

March 19, 2026

Via: Thomas Pitt, thomas.p.pitt@tn.gov

Health Facilities Commission
502 Deaderick Street, 9th Floor
Nashville, TN 37243

RE: Disclosures Related to Former Heart and Soul Hospice Co-Owner Dr. Andre Lee for CN2511-041 and CN2511-043.

Dear Health Facilities Commission:

I write in response to the Health Facilities Commission (“HFC” or the “Commission”) staff’s February 18, 2026 comments on the Certificate of Need application of Heart and Soul Hospice, LLC (“Heart and Soul Davidson”) and Heart N Soul Hospice of Memphis LLC (“Heart and Soul Memphis”, and together with Heart and Soul Davidson, “Heart and Soul”). Those comments concern Heart and Soul’s not disclosing that a former minority co-owner, Dr. Andre Lee’s, involvement in a 2019 multistate settlement agreement (the “Settlement Agreement”) relating to alleged failures in oversight of a charitable organization on whose board he served as an unpaid volunteer. This letter addresses those concerns and explains why the Settlement Agreement has no bearing on the Commission’s consideration of Heart and Soul’s current applications.

As an initial matter, Dr. Lee no longer holds any ownership interest in Heart and Soul Davidson or Heart and Soul Memphis. Effective February 20, 2026, Dr. Lee divested his ownership interests in Heart and Soul Hospice LLC and Heart and Soul Hospice Memphis LLC. Before that divestiture, he held only a 10% minority ownership interest in each respective entity. The Settlement Agreement, now nearly seven years old, arose from activities Dr. Lee undertook in his personal capacity as a volunteer board member from 2016 through 2019, wholly separate from Heart and Soul and its provision of hospice care.

Heart and Soul acknowledges that it did not disclose the Settlement Agreement in its current and prior¹ permit applications. The Settlement Agreement and the lack of disclosure thereof should not affect the Commission’s review of the present application for two main reasons. First, the Settlement Agreement falls outside the scope of the current application’s disclosure requirements, both because of the application’s five-year reporting period and because the subject matter of the Settlement Agreement does not fall within the categories identified in the application. Second, even if the Commission were to consider the Settlement Agreement, it should not weigh against approval because it does not bear on Heart and Soul’s ability to meet the applicable quality, monitoring, and operational standards.

¹ Heart and Soul and other business entities with similar but not necessarily identical ownership structures have filed for certificate of need permits in 2020, 2023, 2024, and twice in 2025.

1. Timeline of Heart and Soul’s Applications and HFC Staff Comments

Heart and Soul Hospice LLC first received a Certificate of Need to serve three Tennessee counties (Davidson, Robertson, and Rutherford) on October 28, 2020 (CN2007-025). After successfully serving those counties for nearly three years, Heart and Soul applied and was approved for an additional Certificate of Need to extend its service area to include Sumner, Williamson, and Wilson counties on August 23, 2023 (CN2306-016). HFC staff deemed the Heart and Soul LLC application at issue complete in December of 2025.

Heart N Soul Hospice of Memphis LLC first received a Certificate of Need on June 26, 2024 to serve Fayette, Shelby, and Tipton counties (CN2403-007). HFC staff deemed the Heart and Soul Memphis application at issue complete in January of 2026.

On February 18, 2026, Mr. Thomas Pitt, an HFC Health Planner, contacted Kim Looney, CON counsel for Heart and Soul, to ask whether a then-current minority co-owner of Heart and Soul was the same person who had entered into a 2019 settlement agreement with multiple states.² Then, HFC staff issued comments on Heart and Soul’s application, noting on pages 11–12 that neither the current applications nor prior applications disclosed Dr. Lee’s involvement in the Settlement Agreement.

2. Background of Dr. Andre Lee

Dr. Andre Lee is a distinguished and seasoned healthcare professional with decades of experience in healthcare administration and leadership. He was a 10% minority co-owner of Heart and Soul Hospice LLC and Heart N Soul Hospice of Memphis LLC. But on February 20, 2026, Dr. Lee divested his ownership interests and ended his affiliation with Heart and Soul.

