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# Health Services and Development Agency

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## Communique

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**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**

**SEPTEMBER  
2011**

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

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### **HEALTH SERVICES & DEVELOPMENT AGENCY**

Chair..... Carl Koella, III  
Vice-Chair ..... D. Lynn Johnson  
Executive Director ..... Melanie Hill  
General Counsel ..... James B. Christoffersen

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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

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

**ALL RECORDS ARE PUBLIC INFORMATION**

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## 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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September – 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](http://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.



HEALTH SERVICES AND DEVELOPMENT AGENCY  
COMMUNIQUE  
SEPTEMBER 2011

## RESULTS OF APPLICATIONS 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

APPROVED

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

APPROVED

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

APPROVED

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

APPROVED

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

## RESULTS OF APPLICATIONS 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

APPROVED

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 Dannaer 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  
DEFERRED TO THE OCTOBER MEETING

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

\*NHC HealthCare - Sumner, LLC  
Nashville Pike near Kennesaw Blvd. on a  
yet to be determined street address  
Gallatin (Sumner County), TN 37066  
CN1108-029  
Contact Person: Bruce K. Duncan, Assistant Vice  
President  
Phone No.: 615-890-2020  
**Consent Calendar**

The relocation of two (2) previously approved Certificates of Need granted as CN0702-014AE, a sixty-two (62) bed nursing home and CN0808-057AE, for the addition of thirty (30) Medicare certified nursing home beds. The project site is on eighteen (18) acres located on Nashville Pike and is located approximately 1,500 feet east from the intersection of Nashville Pike and Kennesaw Boulevard on a yet to be determined street and address in Gallatin (Sumner County), TN. The project will be part of a larger continuum of care community which will offer in addition to the ninety-two (92)\* bed nursing center, approximately eighty-three (83) assisted living units. No new beds are being requested as part of this relocation proposal so the bed pool will not be impacted.

\$ 17,902,991.00

\* These beds will not be subject to the 125 nursing home bed pool for 2011-2012.

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  
DEFERRED FROM THE SEPTEMBER MEETING

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

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

## APPLICATIONS TO BE HEARD AT THE OCTOBER MEETING

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

## APPLICATIONS TO BE HEARD AT THE NOVEMBER MEETING

East Tennessee Radiation Therapy Services  
1415 Old Wesigarber Road, Suite 250  
Knoxville (Knox County), TN 37909  
CN1108-030  
Contact Person: John L. Wellborn, Consultant  
Phone No.: 615-665-2022

The acquisition of major medical equipment (a Linear Accelerator and related components); the initiation of outpatient radiation therapy services; and the establishment of an ambulatory surgical treatment center (ASTC) limited to radiation therapy services. The service will seek licensure by the Tennessee Department of Health as an ambulatory surgical treatment center (ASTC) limited to radiation therapy. The project does not contain any other type of major medical equipment or initiate or discontinue any other type of major medical equipment or health services, and it will not affect any facility's licensed bed complements.  
\$ 8,885,379.00

St. Thomas Outpatient Imaging - Baptist  
300 20th Avenue North, Suite 202  
Nashville (Davidson County), TN 37203  
CN1108-031  
Contact Person: Dan H. Elrod, Esq.  
Phone No.: 615-244-9270

The establishment of an outpatient diagnostic center (ODC) and the initiation of magnetic resonance imaging (MRI) services. The ODC will occupy approximately 6,563 square feet of space leased from Baptist Hospital, located in the 20th Avenue Medical Office Building, 300 20th Avenue North, Suite 202, Nashville (Davidson County), TN. Upon completion of the project, Baptist Hospital will deactivate an existing MRI, so the project will not result in any new MRI capacity in the market. The imaging modalities in the ODC will be MRI, CT, ultrasound, digital x-ray, radiography and fluorography.  
\$ 3,608,100.00

## APPEALS OF AGENCY DECISIONS

<u>FACILITY</u>	<u>DOCKET #</u>	<u>DESCRIPTION</u>	<u>Meeting Date</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
NOL, LLC dba Premier Radiology Mt. Juliet, Wilson County CN1104-012A	25.00-113713J	Appeal of Approval of CON	7/27/2011
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)  
Lisa Jordan, Designee

Justin Wilson  
(Comptroller)  
Faye Weaver, Designee