TN Division of
Health Care
Finance & Administration

February 11, 2016

The Honorable Larry B. Martin
Commissioner
Department of Finance & Administration
State Capitol
Nashville, TN 37219

Dear Commissioner Martin:

In accordance with the provisions of T.C.A. 68-11-1613, please find attached a summary report of hospital and nursing home bed approvals by the Tennessee Health Services Development Agency in the month of January.

Please feel free to call me if you would like any further information.

Sincerely,

Darin J. Gordon
Deputy Commissioner

DJG:cm

Attachments

CC: Representative Charles Sargent, Chair – House Finance, Ways and Means Committee
Senator Randy McNally, Chair – Senate Finance, Ways and Means Committee
Krista Lee, Director – Fiscal Review Committee
Georganne Martin – Legislative Budget Office

PROJECTED FISCAL IMPACT FOR BED APPROVALS
Jan-16

I. HOSPITAL BEDS

6 Beds Approved
0 Beds Delicensed
0 Beds Denied

II. Estimated Potential New TennCare Beds: 4

Estimated Potential Annual Fiscal Impact to TennCare:	$	3,200,904
Estimated State(35.647%):	$	1,141,026
Estimated Federal(64.353%):	$	2,059,878

III. NURSING HOME BEDS REVIEWED THROUGH THE CERTIFICATE OF NEED PROCESS

	New Beds Approved	Beds Delicensed	New Beds Denied
Level I - Medicaid Only	0	0	0
Level II - Medicare Only	0	0	0
Level II - Dually Certified (Medicaid and Medicare)	0	0	0
Non-Certified (Private Pay)	0	0	0

This annual fiscal impact projection assumes the current reimbursement rates as indicated below, 70% utilization by Medicaid patients unless otherwise known, and no patient income component. Because dually certified beds may be used for either Medicaid or Medicare reimbursement, a range of the fiscal impact is shown.

Current Reimbursement Rate:
Federal Component (64.353%):
State Component (35.647%):

NURSING HOME BEDS ADDED WITHOUT CERTIFICATE OF NEED REVIEW

Fiscal Impact: Medicaid Reimbursement	Level I	Level II
	$ 114.56	$ 162.12
	$ 73.72	$ 104.33
	$ 40.84	$ 57.79

	State	Federal
Total Part III:	$ -	$ -
Grand Total:	$ 1,141,026.25	$ 2,059,877.75

HEALTH SERVICES AND DEVELOPMENT AGENCY
NEW BED / REPLACEMENT BED DECISIONS
FISCAL YEAR 2015 -- 2016

NEW BEDS

Jan-16

	TDH* Hospitals	TDH* Nursing Homes	Other TDH* Applications	TDMH/SA** Applications	Total
Approved	6	0	14	0	20
Delicensed	0	0	0	0	0
Denied	0	0	12	0	12
Revoked/ Surrender	0	0	0	0	0

	TDH* Hospitals	TDH* Nursing Homes	Other TDH* Applications	TDMH/SA** Applications	Total
Approved	10	30	13	0	53
Delicensed	2	0	0	0	2
Denied	0	0	0	0	12
Revoked/ Surrender	0	0	0	0	0

TriStar Horizon Medical Center, Dickson (Dickson County), TN -- CN1510-047
The initiation of neonatal intensive care unit (NICU) services in a 6-bed Level II neonatal nursery through renovation of existing space on the 2nd floor of Horizon Medical Center located at 111 Highway 70 East in Dickson, Tennessee. The project does not involve a change to the hospital's existing 157 licensed bed complement, the acquisition of major medical equipment or the initiation or discontinuance of any other health service. The estimated project cost is $975,500.

Sumner Regional Medical Center, Gallatin (Sumner County), TN - CN1508-029
To establish a 5 treatment room free-standing, off-campus hospital emergency department. The proposed satellite emergency department will operate as a department of the hospital and is planned to be located at Sumer Regional Medical Center's existing outpatient facility known as Sumner Station located at 225 Big Station Camp Boulevard, Gallatin (Sumner County), TN 37066 which is located 6.9 miles west of the main campus. The estimated project cost is $7,081,754.

TriStar Summit Medical Center Emergency Department at Mt. Juliet, Mt. Juliet (Wilson County), TN - CN1508-031 To establish an 8 treatment room free-standing, off-campus hospital emergency department to be constructed at an unaddressed site in Wilson County in the southwest quadrant of the intersection of I-40 and Beckwith Road (near Exit 229). The site is approximately 100 yards west of Beckwith Road on an access drive at Smryna Ready Mix, whose address is 4910 Beckwith Road. The satellite emergency department is located approximately 9.9 miles east from TriStar Summit Medical Center. The estimated project cost is $11,106,634.

Stones River Manor, Murfreesboro (Rutherford County), TN - CN1506-026
The establishment of a 30 bed Medicare-certified skilled nursing home located at 205 Haynes Drive, Murfreesboro (Rutherford County), TN 37129. The estimated project cost is $2,729,126.75.

TriStar Summit Medical Center, Hermitage (Davidson County), TN -- CN1505-020
TriStar Summit Medical Center seeks approval for the addition of 8 inpatient rehabilitation beds and 2 medical/surgical beds. It will delicense 6 obstetric beds by converting 6 Labor/Delivery/Recorvery/Postpartum (LDRP) beds to LDR so the net increase will result in only four additional licensed beds, resulting in an increase in bed capacity from 196 to 200. The project involves renovations of existing patient floors to include the addition of the beds. The estimated project cost is $4,892,904.

HEALTH SERVICES AND DEVELOPMENT AGENCY
ALL APPLICATIONS
FISCAL YEAR 2015 -- 2016

ALL APPLICATIONS -January 2016

	Hospitals		Nursing Homes		TDMH/DD Applications		Other Applications		Total	
	# APPS	COST	# APPS	COST	# APPS	COST	# APPS	COST	# APPS	COST
Approved	3	$ 24,462,191.00	0	$ -	1	$ 949,840.00	2	$ 2,647,078.43	5	$ 28,059,109.43
Denied	0	$		$ -	0	$ -	0		1	$ -
Revoked	0	$ -	0	$ -	0	$ -	0	$ -	0	$ -
Surrender	0	$ -	0	$ -	0	$ -	0	$ -	0	$ -

ALL APPLICATIONS - FISCAL YEAR TO DATE

	Hospitals		Nursing Homes		TDMH/DD Applications		Other Applications		Total	
	# APPS	COST	# APPS	COST	# APPS	COST	# APPS	COST	# APPS	COST
Approved	9	$ 61,575,211.04	4	$ 22,029,131.50	4	$ 11,782,470.00	12	$ 61,859,899.94	34	$ 157,246,712.48
Denied	1	$ 6,890,427.66	0		0	$ -	3	$ 18,498,780.00	4	$ 25,389,207.66
Revoked	0	$ -	0	$ -	0	$ -	0	$ -	0	$ -
Surrender	0	$ -	0	$ -	0	$ -	0	$ -	0	$ -