
Health Services and Development Agency

Communique

**A MONTHLY PUBLICATION OF THE
HEALTH SERVICES AND DEVELOPMENT AGENCY**

Andrew Jackson State Office Building

500 Deaderick Street, Suite 850

Nashville, TN 37243

615.741.2364

APRIL

2011

**For Meeting verification/change or agenda information, please call
the Agency Office or check our website at www.tn.gov/hsda**

HEALTH SERVICES & DEVELOPMENT AGENCY

Chair..... Carl Koella, III
Vice-ChairCharles Handorf, M.D.
Executive Director Melanie Hill
General Counsel James B. Christoffersen

Department of Health, Division of Health Statistics,
Office of Policy, Planning and Assessment

615.741.1954

Department of Mental Health and Developmental Disabilities,
Office of Policy Planning

615.532.6500

Office Hours are 8:00 a.m. to 4:30 p.m., Central Time, Monday through Friday

ALL RECORDS ARE PUBLIC INFORMATION

CALENDAR

The Health Services and Development Agency will be closed in 2011 on the following days:

Monday, January 3 – New Year’s Day Observed
 Monday, January 17 – Martin Luther King Day
 Monday, February 21 – President’s Day
 Friday, April 22 – Good Friday
 Monday, May 30 – Memorial Day
 Monday, July 4 – Independence Day
 Monday, September 5 – Labor Day

* Monday, October 10 – Columbus Day “ *will be substituted for the day after Thanksgiving at the Governor’s discretion.*”
 Friday, November 11 – Veteran’s Day
 Thursday, November 24 – Thanksgiving Day
 * Friday, November 25 – substituted for Columbus Day
 Monday, December 26 – Christmas Day Observed

2011 REVIEW CYCLE

2011 Cycle	Publication Dates- Letter of Intent	Application	HSDA Meeting Dates	* End of Appeal Period
January 2011	12/01/10-12/10/10	5 days after Publication	03/23/11	04/07/11
February 2011	01/01/11-01/10/11	"	04/27/11	05/12/11
March 2011	02/01/11-02/10/11	"	05/25/11	06/09/11
April 2011	03/01/11-03/10/11	"	06/22/11	07/07/11
May 2010	04/01/11-04/10/11	"	07/27/11	08/11/11
June 2010	05/01/11-05/10/11	"	08/24/11	09/08/11
July 2010	06/01/11-06/10/11	"	09/28/11	10/13/11
August 2010	07/01/11-07/10/11	"	10/26/11	11/10/11
September 2010	08/01/11-08/10/11	"	11/16/11	12/01/11
October 2010	09/01/11-09/10/11	"	12/21/11	1/5/12
November 2010	10/01/11-10/10/11	"	01/25/12	02/9/12
December 2010	11/01/11-11/10/11	"	02/22/12	03/8/12

In the event that the last appropriate filing date falls on a Saturday, Sunday, or legal holiday, such filing should occur on the preceding business day.

* Appeal deadline is 15 days after meeting date

STATE OF TENNESSEE POLICY OF NON-DISCRIMINATION

PURSUANT TO THE STATE OF TENNESSEE’S POLICY OF NON-DISCRIMINATION, THE HEALTH SERVICES AND DEVELOPMENT AGENCY DOES NOT DISCRIMINATE ON THE BASIS OF RACE, SEX, RELIGION, COLOR, NATIONAL OR ETHNIC ORIGIN, AGE, DISABILITY OR MILITARY SERVICE IN ITS POLICIES OR IN THE ADMISSION OR ACCESS TO, OR TREATMENT OR EMPLOYMENT IN, ITS PROGRAMS, SERVICES OR ACTIVITIES.

EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY EEO/AA COORDINATOR OR OFFICER, HEALTH SERVICES AND DEVELOPMENT AGENCY, 500 DEADERICK STREET, SUITE 850, NASHVILLE, TN 37243. TELEPHONE NO.: 615/741-2364. ADA INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY’S ADA COORDINATOR: JAMES CHRISTOFFERSEN, HEALTH SERVICES AND DEVELOPMENT AGENCY, 500 DEADERICK STREET, SUITE 850, NASHVILLE, TN 37243. TELEPHONE NO.: 615/741-2364.

