

**EMPLOYED PHYSICIAN WAIVER  
NEUROLOGY - JOHNSON CITY MEDICAL CENTER**

WHEREAS, the Tennessee Department of Health (“Department”), Ballad Health, a Tennessee nonprofit public benefit corporation (“Ballad”) and the common parent entity of Applicants for a Certificate of Public Advantage (“COPA”) Mountain State Health Alliance, a Tennessee nonprofit public benefit corporation (“Mountain States”), and Wellmont Health System, a Tennessee nonprofit public benefit corporation (“Wellmont”) entered into that certain Terms of Certification (“TOC”) dated January 31, 2018 governing the COPA; and

WHEREAS, capitalized terms not defined herein shall have the meaning set forth in the TOC;

WHEREAS, the Department approved the application of Mountain States and Wellmont for a COPA on September 19, 2017 (the “Approval Date”) and issued the COPA on January 31, 2018; and

WHEREAS, Section 5.05(e) of the TOC requires that “(n)o more than thirty-five (35%) of the physicians practicing in any specialty at any COPA Hospital that is not a Rural Hospital at any time may be “Employed Physicians” (the “355 limitation”);

WHEREAS, said Section 5.05(e) further states that the Department agrees to waive this requirement for specific specialties upon issuance of the COPA provided that (i) Ballad Mountain States, and Wellmont (the “COPA Parties”) jointly provide to the Department a list of each specialty in which the COPA Parties collectively exceeded the 35% limitation as of the Approval Date of the TOC, and (ii) there have been no additional hires in any such specialty since the Approval Date; and

WHEREAS, the COPA Parties provided to the Department the list of each specialty in which the COPA Parties collectively exceeded the 35% limitation as of the Approval Date and confirmed that they had no additional hires in these specialties since the Approval Date; and

WHEREAS, the list provided by the COPA Parties specifically identified the specialty of neurology, including neurosurgeons, and 2.0 FTE at Johnson City Medical Center (JCMC); and

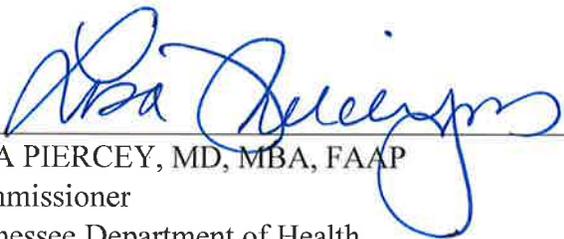
WHEREAS, on January 31, 2018, the Department executed and delivered a Waiver of the 35% limitation for each specialty identified by the COPA Parties, and the number of Employed Physicians for each such specialty (“Employed Physician Waiver”); and

WHEREAS, on October 14, 2019, Ballad sent the Department a written notification that one of the neurosurgeons providing coverage at JCMC has departed, that there is a need for certain neurosurgeons to be able to cross cover both JCMC and Holston Valley Medical Center (HVMC) with the ongoing provision of trauma services at both hospitals, that a neurosurgeon currently employed by Ballad and practicing full-time at HVMC is available and willing to provide

coverage for trauma and emergency cases at JCMC on an estimated 0.2 FTE basis, and requesting a continuation of the waiver of the 35% limitation for neurology at JCMC such that Ballard may provide cross-coverage by a neurosurgeon currently employed by Ballard and practicing full-time at HVMC; and

NOW, THEREFORE, after review of the Request and the information provided, pursuant to Sections 5.5(e) and 9.06 of the TOC, the Department hereby grants the request for a continuation of the waiver of the 35% limitation for neurology at JCMC. This waiver is based on the completeness and accuracy of all relevant information provided by Ballard to the Department, and the Department may revise or withdraw the waiver if it determines that Ballard failed to provide complete and accurate information.

ISSUED this 3<sup>rd</sup> day of December, 2019.

By:   
LISA PIERCEY, MD, MBA, FAAP  
Commissioner  
Tennessee Department of Health