

HEALTH SERVICES AND DEVELOPMENT AGENCY

COMMUNIQUE

MONTHLY PUBLICATION OF
HEALTH SERVICES AND DEVELOPMENT AGENCY

Andrew Jackson Building, 9th Floor

502 Deaderick Street

Nashville, TN 37243

615.741.2364

April 2015

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

HEALTH SERVICES AND DEVELOPMENT AGENCY

Chair.....D. Lynn Johnson
Vice-Chair.....Robert S. Doolittle
Executive Director.....Melanie Hill
General Counsel.....James Christoffersen

Tennessee Department of Health, Division of Policy, Planning and Assessment.....615/741-1954

Tennessee Department of Mental Health and Substance Abuse Services,
Office of General Counsel...615/532-6520 or Main Office.....615/532-6500

Tennessee Department of Intellectual and Development Disabilities,
Office of General Counsel...615/253-8731 or Main Office....615/532-6530 or 800-535-9725

CALENDAR

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

2015

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|------------------------------------------|-----------------------------------------------------------|
| Monday, February 16—Presidents' Day | *Monday, October 12—Columbus Day |
| Friday, April 3—Good Friday | Wednesday, November 11—Veterans' Day |
| Monday, May 25—Memorial Day | Thursday, November 26—Thanksgiving Day |
| Friday, July 3—Independence Day observed | *Friday, November 27— <i>substituted</i> for Columbus Day |
| Monday, September 7—Labor Day | Thursday, December 24—Christmas Eve |
| | Friday, December 25—Christmas |
| | Thursday, December 31—New Year's Eve |

* Columbus Day "Second Monday in October at the Governor's discretion may be observed the Friday after Thanksgiving.

2014 REVIEW CYCLE

<u>2014 Cycle Month</u>	<u>Publication Dates—Letter of Intent</u>	<u>Application Due Date</u>	<u>HSDA Meeting Dates</u>	<u>*End of Appeal Period</u>
January	12/01/2014-12/10/2014	5 days after Publication	03/25/2015	04/09/2015

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.

2015 REVIEW CYCLE

<u>2015 Cycle Month</u>	<u>Publication Dates—Letter of Intent</u>	<u>Application Due Date</u>	<u>HSDA Meeting Dates</u>	<u>*End of Appeal Period</u>
February	01/01/2015-01/10/2015	"	04/22/2015	05/07/2015
March	02/01/2015-02/10/2015	"	05/27/2015	06/11/2015
April	03/01/2015-03/10/2015	"	06/24/2015	07/09/2015
May	04/01/2015-04/10/2015	"	07/22/2015	08/06/2015
June	05/01/2015-05/10/2015	"	08/26/2015	09/10/2015
July	06/01/2015-06/10/2015	"	09/23/2015	10/09/2015
August	07/01/2015-07/10/2015	"	10/28/2015	11/12/2015
September	08/01/2015-08/10/2015	"	11/18/2015	12/03/2015
October	09/01/2015-9/10/2015	"	12/16/2015	12/31/2015
November	10/01/2015-10/10/2015	"	01/27/2016	02/11/2016
December	11/01/2015-11/10/2015	"	02/24/2016	03/10/2016

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, ANDREW JACKSON BUILDING, 9th FLOOR, 502 DEADERICK STREET, 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, ANDREW JACKSON BUILDING, NINTH FLOOR, 502 DEADERICK STREET, 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:

May – December

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 15 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 MARCH MEETING

*The Home Option by Harden Healthcare
800 Oak Ridge Turnpike, Suite A 208
Oak Ridge (Anderson County), TN 37830-6957
CN1501-001
Contact Person: Kim H. Looney, Esq.
Phone: 615-850-8722

CONSENT CALENDAR

APPROVED

Condition: Gentiva Certified Healthcare Corporation, proposes to de-license Blount, Campbell, Claiborne, Grainger, Monroe, Morgan, Roane and Scott Counties.

The initiation of home health services in Blount, Campbell, Claiborne, Grainger, Monroe, Morgan, Roane and Scott Counties. If approved, the applicant's sister agency Gentiva Certified Healthcare Corporation, proposes to de-license the same 8 counties. The agency is located at 800 Oak Ridge Turnpike, Suite A208, Oak Ridge (Anderson County), TN 37830 and is currently licensed for Anderson, Jefferson, Knox, Loudon, Sevier and Union Counties. The estimated project cost is \$38,000.00.

