
23 Wellmont and/or Wellmont. Therefore, one of the  
24 or both of the corporate headquarters could be  
25 lost, and several small hospitals could close.

1           Thank you very much for your support and  
2 listening to me here this evening. And again, I  
3 do rise in support of the merger. I know that a  
4 lot of work has gone into it by both boards.  
5 They've studied it long and hard, I'm sure.

6           And I'm familiar with hospitals to a  
7 degree. I've served on the board in Erwin for  
8 approximately 20 years, and we just went through  
9 the Unicoi County sort of merger about three years  
10 ago.

11           And there's a lot of work that goes into  
12 it. A lot of things that have to be considered,  
13 and I believe that these boards have done their  
14 study, and hopefully we will improve health care  
15 in east Tennessee and southwest Virginia.

16           Thank you very much.

17           GARY MAYES: Thank you, Mr. Tilson, very  
18 much. Next we have Fielding Rolston.

19           FIELDING ROLSTON: Thank you, Gary. As  
20 Gary said, I'm Fielding Rolston. I've lived in  
21 Kingsport for about 50 years.

22           First of all, I want to express my  
23 appreciation to you folks who serve on this panel.  
24 I know it's a voluntary effort and certainly  
25 appreciate your willingness to do that.

1 I retired from Eastman Chemical Company  
2 in 2003. At the time of my retirement, I had  
3 responsibility for HR and communications job,  
4 almost identical to the job that Perry is now in.

5 Perry, you have my condolences. I can  
6 report that retirement is very good.

7 At the time of the merger of Holston  
8 Valley and Bristol Regional Health Care, Bristol  
9 Regional Hospital, I was serving as Chairman of  
10 the Board at Holston Valley, and then as we merged  
11 became the first chairman of the Wellmont Health  
12 System.

13 We certainly at that time faced a number  
14 of the questions and challenges and so forth that  
15 we're facing with this proposed merger here.

16 In addition to the work that I've done  
17 with the hospital, I'm currently serving as  
18 Chairman of the Board of Eastman Credit Union. A  
19 plug for Eastman Credit Union. It's the largest  
20 and best financial institution in this part of the  
21 world, so that's a job in my retirement.

22 I also have been involved in a lot of  
23 community organizations. Perry, you think your  
24 job is difficult at Eastman. But one of the  
25 toughest jobs I had was managing Brenda White

1 Wright when she was Executor Director of the  
2 Girls, Incorporated in Kingsport.

3 BRENDA WHITE WRIGHT: Thank you so much.

4 FIELDING ROLSTON: It was a real  
5 challenge to keep Brenda under control and to  
6 tampen down some of the enthusiasm some. And  
7 Minnie, I got to know Minnie real well.

8 I'm serving as chairman of the State  
9 Board of Education. And with Minnie's interest in  
10 education, enjoyed working with you.

11 With all the work that I've done in  
12 Kingsport in the time I've been there, I've been  
13 able to, I think, develop a pretty good picture of  
14 the health care needs that we have in this region.  
15 And because of this, I strongly support the  
16 proposed merger that you're considering.

17 There are really four reasons, fairly  
18 simple reasons for supporting this merger, and I  
19 think the measures that we're talking about can  
20 follow these reasons.

21 First of all, I think we have a good  
22 opportunity to reduce or eliminate some of the  
23 duplication that has come about. When we put  
24 together Holston Valley and Bristol Regional, I  
25 thought at the time that the best health care

1 system for this region was to have two strong  
2 health care systems that competed.

3 As I watched this develop over the  
4 years, I've learned that the duplication of effort  
5 is not productive, as far as health care. It's  
6 certainly not productive, as far as the cost of  
7 health care in this region, and I believe that  
8 this merger will enable us to reduce or eliminate  
9 some of the duplication that has developed.

10 The second reason is that I believe a  
11 consolidated system, a larger system, can bring  
12 health care services to this region that neither  
13 of the two systems can afford at the present time,  
14 afford or justify at the present time, so new  
15 services for the region.

16 The third is that a merger will keep or  
17 permit us to maintain our roots in northeast  
18 Tennessee/southwest Virginia. I think we have all  
19 seen situations where mergers in some ways  
20 siphoned away the resources to another region or  
21 to a home office, and I think it is very, very  
22 important to maintain the roots that we have here  
23 in northeast Tennessee.

24 And fourth, and probably the most  
25 important reason, is that I think a consolidated

1 system will help us to place resources in the key  
2 issues that are in this area, and this is the  
3 cardiovascular disease that we have in this area,  
4 diabetes, pulmonary disease that we have in this  
5 area.

6 I think it is all extremely important  
7 that we have a health care system that's going to  
8 focus our resources on the needs of this  
9 particular region and do so in an effective  
10 manner.

11 Now if the proposed merger is approved,  
12 the new health care system can achieve long-term  
13 financial stability, sustainability through major  
14 cost efficiencies.

15 The proposed system will also make more  
16 of an impact on the significant health issues that  
17 we have in this region and be uniquely able to  
18 provide the people of our region with an even  
19 higher quality of health care and certainly a more  
20 affordable cost for health care.

21 As part of the application of the COPA,  
22 the systems have suggested a wide array of  
23 measures that I think you all will be looking at.  
24 I think that they can be very effective in  
25 monitoring the control.

1           And I am confident that these measures  
2 will ensure the new health system remains  
3 accountable to the community and while at the same  
4 time providing a reasonable baseline in which  
5 state- and public-at-large entities can see what  
6 is happening and how well we're doing on meeting  
7 those measures.

8           So having served on the Wellmont board  
9 and having seen our high caliber administrators  
10 and doctors that we've attracted to the region and  
11 also knowing that the same is true for Mountain  
12 States, I believe that we are in a position to  
13 deliver on the objectives that are set forth in  
14 the COPA.

15           I appreciate the opportunity to speak to  
16 you, and I certainly support the COPA. Thank you.

17           GARY MAYES: Thank you, Fielding, for  
18 your thoughtful comments. Next is Steve Hopland.  
19 Thank you, Steve.

20           STEVE HOPLAND: Hi. My name is Steve  
21 Hopland. I'm the CEO of Medical Care. We're a  
22 primary care physician group here in Elizabethton,  
23 Johnson City, and Hampton. And I'm not here to  
24 either support or oppose the COPA itself but have  
25 a lot of concerns about a large monopoly in our

1 area for health care.

