Labcorp to Acquire Select Outreach Services from Ballad Health

September 9, 2024

Transfer of outreach services brings enhanced global resources to region, including expanded access to advanced testing, innovative digital tools for improved patient experience and achieves Ballad Health's goal of continuing to lower the cost of health care

JOHNSON CITY, Tenn. and BURLINGTON, NC, (Sept. 9, 2024) -Ballad Health announced today it has reached agreement on a strategic collaboration with Labcorp, a global leader of innovative and comprehensive laboratory services, to provide outreach laboratory services across the Appalachian Highlands region. This agreement includes the sale of select operating assets of Ballad Health's outreach lab services to Labcorp. The sale of these lab services, combined with Ballad Health's ongoing strategic partnership with Labcorp, aims to enhance patient care, expand access to advanced testing and improve efficiency for the health system and its patients.

Ballad Health will continue to operate its inpatient and emergency department laboratory, as well as lab services for hospital-based practices, such as oncology.

Brad Price, Senior Vice President of Regional Operations and Service Line Development at Ballad Health, expressed enthusiasm about the partnership: "We are excited about this collaboration with Labcorp, which will lower patient costs while offering expanded services and broader access. Labcorp's digital tools will improve the overall patient experience, aligning with our unwavering commitment to providing high-quality, accessible healthcare to our communities."

"When, for example, Blue Cross/Blue Shield of America recognized many of Ballad Health's services as 'high value and low cost' as Blue Centers of Distinction, it was because we act to improve quality and reduce cost wherever we can," said Ballad Health Chairman and Chief Executive Officer, Alan Levine. "Due to Labcorp's scale and investment in advanced technology, they are able to provide world-class service to patients more efficiently. Combining their resources with those of Ballad Health will benefit patients and purchasers of healthcare in our region through improved and more cost-effective operations."

Key benefits of this agreement include:

- Enhanced access to affordable high-quality laboratory services for patients and employers
- Expanded access to Labcorp's comprehensive testing menu
- Implementation of advanced digital tools for improved patient experience
- Access to Labcorp's broad network of patient service centers

"Through this collaboration, our goal is to provide broader access to comprehensive testing and laboratory services for Ballad Health patients and physicians, especially those in underserved rural areas, by leveraging our combined expertise and resources," said Serena Guzman, Senior Vice President of Labcorp's Atlantic Division. "We look forward to working with Ballad Health to realize our shared mission to improve health and improve lives for the people of the Appalachia Highlands."

The organizations are committed to working together to plan and implement a smooth, thoughtful transition that maintains continuity of services for patients, hospitals, clinicians and clients, while providing direct access to the additional capabilities of Labcorp.

This relationship follows other strategic relationships that Labcorp has established with a range of local and regional health systems that have enhanced services for patients and providers.

The transaction is subject to customary closing conditions and applicable regulatory approvals. The companies anticipate closing the transaction in December 2024. Until that time, there will be no changes in operations or services.

About Ballad Health
Ballad Health is an integrated community health improvement organization serving 29 counties of the Appalachian Highlands in Northeast Tennessee, Southwest Virginia, Northwest North Carolina and Southeast Kentucky. Our system of 20 hospitals, post-acute care and behavioral health services, and a large multi-specialty group physician practice works closely with an active independent medical community and community stakeholders to improve the health and well-being of close to one million people. By leading in the adoption of value-based payments, addressing health-related social needs, funding clinical and health systems research and committing to long-term investments in strong children and families in our region, Ballad Health is striving to become a national model for rural health and healthcare. Learn more at www.BalladHealth.org.

About Labcorp
Labcorp (NYSE: LH) is a global leader of innovative and comprehensive laboratory services that helps doctors, hospitals, pharmaceutical companies, researchers and patients make clear and confident decisions. We provide insights and advance science to improve health and improve lives through our unparalleled diagnostics and drug development laboratory capabilities. The company's more than 67,000 employees serve clients in approximately 100 countries, provided support for 84% of the new drugs and therapeutic products approved in 2023 by the FDA and performed more than 600 million tests for patients around the world. Learn more about us at www.labcorp.com.





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