

February 17, 2020

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[balladhealth.org](http://balladhealth.org)

The Honorable Lisa Piercey, MD, MBA, FAAP  
Commissioner  
Tennessee Department of Health  
710 James Robertson Parkway  
Nashville, TN 37243

Re: Reorganization of cardiovascular services in Greene County, and closer integration of Interventional Cardiology Services in Greene County to Ballad's highly ranked and best-practice cardiovascular network.

Dear Commissioner Piercey,

One of the benefits of the merger creating Ballad Health is the opportunity to create coordinated access for rural communities to integrated, high quality programs where such coordinated access was not consistently utilized as the standard of care. The medical evidence shows that reductions in variation and the provision of services in high volume centers of excellence lead to better patient outcomes. As we will provide in this letter, Ballad Health ("Ballad") is providing notice to the Department of its intention to reorganize cardiology services in Greene County to expand the service while integrating interventional services into our award-winning and nationally recognized regional cardiology program. Pursuant to the Terms of Certification, this change will require the support of the Department, and the specific requested items for approval are contained later in this letter.

#### **Background**

According to publicly available data, the two hospitals previously operating in Greene County experienced millions of dollars in operating losses in the years leading up to the merger, with viability of both hospitals being in question. In fact, according to an independent analysis by the *Tennessean*, both hospitals were at risk of closure.<sup>1</sup> Largely because of the impending insolvency of the hospitals it credited, in large part to the duplication of services, the Department of Health and Attorney General's office pre-approved in the TOC the consolidation of the two acute care hospitals operating in Greene County. Pursuant to that approval, in January, 2019, Ballad notified the Department that it intended to move forward with the consolidation of acute care services in Greene County into a single facility at GCH.

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<sup>1</sup> <https://www.tennessean.com/story/news/health/2019/05/16/tennessee-rural-hospitals-closing-medicaid-expansion-ballad-health/3245179002/>

To date, GCH has completed a significant amount of work to consolidate services, eliminate duplication, and expand new services into Greene County – notably, the announced repurposing of Greeneville Community Hospital West into a residential facility for women who are pregnant and who suffer from addiction or homelessness. Planning is underway with our regional partners for this needed new service not previously available.

### **The Case for Reconfiguration of Certain Services**

Despite our efforts, GCH continues to experience operating losses, and Ballad continues to subsidize those losses in order to sustain access in the community. This was part of the vision behind the creation of Ballad, and the subsidy of losses, if sustaining needed access, is something we are pleased to do. Where there is a better way to provide access, Ballad believes it is necessary to make such investment. In the case provided in this letter, Ballad is pleased to be able to expand an important clinical program through investment in technology, more consistent application of a regional and coordinated system of care, and through physician recruitment. Part of this exciting opportunity will require redirecting resources from a low volume program – a program where the evidence shows that reduced variation and higher volume will lead to consistent and positive outcomes for patients. This reconfiguration of resources will lead to:

- An expansion of access, as Ballad will recruit an additional cardiologist to serve the population of Greene County and the region served by the hospital in Greene County
- Capital investment into expanded access, as Ballad will expand the Cardiology office as necessary to add an additional cardiologist
- Capital investment in the hospital, resulting in a new C-Arm to support the vascular surgical program at GCH
- Capital investment dedicated to bringing advanced cardiac diagnostics not previously available to the community

These investments will expand access and demonstrate support for our excellent physicians and team members who deliver these important services.

The Cath Lab at GCH was opened in 2006 when Laughlin Memorial Hospital (“Laughlin”) was an independent entity. At the time, Laughlin was attempting to build a local service which was not part of a larger system of care. Cardiac interventions did not have surgical back-up, and the lab was very low volume. The addition of this lab led to additional fragmentation of cardiac services in the region. The data shows that, in fact, the addition of the lab had limited benefit.

The data shows:

- On average, there are only 44 procedures performed monthly in the lab, including vascular cases, diagnostic cardiac catheterization, and limited cardiac interventional cases.

