



COMMONWEALTH of VIRGINIA

Department of Health

Marissa J. Levine, MD, MPH, FAAFP
State Health Commissioner

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April 20, 2017

Alan Levine
President and CEO, Mountain States Health Alliance
303 Med Tech Parkway, Suite 30
Johnson City, Tennessee 37604

Bart Hove
President and CEO, Wellmont Health System
1905 American Way
Kingsport, Tennessee 37660

Dear Mr. Levine and Mr. Hove:

The Virginia Department of Health (VDH) is in receipt of the responses to its Supplemental Data Request (the Request). I would like to thank you for the time and effort that have been expended to-date in responding to my requests for additional information. VDH looks forward to meeting with you and members of your staff concerning the application in the near future.

Based on our review of the information you provided, it appears that Item 11 Current Independent Primary Care Physician Alignment, and Item 12 Future Primary Care Vision Physician Alignment [Ballad], were misinterpreted. In response to both items, it appears that Wellmont Health System and Mountain States Health Alliance provided data concerning the size of the respective physician panels. But it is the data concerning the size of the respective patient panels that I am seeking. Please submit a revised response to items 11 and 12.

The Request seeks historical, baseline and projected data points for a variety of performance and cost indicators, and was made pursuant to Virginia's Rules and Regulations Governing Cooperative Agreements (12VAC5-221-70(A)). There are a few items for which your responses either appear to be incomplete, or where it is stated that the requested data is either unavailable or inapplicable. These include, but are not limited to:

- Hospital Quality and Aggregate Hospital Quality - Wellmont Health System did not provide any future performance targets, stating that "CMS target is not yet defined."
- Community Health – Aggregate Community Health Results [Region] - The requested historical performance, baseline and future performance target data for various health indicators was not entered into the table as requested. Rather, Wellmont Health System

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and Mountain States Health Alliance jointly provided a narrative response with reference to three different tables that had been prepared and submitted to VDH at earlier points in time, and not in direct response to this particular request.

- Hospital Cost - Wellmont Health System did not provide future performance targets.
- Ambulatory Cost - Mountain States Health Alliance did not provide historical performance data or future performance targets.
- Total Condition Cost of Care for a Population PMPY – Wellmont Health System did not provide this data.
- Payer Total Cost of Care PMPY for Attributed Population - Wellmont Health System did not provide baseline data or future performance targets.
- Commercial Payer Fee Schedules – Ambulatory % of Medicare Rates for Primary Care and Specialty Care - Wellmont Health System did not provide future performance targets, stating that future performance targets are inapplicable.
- Health System Employee Cost PMPY - Wellmont Health System did not provide future performance targets.
- Employer Cost PMPY – Wellmont Health System did not provide this data.

These examples are not exhaustive of items in your response that appear to be incomplete, but should illustrate what information I believe is needed to address the Request as intended.

Prior to meeting with you and members of your staff, I would like to ensure that I have complete responses to all items contained in the Request. I would remind you that the Request specifically instructed that the responses “should be key entered directly into the document” because the “supplemental data is necessary to the Commissioner’s assessment of whether to approve the proposed cooperative agreement.” The requested data is critical to provide a clear, concise roadmap to guide my decision-making. I would again ask that you please provide your best response to each requested item by entering data/information directly into each item space of the document. If information in response to a particular item in the Request is not provided, please provide an explanation as to why the information cannot be provided or cannot be obtained. Please note that 12 VAC 5-221-80(F) states “The Commissioner shall not render a decision on the application until all supplemental information requested has been received.”

Thank you again for your efforts to provide responses to my inquiries. Should you have any questions, please contact Erik Bodin, Director of the VDH Office of Licensure and Certification at (804) 367-2102 or Erik.Bodin@vdh.virginia.gov.

Sincerely,



Marissa J. Levine, MD, MPH, FAAFP
State Health Commissioner

cc: The Honorable Terry G. Kilgore, Chairman
Southwest Virginia Health Authority