*Advanced Diagnostic Imaging, P.C. d/b/a Southern Sports Medicine Institute
570 Hartsville Pike
Gallatin (Sumner County), TN 37066
CN1501-002
Contact Person: Byron R. Trauger, Esq.
Phone: 615-256-8585

CONSENT CALENDAR

APPROVED

The applicant is seeking approval to continue in-office magnetic resonance imaging (MRI) services limited to extremities approved in Thomas L. Gautsch, MD, PC, CN0110-088A, under the ownership of Advanced Diagnostic Imaging, PC d/b/a Southern Sports Medicine Institute (SSMI), an existing multi-specialty physician practice group that Dr. Gautsch is joining. Other than the change in ownership, no change in site, equipment (GE Lunar E-Scan 0.2 Tesla Open MRI scanner) or imaging services (extremity MRI scans) will occur. The estimated project cost is \$624,935.00.

*Baby + Company Nashville
3212 West End Avenue
Nashville (Davidson County), TN 37203
CN1501-003
Contact Person: Dan H. Elrod, Esq.
Phone: 615-651-6702

CONSENT CALENDAR

APPROVED

Condition: The applicant must surrender CN1406-022A.

The relocation of an approved but unimplemented CON (CN1406-022) for a birthing center from leased space at 2106 21st Avenue, Nashville (Davidson County) to leased space at 3212 West End Ave, Nashville (Davidson County). The facility will include 4 birthing suites, 3 examination rooms and various support areas in approximately 7,800 square feet. The estimated project cost is \$2,080,111.00.

Life Care Centers of America, Inc., d/b/a
Life Care Center of East Ridge
Unaddressed site east of the of the existing facility
adjacent to 1500 Fincher Avenue
East Ridge (Hamilton County), TN 37412
CN1410-044
Contact Person: Cindy A. Cross, Senior Director of Legal Services
Phone: 423-473-5867

APPROVED

Note: An extended expiration date of three years.

The replacement of the existing 130-bed facility with a new 108-bed facility on the same campus located at 1500 Fincher Avenue, East Ridge (Hamilton County). The new site will be adjacent to the existing nursing home. Twenty-two beds will be delicensed. The estimated project cost is \$24,874,400.00.

Chattanooga-Hamilton County Hospital
Authority d/b/a Erlanger East Hospital
1755 Gunbarrel Road
Chattanooga (Hamilton County), TN 37416
CN1412-048
Contact Person: Joseph M. Winick,
Sr. Vice President, Planning &
Business Development
Phone: 423-778-8088

APPROVED

The acquisition of a linear accelerator and the initiation of services at Erlanger East Hospital at 1755 Gunbarrel Road, Chattanooga, TN, a satellite hospital operating under the license of Erlanger Medical Center, 975 East 3rd Street, Chattanooga (Hamilton County), Tennessee. If approved, the new linear accelerator at Erlanger East Hospital will replace a linear accelerator at Erlanger Medical Center reducing the number of linear accelerators at Erlanger Medical Center from two (2) to one (1). The estimated project cost is \$10,532,562.00.

(Continued on the Next Page)

RESULTS OF APPLICATIONS HEARD AT MARCH MEETING

Implanted Pump Management, LLC+
200 Prosperity Place, #102
Knoxville (Knox County), TN 37923
CN1407-027
Contact Person: Melissa Hess, Director of Nursing
Phone: 201-475-9635
DEFERRED UP TO 90 DAYS

Pentec Health, Inc.+
424 Church Street, Suite 2000
Nashville (Davidson County), TN 37219
CN1411-046
Contact Person: Doug Wynd, National Sales Director,
Specialty Infusion
Phone: 636-751-6481
DEFERRED UP TO 90 DAYS

TriStar Southern Hills Emergency Department at I-65++
Unaddressed site at Northeast Corner of Intersection
at Old Hickory Blvd. & American General Way
Brentwood (Davidson County), TN 37027
CN1412-050
Contact Person: John L. Wellborn, Consultant
Phone: 615-665-6022
DENIED

Saint Thomas Midtown Hospital (Emergency Department at
Brentwood)++
791 Old Hickory Boulevard
Brentwood (Davidson County), TN 37027
CN1412-049
Contact Person: Blake Estes, Executive Director
of Strategy & Planning
Phone: 615-284-3990
DENIED

The establishment of a home care organization and the initiation of home health services limited to intrathecal pump services. The parent office will be located at 200 Prosperity Place #102, Knoxville (Knox County), TN 37932. There are no branch offices proposed for this project. The service area includes all 95 counties in Tennessee. The estimated project cost is \$13,038.00.