- There are two other Ballad cardiac cath programs (HVMC and JCMC) within reasonable distance that consistently perform better than the national standard goal of door to balloon times of less than 90 minutes. Both programs perform a higher volume of diagnostic and interventional catheterization cases (JCMC Avg Monthly Cases = 593; HVMC Avg. Monthly Cases = 399 for July-Nov 2019) with door-to-balloon times of consistently less than 60 minutes, and in some cases, average times are near 40 minutes (data includes patients transferred into the facility from outlying communities). This reflects consistently high-quality care and exceeds national standards.
- In comparison, GCH has a very low volume of catheterization cases, only performing an average of 40 cases in same time period as above with a median time to PCI of 66 minutes for patients with STEMI. *Due to the limited hours of operation, most acute cardiac cases have routinely been stabilized and transferred to HVMC or JCMC for treatment.*
- A more consistent model would provide for standard work that accelerates the time to treatment for patients suffering cardiac events.
- There is evidence that GCH often experiences staffing challenges with local qualified cath lab RN's and Registered Cardiovascular Invasive Specialists ("RCIS") staff, thus further limiting capacity within the department. Cases are cancelled or rescheduled when staff take vacation or call in sick. Due to consistently low volumes, staffing and competency limitations may impede our confidence in the organization's ability to provide consistent services at the best possible standard.
- The existing Cath Lab equipment is more than twelve (12) years old and will require software and/or hardware upgrades or replacements soon. This costly investment would divert resources from other needed investments which would be more supportive of the demand for services. For instance, the investment into additional physician supply and capital equipment for the provision of cardiac and surgical services at GCH, including the most advanced diagnostic service emerging as a best practice – Coronary Computed Tomography Angiography – a service not currently available in Greene County, and which will benefit many more people.

Ballad Health proposes to establish, as standard work, the integration of the cardiology services in Greeneville with the same high-quality cardiology network already implemented throughout the region. Our cardiac network results in best-practice door-to-needle times in the nation. Patients will have access to several facilities with comprehensive invasive and interventional cardiology services within a reasonable distance of Greeneville, including Johnson City Medical Center and Holston Valley Medical Center. In addition, GCH will continue to provide routine cardiac care and stabilization in the emergency department for emergent cardiac cases.

The effectiveness of Ballad Health's regional STEMI network is demonstrable through the more than 8 years it has received national recognition. In fact, Ballad Health cardiovascular leaders have been tasked with statewide leadership in application of the Ballad discipline of care to the entire state. As we will articulate below, the effective networking of the care of

the most acutely ill with heart disease, such as STEMI, allows the responsible allocation of resources to communities for advanced diagnostic capabilities, like quantitative cardiac CTA (Coronary CTA), which will identify the severity of heart disease early, locally, and non-invasively, while referring the patients identified as higher risk for a cardiac event to tertiary care as needed and with more certainty.

Ballad proposes to recruit an additional cardiologist to serve the community and which will provide more consistent local access to services. Ballad will invest in any necessary expansion of the cardiology office to accommodate an additional cardiologist, and will also invest the capital required to perform vascular procedures within the Operating Room at GCH, including upgrading the C-Arm and Imaging Table. So that the existing cardiologist in the community may continue following his own patients who need elective catheterization services, privileges will be provided to him at HVMC or JCMC, or both, depending upon his preference, medical staff bylaws, and state approval as required in the TOC due to the 35 percent rule (the cardiologist in Greeneville is employed by a subsidiary of Ballad Health, and his option to follow his own patients at JCMC or HVMC would run afoul of the 35 percent rule since Ballad Health employs more than 35 percent of the practicing cardiologists at JCMC and HVMC).

In a move we are excited about, Ballad also intends to make Greeneville one of the first non-tertiary hospitals to provide Coronary Computerized Tomographic Angiography, also called Coronary CTA. CTA is a radiological test that combines the technology of a conventional CT scan with that of traditional angiography to create detailed images of the blood vessels in the body.

Evidence is showing that Coronary CTA, as a non-invasive procedure, is highly effective at consistently ruling out significant narrowing of the major coronary arteries and can noninvasively detect “soft plaque”, or fatty matter, in their walls that has not yet hardened but which may lead to future problems without lifestyle changes or medical treatment. By incorporating this technology into the range of options for local residents, the people served by GCH will have access to a more needed service at greater volumes which will be a high quality predictor of cardiac blockage which could be life-threatening. Utilizing appropriate patient selection efforts, primary care physicians in the region will have an effective tool for identifying risk before a cardiac event takes place. According to the Cleveland Clinic, the careful use of coronary CTA is appropriate for patients who have:

- Intermediate risk profiles for coronary artery disease with suspicious cardiac symptoms
- Unusual symptoms for coronary artery disease (such as chest pain unrelated to physical exertion) with low to intermediate risk profiles for coronary artery disease
- Unclear or non-conclusive stress-test results
- Those with suspected congenital abnormalities of coronary CTA

Coronary CTA is not a substitute for a diagnostic cardiac catheterization. Ballad’s approach

is to provide the best tools to identify those who are at risk through the use of this emerging technology, expanding the access to this diagnostic tool to primary care physicians who are monitoring their patients in partnership with local cardiologists, and referring those patients needing more interventional diagnostics to a center of excellence with the volumes and consistency to support the service (JCMC and HVMC). The evidence indicates the deployment of this technology will improve the health of the people served by GCH by better identifying those at risk where soft plaque has not yet developed into a life-threatening blockage.

With respect to the current employees working in the Cardiac Catheterization Lab at GCH, all RN staff members would be given the opportunity to remain employed with GCH or Ballad.

