

# HEALTH SERVICES AND DEVELOPMENT AGENCY

## COMMUNIQUE

MONTHLY PUBLICATION OF  
*HEALTH SERVICES AND DEVELOPMENT AGENCY*

*Andrew Jackson Building, 9<sup>th</sup> Floor*

*502 Deaderick Street*

*Nashville, TN 37243*

*615.741.2364*

# March 2015

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)

### 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

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>
December	11/01/2014-11/10/2014	5 days after Publication	02/25/2015	03/12/2015

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>
January	12/01/2014-12/10/2014	5 days after Publication	03/25/2015	04/09/2015
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, 9<sup>th</sup> 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:

## March – June

AT&T Tower  
Main Auditorium  
333 Commerce 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/hstda](http://www.tn.gov/hstda)

### 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 FEBRUARY MEETING

Waynesboro Health & Rehabilitation Center  
104 J.V. Mangubat Drive  
Waynesboro (Wayne County), TN 38485  
CN1411-045  
Contact Person: Kelli Canan, CON Project Manager  
Phone: 423-478-5953

**APPROVED**

The relocation and replacement of Wayne Care Nursing Home located at 505 South Main Street, Waynesboro (Wayne County), TN, a 46-bed nursing facility, and the construction of an addition to Waynesboro Health and Rehabilitation Center (f/k/a Wayne County Nursing Home), a 109-bed nursing facility located at 104 J.V. Mangubat Drive, Waynesboro (Wayne County), TN 38485. The project will combine the two licensed facilities into one licensed nursing facility as permitted by T.C.A. § 68-11-1627 by closing the 46-bed facility at 505 Main Street and combining the beds by construction of an addition to the existing 109-bed facility at 104 J.V. Mangubat Drive. Upon completion, Waynesboro Health and Rehabilitation Center will house the combined 155-bed nursing facility, which will become dually certified for participation in Medicare and Medicaid and will include an 18-bed designated Memory Care Unit. The service area is Wayne County. The estimated project cost is \$5,658,318.00.

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 TO THE MARCH 25 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.

### **GENERAL COUNSEL'S REPORT**

Memorial Hospital Ooltewah Satellite Cancer Center with  
Linear Accelerator  
Unaddressed site adjacent to 6400 Mountain View Road  
Ooltewah (Hamilton County), TN 37363  
CN1202-004A  
Contact Person: Dan H. Elrod, Esq.  
Phone: 615-651-6702

**APPROVED**

Request for a two year extension of the expiration date from July 1, 2015 to July 1, 2017. The project was originally approved on May 23, 2012 for a hospital modification in excess of 5 million dollars and the initiation of linear accelerator (linac) services at the satellite campus. The estimated project cost was \$10,216,658.00.

Overton County Nursing Home  
318 Bilbrey Street  
Livingston (Overton County), TN 38570  
CN1204-017AE  
Contact Person: Dan H. Elrod, Esq.  
Phone: 615-651-6702

**APPROVED**

Request for a six month extension of the expiration date from March 1, 2015 to September 1, 2015. The project was originally approved on July 25, 2012 for modification by new construction and renovation of the existing 160-bed nursing home with an expiration date of September 1, 2014. On July 23, 2014, a six month extension was granted. The estimated project cost was \$6,344,844.00.

## RESULTS OF APPLICATIONS HEARD AT FEBRUARY MEETING

Metro Knoxville HMA, LLC d/b/a  
Tennova Healthcare--North Knoxville Medical Center  
7551 Dannaher Way  
Powell (Knox County), TN 37849  
CN1206-027A  
Contact Person: Melanie Burgess, Vice President  
of Development  
Phone: 865-647-5604

**APPROVED**

Request for modification to expand positron emission tomography (PET) services from one day a week to three days a week. This project was approved on September 26, 2012 for mobile PET services for one day per week. It was implemented April 8, 2013. The estimated project cost was \$1,298,562.00.

Maxwell Aesthetics, PLLC  
2020 21st Avenue South  
Nashville (Davidson County), TN 37212  
CN1303-009A  
Contact Person: E. Graham Baker, Jr., Esq.  
Phone: 615-370-3380

**APPROVED**

Request for a two year extension of the expiration date from August 1, 2015 to August 1, 2017. This project was approved on June 23, 2013 for the construction, development and establishment of an ambulatory surgical treatment center (ASTC) limited to plastic surgery with one operating room. The estimated project cost was \$1,322,564.00.

## APPLICATIONS TO BE HEARD AT THE 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**

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**

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**

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 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

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

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.

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**APPLICATIONS TO BE HEARD AT THE 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 FROM THE DECEMBER 2014 MEETING**

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.**

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

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.**

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

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.**

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

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.**

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 FEBRUARY 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.

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## APPLICATIONS TO BE HEARD AT THE MARCH 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

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.

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

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.

**APPEALS OF AGENCY DECISIONS**

<b><u>FACILITY</u></b>	<b><u>DOCKET #</u></b>	<b><u>DESCRIPTION</u></b>	<b><u>MEETING DATE</u></b>
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**