

STATE OF TENNESSEE

Office of the Attorney General



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July 22, 2020

**BY EMAIL TRANSMISSION AND U.S. MAIL**

Alan Levine  
Chairman & CEO  
Ballad Health  
303 Med Tech Parkway  
Johnson City, TN 37604

Re: Suspension of TOC Provision in Response to Request

Dear Mr. Levine:

We are in receipt of your letter requesting a temporary suspension of the provisions of the Section 4.03(a)(ii) which requires Ballad, during the first five fiscal years, to “maintain in operation as Hospitals all COPA Hospitals in operation at the Approval Date, each of which shall maintain the services existing at such COPA Hospital as of the approval date.” The geographic service area (GSA) served by Ballad and covered under the COPA has seen a recent surge in positive COVID-19 cases and a corresponding increase of COVID-19 patients at Ballad’s tertiary facilities. In order to ensure that the COVID-19 units at these facilities are adequately staffed, Ballad seeks to temporarily suspend inpatient services at Unicoi County Hospital, Hawkins County Memorial Hospital and Hancock County Hospital, effective as of today, in order to consolidate some services at these lower volume facilities and to shift staff to the COVID-19 units at the tertiary facilities.

Pursuant to Article Eight of the TOC, we have determined that Ballad’s request should be granted and that Ballad’s compliance with Section 4.03(a)(ii) of the TOC should be temporarily suspended to allow additional staffing in the COVID-19 units at Johnson City Medical Center, Holston Valley Medical Center and Bristol Regional Medical Center. This temporary suspension is effective as of July 16, 2020 and expires at the end of 45 days. Additionally, upon expiration of this temporary suspension Ballad should submit to the Department its plan for coordinating the reinstatement of inpatient services at Unicoi County Hospital, Hawkins County Memorial Hospital and Hancock County Hospital, including any plan of communication.

Finally, this temporary suspension does not in any way affect or otherwise constitute a waiver of Ballard's obligations and commitments under the TOC, including but not limited to, Ballard's aggregate spending commitments set forth in Section 3.01 of the TOC.

We are all aware of the unprecedented scope and impact that the COVID-Pandemic is having on our communities, and in particular health care providers and the delivery of health services and we recognize and appreciate the crucial role that Ballard has assumed and we look forward to continuing to work with Ballard through this challenge.

Sincerely,



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



HERBERT H. SLATTERY III  
Attorney General and Reporter

cc:

Tim Belisle  
EVP & General Counsel, Ballard Health

Karen Guske  
SVP Ballard Health, COPA Compliance Officer

The Honorable Norman Oliver  
State Health Commissioner  
Virginia Department of Health

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