
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

AUGUST

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-Chair D. Lynn Johnson
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,
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

| <u>2011 REVIEW CYCLE</u> | | | | |
|--------------------------|--|--------------------------|-----------------------|---------------------------|
| 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 location:

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August – December 2011 *

Legislative Plaza

Room 12

Sixth Avenue North & Union Street

Nashville, TN

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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 JULY MEETING

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

DEFERRED FROM THE JULY MEETING

APPROVED

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

*NOL, LLC dba Premier Radiology
5002 Crossing Circle
Mt. Juliet (Wilson County), TN 37122
CN1104-012
Contact Person: Ed Day
Phone No.: 615-952-2297

DEFERRED FROM THE JULY MEETING

APPROVED

To establish an outpatient diagnostic center (ODC) at 5002 Crossing Circle, Mt. Juliet (Wilson County), including the initiation of magnetic resonance imaging (MRI). The proposed ODC will be established by converting existing equipment and facilities currently operated at the location by NOL, LLC dba Premier Radiology as part of its physicians' practice. The diagnostic services in the existing physicians' practice and in the proposed ODC include MRI, CT, nuclear medicine, ultrasound, and x-ray. The project will not add any new services to the market or change the location of existing services. No other services will be initiated or discontinued and no additional equipment will be acquired as a part of this project. ***Removed from Consent Calendar due to opposition received per HSDA Rule 0720-10-.05(4).**

\$ 3,000,848.00

Memorial North Park Hospital
2051 Hamill Road
Hixson (Hamilton County), TN 37343
CN1104-011
Contact Person: Jane Lucchesi
Phone No.: 423-495-8931

APPROVED

To renovate and expand several departments of the hospital located at 2051 Hamill Road, Hixson (Hamilton County), TN. The project involves construction of a replacement Intensive Care Unit, renovation and expansion of the Emergency Department, renovation and expansion of the Endoscopy Unit, partial renovation of a Nursing Unit, and renovation of radiology space to add a SPECT-CT unit. The designated ICU beds will increase from eight (8) to ten (10) and the number of medical surgical beds will decrease from sixty-one (61) to fifty-nine (59). This project will not affect the hospital's total licensed bed complement of sixty-nine (69) beds. Emergency Department treatment rooms will increase from thirteen (13) to seventeen (17). The Endoscopy Unit will increase from two (2) to three (3) labs. The total project involves 32,880 total gross square feet of new and renovated space. The project does not involve acquisition of major medical equipment or the initiation or discontinuance of any health care services.

\$ 17,583,642.00

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RESULTS OF APPLICATIONS HEARD AT THE JULY MEETING

Clarksville Surgery Center, LLC
793 Weatherly Drive
Clarksville (Montgomery County), TN 37043
CN1104-014
Contact Person: Keith Bolton, Chief Executive Officer
Phone No.: 931-801-2558

APPROVED

Initiation of extra corporeal shockwave lithotripsy (ESWL) services at Clarksville Surgery Center, 793 Weatherly Drive, Clarksville (Montgomery County), TN through a mobile service on a "as needed" basis.
\$ 200,000.00

GENERAL COUNSEL'S REPORT

Rosewood Manor
Unaddressed site near Old Kedron Road
Spring Hill (Maury County), TN
CN0703-021A
Contact Person: Jerry W. Taylor, Esq.
Phone No.: 615-726-1200

DEFERRED FROM THE APRIL MEETING

APPROVED

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. The project cost is \$10,668,976.00.

* These beds were subject to the 125 Nursing Home Bed Pool for 2006-2007.

Saint Francis Hospital
5959 Park Avenue
Memphis (Shelby County), TN 38119
CN0803-023A
Contact Person: Kim H. Looney, Esq.
Phone No.: 615-850-8722

APPROVED

Request for a twelve (12) month extension of the expiration date from September 1, 2011 to September 1, 2012. This project was approved on July 23, 2008 for the acquisition of a Cyberknife Stereotactic Radiosurgery System to be installed at the hospital's main campus. The Cyberknife is an alternative to, but not a replacement of the linear accelerator radiation oncology services already provided at the hospital, which services will continue to be provided. No inpatient beds are affected by this project. The project cost is \$6,651,513.00.

HealthSouth Rehabilitation Hospital of Williamson County
Intersection of Edward Curd Lane and Physicians Way
Franklin (Williamson County), TN 37064
CN1012-059A
Contact Person: Byron R. Trauger, Esq.
Phone No.: 615-256-8585

NO ACTION or VOTE REQUIRED BY MEMBERS

Request for modification of structure of building from a one-story to a two-story. The project was approved at the March 23, 2011 meeting for the establishment of a forty (40) bed rehabilitation hospital and the initiation of inpatient/outpatient acute rehabilitation services in Williamson County. Expiration date is May 1, 2014 and the project cost is \$23,389,263.00.

