

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

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 Chandrea
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

1 REPORTER'S CERTIFICATION

2
3 STATE OF TENNESSEE)
4 COUNTY OF SULLIVAN)

5 I, Terry L. Kozakevich, LCR #394, Licensed Court
6 Reporter, Registered Professional Reporter, **(and**
7 **notary public)**, in and for the State of Tennessee, do
8 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.

9
10 I further certify that I am not related to
11 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.

12
13 I further certify that I am duly licensed by
14 the Tennessee Board of Court Reporting as a Licensed
Court Reporter as evidenced by the LCR number and
expiration date following my name below.

15
16 **IN WITNESS WHEREOF, I have hereunto set my**
17 **hand and affixed my notarial seal this 22nd day of**
18 **March, 2016.**

19
20
21
22
23
24 _____
Terry L. Kozakevich, LCR #394
Registered Professional Reporter
Expiration Date 9/30/2017
25 **Notary Public Commission Expires 7/24/18**