

STATE OF TENNESSEE DEPARTMENT OF HEALTH

BILL LEE Governor Andrew Johnson Tower, 5th Floor 710 James Robertson Parkway Nashville, Tennessee 37243

LISA PIERCEY, MD, MBA, FAAP Commissioner

March 22, 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 funding to the STREAMWORKS program

Dear Mr. Levine,

This letter is in response to your request to the Tennessee Department of Health ("TDH") under Section 3.03(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"). In the HR/GME Plan request, Ballad seeks to add funding to STREAMWORKS ("STREAMWORKS"), a non-profit organization committed to facilitating relevant extracurricular activities and initiatives into school systems and communities to help prepare K-12 students (and college) for a successful and meaningful career in the 21st Century Workforce.

The plan modification proposes a total expenditure of \$525,000 over four (4) fiscal years (the "Funding"). The Funding will be used by STREAMWORKS for programing geared toward the development of regional youths into STEM careers.

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 STREAMWORKS, 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 needs of the community for supportive educational programs aimed at engaging students in secondary education to pursue a variety of licensed and unlicensed careers in healthcare.

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 of STREAMWORKS. In order for expenditures after the current HR/GME Plan to be credited towards Ballad's monetary obligations, however, Ballad must include STREAMWORKS 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, FAAI

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 Ballad Health

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

Allyson Tysinger Virginia Senior Assistant Attorney General

Kevin Meyer COPA Analyst, Virginia Department of 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

Claire C. Haltom Baker Donelson PC