



**Alan Levine**  
Chairman,  
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September 18, 2020

The Honorable Norman Oliver, MD, MA  
State Health Commissioner  
Virginia Department of Health  
109 Governor Street  
Richmond, VA 23219

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

Re: Request for modification to the Health Research and Graduate Medical Education Plan

Dear Commissioners Oliver and Piercey:

Pursuant to Section 3.06(c) of the Terms of Certification ("TOC") and Condition 4 of the Virginia Order and Letter Authorizing a Cooperative Agreement ("CA"), Ballad Health ("Ballad") proposes to modify the previously approved Health Research and Graduate Medical Education ("HR/GME") Plan. Currently, notwithstanding the merits of certain programmatic spending, or the benefits contributory to furthering health or access to services for low income individuals in our region, spending by Ballad which is not specifically tied to a three-year plan is not credited toward the Ballad spending commitment. This presents obvious challenges as opportunities arise in the region for Ballad to support these initiatives which could not have been foreseen when the plans were drafted. The healthcare and community service marketplace is certainly fluid, and opportunities often arise which merit investment, and which help further larger goals of the States and Ballad – but which cannot be adequately or specifically planned for by Ballad over a three-year horizon, as Ballad does not have knowledge of many opportunities that will arise from within the communities beyond its own efforts in partnership with the community. There are many good ideas and thoughtful new initiatives which help achieve positive impact, but which also are not accommodated in the plans themselves. Consequently, it places Ballad in the position of having to restrict certain financial support for promising ideas simply because they are not in a plan. While these plans are important, they do not represent the full universe of opportunities to meet the goals important to all the parties.

Several examples have arisen, and one current such example is Ballad's desire to support a research program designed by Virginia Tech's Pamplin College of Business and the Appalachian School of Law to furnish legal services to Ballad low-income patients to assist those patients in addressing social determinants of health care. While certainly this spending could be attributed to several of the goals of the states and Ballad, the opportunity does not fit "squarely" within an existing plan (in other words, we believe the spending on this initiative furthers population health, rural health care, *and* research and academic goals, and an argument could be made for inclusion in any or all of the plans). The Terms of Certification and Letter Authorizing the Cooperative Agreement provide for Ballad to seek modification of the plans, should Ballad wish to do so. In this case, we are seeking a modification to the HR/GME plan, and we provide our reasoning herein.

Each state has an approved HR/GME Plan with four identical strategies or goals. Two of the primary strategies in the approved HR/GME Plan are for Ballad to (1) Support Health Research in the Region (Strategy 3 in the HR/GME Plan) and (2) to Support Education and Training in the region (Strategy 4 in

the HR/GME Plan). The attached addresses how this proposed project meets the Plan strategies and as such why the related spending should qualify as HR/GME Plan spend.

Ballad respectfully requests a prompt response to its request to modify the HR/GME Plan given the program is tied to the academic year and hence, prompt action is necessary for it to start, as hoped, in September. Separately, for visibility, pursuant to discussions with the monitors, Ballad is planning to propose an alternative process by which spending can be considered which may not be specifically foreseen within a plan, as we hope to determine if there is a more streamlined mechanism to be able to make these kind of decisions without requiring community organizations with worthy ideas to potentially wait for a protracted period for Ballad to modify the relevant plan and submit a modified plan for approval.

Please contact us if you have any questions regarding this matter.

Sincerely,



Alan Levine  
Chairman, President and Chief Executive Officer  
Ballad Health

**Attachment**

cc: Janet M. Kleinfelter  
Deputy Attorney General

Kevin Meyer  
COPA Analyst, Virginia Department of Health

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Tennessee Department of Health

Tim Belisle  
EVP & General Counsel, Ballad Health

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Karen Guske  
SVP Ballad Health, COPA Compliance Officer

Erik Bodin, Director, Office of Licensure and  
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