Simultaneous Review+- Implanted Pump Management, LLC, Knoxville (Knox County), TN – CN1407-027 and Pentec Health, Inc., Nashville (Davidson County), TN – CN1411-046 will be heard as a simultaneous review.

The establishment of a home care organization and the initiation of home health services limited to intrathecal pump infusion and Ig-G replacement therapy services in all counties in Tennessee except Hancock, Perry and VanBuren Counties. The parent office will be located in leased space at 424 Church Street, Suite 2000, Nashville, TN. There are no branch offices proposed for this project. The estimated project cost is \$142,028.00.

Simultaneous Review+- Implanted Pump Management, LLC, Knoxville (Knox County), TN – CN1407-027 and Pentec Health, Inc., Nashville (Davidson County), TN – CN1411-046 will be heard as a simultaneous review.

The establishment of a satellite emergency department with 8 treatment rooms. The facility will be located at an unaddressed site at the intersection of Old Hickory Boulevard and American General Way in Brentwood (Davidson County). The estimated project cost is \$11,316,699.00.

Simultaneous Review+- TriStar Southern Hills Emergency Department at I-65 - CN1412-050 and Saint Thomas Midtown Hospital (Emergency Department at Brentwood) - CN1412-049 will be heard as a simultaneous review.

The establishment of a satellite emergency department facility with 8 treatment rooms at 791 Old Hickory Boulevard in Brentwood (Davidson County). The facility will be physically connected to Premier Radiology. The estimated project cost is \$6,757,172.00.

Simultaneous Review+- TriStar Southern Hills Emergency Department at I-65 - CN1412-050 and Saint Thomas Midtown Hospital (Emergency Department at Brentwood) - CN1412-049 will be heard as a simultaneous review.

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APPLICATIONS HEARD AT THE MARCH MEETING

Southern Hills Surgery Center
Unaddressed site at NE corner of intersection at
Old Hickory Blvd. and American General Way
Brentwood (Davidson County), TN 37250
CN1411-047
Contact Person: John L. Wellborn, Consultant
Phone: 615-665-2022

DEFERRED TO THE MAY MEETING

GENERAL COUNSEL'S REPORT

Behavioral Healthcare Center at Memphis
Unaddressed site at 2nd Ave. No and Pear Ave.
Memphis (Shelby County), TN 38105
CN0711-089AE
Contact Person: Jerry W. Taylor, Esq.
Phone No. 615-726-1200

APPROVED

University of Tennessee Medical Center
1924 Alcoa Highway
Knoxville (Knox County), TN 37920
CN1005-022AE
Contact Person: Jerry W. Taylor, Esq.
Phone No. 615-726-1200

APPROVED

The relocation of Southern Hills Surgery Center from 360 Wallace Road, Nashville (Davidson County), TN 37211, to leased space in a building to be constructed at an unaddressed site in the northeast corner of the intersection of Old Hickory Boulevard and American Way, Brentwood (Davidson County), TN 37250. The estimated project cost is \$17,357,832.00.

Request for a modification and a third extension of the expiration date. The project was approved on May 28, 2008 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 modifications will reduce the estimated project cost to \$2,734,737, which is a reduction of \$3.9 million.