APPLICATIONS TO BE HEARD AT THE AUGUST MEETING

Southern Sports Medicine Surgery Center (SSMSC)
1163 Nashville Pike
Gallatin (Sumner County), TN 37066
CN1104-013
Contact Person: Thomas Gautsch, M.D.
Phone No.: 615-452-3320

The establishment of a single specialty ambulatory surgical treatment center (ASTC). The center will contain approximately 6,200 square feet of space and will include two (2) operating rooms, one (1) procedure room, a pre/post holding area and support space. The project does not contain any major medical equipment and will not initiate or discontinue any other health service.
\$ 3,296,400.00

Orange Grove Center, Inc.
Site A 5345 Mountain Creek Road
Chattanooga (Hamilton County), TN 37415
CN1105-015
Contact Person: Kyle Hauth, Executive Director
Phone No.: 423-493-2910

The establishment of a four (4) bed ICF/MR home for four (4) residents who will transfer from an existing eight (8)-bed ICF/MR managed by The Orange Grove Center, Inc. Services will include complete life care support for individuals with intellectual disabilities, appropriate therapies, community integration opportunities and life skills development. The home will be licensed by the Tennessee Department of Mental Health.
\$ 992,393.00

Orange Grove Center, Inc.
Site B 5345 Mountain Creek Road
Chattanooga (Hamilton County), TN 37415
CN1105-016
Contact Person: Kyle Hauth, Executive Director
Phone No.: 423-493-2910

The establishment of a four (4) bed ICF/MR home for four (4) residents who will transfer from an existing eight (8)-bed ICF/MR managed by The Orange Grove Center, Inc. Services will include complete life care support for individuals with intellectual disabilities, appropriate therapies, community integration opportunities and life skills development. The home will be licensed by the Tennessee Department of Mental Health.
\$ 992,393.00

St. Jude Children's Research Hospital
315 Danny Thomas Place
Memphis (Shelby County), TN 38105
CN1105-017
Contact Person: John Wellborn, Consultant
Phone No.: 615-665-2022

To construct a new medical tower that will include a replacement Surgical Department and Intensive Care Unit (ICU). In the same structure, the hospital proposes to establish a proton beam therapy center for pediatric cancer treatment, to acquire major medical equipment (proton beam therapy equipment and related components), and to initiate inpatient and outpatient proton therapy services. It will be located within the St. Jude campus, next to the Chili's Care Center. St. Jude is licensed as a 78-bed general hospital. The project will not change the hospital's bed complement, or initiate or discontinue any other hospital service, or include any other types of major medical equipment.
\$ 184,279,326.00

APPLICATIONS TO BE HEARD AT THE AUGUST MEETING

Baptist Memorial Hospital - Tipton dba
Baptist Center for Cancer Care
1238 & 1280 South Germantown Pkwy
Germantown (Shelby County), TN 38138
CN1105-018
Contact Person: Arthur Maples, Dir. Strategic Analysis
Phone No.: 901-227-4137

To construct a comprehensive cancer center; to initiate linear accelerator and positron emission tomography (PET) services; and to acquire major medical equipment and related assets currently owned by Baptist Memorial Hospital-Memphis (BMHM). The new facility will include a full array of oncology services and programs, and will be operated as an outpatient department of Baptist Memorial Hospital-Tipton under the name Baptist Center for Cancer Care. The project involves relocating from BMHM the PET unit, two (2) linear accelerators and other radiation oncology equipment along with the CyberKnife linear accelerator approved but unimplemented by CN1010-050. The PET, accelerators and other treatment equipment and services will be located in approximately 105,291 square feet of space to be constructed at 1238 and 1280 South Germantown Parkway, Germantown (Shelby County), TN 38138. The location is close to the intersection of Germantown Parkway and Wolf River Boulevard in Germantown (Shelby County), TN and is approximately 5 miles from the current location of radiation therapy services at BMHM. The project does not involve the addition of beds or any other service for which a certificate of need is required.

\$ 64,925,225.00

APPLICATIONS TO BE HEARD AT THE SEPTEMBER MEETING

*The Health Center of Nashville
Unaddressed site at Highway 100 and Pasquo Road
Nashville (Davidson County), TN 37221
CN1107-024
Contact Person: Bruce K. Duncan, Assistant Vice
President
Phone No.: 615-890-2020
Consent Calendar

Change of site/relocation of CN1002-007A for the construction of a 150 bed nursing home. The Health Center of Nashville will be certified for both Medicaid and Medicare participation. The proposed site is located on approximately 13 acres with approximately 970 feet of frontage along Hwy 100. The property is located at the southeast quadrant of Hwy 100 and Pasquo Road, Nashville (Davidson County), Tennessee.
\$ 23,894,100.00

Mercy Health System, Inc. dba
Mercy Medical Center, North
7551 Dannaher Way
Powell (Knox County), TN 37849
CN1106-019
Contact Person: Jeffrey D. Potter, Senior Vice President
and Chief Strategy Officer
Phone No.: 865-218-7094

