

November 26, 2018

John J. Dreyzehner, MD, MPH, FACEOM Commissioner Tennessee Department of Health 710 James Robertson Parkway Nashville, TN 37243

Dear Commissioner Dreyzehner:

I am writing this letter in support of the proposal submitted by Ballad Health (Ballad) to consolidate the Ballad system NICU coverage at the Niswonger Children's Hospital (Niswonger). The rationale provided by Ballad in their letter dated November 19, 2018 is compelling and aligned with the referral patterns we have witnessed at East Tennessee Children's Hospital (ETCH). While this realignment may cause some level of temporary disruption within the Kingsport community, I truly believe centralizing care at Niswonger is the right decision for the region and, most importantly, for the patient.

Mr. Levine's letter discusses declining pediatric volumes for this region. I have taken the position since arriving at ETCH almost twelve years ago that acute pediatric care for the Tri-Cities region should be centralized as much as possible within one children's hospital. My belief was that consolidation into a single location provided the best opportunity to recruit the kind of subspecialty support necessary to assure care locally. Unfortunately, with two systems in the region there was little hope of achieving this outcome. With the creation of Ballad comes the opportunity to improve regional coordination of care while providing a more efficient solution for patients, families, referring physicians and physician specialists.

Currently ETCH is working with Niswonger to determine how we can improve coordination throughout the East Tennessee Grand Region. Unlike the Middle and West Tennessee Grand Regions, East Tennessee is witnessing slow to negative growth in the pediatric population. Given that a significant majority of the care provided at our respective institutions is paid through the TennCare program it only makes sense to be as efficient as possible while attempting to minimize needless duplication or long distance travel for families. Key to this evaluation is developing realistic expectations about how and where care should be provided. Also key to this evaluation involves how we can incorporate the needs of the East Tennessee State University College of Medicine Department of Pediatrics and their training program. An important goal will be to provide improved regional care coordination while strengthening the ETSU Department of Pediatrics, and in particular, their pediatric residency training program. We are committed to working with both Ballad and ETSU to achieve this goal.

Ballad has both opportunities and challenges associated with improving the health status of the Tri-Cities and Southwest Virginia. The decision to consolidate NICU care makes sense from both a logistics and patient/family perspective. While this consolidation will likely result in fewer transfers to ETCH it will enhance care for the region while keeping families much closer to home.

November 26, 2018 Page 2

If you have questions or would like to discuss this issue further I am available to do so. Thank you in advance for your positive consideration of this recommendation.

Sincerely,

Keith D. Goodwin President & CEO

cc: Alan Levine, Executive Chairman, President and CEO, Ballad Health

Lisa Carter, CEO, Niswonger Children's Hospital Larry Fitzgerald, Tennessee COPA Monitor

Gary Miller, COPA Compliance Officer, Ballad Health