HEALTH SERVICES AND
DEVELOPMENT AGENCY MEETINGS

THSDA Meetings are scheduled to be held at
8:30 a.m. CDT/CST
at the following locations:

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April – June 2011 *

AT&T Tower
Main Auditorium
333 Commerce Street
Nashville, TN

July – December 2011 *

'TBA'

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* Meeting locations are subject to change

** All meetings of the Health Services and Development Agency are
posted on the Agency's website at www.tn.gov/hsda

EXECUTIVE DIRECTOR'S ANNOUNCEMENTS:

PLEASE NOTE:

In order that the Agency members may have sufficient time to review the meeting packet, please submit all support, rebuttal and comments for matters on the Agency's agenda no later than noon (Central Time) on the thirteenth day before the meeting at which that matter will be Heard. The parties are encouraged to provide 28 copies. In accordance with T.C.A., Section 68-11-1609(g)(1), any health care institution wishing to oppose a Certificate of Need application must file a written objection with the Agency and serve a copy on the applicant no later than fifteen days before the agency meeting at which time the application is originally scheduled.



RESULTS OF APPLICATIONS HEARD AT THE MARCH MEETING

#Middle Tennessee Rehabilitation Hospital, LLC
Unaddressed site at the intersection of Physician's
Way & Edward Curd Lane
Franklin (Williamson County), TN 37067
CN1012-055

Contact Person: Patricia Greenberg, President
Phone No.: 305-444-5007

DENIED

The replacement and relocation of a thirty-one (31) bed rehabilitation hospital of approximately 44,300 square feet to be located northeast intersection of Physician's Way and Edward Curd Lane in Franklin (Williamson County), TN. The proposed new facility will be a replacement of the existing thirty-one (31) bed Nashville Rehabilitation Hospital (NRH) located at 1034 West Eastland Avenue, Nashville (Davidson County), TN 37206, currently licensed to and most recently operated by Nashville Rehab, LLC, with all rights to relocate and operate such thirty-one (31) bed facility having been contractually assigned from NRH to Middle Tennessee Rehabilitation Hospital (MTRH). The intended use of the facility is for the provision of rehabilitation hospital services. There is no major medical equipment required for this project. If approved, the license for NRH will be surrendered. HealthSouth Rehabilitation Hospital of Williamson County, CN1012-059, filed a request for simultaneous review of this application.

\$ 19,550,000.00

#HealthSouth Rehabilitation Hospital of Williamson
County
Intersection of Edward Curd Lane and Physicians
Way
Franklin (Williamson County), TN 37064
CN1012-059

Contact Person: Byron R. Trauger, Esq.
Phone No.: 615-256-8585

APPROVED

The establishment of a forty (40) bed rehabilitation hospital to be located at the southeast quadrant of the intersection of Edward Curd Lane and Physicians Way, Franklin (Williamson County), TN and the initiation of inpatient/outpatient acute rehabilitation services in Williamson County. The project does not contain major medical equipment or initiate or discontinue any other health services. This application is filed as a simultaneous review of Middle Tennessee Rehabilitation Hospital, CN1012-055.

\$ 23,389,263.00

Chattanooga-Hamilton County Hospital Authority
dba Erlanger North Hospital
632 Morrison Springs Road
Chattanooga (Hamilton County), TN 37415
CN1012-056

Contact Person: Joseph Winick, Sr. Vice
President, Strategic Planning
Phone No.: 423-778-8088

APPROVED

The establishment of a nursing home by converting thirty (30)* acute care hospital beds to skilled nursing beds as well as the initiation of skilled nursing services. No other health care services will be initiated or discontinued.