Dr. Lee holds a Doctor of Public Administration and is a Fellow of the American College of Healthcare Executives and the American Academy of Medical Administrators. Throughout his career, he has held numerous leadership roles in healthcare, including serving as CEO of Meharry-Hubbard Hospital in Nashville and Highland Park General Hospital. His work in healthcare education, administration, and public service has earned him broad professional respect and numerous honors, including Senior Healthcare Executive of the Year awards from both the National Association of Health Services Executives and the American College of Healthcare Executives.

3. Context of Dr. Lee’s 2019 Settlement Agreement

² Mr. Pitt’s email was the first occasion on which Heart and Soul—and, specifically, its co-owners Tracy Wood, David Turner, and Sandy McClaim, who collectively own 90% of Heart and Soul—became aware of Dr. Lee’s prior involvement in the Settlement Agreement. To facilitate a timely response, Kim Looney, CON counsel for Heart and Soul, contacted Dr. Lee to obtain relevant information and relay it to HFC staff. On February 20, 2026, Ms. Looney responded to Mr. Pitt, conveying Dr. Lee’s mistaken recollection of events that had occurred seven years earlier. After subsequently conducting a more thorough factual inquiry, Heart and Soul provides this letter as an accurate explanation of events from its perspective.

In June 2019, Dr. Lee, along with two other individuals, Farrah Young and Austin Cartwright, entered into the Settlement Agreement with Kentucky, Tennessee, Ohio, California, Kansas, Minnesota, and New York (collectively, the “Participating States”) to resolve disputed allegations involving the management of the New Hope Foundation, a 501(c)(3) nonprofit organization.

The New Hope Foundation was established in 2001 to promote awareness of hospice care and to provide supportive services to indigent patients and their families. In 2016, following the death of the founder, Farrah Young became president of the organization. That same year, Dr. Lee joined the board on a volunteer basis, without compensation, and served as secretary and treasurer from 2016 through 2019.

The Settlement Agreement focused primarily on alleged inefficiencies in the New Hope Foundation’s fundraising model. In substance, the Participating States alleged that the Foundation spent too much of its fundraising revenue on fundraising expenses and that the board, including Dr. Lee, failed to exercise sufficient oversight. Dr. Lee did not admit those allegations. More importantly, nothing in the Settlement Agreement alleges that Dr. Lee engaged in criminal conduct, fraud, theft, self-dealing, or misappropriation of charitable assets for personal gain. Nor does the Settlement Agreement allege any wrongdoing by Dr. Lee as it relates to the provision of healthcare services such as hospice. At most, the allegations as to Dr. Lee concerned insufficient oversight in his role as an unpaid volunteer board member of a nonprofit organization.

That distinction matters. The Settlement Agreement did not involve the provision of for-profit healthcare services, hospice licensure, patient care, billing practices, Medicare or TennCare participation, or any healthcare-related offense. Nor did it prohibit Dr. Lee from owning or participating in a for-profit hospice entity. Rather, the settlement imposed only limited restrictions related to management roles in charitable organizations and professional solicitation activities.

For those reasons, the Settlement Agreement does not relate to Heart and Soul’s present or previous applications, Heart and Soul’s provision of healthcare services, or the need for hospice care in the proposed service area. And again, Dr. Lee is no longer affiliated with Heart and Soul in any capacity. But even if considered, it should carry little to no weight in the Commission’s evaluation of these applications.

4. Heart and Soul Correctly Responded to the Application’s Disclosure Questions

Heart and Soul reiterates it was unaware of Dr. Lee’s Settlement Agreement when it applied for this and prior permits. Regardless, Heart and Soul was not required to disclose it, nor would its disclosure aid in this Commission’s evaluation of the applications. Heart and Soul submitted its applications using the State of Tennessee Health Facilities Commission Certificate of Need Application, Form HF-004, revised December 19, 2022 (the “Application”). HFC staff’s comments appear to relate to Question 7Q and its subparts.

Question 7Q asks whether any person or entity with more than 5% ownership in the applicant, or certain affiliated entities, has within the last five years been subject to any of the following:

1. A final order or judgment in a state licensure action;
2. Criminal fines in cases involving a federal or state healthcare offense;
3. Civil monetary penalties in cases involving a federal or state healthcare offense;
4. Administrative monetary penalties in cases involving a federal or state healthcare offense;
5. An agreement to pay civil or administrative monetary penalties to the federal government or any state in cases involving claims related to the provision of healthcare items and services;
6. Suspension or termination from participation in Medicare or TennCare/Medicaid; and/or
7. Is **presently** the subject of an investigation, or a party in **any** regulatory or criminal action of which the applicant is aware.