The acquisition of a second linear accelerator to be located and utilized on the Mercy Medical Center, North ("MMCN") campus. No new services will be initiated. As part of this application, the certificate of need to provide radiation therapy services at Mercy Riverside will be relinquished. No inpatient beds are involved in this project.
\$ 4,694,671.00

Seton Corporation dba Baptist Hospital
2000 Church Street
Nashville (Davidson County), TN 37236
CN1106-020
Contact Person: Barbara Houchin, Executive Director,
Planning
Phone No.: 615-284-6869

Renovations to the Cardiac and Medical Imaging departments at Baptist Hospital. The total number of licensed beds at Baptist Hospital will not change as a result of this project. One (1) PET/CT scanner will be purchased to replace two (2) PET scanners. Renovations will be made to 44,440 square feet of space and there will be 3,900 square feet of new construction.
\$ 14,670,000.00

Johnson City Medical Center
400 North State of Franklin Road
Johnson City (Washington County), TN 37604
CN1106-021
Contact Person: Tony Benton, Vice-President, Strategic
Planning
Phone No.: 423-302-3379

The renovation and expansion of the current radiation oncology department in the main campus building of Johnson City Medical Center ("JCMC"). No new services will be initiated and no major medical equipment will be purchased. There will be no change in the hospital bed complement.
\$ 14,999,924.00

NHC at Indian Path
2300 Pavilion Drive
Kingsport (Sullivan County), TN 37660
CN1106-022
Contact Person: Bruce K. Duncan, Assistant Vice
President
Phone No.: 615-890-2020

The establishment of a new thirty (30)* bed nursing home certified for Medicare participation. The project will be located in the existing building at the site of the old Indian Path Pavilion.
\$ 7,060,851.00
* These beds are subject to the 125 Nursing Home Bed Pool for 2010 – 2011.

APPLICATIONS TO BE HEARD AT THE OCTOBER MEETING

Ten Broeck Tennessee at Cookeville Regional Medical Center
1 Medical Center Boulevard, 5th Floor
Cookeville (Putnam County), TN 38501
CN1107-025
Contact Person: Jerry W. Taylor, Esq.
Phone No.: 615-726-1200

The establishment of a thirty-two (32) bed mental health hospital. The facility will be located in leased space on the fifth (5th) floor of Cookeville Regional Medical Center. Services to be provided are inpatient and outpatient mental health services for adults.
\$ 4,896,680.00

StoneCrest Medical Center
200 Stonecrest Boulevard
Smyrna (Rutherford County), TN 37167
CN1107-026
Contact Person: John L. Wellborn, Consultant
Phone No.: 615-665-2022

The addition of eight (8) licensed hospital beds through construction of an eight (8)-bed neonatal intensive care nursery ("NICU") and the initiation of Level II-B NICU services at the hospital's campus. This proposed project will add eight (8) licensed NICU beds increasing the hospital's licensed bed complement from 101 to 109. The project does not contain major medical equipment or initiate or discontinue any other health service.
\$ 2,991,463.00

Memphis Center for Research and Addiction Treatment
1734 Madison Avenue
Memphis (Shelby County), TN 38104
CN1107-027
Contact Person: John L. Wellborn, Consultant
Phone No.: 615-665-2022

The relocation from the current site at 1270 Madison Avenue, Memphis (Shelby County), TN 38104 to 1734 Madison Avenue, Memphis (Shelby County), TN 38104, a distance of less than a mile. This is a companion CON to CN1106-023 filed in June, 2011 for relocation of the same facility to 1391 Madison Avenue Memphis (Shelby County), TN 38104. This second application is being filed as an alternate location in the event CON approval is not granted for the first application (CN1106.-023). The facility is currently licensed by the Tennessee Department of Mental Health as an Alcohol & Drug Non-Residential Opiate Treatment Facility. It will be used exclusively to provide a comprehensive adult outpatient treatment program for opioid addiction. The project does not contain major medical equipment or initiate or discontinue any other health service; and it will not affect any facility's licensed bed complements.
\$ 1,228,000.00

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 | 25.00- 111868J | Appeal of Approval of CON | 3/23/2011 |
| Middle Tennessee Rehabilitation Hospital, LLC Franklin, Williamson County CN102-055D | 25.00- 111868J | Appeal of Denial of CON | 3/23/2011 |
| New Life Surgical Center, PLLC Franklin, Williamson County CN1009-043A | 25.00-111517J | Appeal of Approval of CON | 2/23/2011 |
| Plaza Radiology, LLC d/b/a Cleveland Imaging Cleveland, Bradley County CN1010-047A | 25.00-11270J | 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)

Barrett G. Haik, M.D.
(Physician)

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

"Vacant"
(Consumer, Governor)

Gregory Lammert
(Home Care)

William Southwick
(Ambulatory Surgical Treatment Centers)

James L. Wright
(Nursing Home)

Darin J. Gordon
(Director of TennCare)
Keith Gaither, Designee

Julie Mix McPeak
(Commerce & Insurance Commissioner)
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Justin Wilson
(Comptroller)
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