

**EMPLOYED PHYSICIAN WAIVER  
CARDIOLOGIST – HOLSTON VALLEY 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 cardiovascular disease and 21.0 FTE at Holton Valley Medical Center (HVMC); 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 December 4, 2019, Ballad sent the Department a written notification thatthat Wellmont Cardiology Services (WCS) clinics in the Kingsport region have experienced a net loss of 3 FTE non-invasive cardiologists in the last five years, resulting in a backlog of up to 1,500 patients due for follow-up appointments and up to 4 weeks’ lead time for new patient appointments; that one individual, Dr. Michael Ponder, is currently credentialed at Norton

Community Hospital and Indian Path Community Hospital but is underutilized due to the low volume of cardiac inpatients and lack of access to a catheterization laboratory; and that Dr. Ponder has capacity for additional hospital responsibilities and that his patients would benefit from the full cardiac services offered at HVMC and, therefore, would like to transition his practice to WCS and obtain staff privileges at HVMC.

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 cardiovascular disease at HVMC. This waiver is based on the completeness and accuracy of all relevant information provided by Ballad to the Department, and the Department may revise or withdraw the waiver if it determines that Ballad failed to provide complete and accurate information.

ISSUED this 14<sup>th</sup> day of January, 2020.

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