



**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

November 8, 2021

Mr. Alan Levine  
Executive Chairman, President, and CEO  
Ballad Health  
303 Med Tech Parkway, Suite 300  
Johnson City, TN 37604

RE: Proposal to Modify the Population Health Plan (to include Lee County Community Fund Spend)

Dear Mr. Levine,

I have reviewed your request to modify Ballad Health's ("Ballad") Population Health Plan required by Section 3.04(b) of the Second Amended and Restated Terms of Certification ("TOC") to add a \$500,000 payment from Ballad to the Lee County Hospital Authority ("Authority") to finance a community fund that will support population health improvement programs in Lee County, Virginia.

Lee County is one of the 21 rural counties in Ballad's geographic service area with significantly worse health outcomes compared to the rest of the country in several health metrics, including cancer, diabetes, drug overdose, and heart disease. Reducing the health behaviors that contribute to these outcomes, such as smoking, physical inactivity, and substance abuse, through population health improvement initiatives was a key benefit the Tennessee Department of Health ("TDH") anticipated through granting the Certificate of Public Advantage ("COPA"). Ballad's commitment to invest \$75 million over 10 years for population health improvement was a critical factor in the State's determination that the COPA would produce a public advantage for affected residents.

Ballad's proposal to fund community-based population health initiatives through the Authority's community fund is commendable and clearly aligns with the goals of the COPA. I understand that the Virginia Department of Health ("VDH") has issued a conditional approval for this proposed amendment. Although the amendment may primarily benefit the residents of Lee County, Virginia, I find that population health improvement programs in a county adjoining Tennessee is likely to have a positive impact on the health of the neighboring citizens in Tennessee. Further, I am accepting the recommendation of the Tennessee COPA Monitor that I approve the proposed amendment subject to the conditions imposed by VDH in order to retain alignment on the Population Health Plan between Virginia and Tennessee. Finally, I note that the requested funding amendment is relatively small in comparison to the entire monetary commitment under the Population Health Plan.

**Therefore, I approve Ballard's proposal to modify the Population Health Plan to include Ballard's payment of \$500,000 to the Lee County Hospital Authority to establish a population health community fund consistent with and subject to the conditions imposed by VDH.**

Thank you for your continuing efforts to serve the needs of your patients and residents of Northeast Tennessee and Southwest Virginia. I believe the community fund will provide an important benefit to the residents of Lee County, and I am pleased that Ballard will fund it.

Please let my staff or me know if you have questions or need clarification regarding any of the above.

Sincerely,



Lisa Piercey, MD, MBA, FAAP  
Commissioner

Cc: The Honorable Norman Oliver, State Health Commissioner  
Virginia Department of Health

Tim Belisle, General Counsel  
Ballad Health

Karen Guske, SVP Ballad Health  
COPA Compliance Officer

Marvin Eichorn, EVP, Chief Administrative Officer  
Ballad Health

Larry Fitzgerald  
COPA Monitor

Janet M. Kleinfelter, Deputy Attorney General  
State of Tennessee

Jim Mathis, COPA Director  
Tennessee Department of Health

Judi Knecht, Population Health Program Manager  
Tennessee Department of Health

Erik Bodin, Office of Licensure and Certification  
Commonwealth of Virginia

Claire C. Haltom, Shareholder  
Baker Donelson PC