2 And I am in favor of a strong health  
3 care system. I think the economics may force a  
4 merger, but it may be a reality, but I am  
5 concerned about putting too much power in the  
6 hands of one hospital system without some kind of  
7 checks and balances, which I hope that this panel  
8 will help put into place.

9 First one is a reduction of services in  
10 the area. And here in Carter County, we've had OB  
11 services for 50 years up until the last couple  
12 years when Mountain States decided it wasn't  
13 economically feasible to offer those services  
14 anymore, although the births hadn't changed  
15 significantly.

16 So I've seen personally in our community  
17 a loss of services due to economic reasons, which  
18 were the downfall of a patient. So I'm really  
19 concerned, particularly in those more rural and  
20 vulnerable areas, that we may lose some critical  
21 services, and to me OB is one of those critical  
22 services that we should deliver to everybody.

23 And I know that some of the more fancy  
24 brain surgeries and heart surgeries are cooler,  
25 fancier, more expensive, but OB is a pretty basic

1 right we should have in our local communities as  
2 much as possible, and I hate to see some of those  
3 things centralized.

4 The other one is data exchange. We are  
5 lucky enough to have an HIE in our area, one  
6 partner. We're one of the regions that does share  
7 data between our primary care physicians.

8 But interestingly, it's been three years  
9 of trying to get the hospitals to share their  
10 data. And until just recently, at the end of last  
11 year, Mountain States started sharing data.

12 Wellmont is still opposing and not  
13 sharing data actively, and that really troubles me  
14 that we are now holding patients' data hostage  
15 from their primary care so that it's affecting  
16 patient care, and I think that's a problem.

17 I think that the data of individual  
18 patients should be shared open and freely among  
19 the health care community. I believe in the  
20 rights and privacy of the patient, but I think  
21 once you get beyond that, holding data for  
22 strategic reasons is wrong.

23 So I'm totally opposed to the opposing,  
24 or they need to share the data openly, so I hope  
25 that you'll require that.

1           The other one is the direct employment  
2           or unfair competition of primary care physicians.  
3           By the time we get this merger done, between  
4           Wellmont's physicians and Mountain States'  
5           physicians, they will be the largest physician  
6           group in the Tri-Cities area, which will put them  
7           very dominant in this market.

8           I think that we need to have some checks  
9           and balances. A lot of their physicians are  
10          employed at a loss to the hospital system because  
11          they can get extra referrals and extra business  
12          through that. I think that the hospitals need a  
13          check and balance between those self-referrals of  
14          those physicians.

15          Nothing -- the hospital should not get  
16          in the way of the patient/physician relationship.  
17          That's a sacred relationship that should be  
18          between the patient and the physician, not between  
19          the hospital and the patient, so I think that's a  
20          strong concern.

21          The other one goes to insurance  
22          contracting. Is it because they will have the  
23          largest physician group, also all the inpatient  
24          beds in the area, they can do all kinds of  
25          exclusive deals to exclude all the independent

1 physicians out there, like ourselves and other  
2 groups, which are to the detriment of the public.

3 We need to again protect that  
4 patient/physician relationship as much as we  
5 possibly can. That professional relationship  
6 should be sacred, and we don't want to get in the  
7 way.

8 We've seen several things. We used to  
9 partner in a surgery center in the area, and they  
10 didn't oppose us directly, somewhat indirectly.  
11 But they did an exclusive deal with the  
12 anesthesiologist that we could not use anesthesia  
13 in our surgery center, so we could not be  
14 successful.

15 We could not recruit the specialist  
16 because they recruited all the specialists and  
17 required exclusive contracts to practice only in  
18 the hospital.

19 Those type of arrangements, and not  
20 specifically anesthesia, but any of those  
21 specialists should be able to practice anywhere,  
22 wherever they want to, without exclusivity to a  
23 hospital or to a system.

24 I think the same goes for all the  
25 specialists, making sure we have open access to

1 all the hospital privileging, to all the  
2 physicians to admit to use who they need to. All  
3 of these exclusive arrangements or indirect  
4 exclusive arrangements actually harm that  
5 patient/physician relationship.

6 And the other one is competing  
7 outpatient services. Excuse me. It took us four  
8 years to work with the state for the CON process  
9 to try and get MRIs to end up with a partnership  
10 with the hospital a couple days a week, is that  
11 the hospital should not be competing with the  
12 physicians and outpatient setting for diagnostic  
13 services for surgery centers.

14 For things that could be done outside of  
15 a hospital, they should allow competition in those  
16 areas. And I do agree the hospitals may come to  
17 an economic time where they need to merge the  
18 health care systems.

19 We're using less hospitals, and we're  
20 trying to reduce costs, and there's a lot of  
21 financial pressures on them, and I do understand  
22 that. But I think that trying to create a  
23 monopoly with too much power is not in the  
24 patients' or the community's best interest.

25 So those are my basic concerns. Thank

1           you.

2                       GARY MAYES: Thank you, Steve. Next is  
3 Stan Johnson.

4                       STAN JOHNSON: Hi there. I'm Stan  
5 Johnson. I own GBC Wellness Center. I'm also the  
6 Medfit Centers. We're a medical fitness center.  
7 Very integrated into Kingsport right now.

8                       And I think the biggest points that I  
9 want to bring, the fact is we're dealing with a  
10 health care system that deals with sick people.  
11 And we have an opportunity with this merger, I  
12 think, possibly to go to the other end, which is  
13 going to be a very viable setup, which is moving  
14 in more of a preventative setup.

15                       We have a dedicated, I think it's 75  
16 million dollars in the population health. I sit  
17 on the population health board that brought some  
18 of this together. I think that's an area that we  
19 have a chance to stand out, if we're going to do  
20 this.

21                       I think if a merger comes together,  
22 learning how to do this with a partnership of the  
23 private industry and not try to bring it all under  
24 one hat of this merger but actually bring it to  
25 and look for the areas that we have in this area

1 that can actually help and partner with them,  
2 especially if you have funds to help partner with  
3 that.

4 I think that's going to be an incredibly  
5 viable setup, but it also matches very well with  
6 going into ETSU's School of Medicine, and I think  
7 that's the opportunity that we have with this  
8 merger.

