

November 19, 2018

John J. Dreyzehner, MD, MPH, FACEOM
Commissioner
Tennessee Department of Health
710 James Robertson Parkway
Nashville, TN 37243

Re: Supplemental Information Related to Ballad Health's Request to Coordinate
Newborn Services

Dear Commissioner Dreyzehner,

Ballad Health ("Ballad") submitted information on November 12, 2018, regarding the organization's proposed plans to coordinate newborn care services across the region and consolidate Neonatal Intensive Care Unit ("NICU") services at Niswonger Children's Hospital. Please accept the additional information contained in this letter as further support for those plans.

Consistent with and better aligned with state law

A regionalized system of perinatal care is a directive of Tennessee law.¹ Specifically, the General Assembly requires the Tennessee Department of Health (the "Department") to establish a program to "assist pregnant women and their fetuses and newborn infants by developing a regionalized system of care, including highly specialized personnel, equipment and techniques, that will decrease the existing high mortality rate and the life-long disabilities that currently prevail in surviving newborn infants." The Department, in following this directive, established a policy to implement a statewide-system for regionalized Perinatal Care which was most recently updated in 2017.² This policy mirrors the longstanding recommendations from the American Academy of Pediatrics ("AAP") guidelines for regionalization of these intensive services.

The Department's policy identifies the specific criteria for the implementation of the high-risk neonatal service in Tennessee, including the specifications for pediatric subspecialty physician coverage. These guidelines also define levels of care and support structure needed. While Holston Valley Medical Center ("HVMC") is licensed for Level III nursery care, it does not currently

¹ See Tenn. Code Ann. § 68-1-802(b).

² See Tennessee Perinatal Care System Guidelines for Regionalization, Hospital Care Levels, Staffing and Facilities (2017).

provide all of the services optimal for a Level III designation. As was previously stated in our letter dated November 12th, Niswonger Children's Hospital demonstrates the provision of pediatric sub-specialty care with multiple pediatric physician specialists present, while the NICU at HVMC has significantly limited access to pediatric subspecialists. As a result of the limited pediatric physician presence at the facility or availability for consultative support, infants are transferred from the HVMC NICU when subspecialty consultation or immediate care is required. Over the last two calendar years, 18 NICU infants from HVMC were transferred to East Tennessee Children's Hospital in Knoxville, University of Virginia in Charlottesville, and Monroe Carroll Children's Hospital in Nashville. The majority of these infants were transferred for surgical intervention and intensive medical sub-specialty care not available at HVMC, but that is available at the Niswonger Children's Hospital. Only two of the eighteen infants who were transferred out of the Ballad Health service region had conditions that required services not available in our community. The transfer of NICU infants is a critical decision because of the length of time and the stress it places on infants in transport. One policy statement by the AAP³ goes so far as to articulate that "*even transfer between tertiary centers may increase the risk of mortality.*"

The regionalization of NICU services to concentrate high-risk and low-birth weight infants at facilities with larger volume NICUs has been reported in the literature to demonstrate improved quality outcomes and reduced mortality and morbidity.⁴ The AAP Committee on Fetus and Newborn Policy Statement for Levels of NICU Care (2004) cites research from California hospitals demonstrating reduced mortality of NICU infants when these infants were hospitalized in NICUs with an average daily census ("ADC") *greater than 15* as compared to lower volume NICUs.

The inpatient ADC of NICU infants at HVMC has declined since the NICU was opened, with the most recent year's daily census well below the 15 infants per day recommended by the literature. Specifically, for Fiscal Year 2016, the ADC at HVMC was 8 infants, Fiscal Year 2017 was 8 infants, Fiscal Year 2018 was 9 infants, and year to date in the current Fiscal Year 2019, the ADC is 7 infants. In comparing data from the same time frame at Niswonger Children's Hospital, the ADC for Fiscal Year 2016 was 31 infants, Fiscal Year 2017 was 29 infants and Fiscal Year 2018 was 27 patients. Current Fiscal Year to Date shows an average daily census of 29 infants. Because Niswonger Children's Hospital has 39 NICU bed spaces and an additional 17 beds for special care nursery, the number of beds is sufficient to handle the volume of both NICUs once consolidation is completed.