\$ 1,477,052.00

* These beds are subject to the 125 Nursing Home Bed Pool for 2010-2011

RESULTS OF APPLICATIONS HEARD AT THE MARCH MEETING

Hancock County Home Health Agency
1246 Main Street
Sneedville (Hancock County), TN 37869
CN1012-057

Contact Person: Jerry W. Taylor, Esq.
Phone No.: 615-726-1200

APPROVED

Tennessee PET Scan Center, LLC
1840 Medical Center Parkway (Suite number not yet determined)
Murfreesboro (Rutherford County), TN 37129
CN1012-058

Contact Person: William H. West, Esq.
Phone No.: 615-726-5600

APPROVED

The addition of Claiborne, Grainger and Hawkins counties to the licensed service area of Hancock County Home Health Agency. Services to be provided in the proposed new service counties are home health services.
\$ 33,000.00

The relocation of the center from 1020 N. Highland Ave, Suite B, Murfreesboro (Rutherford County), TN 37130 to 1840 Medical Center Parkway (Suite number not yet determined), Murfreesboro (Rutherford County), TN 37129. The applicant proposes in this project to replace its existing PET/CT scanner with a GE Discovery ST Classic PET/CT scanner. No inpatient beds are affected, and no new healthcare services requiring a CON will be initiated through this project.
\$ 2,948,058.00

GENERAL COUNSEL'S REPORT

Memorial Hospital
Chattanooga (Hamilton County), TN
CN0609-069A

Contact Person: Dan H. Elrod, Esq.
Phone No.: 615-244-9270

DEFERRED FROM THE FEBRUARY MEETING

APPROVED

Request for a four (4) year extension of the expiration date from February 1, 2012 to February 1, 2016 and for modifications needed to complete the project. This project was approved December 20, 2006 for: **1)** An addition to the hospital to replace and expand the surgical suite, including one (1) operating room (OR) equipped with robotic surgical capability, the cardiac catheterization labs and endovascular labs [Modification--OR expansion will occur in and adjacent to the current surgery location rather than a new surgery suite in the new bed tower]; **2)** The addition includes three (3) replacement medical/surgical units and three (3) intensive care units. [Modification -- the new bed tower will contain 96 med/surg beds and 20 intensive care beds with 44 intensive care beds located in renovated space in the existing hospital structure. A 30-bed observation unit (not inpatient beds) will be built on top of the existing emergency department structure instead of renovated space within the existing building]; **3)** Thirty-two (32) inpatient acute care beds were approved to be relocated to Memorial Hospital (MH), from the satellite hospital, Memorial North Park Hospital (MNPH). [Modification--14 of the 32 beds have been relocated. Request to leave remaining 18 beds at MNPH and not transfer to MH increasing the number of licensed beds at MH from 322 to 336, while decreasing the number of licensed beds at Memorial Park North Hospital from 83 to 65]; **4)** Major medical equipment will be acquired to open one (1) additional cardiac catheterization lab and one (1) additional endovascular lab. This project includes major medical equipment replacement for three (3) endovascular labs and one (1) magnetic resonance imaging (MRI) unit; **5)** The total amount of square feet affected by the modifications are: New construction will decrease from 397,090 SF to 312,575 SF; Renovation space will decrease 130,300 SF to 43,807 SF; Total square feet will decrease from 527,390 SF to 356,382 SF for a total decrease by 171,008 SF; and **6)** The project cost will increase by \$1,625,900.00 from \$293,344,100.00 to \$294,970,000.00.

RESULTS OF APPLICATIONS HEARD AT THE MARCH MEETING

Sumner Regional Medical Center
Gallatin (Sumner County), TN
CN0802-010A
Contact Person: Edwin Day, Consultant
Phone No.: 615-952-2297
APPROVED

Request for an eighteen month extension of the expiration date from July 1, 2011 to January 1, 2013. This project was approved on May 28, 2008 for the establishment of a fourteen (14)-bed geriatric psychiatric program and the initiation of geriatric psychiatric services. Fourteen (14) existing licensed beds will be converted to geriatric psychiatric beds. The number of licensed beds will not change. The project cost is \$642,340.00.