The modification request includes the following:

- 1) Relocation from a freestanding building into a dedicated and newly constructed addition of the building occupied by Harbor View, Inc. Concurrent with licensure of the 16-bed mental health hospital for geriatric patients, 17 nursing home beds at Harbor View Nursing and Rehabilitation Center will be delicensed.
- 2) A reduction in square footage from 32,500 square feet to 10,912 square feet.
- 3) A reduction in the approved project cost from \$6,643,912 to \$2,734,737.
- 4) A change in the description from the "unaddressed site" language to 1513 North Second Street, Memphis, TN 38107

The extension request is for an additional 9 months, which would extend the expiration from July 1, 2015 to April 1, 2016. The first extension extended the expiration date from July 1, 2011 to July 1, 2013. The second extension extended the expiration July 1, 2013 to July 1, 2015.

A request for a three month extension of the expiration date from April 1, 2015 to July 1, 2015. This project was approved on August 25, 2010 for construction of a 28,000 SF addition to the existing surgery facilities to house 13 new operating rooms. The project also included the renovation of approximately 12,000 SF of existing space and a new endovascular suite. The project cost was estimated to be \$18,432,272.

APPLICATIONS TO BE HEARD AT THE APRIL MEETING

No Meeting.

APPLICATIONS TO BE HEARD AT THE MAY MEETING

Scott Hamilton Proton Center
Unaddressed Site at Intersection Carothers Pkwy and
Physicians Way
Franklin (Williamson County), TN 37027
CN1502-004
Contact Person: Scott Warwick, Vice President
Phone: 865-684-2613

To establish a proton therapy center for cancer patients, acquire major medical equipment and initiate outpatient proton therapy services in a new building to be constructed at an unaddressed site containing approximately 11.6 acres located on the east side of Carothers Parkway between its intersection with Physician's Way and Williamson Medical Center in Franklin (Williamson County), TN. The estimated project cost is \$109,057,664.00.

Chattanooga-Hamilton County Hospital d/b/a
Erlanger East Hospital
1755 Gunbarrel Road
Chattanooga (Hamilton County), TN 37421
CN1502-005
Contact Person: Joseph M. Winick, Sr. Vice President
Phone: 423-778-7274

To modernize the CON originally issued in 2004 (CN0405-047AE) which was approved for diagnostic cardiac services. The applicant proposes to upgrade the unimplemented diagnostic Cardiac Catheterization Lab to also perform interventional cardiac procedures. Erlanger East Hospital is located at 1755 Gunbarrel Road, Chattanooga (Hamilton County), Tennessee 37416. The estimated project cost is \$303,000.00.

Trustpoint Hospital, LLC
1009 North Thompson Lane
Murfreesboro (Rutherford County), TN 37129
CN1502-006
Contact Person: E. Graham Baker, Jr., Esq.
Phone: 615-370-3380

The net increase of 33 inpatient psychiatric beds licensed by the Tennessee Department of Health as follows: Adult Psychiatric Beds will increase from 28 beds to 36; Medical Detoxification beds will increase from 10 to 18 beds, Physical Rehabilitation Beds will decrease from 27 beds to 16 beds; with total beds increasing from 96 to 129 beds. There will be no new construction, and all bed increases will occur within existing space at the applicant's hospital. The estimated project cost is \$935,000.00.

Southern Hills Surgery Center
Unaddressed site at NE corner of intersection at
Old Hickory Blvd. and American General Way
Brentwood (Davidson County), TN 37250
CN1411-047
Contact Person: John L. Wellborn, Consultant
Phone: 615-665-2022
DEFERRED FROM THE MARCH MEETING

The relocation of Southern Hills Surgery Center from 360 Wallace Road, Nashville (Davidson County), TN 37211, to leased space in a building to be constructed at an unaddressed site in the northeast corner of the intersection of Old Hickory Boulevard and American Way, Brentwood (Davidson County), TN 37250. The estimated project cost is \$17,357,832.00.

APPLICATIONS TO BE HEARD AT THE JUNE MEETING

Parkridge Medical Center
2333 McCallie, Ave
Chattanooga (Hamilton County), TN 37404
CN1503-007
Contact Person: John Wellborn
Phone: 615-665-2022

A major construction project requiring a capital expenditure greater than 5 million dollars at the main campus of Parkridge Medical Center at 2333 McCallie Avenue, Chattanooga (Hamilton County), Tennessee. The application proposes to remodel and expand floor space of several patients care and support departments, including the addition of a cardiac catheterization laboratory and a bone densitometry unit. The project does not include the addition of major medical equipment, initiation or discontinuance of any covered health care services, or affect the hospital's bed complement. Parkridge Medical Center, Inc. owns and operates five campuses with a consolidated license for 621 hospital beds. The 2333 McCallie Avenue campus, where this project is located, operates 275 of those beds. The estimated project cost is \$61,459,477.00.