9 We are dealing with, you know, obesity  
10 rates of 30 percent in this area, smoking rates,  
11 cardiovascular disease problems, and we have an  
12 opportunity to take this not only to -- but we  
13 actually have an opportunity to take it and to  
14 define populations, like in the work force and  
15 doing preventative stuff in the work force.

16 We have a chance to take it into the  
17 school systems and define our population, because  
18 population management, it sounds really good. But  
19 quite honestly, like I was at a national meeting a  
20 couple months ago. It's a lot like herding cats,  
21 unless you can find a very defined population.

22 And that defined population really comes  
23 in three areas: It comes in our schools, our  
24 faith community, and it comes in our work force  
25 development.

1           And then so finding a way to work into  
2           some preventive medical wellness, finding a way to  
3           educate our kids, finding a way to get into the  
4           faith system and start teaching them how to do  
5           things a little bit better.

6           That, I believe, is going to be an  
7           economic impact that this merger can do if it's  
8           willing to actually take that step and not take  
9           some of that money and decide that they're going  
10          to build another clinic that's going to be under  
11          them, but actually go out there into the community  
12          and say, how can we help what's already going on  
13          out there and help us with this?

14          So I'm in favor of the merger, as long  
15          as it goes that way. I believe that we can do  
16          this. You know, we have to help, you know, those  
17          three areas dramatically, and I think then we can  
18          do something differently.

19          And I know that's dealing with a medical  
20          institute that deals with sick people might be a  
21          little bit different, but I believe there's  
22          economic development that can happen with that,  
23          and that can make a really strong system because  
24          of that. Thank you.

25          GARY MAYES: Thank you, Stan. Gary Poe.

1           GARY POE: Thank you for allowing me to  
2 comment today. I'm Gary Poe of Kingsport.  
3 Professionally, I'm an accountant.

4           I retired from Eastman Chemical Company  
5 12 years ago. I was with Eastman for almost 35  
6 years in various financial capacities, my last 19  
7 years having been spent as the company's chief tax  
8 officer.

9           I remain active in East Tennessee State  
10 University's community, being on the foundation  
11 the Distinguished President's Trust and having  
12 served on the national alumni board for many  
13 years, including the terms as its president.

14          My wife, Sandra, is also an ETSU  
15 graduate. We both value highly our opportunities  
16 that we had there and are thankful for the careers  
17 our educations there afforded us.

18          Throughout my professional career, I  
19 served on a variety of professional community  
20 boards. Shortly after my retirement from Eastman,  
21 I was asked to serve as a board member and  
22 treasurer for Friends In Need Health Care Center,  
23 a nonprofit clinic which provides low-cost medical  
24 and dental care to working poor families in our  
25 region.

1           A few years later, while still on the  
2 board of Friends In Need, I was asked to join the  
3 Wellmont Foundation Board of Governors, where I  
4 continue to serve as treasurer and a member of the  
5 investment committee, and both of these are  
6 volunteer capacities.

7           My years of volunteer involvement with  
8 Friends In Need and Wellmont Foundation have given  
9 me a broad perspective regarding health care needs  
10 in our region and how those needs are and in some  
11 cases are not being met.

12           It is for this reason that I'm glad to  
13 have a chance to speak with you today about how  
14 our community would benefit from the proposed  
15 merger between Wellmont Health System and Mountain  
16 States Health Alliance.

17           I believe the proposed new health system  
18 would enhance health care services across our  
19 region. It would help to address population  
20 health challenges. It would expand access to  
21 care, and I believe it would contain cost growth.

22           As a side note, I'm delighted that my  
23 alma mater, ETSU, would play a role in ensuring  
24 that our local health care needs are met by being  
25 part of the team developing a strategic community

1 health plan.

2 If approved, there will be additional  
3 benefits from the proposed merger. Three full  
4 service tertiary hospitals will be maintained:  
5 one in Johnson City, one in Kingsport, and one in  
6 Bristol, and other area facilities may be  
7 repurposed as needed to meet the needs of our  
8 community through enhanced access to needed  
9 services.

10 Physicians will be able to practice  
11 where they choose, and patients will be able to  
12 seek care where it's most convenient.

13 Furthermore, tens of millions of dollars  
14 will be invested locally in medical research to  
15 support postgraduate health care training and to  
16 increase the training of nurses and other health  
17 care professionals. This kind of investment is a  
18 great opportunity for our region.

19 In the midst of an increasingly  
20 difficult health care landscape, this will enable  
21 us to face the challenges head on with a smart,  
22 focused plan. I encourage you to adopt the  
23 comprehensive community planning process outlined  
24 in Wellmont and Mountain States' application,  
25 which will allow the Tennessee Department of

1 Health to partner with ETSU, with our existing  
2 community resources, and with the new health  
3 system to implement a plan tailored to our needs  
4 and thus increase the likelihood of improving the  
5 overall health of people in our region.

6 I believe this approach demonstrates  
7 that both Wellmont and Mountain States are  
8 committed to ensuring affordable, accessible care  
9 of the highest quality and will bring together the  
10 expertise and the resources of two excellent  
11 health systems for the benefit of our region.

12 I thank you again for allowing me to  
13 express my support for the proposed merger and the  
14 collaborative community planning process. I also  
15 thank you for providing opportunities to hear from  
16 the community as part of this process. Thank you.

17 GARY MAYES: Thank you, Gary. Next is  
18 Larry Calhoun.

19 LARRY CALHOUN: First, let me add my  
20 thanks to the committee for the time that you're  
21 spending listening to the community in this very  
22 important matter that affects all of us.

23 My name is Larry Calhoun, and I'm the  
24 founding dean of the Bill Gatton College of  
25 Pharmacy, East Tennessee State University. And

1 before helping to found the college in 2005, I  
2 served as president and CEO of Wilson Pharmacy,  
3 Unicoi County Memorial Hospital, and was also a  
4 vice president at Mountain States at one point in  
5 time.

6 Additionally, I was recently Chairman of  
7 the Board of Directors for the Jonesborough  
8 Washington County Chamber of Commerce.

9 I really appreciate the opportunity to  
10 give my thoughts regarding the importance of  
11 health education and research in this area, and I  
12 represent the Bill Gatton College of Pharmacy.

13 The potential merger of Wellmont and  
14 Mountain States Health System has a tremendous  
15 upside for the Bill Gatton College of Pharmacy.  
16 While currently both are valued partners, a single  
17 united health system offers opportunities for  
18 collaboration that are not feasible working with  
19 two systems independently.

