

November 1, 2023

The Honorable Ralph Alvarado, MD, FACP
State Health Commissioner
Tennessee Department of Health
710 James Robertson Parkway, 5th Floor
Nashville, TN 37243

Re: Closure of Surgical Services at Hawkins County Memorial Hospital

Dear Commissioner Alvarado:

Tennessee Code Annotated §68-11-1303 enumerates specific benefits of the authorization of a Certificate of Public Advantage. Some of the benefits stipulated in law include:

- *Enhancement of the quality of hospital and hospital-related care provided to Tennessee citizens;*
- *Gains in cost-efficiency of services provided by the hospitals involved;*
- *Improvements in the utilization of hospital resources and equipment; and*
- *Avoidance of duplication of hospital resources;*

To comport with the law, Section 4.03(c)(i) of the Tennessee Fourth Amended and Restated Terms of Certification (the TOC) of the Certificate of Public Advantage, which was restated July 1, 2023, and originally issued January 31, 2018, authorizes the deletion or repurposing of service lines at a hospital supervised under the TOC upon ninety (90) days prior notice of the deletion or repurposing to the Tennessee Department of Health (the Department). The section further stipulates that this action will not be taken if the Department withholds its consent, *which the Department shall not unreasonably withhold or delay.*

For reasons articulated herein, Ballad Health is notifying the Department it intends to achieve the benefits enumerated in law and outlined above through permanent closure of surgical services at Hawkins County Memorial Hospital (HCMH), located in Rogersville, Tennessee. This consolidation is being executed to provide the highest level of care for patients in the market, improve the utilization of hospital resources such as nursing and physician resources, improve the cost-efficiency of services and avoid the unnecessary duplication of resources where such duplication does not provide a benefit to the community (each of these purposes are directly tied to the statutorily-directed benefits of the COPA).

HCMH is a 50-bed hospital in Rogersville, Tennessee (average daily census of approximately 4 patients) and surgical services are very minimal, endoscopy only over the past two years. The limited case volume does not support a full time General Surgery practice and while Ballad has been providing surgical services with an outreach model, the volumes continued to decrease. Low volume impacts quality and creates higher risks for patients as well as negatively impacting the staff's ability to maintain competencies. Compliance issues, equipment maintenance and increased supply cost/demand are significant challenges to maintaining the service. Additionally, staffing support of this unit has been a challenge.

Below is a snapshot of volumes:

Hawkins County Memorial Hospital
IP and OP Surgical and Endoscopy Volumes

	FY17 ACT	FY18 ACT	FY19 ACT	FY20 ACT	FY21 ACT	FY22 ACT	FY23 ACT
Surgery Cases - Inpatient	56	44	37	34	0	0	0
Surgery Cases - Outpatient	159	125	127	118	5	0	0
TOTAL Surgery Cases	215	169	164	152	5	0	0
Endoscopy Cases - Inpatient	20	35	33	33	0	1	0
Endoscopy Cases - Outpatient	473	522	401	254	141	153	87
TOTAL Endoscopy Cases	493	557	434	287	141	154	87

Dr. Clara Higgins, with Ballad Health Medical Associates, announced her retirement in the fall of last year and subsequently retired in December 2022. Dr. Higgins was the sole provider for surgical services at HCMH. Currently, outpatient surgery clinic services are being provided as an outreach service from Greeneville Community Hospital (GCH) by Dr. Robert Northrop and team. Dr. Northrop's team is providing one day per week coverage in the Rogersville clinic. Surgical consults are currently being provided by our surgical partners within the Ballad Health system. No other surgical service coverage, including emergency procedure coverage, is currently available. There is no impact on independent physicians from this closure.

Closure of surgical services would not impact the patients that present to the Emergency Department (ED) or patients that require transfer. The team members that would be impacted have already accepted other positions or retired. In addition, Dr. Northrop has agreed to continue providing one day per week coverage in the clinic in order to provide local access to surgical outpatient consults and follow-up.

The following communications have taken place:

- The HCMH Board and MEC are aware of the situation. A formal announcement of permanent closure will occur as soon as approval is received.
- No team members will be impacted by this decision as currently HCMH team members have already accepted other positions within Ballard or retired.
- EMS and community stakeholders regarding clinical services and hours in Rogersville and the transition of surgical services -
 - patients have the opportunity to see Dr. Northrop and team in the BHMA clinic in Rogersville with the goal of intervention at GCH or
 - patients may also choose to go to the Kingsport market (Holston Valley Medical Center/ Indian Path Community Hospital).

- *Beginning after formal approval:* Communications to the community including information on clinical hours in Rogersville.

Ballad respectfully requests consent of this closure and that the Department waive the ninety (90) day notice period under Section 4.03(c)(i) so that Ballad may move forward with permanent closure of surgical services at Hawkins County Memorial Hospital.

As always, we welcome any questions or comments that you may have.

Sincerely,



Alan Levine
Chairman and Chief Executive Officer

cc: The Honorable Karen Shelton, MD, FACOP
State Health Commissioner
Virginia Department of Health

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