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BY EMAIL TRANSMISSION

CONFIDENTIAL

Ralph Alvarado, MD, FACP
Commissioner
Tennessee Department of Health
710 James Robertson Parkway
Nashville, TN 37243

Re: Request for Physician Waiver (Urologists in Sullivan County)

Dear Commissioner Alvarado,

As is true in several specialties, where the national supply of physicians produced by training programs has not kept up with the demand, the landscape for urology providers has come to a critical level nationally. We have seen this play out in our region, as the number of urology providers has changed dramatically over time. For instance, 20 years ago, there were 20 urologists practicing in Sullivan and Washington counties, mostly practicing independently or as part of independent groups. Today, only eight urologists are attempting to cover the five busiest hospitals in the two largest counties in Ballad Health's service area. Concerning to us is that many are close to retirement.

Ballad was recently approached by two urologists in Sullivan County who are seeking employment with Ballad Health Medical Associates ("BHMA"). These physicians are seeking the financial security of being able to practice, given the poor payer mix in our region, which has had a negative impact on so many specialists. In many cases (i.e., neurosurgery for example), if Ballad were not employing the physician, there would be a severe gap in availability. We believe we have come to this point with urology. In addition to employment of the two physicians who have requested it, Ballad is seeking to hire a third urologist to cover the urology need in Sullivan County. For the reasons explained below, Ballad is requesting a waiver under Section 5.05(e) of the Terms of Certification to employ these three urologists immediately.

Currently, Ballard does not employ any practicing urologists in Sullivan County.¹ There are four independent urology groups practicing in the County who collectively employ nine urologists. One of these groups, Kingsport Urology Group, has recently had a physician retire. As a result, the remaining two urologists in the Kingsport Urology Group practice (Dr. Kurt A. Ick and Dr. Charles E. Payne) have determined that they will not be able to maintain their independent practice. These two doctors approached Ballard requesting to be employed. Importantly, Ballard had offered to recruit into their practice, but this is not what the physicians prefer. They have opted instead for full employment.

The single urologist at Urology Associates of Kingsport notified Holston Valley Medical Center that he is moving off the call schedule in the next 90 days. In addition, the Urology clinic, which operates in Bristol and Johnson City, has lost three urologists over the last two years and has recently closed its Bristol clinic and are not able to provide 24/7 call coverage to Bristol Regional Medical Center. Recently, the Urology Clinic has become employed by Holston Medical Group (“HMG”). That same group is also not able to provide 24/7 call coverage to Franklin Woods Community Hospital and Johnson City Medical Center but those are part of Washington County. Ballard is currently filling coverage gaps with locums but is seeking to hire a third urologist in order to support the Sullivan County urology needs.

Due to the FTE allocations for urologists in Sullivan County, Ballard’s employment of these three urologists would increase Ballard’s percentage of employed urologists in the County from 0% to 44% (see table below for calculation). If Ballard is permitted to employ these three urologists, there will still be seven other independent urologists practicing in Sullivan County. Ballard does not believe employing these three urologists would materially and adversely affect existing competition in Sullivan County. To the contrary, employing these three urologists will help stabilize urology coverage for the community.

Due to these factors, Ballard is respectfully requesting a waiver under Section 5.05(e) of the Terms of Certification that would allow Ballard to employ Dr. Ick and Dr. Payne and a third urologist to be recruited. Both of the current Kingsport Urology Group physicians have executed an attestation stating their desire to become employed by Ballard.

¹ The President of Ballard’s Northern Region, Dr. Chad Couch, is a urologist by training but spends 100% of his time in an executive role with Ballard.

We appreciate your consideration of this request. Please let us know if you need any additional information.

Provider/Group	Sullivan Co. Allocation
Beaird, David A., MD (The Urology Clinic) *	0.4
Olsen, Lincoln T., MD (The Urology Clinic) *	0.3
Rogers, William B., MD (The Urology Clinic) *	0.9
Stokes, Phillip K., MD (The Urology Clinic) *	0.9
Tongco, Wayne P., MD (The Urology Clinic) *	0.3
Ick, Kurt A., MD (Kingsport Urology Group)	1.0
Payne, Charles E., MD (Kingsport Urology Group)	1.0
Littlejohn, Jim R., MD (Urology Associates of Kingsport) **	1.0
Griffith, John G., MD (Highlands Vasectomy Clinic) ***	
	5.8

* Urology Clinic has become employed by Holston Medical Group (HMG)

** Dr. Littlejohn has submitted notice to stop taking call in 90 days

*** Dr Griffith has no claims data for the 4/1/21-3/31/22 timeframe. He has courtesy privileges at BRMC but does not do procedures there. He does vasectomy procedures in-office.

Calculation	Employed (projected)	Independent	Percentage
Allocation	3.0	3.8	=3.0/6.8
			44%

Sincerely,



Alan Levine
Chairman & Chief Executive Officer
Ballad Health

cc: Jonathan Skrmetti
Tennessee Attorney General and Reporter

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Deputy Attorney General

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