20 While the college is only 11 years old,  
21 we have quickly realized a deep relationship with  
22 both systems is critical to our future. And let  
23 me give you one very important and very personal  
24 example of that opportunity.

25 I think all of us would agree that our

1 community suffers from a prescription drug abuse  
2 epidemic. The colleges connected in the Health  
3 Science Center at ETSU have collectively committed  
4 to focusing research efforts on combating this  
5 crisis in the southern Appalachian region. The  
6 problem has received local, state, and regional  
7 and national attention.

8 ETSU is fortunate to have a number of  
9 faculty currently focusing their research efforts  
10 on prescription drug abuse. They're getting the  
11 attention of leaders and academia.

12 They're getting the attention of the  
13 practice environment, and they're getting the  
14 attention of the political arena. A partnership  
15 in this effort with a single health care system  
16 that touches all areas would provide renewed  
17 energy and a source of funding to take these  
18 efforts to the next level.

19 Access to data is critical. With  
20 Mountain States and Wellmont providing a single  
21 entryway in the information, the work of the  
22 academic health science colleges would be  
23 significantly more effective.

24 The impact of the proposed new health  
25 system's commitment to invest dollars, lots of

1 dollars to build and sustain research initiatives  
2 cannot be understated.

3 Paramount among the specific advantages  
4 for the College of Pharmacy, should a merger  
5 occur, is the opportunity to enhance an already  
6 existing partnership related to ambulatory care.

7 The role of the pharmacist has evolved  
8 to serving as an information specialist and an  
9 active member of the health care team. Working  
10 off examples of a productive partnership with the  
11 College of Pharmacy faculty and the Department of  
12 Family Medicine in the Quillen College of  
13 Medicine, a co-funding model that their health  
14 care system has been implemented.

15 A unified health care system would only  
16 serve to enhance this model, and this model is  
17 drawing some national attention. And finally, a  
18 regional system affords our College of Pharmacy  
19 the opportunity to standardize a significant  
20 portion of the experiential education aspects of  
21 the pharm decree.

22 Over a third of the students'  
23 experiences take place in the last year, year and  
24 a half of their education related to experiential  
25 education.

1           Operating in a partnership with a health  
2           care system will afford better experiences for our  
3           students, simpler coordination on behalf of both  
4           acute care and ambulatory care facilities, and  
5           offers the opportunity to continue to raise the  
6           level of pharmaceutical care in our community.

7           Additionally, post-graduate programs  
8           currently operated by the college in both systems  
9           could take advantage of better coordination and  
10          communication. ETSU and the College of Pharmacy  
11          has the opportunity to serve as a valued partner  
12          with Mountain States and Wellmont.

13          The systems continuing to operate  
14          independently serves to only fragment our efforts  
15          to develop and enhance initiatives that would  
16          benefit the citizens of our region. I'm hopeful  
17          that the barriers can be overcome in order to take  
18          advantage of this once-in-a-lifetime opportunity  
19          for us.

20          And to close, I'm confident that the  
21          active state supervision, which you all talk  
22          about, will help to ensure our region's success to  
23          achieve the goals set forth as part of this  
24          proposal.

25          Again, I want to thank the committee for

1 your time and your commitment on behalf of the  
2 people of our region and the opportunity to share  
3 my thoughts with you in support of this merger.  
4 Thank you.

5 GARY MAYES: Thank you, Larry. Next we  
6 have Michael Hance.

7 MICHAEL HANCE: Hello, and thank you for  
8 giving me the opportunity to comment this evening.  
9 I'm Michael Hance. I'm the senior vice president  
10 and general counsel at Forward Air Corporation.  
11 Forward Air is a transportation and logistics  
12 company based in Greeneville, Tennessee.

13 I'm here not only as a resident of our  
14 community, but most importantly because of a very  
15 personal interest in access to children's health  
16 services. My son, Henry, was diagnosed with a  
17 type of kidney cancer called Wilms tumor when he  
18 was six months old.

19 From age six months until he was four  
20 years of age, Henry was in therapy which included  
21 surgeries, chemotherapy, and radiation. And I'm  
22 thrilled to report to you today that Henry is 10  
23 years old, cancer-free, and for the most part  
24 lives without any sort of negative side-effects  
25 from that.

1           It's an incredible understatement to say  
2           that we, his mother and I, are grateful for this  
3           outcome. We were fortunate.

4           During his sickness, much of Henry's  
5           treatment was administered locally through Saint  
6           Jude and Niswonger Children's Hospital. We know  
7           how important it is to have excellent resources  
8           for children locally. It made a huge difference  
9           in our lives.

10          However, during Henry's four years of  
11          on-again off-again therapy, we became aware of  
12          other families who had to leave our region to get  
13          access to health care their children needed.

14          In rural communities across our country,  
15          and unfortunately right here in our region, many  
16          families have experienced challenges in accessing  
17          quality health care services for children.

18          This issue is so important to our family  
19          that my wife and son have actually been involved  
20          in an effort to lobby Congress to pass legislation  
21          that provides funding for children's hospitals.

22          We know the importance of children  
23          having access to quality health care, and this is  
24          a tremendous factor in my following closely the  
25          proposed merger of Wellmont and Mountain States.

1           As you consider measurements to include  
2           as part of the Health Index, I want to emphasize  
3           the importance of expanded health care services  
4           designed to meet the needs of our region's  
5           children.

6           The proposed new health system's plan  
7           includes enforceable commitments to recruit and  
8           retain new pediatric subspecialists through the  
9           Niswonger Children's Hospital as well as a plan to  
10          develop pediatric specialty centers in emergency  
11          rooms in Kingsport and Bristol.

12          Any metrics adopted to evaluate the  
13          system's progress should determine whether these  
14          commitments have been satisfied. I'm convinced  
15          that the proposed merger, along with the ongoing  
16          oversight by the state, will provide a local  
17          solution for health care that will make lives  
18          better.

19          An integrated system will generate  
20          significant financial investment into the region,  
21          expanding numerous community-based resources  
22          specifically focused on children's health and  
23          ensure that families have access to affordable  
24          local care. This is essential for parents and  
25          families in our community.

1           In summary, I believe the proposed  
2 merger provides a responsible solution to ensure  
3 that access to the very best health care is  
4 expanded for families and particularly for  
5 children in the northeast Tennessee region.

