



**STATE OF TENNESSEE
DEPARTMENT OF HEALTH**
ANDREW JOHNSON TOWER, 5TH FLOOR
710 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243

BILL LEE
GOVERNOR

LISA PIERCEY, MD, MBA, FAAP
COMMISSIONER

September 29, 2020

BY EMAIL TRANSMISSION AND U.S. MAIL

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

Re: Extending Suspension of TOC Provision in Response to Request

Dear Mr. Levine:

We have received Ballad Health's request for an extension to suspend inpatient services at Unicoi County Hospital, Hawkins County Memorial and Hancock County Hospital and have made the determination to grant that request.

While the request for an extension came in two weeks late based on the timing of the initial suspension in July of the related provisions of the Terms of Certification (TOC) of the Certificate of Public Advantage (COPA), the Department is granting the request for 45 days from the date of letter, which will be through Oct 31.

Hospitals across the state have recently experienced a surge of COVID-19 patients which has strained resources across the board. Ballad's staffing challenges are consistent with a number of health systems throughout Tennessee. However, closing rural inpatient units, even temporarily, constitutes a significant and abrupt reduction in services for local residents and should be exercised sparingly and with significant caution.

For that reason, we do not intend to extend this suspension past Oct 31, except in extreme circumstances and with the exhaustion of all available state resources to alleviate COVID-19 staffing burdens, including hospital staffing assistance grants and use of COVID-specific care centers (CSCCs).

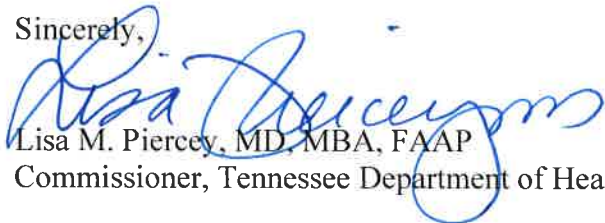
As part of the Department's granting of this extension, Ballad should submit a plan for the reinstatement of inpatient services at Unicoi County Hospital, Hawkins County Memorial Hospital and Hancock County Hospital, including any plan of communication. at least 14 days prior to termination of the extension on October 31.

Please note that this temporary suspension does not in any way affect or otherwise constitute a waiver of Ballad's obligations and commitments under the TOC, including but not limited to Ballad's aggregate spending commitments outlined in the TOC.

The COVID-19 pandemic is having an unprecedented impact on our communities, and in particular health care providers and the delivery of health services. We appreciate Ballad caring for COVID-19 patients while ensuring continued access to all patients in the entire service area.

I look forward to continuing to work with you during this challenging time.

Sincerely,



Lisa M. Piercey, MD, MBA, FAAP
Commissioner, Tennessee Department of Health

cc:

Tim Belisle
EVP & General Counsel, Ballad Health

Karen Guske
SVP Ballad Health, COPA Compliance Officer

The Honorable Norman Oliver
State Health Commissioner
Virginia Department of Health

Erik Bodin, Director, Officer of Licensure and Certification
Virginia Department of Health

Allyson Tysinger
Virginia Senior Assistant Attorney General

Dennis Barry
Southwest Virginia Health Authority

Kevin Meyer
COPA Analyst, Virginia Department of Health

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