Vanderbilt University Medical Center
Nashville (Davidson County), TN
CN0710-075A
Contact Person: Ronald W. Hill, Vice President,
Strategic Development
Phone No.: 615-936-6012
UPDATE – No vote needed.

Request of the proposed addition of two (2) obstetrical beds to the current Obstetrical Unit at Vanderbilt University Hospital. An additional twenty-four (24) obstetrical beds were approved in the Monroe Carrel Jr. Children's Hospital Expansion certificate of Need as part of the relocation of the entire service. Based on increasing numbers of deliveries, the addition of two (2) beds in existing space will alleviate short term pressures on accommodating additional patients. CN0710-075A was approved on January 23, 2008 with an expiration date of March 1, 2014 and project cost of \$248,326,286.00.

APPLICATIONS TO BE HEARD AT THE APRIL MEETING

Roane Medical Center
Unaddressed site on Roane State Hwy 70 at
Midtown
Harriman (Roane County), TN 37748
CN1101-001
Contact Person: Mike Richardson, Vice President,
Planning & Business Development
Phone No.: 865-374-0440

A replacement hospital to be located at a new location on a currently unaddressed site on Roane County State Highway 70 at Midtown, Harriman (Roane County), TN from 412 Devonia Street, Harriman (Roane County), TN. The existing hospital has a total of 105 licensed beds including ten (10) swing beds. The proposed replacement facility will have fifty-four (54) licensed beds, including ten (10) swing beds. The project does not involve either the acquisition of major medical equipment or the initiation of any new healthcare service.
\$ 72,000,000.00

St. Thomas Hospital
4220 Harding Road
Nashville (Davidson County), TN 37205
CN1101-003
Contact Person: Barbara Houchin, Executive
Director, Planning
Phone No.: 615-284-6869

The expansion of the existing Neuro-Behavioral Health Unit by nine (9) geriatric psychiatric beds through the conversion of existing medical/surgical beds to be located within the hospital at 4220 Harding Road, Nashville, (Davidson County), TN 37205. This will increase the geriatric psychiatric beds from fifteen (15) to twenty-four (24). The project involves the renovation of approximately 2,146 square feet of former patient rooms for reuse. These rooms are currently being used as on-call rooms. There are no additional services, beds, or major medical equipment requested in the project.
\$ 604,728.00

Dayton Medical Investors, LLC dba Life Care
Center of Rhea County
Unaddressed site between 9961 &
10529 Rhea County Highway
Dayton (Rhea County), TN 37321
CN1101-004
Contact Person: Edwin Day, Consultant
Phone No.: 615-952-2297

The relocation and replacement of an eighty-nine (89) bed nursing home (Life Care Center of Rhea County) located at 7824 Rhea County Highway, Dayton (Rhea County), TN 37321. The replacement facility will be located on a site which has not been assigned an address on Rhea County Highway 27, Dayton (Rhea County), TN 37321. The proposed site is located between 9961 and 10529 Rhea County Highway. No additional beds are being requested, no new services will be initiated nor discontinued, and no major medical equipment is requested. The facility will continue to be certified for both the Medicare and Medicaid programs.
\$ 16,833,791.00

GENERAL COUNSEL'S REPORT

Roane Medical Center
Harriman (Roane County), TN
CN0906-008A
Contact Person: Mike Richardson, Vice President,
Planning & Business Development
Phone No.: 865-374-0440

Request to remove condition placed upon the Certificate of Need "These services are for diagnostic purposes only." This project was approved on May 22, 1996 for the initiation of mobile cardiac catheterization services with a project cost of \$68,000.00 and expiration date July 1, 1998.

APPLICATIONS TO BE HEARD AT THE APRIL MEETING

GENERAL COUNSEL'S REPORT (Cont'd)

Southern Tennessee Medical Center, LLC
Winchester (Franklin County), TN
CN0712-096A
Contact Person: Dan H. Elrod, Esq.
Phone No.: 615- 244-9270

Request for removal of condition limited to diagnostic catheterization services. This project was approved on March 2008 for the acquisition of fixed cardiac catheterization equipment and the initiation of cardiac catheterization services to replace its existing mobile services. The expiration date was May 1, 2010 and the project cost was \$3,521,538.00. The project was implemented in November 2009.