6           I thank you for your service and thank  
7 you for an opportunity to comment this evening.

8           GARY MAYES: Thank you, Michael. Thank  
9 you for sharing that story with the community very  
10 much. Mayor Eldridge?

11           DANNY ELDRIDGE: My name is Danny  
12 Eldridge. I'm the Washington County Mayor, and I  
13 appreciate the opportunity to be in front of you  
14 tonight. It's almost ironic, I was in a meeting  
15 with Randy Boyd, the Commissioner of Economic and  
16 Community Development in the State of Tennessee  
17 earlier today.

18           And in that meeting, he made a specific  
19 comment regarding population health and the  
20 challenge that that has become, not only in  
21 Tennessee but specifically in our region, the  
22 challenge has become to attracting investment and  
23 creating jobs.

24           This was not news to me, unfortunately.  
25 More than two years ago, the mayors of the eight

1 counties of northeast Tennessee, in a meeting with  
2 our development district, we identified specific  
3 population health challenges as being significant  
4 detriments, impediments, if you will, to  
5 accomplishing some of the economic objectives that  
6 we have in our area.

7 And quite frankly, out of that meeting  
8 came a series of actions to begin to meaningfully  
9 address some of these challenges. And I'm happy  
10 to report today that our College of Applied Health  
11 at the university, or East Tennessee State  
12 University, has actively engaged with us to help  
13 along these lines as has Mountain States Health  
14 Alliance.

15 What's interesting is all of this is  
16 very consistent with concerns expressed by the  
17 Washington County Commission several months ago  
18 when they chose to weigh in on the discussion  
19 regarding this proposed merger.

20 They specifically addressed, you know,  
21 the concern that our population health issues be  
22 addressed in a very meaningful way and the concern  
23 that the potential for control of these health  
24 systems to leave the area could impact the  
25 effectiveness of that.

1           So I'm very pleased, looking at the  
2 merger plan, to see the 75 million dollars that's  
3 been proposed to be spent on population health  
4 measures. I think that specifically addresses a  
5 matter of impacting our effectiveness in economic  
6 development across the region.

7           Another issue that we specifically have  
8 addressed again through Washington County  
9 Commission was the concern about access. I think  
10 that we're all very aware of the access, the  
11 various services, specialties, subspecialties that  
12 we have access to in this region.

13           We did express concern in the resolution  
14 to the two health systems that, you know, the  
15 potential again for control to leave the market  
16 left us vulnerable to losing access to some of  
17 these specialized services.

18           And quite frankly for me personally, I  
19 would feel the impact of that because of the  
20 condition that I have to have attention to as  
21 recently as this past week. And I'm fortunate,  
22 I'm very fortunate that I have access to a  
23 specialist in Johnson City.

24           Unfortunately, as he told me this week,  
25 when it is time for treatment, I will be able to

1 have the procedure in Johnson City that quite  
2 frankly otherwise I would be going to a much  
3 larger market to be treated for. So, you know,  
4 having the access to not just the quality but the  
5 extent of the services that is today enjoyed by a  
6 population is very meaningful.

7 I know that again, as it relates to  
8 recruiting business to this community, having the  
9 quality of health care, the access to health care  
10 is very meaningful to those businesses. You know,  
11 they're looking at the opportunity to provide for  
12 their employees, their employees' families, and I  
13 think that we can't -- we certainly can't  
14 overstate the importance of this.

15 So I believe that what has been proposed  
16 with this merger is going to accomplish a lot for  
17 our region, not only from the standpoint of the  
18 health care but from the perspective of allowing  
19 us to further our economic investment efforts.

20 And I fully, fully support what has been  
21 proposed here, and I appreciate the opportunity to  
22 speak with you this evening. Thank you.

23 GARY MAYES: Thank you, Mayor Eldridge.  
24 Next we have Candy Craig.

25 CANDY CRAIG: Good evening. Thank you

1 all so much for the time that you all are  
2 investing in this process. I'm here tonight.

3 I have provided community development  
4 over the last 20 years in various communities  
5 throughout east Tennessee, and I am blessed that  
6 in my position now I still get to do community  
7 development.

8 I do take a different approach. I think  
9 everything that has been said here tonight, from  
10 physicians to different community leaders, are  
11 right on point. I'm very much for the blending of  
12 these two health care organizations.

13 I don't think it's a merger. I really  
14 think it's a blending of families. I think it's a  
15 blending of our communities, the jobs that are  
16 going to be saved. We're not sending our health  
17 care out to someone that lives in a different  
18 state to make decisions for us right here at home.

19 I get the opportunity to travel and meet  
20 with people that are financially in distress. And  
21 in doing that, health care is always a big  
22 component because health care is one of those  
23 things if they have a health emergency.

24 Most of us sitting in this room have  
25 wonderful health insurance. We have access to

1           quality health care.

2                   I really do believe that the blending of  
3 these two health care organizations will  
4 strengthen our community. It's going to give  
5 better health care to rural areas of southwest  
6 Virginia and to east Tennessee and to those  
7 communities that deserve to have the same health  
8 care as we would receive in Johnson City or in  
9 Kingsport, that they can do that.

10                   I do live here in Carter County. I do  
11 serve on the board of Sycamore Shoals Foundation  
12 Board and believe that if you're part of that  
13 community, you should work very hard to give back  
14 because those foundations and those dollars going  
15 back into those communities help those individuals  
16 that can't help themselves.

17                   So in saying that, I think it is a  
18 wonderful opportunity. And I've looked at the  
19 board all night, and the one thing that sticks out  
20 on that board is people, people in this region,  
21 and how this is really truly going to impact the  
22 people that serve and live and work and worship in  
23 this region.

24                   And I really do believe that we can  
25 provide better education. As you know, we have

1 diabetes, heart disease. I think that that starts  
2 at a very young age. You change the habits.

3 And I think in doing that, by blending  
4 these two organizations, we can better educate our  
5 communities, our individuals, our young adults.  
6 We can better education those families to have  
7 better health practices, so it does lower health  
8 care costs for all of us.

9 I do look again back at people, and I  
10 look at those children. I look at those things  
11 that when you work with an individual, worked with  
12 one today. She had \$1200 in her bank account each  
13 month from Social Security.

14 She worked every day of her life at a  
15 local place, grew up here, lived here her entire  
16 life. She was born in 1954, and all she has to  
17 live on is \$1200.

