



**STATE OF TENNESSEE
DEPARTMENT OF HEALTH**
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BILL LEE
GOVERNOR

LISA PIERCEY, MD, MBA, FAAP
COMMISSIONER

March 1, 2022

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

RE: Proposal to Modify the HR/GME Plan to include support for a Regional Center for Nursing Professional Advancement for the Appalachian Highlands

Dear Mr. Levine,

This letter is in response to your request under Section 3.06(c) of the Second Amended and Restated Terms of Certification, dated April 27, 2021 ("TOC"), to modify Ballad Health's ("Ballad") HR/GME Plan, previously approved through June 30, 2022 ("HR/GME Plan"), to support a Regional Center for Nursing Professional Advancement ("Center") for the Appalachian Highlands that will be housed at East Tennessee State University ("ETSU"). The Center will strive to advance and support the strategic direction and goals of the College of Nursing at ETSU as well as enhance partnerships among other institutions to grow the field of nursing.

The plan modification proposes a total expenditure of \$10,000,000 over seven (7) fiscal years beginning in FY22 (the "Funding.") The Funding will be used exclusively for elements of strategic focus consistent with the milestones and metrics set forth in your request.

It is the responsibility of the State and Ballad to ensure good stewardship of Certificate of Public Advantage ("COPA") community investment dollars. Therefore, awardees, like the Center, should be required to account for spending of any COPA funds they receive. TDH accepts the milestones and metrics in your request as sufficient to demonstrate to the public the benefits the community is receiving as a result of those investments.

TDH recognizes the short and long-term nursing needs of the Appalachian Highlands and is pleased to support the programs of the Center to advance clinical nursing practice and interprofessional collaboration, to contribute to knowledge about nursing workflow, and to lead in the generation of nursing scholarships and innovation.

The COPA Monitor has reviewed your proposal and certain additional information provided in response to his request, and I concur with his recommendation that the proposed modification be approved. **Therefore, the modification request is approved and the HR/GME Plan shall be amended and restated as of the date of this letter to include the Funding for the Center.** In order for expenditures after the current HR/GME Plan to be credited towards Ballad's monetary obligations, however, Ballad must include the Center in replacement plans approved under TOC Section 3.06(b).

Thank you for your continuing efforts to serve the needs of your community. TDH is confident that granting this request will encourage “effective training for the next generation of healthcare professionals that are needed to address the healthcare needs of the Geographic Service Area” as contemplated in Section 3.03(b) of the TOC. We appreciate your involvement in this important project as well as your efforts to comply with the plan modification process.

Please let my staff know if you have any additional questions or need further clarification.

Sincerely,



Lisa Piercey, MD, MBA, FAAP
Commissioner

Cc:

The Honorable Colin M. Greene, MD, MPH
Acting State Health Commissioner
Virginia Department of Health

Tim Belisle, General Counsel
Ballad Health

Marvin Eichorn, EVP, Chief Administrative Officer
Ballad Health

Karen Guske, COPA Compliance Officer
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