The low volumes at HVMC are a manifestation of a larger challenge in the region. Overall births in Ballad's service area and facilities are declining. From Fiscal Year 2014 through Fiscal Year 2018, births have declined 7 percent throughout the region. ***At HVMC, the births over the same period have declined 17.9 percent.*** The combined births between HVMC and IPMC in Kingsport have declined by more than 11 percent. Pediatric volume declines across northeast Tennessee and southwest Virginia are stark. The pediatric admission use rate declined by 11 percent

³ See "Policy Statement: Organizational Principles to Guide and Define the Child Health Care System and/or Improve the Health of All Children," American Academy of Pediatrics, 2004.

⁴ See *id.*; Bartels, et al., 2006; Kastenbergh, et al., 2015; Phibbs, et al., 2007; Profit et al., 2016.

between 2010-2017. At the same time, the overall pediatric population declined 6.7 percent between 2013-2018 and is projected to decline by another 3.1 percent between 2018-2023. As a result of these factors, the HVMC NICU admission volume declined 9.2 percent over the last 5 years.

Given that both Niswonger Children's Hospital and HVMC have experienced declines in the number of NICU patients, and that we are seeing a decline in overall pediatric volume and overall pediatric population numbers, it is critical that we realign the newborn care services to maintain the NICU volumes that are recommended. Further, the dilution of volume by continuing to operate two NICUs will likely impact our ability to sustain pediatric specialties at Niswonger Children's Hospital over time.

The 24 mile distance between HVMC and Niswonger Children's Hospital has been identified by some as a concern. We are sensitive to this concern, but we point out that Niswonger Children's Hospital has provided NICU care to infants across the larger 29-county service area of Ballad since the facility opened in 1992. Mothers and infants have regularly traveled this distance and farther to receive care at Niswonger Children's Hospital since many outlying delivery facilities, including Bristol Regional Medical Center, have relied upon the perinatal system, and do not have a NICU. While we acknowledge the geography of our region may be a challenge for some families, we are not aware of any evidence suggesting that this distance has affected the quality of care.

Over the past twenty-four months, there have been a total of 516 infants born at outlying facilities who were transferred to Niswonger Children's Hospital. Of those 516 infants, 185 lived in Virginia. The largest Virginia infant referral source is Washington County with 46 infants (a one hour drive), followed by Wise County with 35 infants (one hour, twenty minute drive). Additional remote Virginia transfer locations include 15 infant transfers from Lee County (one hour, 15 minute drive) and 10 infant transfers from Dickenson County (two hour drive). Despite being 30 minutes closer to HVMC, there were 15 infants sent to Niswonger Children's Hospital from Scott County, the Virginia county closest to Kingsport and HVMC. There were 38 transfers from Hawkins County, Tennessee, as well (one hour drive bypassing HVMC). And there were 103 babies which came from Sullivan County, Tennessee.

So, the policy of high risk newborns being treated at the region's perinatal center is neither new, nor harmful to these fragile children. In fact, of the transfers out of HVMC, only two were sent to Niswonger. Typically, the newborns were transferred from HVMC to distances as far as Nashville, Knoxville and Charlottesville, Virginia – distances much greater than the 24 minute distance to Niswonger Children's Hospital. We strongly believe a significant benefit of the merger between Mountain States Health Alliance and Wellmont is that these types of unnecessary transfers can be minimized, and our region can now be more aligned with state law and Department of Health policy.

Highest Standards of Quality

Achieving the highest standards in quality based on independent assessment of our services is important. This is why, in 2015, **Niswonger Children's Hospital received the Joint Commission's highest certification for Perinatal Care.** This certification came after a rigorous onsite review to assess compliance with certification standards for perinatal care. Because Niswonger Children's Hospital is one of only five state-designated perinatal centers in Tennessee, our board has created an expectation of achieving the highest standards for care for our region's high-risk newborns.

Our current model of providing newborn services is no longer sustainable. We must address this issue before the decline in births and population numbers begin to affect the outcomes of our newborn babies. We strongly believe that the approach we have set forth is consistent with the State's policy to have a single designated perinatal center in the region and is supported by academic research on best outcomes for newborns.

We appreciate the opportunity to provide this additional supplemental information, and stand ready to answer any questions you may have.

Sincerely,



Alan Levine
Chairman and Chief Executive Officer
Ballad Health

cc: M. Norman Oliver, MD, MA
Commissioner
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