Rosewood Manor
Spring Hill (Maury County), TN
CN0703-021
Contact Person: Jerry W. Taylor, Esq.
Phone No. 615-726-1200

Request for a twenty-four (24) month extension of the expiration date from September 1, 2011 to September 1, 2013. The original expiration date was September 1, 2009 but extended to September 1, 2011 at the July 22, 2009 HSDA meeting. The project was approved for a replacement and relocation of the existing nursing home, and the addition of thirty (30)* Medicare certified skilled nursing beds. The facility's bed complement which is currently licensed for sixty-eight (68) beds, will increase to ninety-eight (98) SNF beds.

*These beds were subject to the 125 nursing home bed pool for 2006-2007. The project cost is 10,668,976.00.

Behavioral Healthcare Center at Memphis
Memphis (Shelby County), TN
CN0711-089
Contact Person: Jerry W. Taylor, Esq.
Phone No. 615-726-1200

Request for a twenty-four (24) month extension of the expiration date from July 1, 2011 to July 1, 2013. This project was approved at the May 28, 2008 HSDA meeting for the establishment of a sixteen (16) bed mental health hospital and the initiation of inpatient psychiatric services. The inpatient beds and services will be focused on the geriatric population, and all sixteen (16) beds will be designated as geriatric psychiatric beds. The project cost is \$6,663,901.00.

University of Tennessee Medical Center
Knoxville (Knox County), TN
CN0803-019
Contact Person: Jerry W. Taylor, Esq.
Phone No. 615-726-1200

Request for a twenty-four (24) month extension of the expiration date from August 1, 2011 to August 1, 2013. This project was approved at the June 25, 2008 HSDA meeting for the acquisition of a linear accelerator for service at UTMC. The project cost is \$4,692,691.00.

APPLICATIONS TO BE HEARD AT THE MAY MEETING

*East Tennessee Community Open MRI
(ETCOM)
1415 Old Weisgarber Road, Suite 150
Knoxville (Knox County), TN 37909
CN1103-008
Contact Person: John L. Wellborn, Consultant
Phone No. 615-665-2022

To relocate ETCOM from 300 Prosperity Drive, Suite 105, Knoxville (Knox County), TN 37923 to 1415 Old Weisgarber Road, Suite 150, Knoxville (Knox County), TN 37909, and to replace its existing MRI unit with a new MRI unit. The facility is now licensed as an outpatient diagnostic center by the Department of Health and this licensure category will not change at the new location. The project does not contain any other type of major medical equipment or initiate or discontinue any other reviewable health service; and it will not affect any facility's licensed bed complements.
\$ 2,669,423.00

Livingston Regional Hospital
315 Oak Street
Livingston (Overton County), TN 38570
CN1102-005
Contact Person: John Wellborn, Consultant
Phone No. 615-665-2022

The expansion of geropsychiatric inpatient unit by four (4) beds through reassignment and conversion of (4) existing inpatient rehabilitation beds, and to construct related support space. The geropsychiatric unit is to be managed by Horizon Health (United Health Systems). Livingston Regional Hospital is licensed by the Department of Health as a 114-bed general hospital, consisting of 90 general hospital beds, 14 rehabilitation beds and 10 geropsychiatric. The bed reassignment will result in 90 general beds, 10 rehabilitation beds and 14 geropsychiatric beds. The project will not change the total licensed bed complement. The project does not contain major medical equipment or initiate or discontinue any health service.
\$ 1,293,115.00

The West Clinic, PC
100 North Humphreys Boulevard
Memphis (Shelby County), TN 38120
CN1102-006
Contact Person: Jerry W. Taylor, Esq.
Phone No. 615-726-1200