Methodist Healthcare-Memphis Hospitals d/b/a Methodist South Hospital
1300 Wesley Dr
Memphis (Shelby County), TN 38116
CN1503-008
Contact Person: Carol Weidenhoffer, Senior Director of Planning and Business Development
Phone: 901-516-0679

A major construction project requiring a capital expenditure greater than \$5 million dollars that involves the renovation and expansion of the Emergency Department and related areas of the hospital campus at 1300 Wesley Drive, Memphis (Shelby County), Tennessee. The project does not involve an increase of the hospital's ED rooms, the addition of inpatient beds, initiation of services or addition of major medical equipment. Methodist Healthcare Memphis Hospitals owns and operates five campuses with a consolidated license for 1,583 hospital beds. The 1300 Wesley Dr campus, where this project is located, operates 156 of those beds. The estimated project cost is \$8,741,872.00.

Turner Surgery Center, LLC
28 White Bridge Road Suite 210
Nashville (Davidson County), TN 37205
CN1503-009
Contact Person: Dan Elrod, Esq
Phone: 615-651-6702

The establishment of a single specialty ambulatory surgical treatment center (ASTC) located at Suite 210, 28 White Bridge Road, (Davidson County), TN 37205. The ASTC will be limited to implantation of spinal neurostimulator devices and other pain management procedures. The estimated project cost is \$547,150.

Bapitst Memorial Group, Inc. d/b/a Baptist Medical Group
2100 Exeter Road
Germantown (Shelby County), TN 38138
CN1503-010
Contact Person: Arthur Maples
Phone: 901-227-4137

The initiation of magnetic resonance imaging (MRI) services in leased space on the campus of Baptist Rehabilitation-Germantown, 2100 Exeter Road, Germantown (Shelby County), Tennessee, as part of the medical group's practice. An existing 1.5 Tesla fixed MRI unit owned and operated by Baptist Rehabilitation-Germantown will be transferred to Baptist Medical Group as part of the project. Other than the change in operation, no change in site, equipment or imaging services will change as a result of the project. The estimated project cost is \$1,262,000.00.

NOTES

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APPEALS OF AGENCY DECISIONS

<u>FACILITY</u>	<u>DOCKET #</u>	<u>DESCRIPTION</u>	<u>MEETING DATE</u>
Centennial Medical Center Nashville, Davidson County CN1407-032A	25.00-TBA	Appeal of Approval of CON	10/22//2014
East Tennessee Radiation Therapy Services Knoxville, Knox County CN1108-030ADA	25.00-115208J	Appeal of Approval of CON	12/14/2011
Maxim Healthcare Services, Inc. Johnson City, Washington County CN1405-015A	25.00-128198J	Appeal of Approval of CON	8/27/2014
Medical Care, PLLC Elizabethton, Carter County CN1303-006D	25.00-122463J	Appeal of Denial of CON	7/24/2013
SBH-Kingsport, LLC Kingsport, Sullivan County CN1312-050A	25.00-126908J	Appeal of Approval of CON	6/25/2014
Tri-Cities Holdings LLC d/b/a Trex Treatment Center Johnson City, Washington County CN1303-005D	25.00-122076J	Appeal of Denial of CON	6/26/2013

HEALTH SERVICES AND DEVELOPMENT AGENCY MEMBERS

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

Charlotte C. Burns
(Hospital)

Claudia H. Byrd
(Consumer, Speaker of the Senate)

Robert Doolittle
(Consumer, Governor)

Martin D. Fleming, M.D.
(Physician)

Thom Mills
(Home Care)

Mark Flora, M.D.
(Ambulatory Surgical Treatment Centers)

James L. Wright
(Nursing Home)

Keith Gaither, Designee
for Director of TennCare
Darin J. Gordon

Jaclyn Austin, Designee
for Comptroller
Justin Wilson

Lisa Jordan, Designee
for Commerce & Insurance Commissioner
Julie Mix McPeak