

July 16, 2020

Alan LevineChairman and
Chief Executive Officer

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balladhealth.org

The Honorable Lisa Piercey, MD, MBA, FAAP Commissioner Tennessee Department of Health 710 James Robertson Parkway Nashville, TN 37243

Re: Waiver Request for Temporary Suspension of Inpatient Services at Certain Ballad Health Hospitals

Dear Commissioner Piercey:

This correspondence is to request a temporary waiver of Section 4.03(a)(ii) of the Terms of Certification ("TOC") to allow Ballad Health ("Ballad") to temporarily suspend inpatient services at certain Ballad hospitals in order to best deploy the health system's staff and resources to meet the needs of the region during the outbreak of COVID-19.

As you are aware, the region served by Ballad is experiencing a surge in positive COVID-19 cases. In the last seven days, there have been an increasing number of COVID-19 inpatients at Ballad's tertiary facilities with COVID-19 units—Johnson City Medical Center, Holston Valley Medical Center, and Bristol Regional Medical Center. On July 7, 2020, Ballad had 21 positive COVID-19 inpatients, and by July 14, 2020, Ballad had 52 positive COVID-19 inpatients.

Due to this surge in positive COVID-19 patients, Ballad has an immediate need for more physicians and nurses to staff additional COVID-19 beds at the tertiary facilities. To address this issue, Ballad plans to consolidate some services at certain lower volume facilities and shift staff to the COVID-19 units at the tertiary facilities. Temporarily suspending the inpatient services at three smaller hospitals will allow Ballad to move key clinical staff and physicians to its tertiary facilities that are leading the region's response to the pandemic.

Ballad hereby respectfully requests a temporary waiver of Section 4.03(a)(ii) to allow Ballad to temporarily suspend inpatient services at Unicoi County Hospital, Hawkins County Memorial Hospital and Hancock County Hospital, effective July 16, 2020. The emergency departments of such hospitals will remain open to assist residents with urgent medical needs—this temporary suspension would only affect inpatient services. If there are any inpatients at the three hospitals on the Effective Date, those patients will continue to be treated at the facility until they are medically cleared for discharge.

Ballad requests that such temporary suspension be in effect as long as the COVID-19 patient surge requires such additional staffing in the COVID-19 units. Once the COVID-19 surge subsides, Ballad will restore inpatient services at all three hospitals through a coordinated strategy and communications plan.

Given the extraordinary circumstances and extreme operating conditions, Ballad hereby respectfully requests a prompt response to its request for this temporary suspension and further requests that such suspension be in effect from and after July 16, 2020.

We appreciate your support and understanding as we work together to fight this pandemic. Please contact us if you have any questions regarding this matter.

Sincerely,

Alan Levine

Chairman and Chief Executive Officer

cc: Herbert H. Slatery III

Tennessee Attorney General

Janet M. Kleinfelter Deputy Attorney General

Jeff Ockerman, Director, Division of Health Planning Tennessee Department of Health

The Honorable Norman Oliver, MD, MA, State Health Commissioner Virginia Department of Health

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

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