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TENNESSEE ISSUES CERTIFICATE OF PUBLIC ADVANTAGE FOR WELLMONT, MOUNTAIN STATES TO BECOME BALLAD HEALTH

Merger Approved after Deliberate and Thorough Public Process

NASHVILLE, Tenn. – Tennessee Department of Health Commissioner John Dreyzehner, MD, MPH today announced the state is officially allowing a merger of Wellmont Health System and Mountain States Health Alliance by issuing a Certificate of Public Advantage or COPA to their parent company, Ballad Health.

"Clearly a great deal of work on the part of all involved has gone into this groundbreaking result. We can be proud of the thoughtful, deliberate, transparent and community-accountable process it has been, one I know we all look forward to continuing," Dreyzehner said. "Our job as the state was to determine whether a merger of the two systems could create a clear public benefit to the people of this wonderful and vibrant region, a responsibility we took and will continue to take very seriously as we enter this next exciting and important phase."

For the state to consider and act on the application for Mountain States and Wellmont to merge, the systems had to meet a statutory clear and convincing standard that a merger would create a public benefit to the residents of Northeast Tennessee that would outweigh any downsides of the creation of a monopoly of services.

To establish that public benefit, TDH worked with the applicants and the Attorney General's Office to create an index that outlines benchmarks linked to improving key health outcomes and maintaining access to and quality of health care in the region. The index includes recommendations from the COPA Index Advisory Group, which was made up of 16 people from the region and which held five listening sessions and subsequent working meetings in the spring of 2016.

The statute also requires TDH to actively supervise Ballad Health to ensure the continuation of the public benefit. A Terms of Certification document was also created as part of the COPA process and outlines the procedure for active supervision by the state of the new, merged entity. It can be found online at https://www.tn.gov/content/dam/tn/health/documents/Ballad Health - Terms of Certification Governing the COPA - September 18 2017 - approved by MSHA Board.pdf.

TDH held six public hearings during the process in Bristol, Johnson City, Kingsport, Blountville and Nashville to allow for public input. TDH also made it possible for Northeast Tennesseans to provide input and feedback online and posted updates and documents for public review throughout the process. Learn more about the COPA process at www.tn.gov/health/health-program-areas/health-planning/certificate-of-public-advantage.html.

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This news release can be accessed online at www.tn.gov/health/news.html.

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