



State of Tennessee
Health Services and Development Agency

Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
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AGENDA

TBI Headquarters Building
901 R.S. Gass Blvd.
Nashville, TN

Wednesday, August 23, 2017
8:30 a.m. CDT

- I. CALL TO ORDER
- II. ROLL CALL – **8 present: Jordan, Ridgway, Korth, Mills, Harding, Grandy, Patric, Alsup, Gaither-(arrived at 9:45 a.m.)**
- III. DIRECTOR'S ANNOUNCEMENTS
- IV. ELECTION OF OFFICERS
 - A. Mr. Mills nominated Mr. Grandy for Chair. Motion Carried. **APPROVED (7-0-0)**
 - B. Mr. Mills nominated Mr. Korth for Vice Chair. Motion Carried. **APPROVED (7-0-0)**
- V. APPROVAL OF MINUTES **Motion to approve—Mr. Patric, 2nd—Ms. Harding, Unanimous voice vote (8-0-0)**
- VI. STATE HEALTH PLAN UPDATE
 - A. Update: Jeff Ockerman, Director of Health Planning, Department of Health
- VII. CONSENT CALENDAR

APPROVED
Motion: Ms.
Harding
2nd: Mr. Patric
(8-0-0)

- A. Vanderbilt University Medical Center, Nashville (Davidson County), TN CN1705-016
The acquisition of a dedicated pediatric MRI located on the campus of Vanderbilt University Medical Center located at 1211 Medical Center Drive, Nashville, TN 37232. The estimated project cost is \$5,097,233.77

APPROVED
Motion: Mr.
Ridgway
2nd: Ms. Jordan
(8-0-0)

- B. Life Bridges, Inc., Cleveland (Bradley County), TN CN1706-019
The relocation of a 6-bed ICF/IID home from 2611 Bower Lane, Cleveland (Bradley County), TN to 4755 Frontage Road NW, Cleveland, TN 37311. The estimated project cost is \$635,000.

VIII. CERTIFICATE OF NEED APPLICATIONS

Mr. Mills & Mr. Korth recused.

APPROVED

Motion: Ms. Jordan
2nd: Ms. Harding
(6-0-0)

- A. AxelaCare Health Solutions, LLC East Tennessee, Memphis (Shelby County), TN – CN1702-008

The addition of 34 East Tennessee counties to an approved but unimplemented certificate of need for a home care organization to provide home health services limited to the home infusion of immune globulin pharmaceuticals in 21 West Tennessee counties. The additional service area will include Anderson, Bledsoe, Blount, Bradley, Campbell, Carter, Claiborne, Cocke, Cumberland, Grainger, Greene, Hamblen, Hamilton, Hancock, Hawkins, Jefferson, Johnson, Knox, Loudon, McMinn, Marion, Meigs, Monroe, Morgan, Polk, Rhea, Roane, Scott, Sequatchie, Sevier, Sullivan, Unicoi, Union, and Washington Counties. The principal office will be located at 5100 Poplar Avenue, 27th Floor, Suite 2739, Memphis (Shelby County) Tennessee. The estimated project cost is \$70,000.

Mr. Mills & Mr. Korth recused.

APPROVED

Motion: Ms. Jordan
2nd: Ms. Harding
(6-0-0)

- B. AxelaCare Health Solutions, LLC Middle Tennessee, Memphis (Shelby County), TN – CN1702-009

The addition of 40 Middle Tennessee counties to an approved but unimplemented certificate of need for a home care organization to provide home health services limited to the home infusion of immune globulin pharmaceuticals in 21 West Tennessee counties. The additional service area will include Davidson, Rutherford, Williamson, Montgomery, Sumner, Wilson, Maury, Putnam, Robertson, Coffee, Dickson, Bedford, Lawrence, Cheatham, Warren, Franklin, Lincoln, Marshall, Giles, Hickman, White, Macon, Overton, Smith, DeKalb, Humphreys, Fentress, Wayne, Cannon, Stewart, Grundy, Lewis, Jackson, Trousdale, Houston, Perry, Clay, Moore, Van Buren, and Pickett Counties. The principal office will be located at 5100 Poplar Avenue, 27th Floor, Suite 2739, Memphis (Shelby County) Tennessee. The estimated project cost is \$70,000.

Mr. Ridgway recused.