18 She has no health care. She pays \$100 a  
19 month on her health care bills and her  
20 out-of-pocket expenses, and she pays \$120 for her  
21 prescriptions. But she says every time I step  
22 into that hospital, they treat me like I'm a  
23 queen.

24 And as I've been thinking about what to  
25 say and how to address, as a community leader and

1 someone that works here, someone that's lived here  
2 their entire life, she actually made everything  
3 come true to me. She's treated like a queen when  
4 she walks into that facility.

5 So looking at the people in this region,  
6 that's what we need to be thinking about. Thank  
7 you.

8 GARY MAYES: Okay. Thank you very much.  
9 I'm sorry, I can't make out the writing on this  
10 one. My old eyes are failing me. It looks like  
11 Michelle or Shell from Milligan? I apologize.  
12 Forgive me. State your name, if you could. Thank  
13 you.

14 CHANDREA SHELL: Hello. I'm Chandraea  
15 Shell, and I serve as Director of Public Relations  
16 and Marketing at Milligan College. I'm a lifelong  
17 resident of Carter County and a past president for  
18 the Elizabethton/Carter County Chamber of  
19 Commerce.

20 I truly believe that we live in one of  
21 the most blessed areas of this county or of this  
22 country. And with that said, we also have a lot  
23 of health concerns in this area, a lot of growing  
24 health concerns.

25 Milligan has enjoyed a long relationship

1 with Wellmont and Mountain States. We appreciate  
2 the many learning opportunities that have been  
3 afforded to our students, especially to our  
4 well-respected programs in nursing, occupational  
5 therapy, clinical counseling, and in fall of 2017  
6 we will launch a physician's assistant program to  
7 help meet the growing health care demands in our  
8 country.

9 We support a health care system designed  
10 for our region and controlled by our region that  
11 is adequately prepared to meet our needs and that  
12 of an aging population, a system that will develop  
13 and grow academic and research opportunities,  
14 support post-graduate health care training and  
15 strengthen the preparation of health care  
16 professionals in our region.

17 In addition, Milligan's faculty, staff,  
18 and 1200-plus students utilize these local health  
19 care resources, and around 30 percent of our  
20 alumni choose to live and work in this area, many  
21 of whom come from outside the area to college here  
22 and choose to stay here.

23 We deserve a sustainable health care  
24 system that is efficient, accessible, and cutting  
25 edge. We also are in desperate need of a system

1 that's proactive in addressing regional health  
2 care concerns, and most importantly, to promote  
3 wellness.

4 We believe that we are truly better  
5 together, and we support the merger of Mountain  
6 States and Wellmont. We also thank you for the  
7 time that you invest in this process.

8 Because, like Candy had said, it is  
9 about the people of our region. It's about those  
10 who live here, who work here, who are educated  
11 here, who choose to raise their families here, and  
12 we deserve access to the most, you know, to the  
13 best health care imaginable.

14 And I really truly believe that we are  
15 blessed by what we have available here, and I  
16 think it is important to look to the future and to  
17 the viability, the sustainability of our health  
18 care resource.

19 Thank you.

20 GARY MAYES: Thank you, Ms. Shell. Next  
21 we have Cal Wilson.

22 CAL WILSON: Thank you, folks, for  
23 allowing me to come and speak, and I'm one of  
24 those students that came here a long time ago. 50  
25 years ago, I moved here to become a college

1 student at Milligan College.

2 Ended up getting a degree, staying in  
3 the area, and serving in the financial services  
4 industry for the last 39 years. So I've enjoyed  
5 east Tennessee, and I just love this area, and I  
6 continue to see the opportunities around it.

7 As a long-term resident in east  
8 Tennessee, I'm keenly aware of many challenges  
9 that are facing our region, both now and in the  
10 next few years.

11 Our area is blessed with many committed,  
12 hard-working families that hope to see their  
13 children and their grandchildren receive great  
14 education and find a good job right here in our  
15 region. I smile because I've got 10 grandkids.

16 Access to high-quality health care is an  
17 important part of ensuring this possibility. When  
18 companies consider whether to locate or expand  
19 existing facilities and operations in our  
20 community, they want to know their employees will  
21 have convenient access to high-quality care.

22 Access to that high-quality care is an  
23 important factor in many companies' decision  
24 whether to invest in our area. And it's my  
25 opinion that the proposed Wellmont and Mountain

1 States development proposal we have, that the COPA  
2 will make our area more attractive for business  
3 for several reasons.

4 The first of those is that Wellmont and  
5 Mountain States enforce full commitments. These  
6 items that they have detailed, if they are able to  
7 merge, will only help companies from outside to  
8 consider our area more likely.

9 It's unlikely these outside companies  
10 will make commitments to protect our smaller  
11 communities and our hospitals, which often do not  
12 create the profit needed to justify keeping  
13 smaller hospitals open and need a health care  
14 service available.

15 Only the proposed merger will generate  
16 the savings needed to invest in keeping these  
17 services in our area.

18 Secondly, the commitments Wellmont and  
19 Mountain States have made as part of the proposed  
20 merger, it represents nearly a half-million  
21 dollars in economic stimulus for our region.

22 These investments will impact many  
23 aspects of our community, including expanded  
24 access to health-related education at ETSU, which  
25 has been mentioned, and Milligan, growing research

1 opportunities, the ability to bring specialty  
2 services to our area that our residents currently  
3 must drive hours to receive, and the ability to  
4 strengthen the network of community services and  
5 nonprofits that serve our area.

6 And thirdly, the proposed merger is the  
7 only option that offers the level of protection  
8 and oversight that will be provided through the  
9 Certificate of Public Advantage.

10 As a part of the process to obtain the  
11 COPA, these systems have demonstrated their  
12 commitment to transparency, their commitment to  
13 preserving jobs and needed services, and their  
14 commitment to ongoing oversight, which will ensure  
15 promises made as a part of their applications are  
16 kept.

17 Throughout the process, both Wellmont  
18 and Mountain States have gone out of their way to  
19 engage the region in this process, and I applaud  
20 their efforts to bring every community into this  
21 discussion through the community health work  
22 group's initiative.

23 And in closing, thank you for the work  
24 that you're doing to recommend the framework to  
25 assess the public advantage under the merger. And

1 this work will help us to ensure our region has  
2 access to the health care services we need for  
3 generations to come.

