



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

LISA PIERCEY, MD, MBA, FAAP
COMMISSIONER

November 5, 2020

Mr. Alan Levine
Executive Chairman, President
and Chief Executive Officer
Ballad Health
400 North State of Franklin Road
Johnson City, TN 37604

Re: Temporary Suspension of Inpatient Services at Certain Hospitals

Dear Mr. Levine,

Thank you for your letter dated October 16, 2020 that included Ballad's plans to reinstitute inpatient services at Hancock County Hospital, Unicoi County Hospital, and Hawkins County Memorial Hospital. I was pleased with the plan for Hancock County Hospital to reopen for inpatient admissions on October 19, 2020, and for Unicoi County Hospital to resume inpatient services on November 1, 2020.

Your plans for Hawkins County Memorial Hospital included an unexpected request to extend the temporary suspension of the provisions of Section 4.03(a)(ii) of the Terms of Certification (TOC) of the Certification of Public Advantage (COPA) until December 31, 2020 so that minor renovations could be completed before inpatient services resume. In reviewing the request and reasoning behind it, it makes sense that the renovations proposed would enable Ballad to provide enhanced services, more efficiently utilize provider resources, and better support continuity of care for patients served by this facility, and that while inpatient services are suspended, this is a sensible time to complete the renovations.

On October 28, 2020, I received your update to the Unicoi County Hospital plan and am pleased that inpatient services were resumed at this facility ahead of the scheduled reopening date, but understand that with the unfortunate recent spike in COVID-19 cases in Ballad's service area as well as the current and projected rise in COVID-19 hospitalizations, Ballad is again seeking the ability to redeploy nurses and staff to respond to the needs of the region, and is therefore requesting an extension of the suspension of inpatient services at Unicoi County Hospital.

I agree that suspending admissions at Unicoi Hospital would help Ballad address the larger community's health care needs at this critical time. Therefore, with Ballad's commitment to transition any current inpatients out of Unicoi County Hospital through the normal discharge process (i.e. no hospital transfers from Unicoi will be allowed, unless medically necessary) I approve of the suspension of admissions at this facility.

While I remain concerned about the impact that any suspension of services has on access to health services for rural residents, I believe the current circumstances warrant approval of these requests. Therefore, Ballad Health's requests to extend the temporary suspension of the provisions of Section 4.03(a)(ii) of the TOC for Hawkins County Memorial Hospital and Unicoi County Memorial Hospital are both granted through December 31, 2020.

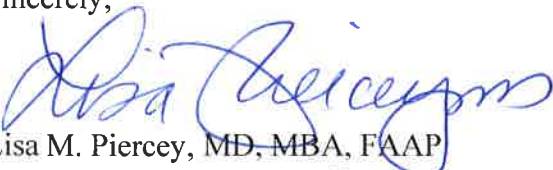
Consistent with the Department's prior temporary extension approvals, Ballad should submit a plan for the reinstatement of inpatient services at Unicoi County Hospital including any plan of communication at least 14 days prior to termination of the December 31 extension period. A plan for Hawkins County Memorial Hospital should be resubmitted within the same timeframe if there are any changes to the plan that was described in your October 16 letter.

Please note that this temporary suspension does not in any way affect or otherwise constitute a waiver of Ballad's obligations and commitments under the TOC, including but not limited to Ballad's aggregate spending commitments outlined in the TOC.

As the COVID-19 pandemic continues to impact our communities, and in particular health care providers and the delivery of health services, we remain grateful for Ballad's efforts to care for COVID-19 patients while ensuring continued access to all patients in the entire service area.

I look forward to continuing to work with you during this challenging time.

Sincerely,



Lisa M. Piercey, MD, MBA, FAAP
Commissioner, Tennessee Department of Health

cc:

Tim Belisle
EVP & General Counsel, Ballad Health

Karen Guske
SVP Ballad Health, COPA Compliance Officer

The Honorable Norman Oliver
State Health Commissioner
Virginia Department of Health

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