



January 11, 2021

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

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

Re: Plan Extension Request

Dear Commissioner Piercey and Commissioner Oliver:

Ballad is required to submit replacement plans for the three year plans by July 1, 2021 under Section 3.06(b) of the Tennessee Terms of Certification (TOC) and Condition #4 of the Virginia Cooperative Agreement (CA). The 3/31/20 Tennessee letter and the 4/23/20 Virginia letter clarified that as a result of the temporary suspensions, Ballad would be required to submit updated plans upon timeframes TBD in Tennessee and within 90 days after the period of emergency declared in Executive Order 51 ended in Virginia. During the suspension period, the states requested that drafts of the three-year replacement plans be submitted by April 1, 2021 with final versions submitted by July 1, 2021 (which is consistent with the schedule for these plans to be submitted when not under a state of emergency and temporary suspension). We knew this would be an ambitious undertaking, but while the COVID case count in our region was at a manageable level, we believed this timeline was achievable.

The unanticipated duration of the state of emergency in both states, however, and the recent surge in cases in our region, casts doubt on the feasibility of submitting new three year plans on this timeline, as well as our current ability to plan for a post-pandemic normal. By the time emergency orders are lifted in either state, and reasonable recovery periods have passed, the spending requirements on all of these plans will have been suspended for at least one year. The suspension of spending for many activities in the plans, as well of the shift in focus of the staff from COPA/CA activities to pandemic response, has fundamentally changed progress towards these goals.

More importantly, we cannot anticipate the aftermath of the epidemic on the public's health at this time. For example, a number of current population health measures, such as kindergarten readiness,

third-grade reading proficiency, eight-grade math proficiency and adult drug deaths, are showing early signs of backsliding as a result of school closures, virtual teaching, loss of employment, and increased social isolation during the pandemic. A strategic response to these changes cannot be developed until we are able to evaluate the pandemic's effect and discuss priorities with the state and community members. Given the most challenging time in the pandemic is certainly ahead of us, we worry that drafting and submitting new plans at this time would create an unnecessary distraction from the immediate clinical, logistical and financial challenges under the state of emergency and will likely produce plans of limited relevance to the community in a post-pandemic world.

To address these issues, Ballad is proposing to extend the current three year plans for an additional fourth year through FY22 with amendments to reflect the reality of Ballad's current spending and activity during the state of emergency. By the end of April 2021, Ballad would submit a detailed draft budget for each plan consistent with the existing three year plans and submit a final budget by July 1, 2021 for FY22. In April of 2022, the pandemic should be under control and Ballad should be able to resume its obligations under the TOC and CA by submitting draft replacement plans to the States with the final replacement plans to be submitted by July, 2022 that would go into effect for FY23.

Sincerely,



Karen Guske  
SVP, COPA Compliance Officer  
Ballad Health

cc: Herbert H. Slatery  
Attorney General and Reporter  
State of Tennessee

Janet M. Kleinfelter  
Deputy Attorney General  
State of Tennessee

Judi Knecht, Interim COPA Director  
Tennessee Department of Health

Jeff Ockerman  
Tennessee Department of Health

Larry Fitzgerald  
Tennessee COPA Monitor

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

Allyson Tysinger  
Senior Assistant Attorney General  
State of Virginia

Kevin Meyer, COPA Analyst  
Virginia Department of Health

Dennis Barry  
Southwest Virginia Health Authority

Tim Belisle, EVP & General Counsel  
Ballad Health

Marvin Eichorn, EVP, Chief Administrative Officer  
Ballad Health