APPROVED

Motion: Mr. Mills
2nd: Mr. Korth
(7-0-0)

- C. Knoxville Eye Surgery Center, LLC d/b/a Tennessee Valley Eye Center, Knoxville (Knox County), TN – CN1702-010

The replacement of an ambulatory surgical treatment center (ASTC) to be located at 160 Capital Drive, Knoxville (Knox County), TN. The proposed replacement ASTC will expand from four operating rooms to six operating rooms and will continue to function as single specialty ophthalmology ASTC. The estimated project cost is \$7,063,651.

APPROVED

Motion: Mr. Ridgway
2nd: Mr. Mills
(9-0-0)

- D. Woodridge Behavioral Care, LLC, Jackson (Madison County), TN – CN1703-011

The addition of 16 geriatric inpatient psychiatric beds to an existing mental health hospital located at 49 Old Hickory Blvd., Jackson (Madison County), TN 38305. The facility currently has 16 geriatric psychiatric beds and 16 approved but unimplemented child/adolescent psychiatric beds. The estimated project cost is \$787,190. **OPPOSITION:** West Tennessee Healthcare-Pathways Behavioral Health Services, Baptist Memorial Hospital-

MODIFICATION:

Huntingdon. With the **following modification** of the original request: **8 beds were approved instead of 16.**

APPROVED

Motion: Mr. Korth
2nd: Mr. Alsup
(9-0-0)

CONDITION:

*Mr. Ridgway
recused*

Motion: Mr. Mills
2nd: Ms. Jordan
(8-0-0)

*Mr. Ridgway
recused*

APPROVED

Motion: Ms. Jordan
2nd: Ms. Harding
(8-0-0)

CONDITION:

APPROVED

Motion: Mr. Mills
2nd: Ms. Harding
(5-4-0)

Nay: Mr. Alsup,
Mr. Korth,
Ms. Patric

*Mr. Ridgway and
Mr. Korth
recused.*

APPROVED

Motion: Ms. Jordan
2nd: Mr. Patric
(7-0-0)

CONDITION:

*Mr. Ridgway
recused.*

DENIED

Motion: Mr. Mills
2nd: Ms. Jordan

- E. Franklin PET Scan Center, Franklin (Williamson County), TN — CN1703-012
The initiation of a Positron Emission Tomography (PET) service at an unaddressed site on the east side of Carothers Parkway, Franklin (Williamson County), Tennessee 37067. The estimated project cost is \$3,828,653. With the following **condition: The PET services are limited to the physicians of this practice.**
- F. UCH Vascular Access ASC, LLC, Memphis (Shelby County), TN - CN1704-013
The establishment of a single-specialty ambulatory surgical treatment center (ASTC) to be located at the 2nd floor of an existing building located at 6490 Mt. Moriah Road Extended, Memphis (Shelby County), TN 38115. The ASTC will include one operating room and one procedure room and will be limited to surgeries and procedures related to vascular access and other hemodialysis oriented procedures. The estimated project cost is \$2,144,000.
- G. Horizon Surgery Center, Atoka (Tipton County), TN - CN1705-014
The establishment of a single-specialty ambulatory surgical treatment center (ASTC) limited to endoscopy to be located in an existing building located at 340 Atoka McLaughlin Drive, Atoka (Tipton County), TN 38004. The ASTC will include only one operating room. The estimated project cost is \$1,108,764. With the following **condition: One PR will be built to OR standards and will be limited to endoscopies.**
- H. Behavioral Health of Rocky Top, Rocky Top (Anderson County), TN - CN1705-015
The establishment and initiation of geriatric psychiatric services with 18 geriatric inpatient psychiatric beds located at 204 Industrial Park Road, Rocky Top (Anderson County), TN 37769. The estimated project cost is \$1,160,500. OPPOSITION: Ridgeview Behavioral Health Services.
- I. Perimeter Surgery Center Cookeville, (Putnam County), TN - CN1705-017
The relocation of a single-specialty ophthalmic ambulatory surgical treatment center (ASTC) from 1059 Neal Street, Suite B, Cookeville (Putnam County) to a new office building under construction at 1125 Perimeter Drive, Cookeville, TN 38501. The project will expand the facility's surgical room complement from one operating room and a laser room to two operating rooms and a laser procedure room. The estimated project cost is \$1,739,376. With the following **condition: Limited to two ORs and one PR.**
- J. Baptist Memorial Hospital, Arlington (Shelby County), TN - CN1705-018
The establishment of a full service, 24 hour per day/7 day per week satellite emergency department to be located at an unnamed street address near the intersection of Interstate 40 and Airline Road in Arlington (Shelby County), TN 38002. The proposed facility will be operated as a satellite emergency