1) The establishment of single specialty ambulatory surgical treatment center (ASTC) limited to radiation therapy services; 2) The initiation of radiation therapy services through the use of a linear accelerator; and 3) The acquisition of a linear accelerator, which qualifies as major medical equipment under applicable law. The services and equipment will be in a new building to be constructed adjacent to the clinical offices of the West Clinic. The proposed radiation therapy services would be limited to the patients of The West Clinic.
\$ 8,375,057.00

APPLICATIONS TO BE HEARD AT THE JUNE MEETING

Hillview Health Center
1666 Hillview Drive
Elizabethton (Carter County), TN 37643
CN1103-007
Contact Person: E. Graham Baker, Jr., Esq.
Phone No. 615-370-3380

The addition of twenty (20)* skilled nursing beds at its facility. The facility is currently licensed for fifty-six (56) dually-certified beds, and this application, if approved, will result in a total licensed bed complement of seventy-six (76) nursing home beds. The additional twenty (20) beds will be dually certified. There is no major medical equipment involved with this project. No other health services will be initiated or discontinued. It is proposed that the facility will continue to serve Medicare, Medicaid, commercially insured, and private-pay patients, and the facility will continue to be licensed by the Tennessee Department of Health.
\$ 1,799,816.00

* These beds will be subject to the 125 nursing home bed pool for 2010-2011.

Chattanooga Medical Investors Limited
Partnership dba Life Care Center of Ooltewah
Northeast corner of Mountain View Road and
Snow Hill Road
Ooltewah (Hamilton County), TN 37363
CN1103-009
Contact Person: Edwin Day, Consultant
Phone No. 615-952-2297

The relocation and replacement of a nursing home (Life Care Center of Chattanooga) located at 455 North Highland Park Avenue, Chattanooga (Hamilton County), TN 37404. The replacement facility will be located on a 8.4 acre site, which has not been assigned an address, located on the northeast corner of Mountain View Road and Snow Hill Road, Ooltewah (Hamilton County), TN 37363. The number of licensed beds will be reduced from 153 to 120. No services will be initiated nor discontinued, and no major medical equipment is requested.
\$ 20,990,000.00

Saint Thomas Hospital
4220 Harding Road
Nashville (Davidson County), TN 37205
CN1103-010
Contact Person: Barbara Houchin, Executive
Director, Planning
Phone No. 615-284-6869

The renovation of its existing Cardiac Surgery Suite within the hospital. The project involves the renovation of eight (8) operating rooms in approximately 11,143 square feet of existing operating room space and the purchase of major medical equipment. Major medical equipment for the project consists of two (2) Siemens Artis zeego floor mounted, multi-axis C-arm angiography systems. There are no additional services, operating rooms, or beds requested in the project.
\$ 10,275,135.00

APPEALS OF AGENCY DECISIONS

<u>FACILITY</u>	<u>DOCKET #</u>	<u>DESCRIPTION</u>	<u>Approved/ Denied</u>
HealthSouth Rehabilitation Hospital of Williamson County Franklin, Williamson County CN102-059A	T.B.A.	Appeal of Approval of CON	3/23/2011
Middle Tennessee Rehabilitation Hospital, LLC Franklin, Williamson County CN102-055D	T.B.A.	Appeal of Denial of CON	3/23/2011
New Life Surgical Center, PLLC Franklin, Williamson County CN1009-043A	T.B.A.	Appeal of Approval of CON	2/23/2011
Plaza Radiology, LLC d/b/a Cleveland Imaging Cleveland, Bradley County CN1010-047A	T.B.A.	Appeal of Approval of CON	1/26/2011

Health Services and Development Agency Members

Carl Koella
(Consumer, Speaker of the Senate)

Charlotte C. Burns
(Hospital)

Charles Handorf, M.D.
(Physician)

D. Lynn Johnson
(Consumer, Speaker of the House)

Clark Jones
(Consumer, Governor)

Gregory Lammert
(Home Care)

William Southwick
(Ambulatory Surgical Treatment Centers)

James L. Wright
(Nursing Home)

Justin Wilson
(Comptroller)
Faye Weaver, Designee

Julie Mix McPeak
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Lisa Jordan, Designee

Darin J. Gordon
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Keith Gaither, Designee