4 And please accept my thanks for all of  
5 your efforts. Thank you for your time.

6 GARY MAYES: Thank you, Cal. Next we  
7 have Bob Feagins.

8 BOB FEAGINS: Good evening. Thank you  
9 for the opportunity to address this community  
10 listening session. I'm Bob Feagins. I'm a native  
11 of Kingsport, was born in Holston Valley a few  
12 years ago.

13 And just a year half ago, my wife Laurel  
14 and I were fortunate to have our son Higgs, who  
15 was born at Holston Valley. And due to some labor  
16 issues, Higgs was -- spent some time in the NICU,  
17 the neonatal intensive care unit.

18 Also due to some delivery complications,  
19 my wife spent a week in the intensive care unit,  
20 the ICU, and I can tell you both are doing well  
21 now. We're so blessed with that.

22 But their care was beyond exceptional.  
23 And this merger, the great thing about this merger  
24 is that the care, that care will be even greater.

25 I serve as the Executive Director of

1           Communications and Development for your Kingsport  
2           Chamber of Commerce, and I'm here tonight to relay  
3           your Kingsport Chamber support of the proposed  
4           merger between Wellmont Health System and Mountain  
5           States Health Alliance.

6                        We believe a fully integrated, and more  
7           importantly, a locally governed health system that  
8           unites the immense medical talents and expertise  
9           of these outstanding health care systems will  
10          provide even greater medical care that is more  
11          affordable, of even high quality, and more  
12          patient-focused.

13                      We are very optimistic this merger will  
14          be enormously beneficial to the business community  
15          and residents of our community region. It is very  
16          reassuring to know that the new system will be  
17          locally managed by committed and caring leaders  
18          who live and work here in our region, are friends  
19          and neighbors who have a sincere and committed  
20          interest in the welfare and well-being of their  
21          home community.

22                      From a community and business  
23          perspective, having a locally managed unified  
24          health system, where all decisions are made here,  
25          is a very critical point. These leaders of this

1 new entity live here. They work here. Their  
2 families are here, and indeed, their futures are  
3 here.

4 From someone who deals directly with  
5 businesses on a daily basis, I can assure you that  
6 those companies whose leaders have their careers,  
7 their homes, and their very livelihoods here,  
8 those businesses have a more substantial and  
9 substantive impact on this community as compared  
10 to those whose decisions must be made on an  
11 anonymous corporate level from headquarters in  
12 another part of the country.

13 Most critically though, this merger will  
14 be extremely beneficial to the health of the  
15 people of northeast Tennessee and southwest  
16 Virginia by increasing access to health care,  
17 enhancing quality of services, and controlling the  
18 pace of cost growth.

19 Last year, the City of Kingsport, along  
20 with both health care systems and many community  
21 and corporate partners, including Eastman and your  
22 Kingsport Chamber, launched Healthy Kingsport, one  
23 of the largest and most important community  
24 endeavors we have ever undertaken.

25 Perry Stuckey and Eastman, thank you for

1 your leadership. You all were huge supporters in  
2 launching that effort.

3 This bold initiative seeks to improve  
4 our community's health, and having a unified  
5 health care system will make these necessary  
6 efforts even stronger as we, indeed, must work  
7 together to tackle a number of health care  
8 challenges in the region and to navigate an  
9 increasingly difficult health care landscape.

10 The future of health care in our area is  
11 essential not only for the lives of our residents  
12 but for the economic growth of our region. We  
13 want to attract the top doctors and nurses and  
14 other health care personnel.

15 We want businesses to be attracted to  
16 our communities and to invest in our economy, and  
17 the strength of our health care services will be  
18 part of their evaluation where they're deciding to  
19 move and relocate.

20 When we at the Kingsport Chamber are  
21 working to recruit businesses and families here,  
22 the two questions without failure that we are  
23 often always asked about are about our schools and  
24 about our health care. Having this combined  
25 health care system means jobs, and it enhances our

1 region's economic prosperity.

2 Your Kingsport Chamber's Move to  
3 Kingsport Program has helped both systems recruit  
4 physician here. We are competing with other  
5 communities across the U.S. for the very best.

6 We want that first-class medical talent  
7 here in our region, and having a merged system  
8 would help us attract the best and brightest.

9 The plan these systems have put forth in  
10 their state application includes clear and  
11 forceful commitments, as well as practical  
12 suggestions as to how the state and community can  
13 assess the future of new systems progress.

14 The issuance of a Certificate of Public  
15 Advantage would allow these two trusted  
16 organizations to come together through ongoing  
17 oversight by the State of Tennessee for the  
18 public's advantage, and so we must, indeed, have a  
19 strong, successful system partnership, and your  
20 Kingsport Chamber has confidence in the  
21 organizations pursuing this proposed merger.

22 Finally, as someone who has spent nearly  
23 25 years in communications, I have been most  
24 impressed with these health care systems'  
25 commitment to the region and to the open methods

1 of communications they utilize when connecting  
2 with our community members. There has been a  
3 transparent, sustained effort to educate the  
4 public and to answer questions.

5 We greatly appreciate the tremendous  
6 amount of time, attention, and analysis that went  
7 into making this very critical decision, and we  
8 applaud Wellmont and Mountain States for their  
9 commitment to a transparent process.

10 We look forward to the next steps as we  
11 move forward in the process of bringing together  
12 these two important organizations. Thank you very  
13 much for your time.

14 GARY MAYES: Thank you, Bob. Thank you  
15 for sharing that story with a happy ending with  
16 the community. Next we have Lottie Ryans.

17 LOTTIE RYANS: Well, thank you for  
18 allowing input into this process. And it's very  
19 exciting to see the community benefits that will  
20 be derived by the merger of Mountain States and  
21 Wellmont, which I wholeheartedly support.

22 For those of you I don't know, and I do  
23 know most of the folks involved in this process,  
24 which is very reassuring to see these community  
25 leaders from around the region involved in this.

1           But for those that I don't know, my name  
2           is Lottie Ryans. I'm from Johnson City. I'm a  
3           recent retiree of CenturyLink Corporation, having  
4           served as Regional Market Vice President in this  
5           area for six years.

6           I understand the role that health care  
7           plays in the businesses' success and bottom line.  
8           The areas that will be invested in through this  
9           merger process, improving community health,  
10          expanding choice, and enhancing health care  
11          services, are critical areas of focus that first  
12          and foremost can provide the basis for a healthier  
13          region.