Section 4.03(c)(i) of the TOC permits Ballad to provide at least ninety (90) days prior notice of its action, and to seek Department consent to move forward. Ballad is hereby requesting the Department's consent to:

- Integrate the Interventional cardiac services at GCH with the system's high value and best practice existing cardiac network, and replacing the use of the low-volume Catheterization lab at GCH with the more consistent and higher volume coverage of the region's premier cardiac centers at HVMC and JCMC, where there is 24/7 hour access.
- Waive the "35 percent rule", allowing the cardiologist in Greeneville to follow patients as necessary in the event he wishes to perform diagnostic and interventional procedures at JCMC and HVMC, and follow patients as necessary in support of the cardiology program.

This transition will include new investment, such as:

- Upgrade of the C-Arm in the Operating Room at GCH to enhance vascular surgical services
- Upgrade the technology of the CT Scanner to enhance cardiac diagnostic screening using the emerging technology of Coronary CTA
- Invest in the recruitment of an additional cardiologist and any necessary capital investment to expand the office in Greeneville to accommodate an additional cardiologist

It is within the purview of the Department to waive the 90-day period, and Ballad would ask that the Department consider waiving the notice period and permit Ballad to move forward as of March 1, 2020.

In compliance with Section 3.08(d)(ii) of the TOC, Ballad has attached a Severance Policy hereto as Exhibit A, which would be applicable if any employee chooses not to remain with Ballad in another needed role. This would, of course, be employee choice.

We appreciate your consideration of this request. Please let us know if you need any additional information.

Sincerely,



Alan Levine  
Chairman & Chief Executive Officer  
Ballad Health

cc: Herbert H. Slatery III  
Tennessee Attorney General

Janet M. Kleinfelter  
Deputy Attorney General

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

Larry Fitzgerald  
Tennessee COPA Monitor

M. Norman Oliver, MD, MA, Commissioner  
Virginia Department of Health

Erik Bodin, Director, Office of Licensure and Certification  
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Tim Belisle  
EVP & General Counsel, Ballad Health

Karen Guske  
SVP Ballad Health, COPA Compliance Officer



<b>POLICY NUMBER: HR-200-070-BH</b>			
Folder:	Human Resources	Effective Date:	April 1, 2018
		Previous Version Date:	NEW
Sub Folder:	Human Resources / Policies	Last Reviewed/Revised:	March 30, 2018
<b>WORKFORCE OPTIMIZATION AND TEAM MEMBER SUPPORT – BALLAD HEALTH</b>			

**I. PURPOSE:**

Guidelines to assist Ballad Health team members whose employment is terminated as a result of a workforce reduction.

**II. SCOPE:**

All team members, Physicians, volunteers, students, independent contractors and vendors at the following facilities/entities:

Ballad Health Corporate

Tennessee: FWCH, HCH, HVMC, IPMC, JCCH, JCMC, LMH, SSH, UCMH, WPH, Bristol Regional Medical Center (BRMC), Hawkins County Memorial Hospital, Inc., Kingsport Day Surgery (a separate legal entity managed by Ballad Health), Madison House, Niswonger Children’s Hospital, New Leaf, Takoma Regional Hospital, Inc., Unicoi County Nursing Home, Wexford House

Virginia: DCH, JMH, LPH, MVRMC, NCH, RCMC, SCCH, Clearview Psychiatric Unit, Francis Marion Manor Health & Rehabilitation, Green Oak Behavioral Health (Geriatric Behavioral Health Inpatient Program – DCH), Norton Community Physicians Services (NCPS), Community Home Care (CHC), Abingdon Physician Partners (APP)

Blue Ridge Medical Management Corporation (BRMMC)

Bristol Surgery Center, LLC

Holston Valley Imaging Center

Home Health/Hospice

ISHN

Mountain States Pharmacy at Norton Community Hospital

Sleep Services

Wellmont Cardiology Services

Wellmont Medical Associates

Wilson Pharmacy, Inc.

WPS Providers, Inc.

**III. DEFINITIONS:**

- A. Workforce Reduction – a systemic reduction in workforce resulting from a restructuring or reorganization in which employment of team members may be terminated in accordance with this policy. The provisions of this policy do not apply in the case of terminations “for cause”.
- B. Displaced Team Member(s) – team member or members whose positions are eliminated, consolidated or reduced as a result of a workforce reduction and in accordance with this policy and who are not terminated “for cause”.

**IV. POLICY:**

- A. Ballard Health is committed to honoring those we serve by delivering the best possible care. Doing so cost-effectively requires an ongoing commitment to ensuring the optimal workforce based on a variety of factors, including patient demand for services, optimization of resources and ensuring the proper mix of team members for the services offered. The addition of team members is often necessary in order to fulfill the provision of services, while at times, it is also necessary to re-align the workforce to ensure efficiency and reduce unnecessary use of limited health care resources. Ballard Health is committed to treating all team members with respect and dignity and will provide support to displaced team members to help them transition to other employment opportunities whether internal or external to Ballard Health.

