



STATE OF TENNESSEE
DEPARTMENT OF HEALTH

JOHN J. DREYZEHNER, MD, MPH
COMMISSIONER

BILL HASLAM
GOVERNOR

December 13, 2018

VIA FEDEX AND EMAIL

Mr. Alan Levine
Chairman, CEO and President
Ballad Health
400 N. State of Franklin Road
Johnson City, TN 37604

RE: Ballad Health NICU Consolidation Proposal

Dear Mr. Levine:

The Department has reviewed your letters dated November 12, 2018, November 19, 2018 and December 6, 2018 on the captioned topic. Thank you for providing these. The Department will need additional information (described below) in order to process this request. The information provided to date is largely general in nature, without a sufficient level of detail or specificity. The Department may supplement the list below as it learns more about this proposal. Upon the Department's receipt of all information it deems necessary to process the request, the 90-day approval period will begin.

The Department requests detailed information on the following pertaining to the proposed NICU changes:

- How Ballad will manage high-risk pregnancies occurring in a non-NICU facility (for mother and child), for both pre- and post-delivery (continuum of care), particularly as it pertains to Holston Valley Medical Center (HVMC) were there to be a transition down to a Level I nursery¹;
- Estimated timeline for elements and completion of the proposed transitions, including expansion of telemedicine technology;
- Potential impact on deliveries at 32-35 weeks gestation, infants treated for neonatal abstinence syndrome, and other mother-infant diads who previously would have

¹ See 11/12 letter, page 4, last 3 bullets
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appropriately delivered and been treated at HVMC to include the number of affected families, travel distance, and length of stay;

- Plan for evaluating the impact of the proposed NICU merger to include regular ongoing evaluation of transfer metrics, health outcomes of mothers and infants delivering at each of Ballad's facilities, travel distance of affected families and ongoing patient, staff and community satisfaction and input;
- Rationale for not including actions in the NICU and Trauma Center proposals in any of the current drafts of the Health Services Plans that would be impacted by them if implemented;
- Management of infants born at >36 weeks gestation needing a higher level of care at the time of delivery but expected to stabilize in two to 24 hours;
- Estimated number of additional incoming transfers of infants and mothers to Niswonger Children's Hospital and assessment of Niswonger Children's Hospital facility and staff capacity, to include the numbers and sizes of patient care rooms;
- Identification and management of opportunities to transfer convalescing and maturing infants no longer needing specialist services to nurseries closer to home;
- Plan to minimize transportation barriers for families of NICU babies, particularly those with extended stays;
- Impact on Ballad staff (e.g., re-locations, layoffs, etc.) and existing contractual arrangements with providers;
- The monthly diversion numbers for HVMC 32-35 week gestation deliveries to Niswonger in the two fiscal years prior to the merger, and for the period after the merger through today;
- Clarification of changes in transfer protocols and other changes for newborns previously transferred to HVMC;
- The financial analysis for the project, including the monetary investment to be made (e.g., for telemedicine, patient transportation, other) and how the investment relates to the financial commitments under the Terms of Certification; and
- Consideration of alternative models of service delivery, such as transitioning the HVMC NICU to a Level II instead of Level I.

Please be advised that any implementation by Ballad of the proposed changes prior to receipt of the Department's formal approval will be considered a violation of the Terms of Certification.

Thank you again for the information provided to date. Please let us know if you need clarification of any of the above.

Sincerely,



John J. Dreyzehner, MD, MPH, FACOEM
Commissioner

JJD/tls

cc: Tim Belisle, General Counsel
Ballad Health

Claire C. Haltom
Baker Donelson PC

Tony Keck, Executive VP and Chief Population Health Officer
Ballad Health

Gary Miller, Interim COPA Compliance Officer
Ballad Health

Erik Bodin, Office of Licensure and Certification
Commonwealth of Virginia

Larry Fitzgerald
COPA Monitor

Janet M. Kleinfelter, Deputy Attorney General
State of Tennessee

Jeff Ockerman, Director, Division of Health Planning
Tennessee Department of Health