(4-4-0)

Nay: Gaither,
Alsup, Patric,
Grandy

department of Baptist Memorial Hospital located at 6019 Walnut Grove Road in Memphis (Shelby County) and will have 8 treatment rooms and will provide emergency diagnostic and treatment services. The project will be developed, operationalized, marketed, and funded through a joint operating agreement between Baptist Memorial Hospital and Regional One Health. The estimated project cost is \$10,016,611.

OPPOSITION: Methodist Healthcare, Saint Francis Hospital Bartlett, Senator Dolores Gresham

IX. GENERAL COUNSEL'S REPORT

Report to Agency Members-The following items were approved pursuant to the Health Service and Development Agency's June 22, 2016 Delegation of Authority Policy which permits the Executive Director to grant approval or denial of modifications, changes of conditions or ownership, and extensions of certificates of need.

A. Stones River Manor, Inc., Murfreesboro, (Rutherford County), TN 37129-CN1506-026AE

A six month extension of the expiration date from November 1, 2017 to May 1, 2018 has been granted. The project was approved on September 23, 2015 for the establishment of a 30 bed Medicare certified skilled nursing facility, with an estimated project cost of \$2,729,127. The 30 nursing home beds were subject to the 125 bed Nursing Home Bed Pool for the July 2015 to June 2016 state fiscal year period.

B. Chattanooga-Hamilton County Hospital Authority d/b/a Erlanger Health System—Erlanger East Hospital, Chattanooga (Hamilton County), TN 37403 CN1412-048AE

A one year extension of the expiration date from May 1, 2018 to May 1, 2019 has been granted. The project was unanimously approved on March 25, 2015 for the acquisition of a linear accelerator and the initiation of services. Erlanger East Hospital is a satellite hospital operating under the license of Erlanger Medical Center located at 975 East 3rd Street, Chattanooga (Hamilton County), Tennessee. 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 to one. The estimated project cost is \$10,532,562.00.

C. Ave Maria Home, Memphis (Shelby County), TN CN1312-048AEE

A six month extension of the expiration date from December 1, 2017 to June 1, 2018 has been granted. The project was approved on April 23, 2014 for the replacement of 35 of the existing 75 nursing home beds and the addition of 25* new Medicare skilled beds to be housed in 6 newly constructed Green House Homes at 2805 and 2840 Charles Bryan Road in Bartlett. All beds were to be dually certified. The estimated project cost was \$7,999,960.00. The 25 new beds were subject to the 2013-2014 Nursing Home Bed Pool. This is the 2nd extension of the expiration date.

D. Contested Case Update

X. OTHER BUSINESS

**Adopted as
proposed**

**Motion: Jordan
2nd: Korth
Unanimous Voice
Vote**

A. RULEMAKING

The Agency will consider whether to file proposed rules after reviewing rulemaking hearing comments and Agency staff's recommendations regarding:

- Measures for assessing quality of entities receiving certificate of need as directed by T.C.A. § 68-11-1633;
- Reporting requirements to enable administration of T.C.A. § 68-11-1609(h);
- Other changes necessitated for the rules to be in harmony with changes made to the Tennessee Health Services and Planning Act of 2002, T.C.A. §§ 68-11-1601, et seq. (CON statute) by Chapter 1043 of the tenn. Public Acts of 2016; and
- Miscellaneous other changes to the rules.

**Adopted as
proposed**

**Motion: Mr.
Ridgway
2nd: Dr. Patric
Unanimous Voice
Vote**

B. ADOPTION OF PUBLIC RECORDS POLICY

Tenn. Code Ann. § 10-7-503(g), every governmental entity subject to the Tennessee Public Records Act must establish a written public records policy properly adopted by the appropriate governing authority by July 1, 2017.

XI. APPOINTMENT OF AUDIT COMMITTEE MEMBERS

XII. ADJOURNMENT