**V. PROCEDURE:**

- A. Ballard Health is committed to providing support for any team member whose employment is terminated as a result of a workforce reduction. This support includes severance pay based on several factors including, but not limited to, the team member’s current position within the organization as outlined in section D below.
  - 1. Ballard Health will also provide additional benefit eligibility and career outplacement services for any team member impacted as outlined in sections D and E below.
- B. Workforce reductions will be based on non-discriminatory factors and without intent to unlawfully discriminate.
  - 1. A less senior employee with demonstrated superior work performance or who possesses critical skills/experience essential to patient care, or to the success of his/her work unit, may be given favorable consideration.
  - 2. When a workforce reduction is necessary, work performance, disciplinary history, skills/experience, and system seniority may be reviewed to determine impacted staff.
  - 3. Seniority may be the determining factor when all other areas are equal, and then the least senior staff member will be the individual impacted.
  - 4. Team members whose positions have been eliminated and who decline reassignment opportunities to equivalently-paid positions may have their



employment terminated in accordance with state requirements, where applicable.

C. Recall:

1. When a workforce reduction occurs, it is not expected that eliminated positions will be reinstated in the future.
2. Former team members whose employment ends as a result of a workforce reduction have the opportunity to re-apply for any open position for which they are qualified and are encouraged to participate in career outplacement services as outlined in Section E below.
3. Former team members who apply and are re-hired within one hundred twenty (120) days of their separation date will have their original hire date restored.
4. Rehired team members will not continue to receive severance payments in addition to their regularly earned pay in their new positions.

D. Severance/Benefit Considerations:

1. Non-supervisory/non-exempt team members whose employment is terminated as a result of a workforce reduction will be provided with severance pay in lieu of notice as follows:
  - a. Up to five (5) years' of service, three (3) weeks' base pay equivalent to the regularly scheduled hours of the team member.
  - b. An additional one (1) days' base pay equivalent to the regularly scheduled hours of the team member for each additional one (1) year of service.
2. First line Supervisors, Managers, and exempt team members:
  - a. Up to five (5) years of service, four (4) weeks' base pay equivalent to the regularly scheduled hours of the team member.
  - b. An additional one (1) days' base pay equivalent to the regularly scheduled hours of the team member for each additional one (1) year of service.
3. Directors:
  - a. Up to five (5) years of service, eight (8) weeks' base pay equivalent to the regularly scheduled hours of the team member.
  - b. An additional one (1) days' base pay equivalent to the regularly scheduled hours of the team member for each one (1) year of service.
4. Paid Time Off (PTO) and Major Medical Leave (MML) accrual will cease as of the last active day of work. All accrued PTO will be paid at the end of the severance period.
5. Team members in positions which are classified as PRN or in positions which are not regularly scheduled for work each pay period are not eligible for severance pay or benefits.

6. Regularly-scheduled, part-time employees without benefits are eligible for one (1) days' base pay equivalent to the regularly scheduled hours of the team member for each one (1) year of service to a maximum of two (2) weeks severance pay in lieu of notice.
  7. Continuation of Team Member Benefit Coverage:
    - a. Medical, Pharmacy, Dental, Vision, and Employee Assistance Program (EAP) coverage in effect on the day of the workforce reduction will continue for the duration of the severance period provided the team member continues to make bi-weekly premium payments at the active employee rates.
    - b. Following the severance period, the team member may elect to continue Medical, Pharmacy, Dental, Vision and EAP benefits for the COBRA eligibility period at COBRA premium rates.
    - c. All other benefits cease during the severance period unless the team member converts to self-payment.
- E. Career Outplacement Assistance:
1. Team members whose employment ends as a result of a workforce reduction ("Displaced team members") are eligible and encouraged to receive free career outplacement services for up to one year as provided by Ballad Health's department of Human Resources/Organizational Development.
  2. Displaced team members registering for outplacement services may participate in employment assessments, resume preparation assistance, interview skills training, and receive personalized training on how to access and apply for vacant positions on various external local, regional, and national websites and job boards. Additionally, former team members will be introduced to a variety of community resources available to assist them in their transition.
  3. Displaced team members participating in outplacement assistance will be fully oriented to the Ballad Health careers website and provided extensive information regarding currently vacant positions at Ballad Health as well as job openings available at other employers. Job descriptions and job requirements will be reviewed and participants assisted in applying for positions for which they are qualified.
- F. Any exceptions to this policy must be approved by the President/CEO of Ballad Health.



Executive Chair/President, Chief Executive Officer  
Ballad Health

3-30-18

Date