

From: [Lyndon Gallimore](#)
To: [Levine, Marissa \(VDH\)](#)
Subject: Wellmont Health System and Mountain States Health Alliance Merger / COPA
Date: Sunday, August 27, 2017 6:33:38 PM
Attachments: [Ballad Health Virginia.docx](#)

Commissioner Levine,
Your decision and the decision of Commissioner Dreyzehner in Tennessee regarding the proposed Merger (referenced above) will forever change health care in our region.

I pray that your decision is one that is in the best interest of the people in our communities. I have attached a letter in which I outline 3 things you may want to address in the COPA for Ballad Health, if it is granted.

I write because I want the best for this region.

Thank you for your consideration.

Blessings to you and your team as you make this decision!

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August 27, 2017

Marissa Levine, MD
Commissioner,
Virginia Department of Health
Via Email

Dear Commissioner Levine,

There has been much discussion regarding the “Certificate of Public Advantage” (COPA) or merger of Mountain States Health Alliance and Wellmont Health System and its potential to drive up health care costs in our region. There are some other issues that I would like to bring forward, that if not addressed could have significant, negative repercussions for the culture of the new monopoly with regard to its *employees, managers, physicians, advanced practice providers and executives (here-in-after, ‘Workers’)* in Northeast Tennessee and Southwest Virginia.

Background:

For seven years (December 2009 – December 2016) I worked for Takoma Regional Hospital (Greeneville, Tennessee) – owned/managed by Adventist Health System (AHS), until there was a membership change of Takoma from AHS to Wellmont Health System on January 1, 2017. For my last 4.5 years with Takoma, I was the Assistant Vice President of Physician Services and Business Development. At Takoma, with AHS’ full support, we fostered a world class working environment at Takoma:

- a. Our employee engagement was at the 94th percentile nationally (Gallup) and
- b. Our physician engagement was also at the 94th percentile nationally.
- c. Our patient satisfaction (clinics) improved dramatically in the last couple of years as we began measuring it – with some clinics hitting the 90th – 99th percentile (Press Ganey).

The results: World class patient safety and innovation. Takoma Regional, a little 100 bed hospital, led Northeast Tennessee hospitals in patient safety and was consistently one of the best in the State of Tennessee – earning “A Grades” and other accolades according to The Leapfrog Group.

We achieved this excellence through systems, policies, people and building an outstanding culture which valued and respected employees, managers, providers and executives.

If the COPA for Ballad Health is approved, we will have created a monopoly in our region and some of the great fears of monopolies are their potential to abuse power, be authoritarian and disrespect *Workers* to the detriment of healthcare quality and our communities.

Concern #1

Fairness - protecting the legal rights of *Workers* in the event of litigation between *Workers* and the proposed merger of Wellmont and Mountain States – namely Ballard Health.

Is it appropriate for this potential monopoly (Ballad Health) to put in employment or severance contracts that the *Worker* must pay the monopoly's attorney expenses if there is litigation between a *Worker* and Ballard, regardless of who initiates the litigation or the outcome of litigation?

In my mind, the answer is a resounding, "No."

A monopoly or any large company has financial and legal resources at its disposal that an individual cannot compete with. This type of language is intimidating, harsh and blatantly unfair to the *Worker*.

It is my understanding, both by personal experience and through communication from some of the highest executives at Wellmont, that both Wellmont and Mountain States require *Workers* with severance agreements to pay the health care entity's legal fees in the event of litigation between the parties, regardless of who initiates litigation or who wins. As one of the executives stated, "We have found it cuts down on lawsuits."

This type of treatment by a health system is not one that encourages openness, honesty, fairness or the development of a great culture. It feels like "bully" type language by a large entity to silence *Workers*, giving the health system incredible power over the *Worker*. What health care *Worker* would want to sue their health care employer, even if the *Worker* was wronged by the employer, if the *Worker* would have to pay the legal fees of the employer?

Note: I have worked for two other health systems who highly value people and culture. Their language related to dispute resolution with *Workers* is fair and balanced.

We all have a natural fear that monopolies will develop horrendous, repressive cultures. Therefore, I think it wise that each State require "Ballad Health" in their contracts with *Workers* to abide by Tennessee Law (each party pays their own attorney's fees) or, at most, allow the prevailing party to recover attorney's fees. If Ballard Health is approved, we want it to have the best chance at being a good corporate citizen in our region.

Concern #2

Non-Compete Clauses in contracts between *Workers* and Ballard Health. Is it fair for this potential healthcare monopoly to put non-compete clauses in its contracts with *Workers*?

Answer: In my opinion, "No."

If non-competes are allowed, *Workers* who leave Ballard Health would have no choice but to leave our region. This could cause unnecessary upheaval in *Worker's* lives (and the lives of their families) by taking away the few other employment options *Workers* have in the region with health care related companies. This could result in a regional 'brain drain' as talented *Workers* leave our region to find employment. It could also diminish innovation and new health care related businesses in our region.

Ballad Health likely will want the power to have non-competes because of the overwhelming power it will give them to further control health care and health care *Workers* in our region. If Ballard Health were precluded from having non-competes for *Workers*, it would challenge them to create a great working environment/culture to attract and keep talented *Workers*. Without non-competes, Ballard Health will be

driven to become a better health care monopoly. There will be positive benefits to Ballad Health's culture. And this will allow for innovation and new job creation in health care in the region. Finally, by giving *Workers* options to stay and work in our region, our communities will be stronger and wages may be more competitive.

Concern #3

Respecting *Workers* by paying them fairly.

Is it acceptable for Ballad Health to cut *Worker* wages and/or reduce *Worker* titles?

Since other healthcare employment options would be severely limited or non-existent, there could be a very real temptation to increase Ballad Health's EBIDA (financial performance) at the expense of its *Workers*. This could be done regionally by such things as arbitrarily lowering wages, slowing wage increases, reclassifying leadership positions down, and or underpaying physicians. Doing this could disrespect *Workers* and adversely affect the quality of life and the quality of healthcare in our region.

Ballad Health's *Worker* wages could be easily benchmarked to a more competitive health care market in Tennessee (Knoxville or Chattanooga) as well as in a more competitive health care environment in Virginia. A wage study could be contracted out to an independent, reputable company annually (or every two years) by the State or States. Ballad Health should reimburse the State(s) for the cost of these studies. The outcome of the study and resulting changes in *Worker* wages should then be reported by Ballad Health to the State(s) to ensure compliance.

Conclusion:

If Ballad Health is approved, we want it to be an excellent, ethical entity with great culture. I believe the success or failure of Ballad Health, if granted, will hinge on whether the States of Tennessee and Virginia address these three issues in the COPA:

1. Protecting the legal rights of *Workers* in the event of litigation between *Workers* and the monopoly by requiring each party pay their own attorney's fees or allowing the prevailing party to recover attorney's fees.
2. Prohibiting Non-Compete Clauses in contracts between *Workers* and the monopoly.
3. Respecting *Workers* by paying them fairly.

Thank you for considering these three items as you determine if it is in the best interest of our region to grant the COPA that Mountain States and Wellmont have requested. I pray we make the right decisions related to this COPA and the State's oversight of it.

Sincerely,

Lyndon Gallimore
Former Healthcare Executive in Northeast Tennessee
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Cc: John Dreyzehner, MD – Commissioner, Tennessee Department of Health