14          Additionally, this can mean cost  
15          containment, which is important to any business,  
16          especially those that are able to provide health  
17          care benefits as an option to employees.

18          Having served on the Washington County  
19          Economic Development Council and as chair of the  
20          Johnson City Chamber, I'm aware of the factors  
21          companies consider as they look where they're  
22          going to do business.

23          One consideration is the cost of health  
24          care. To provide competitive benefits, the cost  
25          of health care in the area is part of their

1 analysis. In addition to the cost, the  
2 availability is critically important.

3 I believe the combined system, with  
4 regional control, will allow for continued  
5 availability and expansion of service offerings.  
6 Achieving the goals of Better Together can be a  
7 tremendous catalyst to support businesses and  
8 economic development in the region.

9 I've also served on the Johnson City  
10 Board of Education for 12 years. I know firsthand  
11 the importance of health issues on our students  
12 and families and our education system as a whole.

13 As an example, and as you've heard  
14 tonight, partners in the region are trying to deal  
15 with our region's prescription drug abuse  
16 epidemic. Families in crisis because of drug  
17 abuse have a direct impact on our students, those  
18 immediately in crisis, but also other students in  
19 the classroom.

20 Our region's children need an equal  
21 opportunity to be successful. Work that can be  
22 done with the focus on improved community health  
23 can be life changing.

24 In Johnson City schools, we have a very  
25 successful partnership with Frontier Health, with

1 the police department, and the judicial system.  
2 We're able to have Frontier Health counselors on  
3 site at each of our schools.

4 My hope is that with the goal of  
5 enhanced health care services, all school systems  
6 in our region can have a similar model deployed,  
7 and Johnson City's model can be sustained with  
8 funding and partnership with the new hospital  
9 system.

10 Another exciting area of focus is  
11 expanding health research and graduate medical  
12 education. Anyone in my generation who is a  
13 native of our region knows the impact having a  
14 medical school and a pharmacy school has had in  
15 attracting top specialists to the area who like  
16 the opportunity to combine teaching future doctors  
17 with practicing medicine.

18 Additionally, the economic impact of  
19 having those schools has been tremendous. Imagine  
20 the possibilities of having the hospital system,  
21 ETSU, Quillen, and Gatton Pharmacy School aligned,  
22 joining forces in solving the region's and  
23 nation's health care issues in a concerted way via  
24 offering more research opportunities.

25 We want to be the destination of choice

1 for the brightest minds entering the fields of  
2 education and medicine. If you think about what a  
3 regional focus has meant to Nashville with  
4 Vanderbilt and with Duke in the research triangle  
5 area of North Carolina, we have the opportunity to  
6 do the same for this region.

7 I'm equally excited about the goal of  
8 attracting and retaining a strong work force. The  
9 alignment of research and the graduate medical  
10 education is a strong recruitment position for  
11 hospitals to be in.

12 If we are able to see alignment of  
13 salary and benefits for the good of the system and  
14 no longer be competing within the region, then we  
15 are in a stronger position.

16 Additionally, seeing capital investments  
17 focused on buying the best equipment available for  
18 one system versus two, then the opportunity to be  
19 leading edge is enhanced. I believe medical  
20 professionals and researchers want the opportunity  
21 to work with the latest equipment and alongside  
22 the best and brightest of colleagues.

23 This is a rare opportunity to be able to  
24 combine two incredibly strong, viable regional  
25 organizations into one. More often you see

1 someone outside the region coming to take over a  
2 local organization.

3 I am thrilled that this merger process  
4 is moving forward and appreciate the work and time  
5 each of you are investing to ensure the public is  
6 heard. I believe the commitments and investments  
7 made by Mountain States and Wellmont to be  
8 thoughtful and tremendously impactful. Thank you.

9 GARY MAYES: All right. Thank you, Ms.  
10 Ryans. Jeff, is there another list? I want to  
11 make sure that we've got everything.

12 JEFF OCKERMAN: That is all. No more.

13 GARY MAYES: All right. Thank you.  
14 That concludes the list of folks who have signed  
15 up, and I want to thank you for your gracious and  
16 professional and thoughtful comments to the  
17 committee. More importantly, it's good feedback.

18 It is important for the commissioner, as  
19 the people saw last week, that we have a  
20 transparent process. And so, indeed, that is I  
21 believe what the committee's wishes are as well.

22 So again, tonight's minutes  
23 transcription will be posted on-line, and so we  
24 are very thankful for your willingness to speak.

25 Also there is an opportunity for folks

1 to leave feedback in the box if you want to leave  
2 written comments, and you can also submit comments  
3 on-line through the Tennessee Department of Health  
4 website under Certificate of Public Advantage. I  
5 believe you can find it there.

6 So our next meeting is next week,  
7 Tuesday night, at 5:30, at Northeast State Tech in  
8 the Fine Arts Auditorium, I believe is the name  
9 that eludes me. I apologize.

10 And so we've had a great night. I  
11 especially want to thank the Advisory Group for  
12 being here and making the drive over, and your  
13 attention was to be admirable, so thank you very  
14 much.

15 I also want to recognize Rebekah  
16 English for hosting this nice facility. Thanks  
17 for the technology and very, very nice. Jeff and  
18 Allison, great job for making this flow very  
19 smooth. Good job. Thank you very much.

20 So that concludes this public meeting.  
21 And again, thank you, and I hope you have a safe  
22 travel home. Good night.

23 THEREUPON, the meeting was concluded at  
24 6:54 p.m.

25

REPORTER'S CERTIFICATION

STATE OF TENNESSEE )  
COUNTY OF SULLIVAN )

I, Terry L. Kozakevich, LCR #394, Licensed Court Reporter, Registered Professional Reporter, **(and notary public)**, in and for the State of Tennessee, do hereby certify that the above meeting was reported by me and that the foregoing 72 pages of the transcript is a true and accurate record to the best of my knowledge, skills, and ability.

I further certify that I am not related to nor an employee of counsel or any of the parties to the action, nor am I in any way financially interested in the outcome of this case.

I further certify that I am duly licensed by the Tennessee Board of Court Reporting as a Licensed Court Reporter as evidenced by the LCR number and expiration date following my name below.

**IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this 22nd day of March, 2016.**

\_\_\_\_\_  
Terry L. Kozakevich, LCR #394  
Registered Professional Reporter  
Expiration Date 9/30/2017  
**Notary Public Commission Expires 7/24/18**