See State of Tennessee Health Facilities Commission Certificate of Need Application, Form HF-004, Rev. 12/19/2022, at p. 13, Question 7Q (emphasis added).

Question 7Q focuses on licensure actions, healthcare offenses, penalties, payment-related claims involving healthcare services, program participation, and present investigations or regulatory or criminal actions. Its purpose appears to be to identify recent healthcare-related compliance issues that may bear on an applicant's fitness to provide healthcare services.

The Settlement Agreement does not fall within subparts (1) through (6). It did not involve a state licensure action, a healthcare offense, civil or administrative penalties relating to the provision of healthcare items or services, or suspension or termination from Medicare or TennCare/Medicaid. Nor did it fall within the five-year reporting period at the time of the current application.

Subpart (7) likewise does not apply. That provision asks whether an owner is "presently" the subject of an investigation or a party to any regulatory or criminal action – regardless of its nexus to the provision of healthcare. By the time of both the present and prior applications, the matter involving Dr. Lee had already settled in June 2019. Therefore, he was not the subject of any ongoing investigation or pending regulatory or criminal action at the time any of the applications were filed.

To the extent the Commission reads Question 7Q(7) more broadly, Heart and Soul respectfully submits that the most reasonable reading still turns on whether an owner is presently involved in an ongoing enforcement matter that could justify further inquiry or, in an appropriate case, a delay in action while the Commission obtains clarification. See Tenn. Code Ann. § 68-11-1609(a)(3) (authorizing the Commission to defer a decision for up to ninety days to obtain clarification of information concerning an application). That circumstance did not exist here.

5. Heart and Soul's Improved Vetting Procedures

Although Heart and Soul maintains that the Settlement Agreement did not fall within the application's required disclosures, it has nonetheless taken this matter seriously and has used it as an opportunity to strengthen its internal vetting procedures.

Before these applications, Heart and Soul's standard practice required its owners to complete a disclosure form and undergo screening through the Centers for Medicare & Medicaid Services. Going forward, Heart and Soul will require all of its owners to complete a broader disclosure form on an annual basis that expressly covers any manner of settlement agreements and similar matters. Heart and Soul offers this commitment in the interest of transparency and to ensure that no similar issue arises in future applications.

6. Heart and Soul Meets and Exceeds the Commission's Quality Control and Monitoring Standards

Outside of the application form itself, the Commission's general standards and criteria for evaluating applications appear in the State of Tennessee State Health Plan Certificate of Need Standards and Criteria for Residential Hospice Service and Hospice Services (the "Standards"). In addition to the other criteria, the Standards require an applicant to: (1) identify and document its existing or proposed systems for data reporting, quality improvement, and monitoring of outcomes and processes; (2) provide evidence of accreditation or intent to seek accreditation from recognized accrediting bodies such as The Joint Commission or another accrediting organization with CMS deeming authority; and (3) disclose affiliated hospice agencies in other states that share 50% or more common ownership or management, along with summaries of those agencies' recent surveys or inspections and any Department of Justice investigations or settlements. See Standards at p. 55.

The staff's concern appears to implicate only the third component of those quality control and monitoring standards. That standard exists to inform the Commission about the quality of care that an applicant's commonly owned or commonly managed hospice agencies provide in other states and the likelihood that the applicant will provide similar quality of care in Tennessee.

Heart and Soul satisfies and exceeds that standard as indicated by the application and supporting materials. But even more importantly, even if the Commission were to consider Dr. Lee's former involvement in the Settlement Agreement, it would not reasonably weigh against approval. Dr. Lee no longer has any ownership interest in Heart and Soul. His departure removes any conceivable concern tied to his prior minority ownership interest. In addition, the Settlement Agreement did not concern patient care, hospice operations, clinical quality, licensure compliance, or healthcare fraud. It therefore does not speak to the quality of care Heart and Soul provides or will provide.

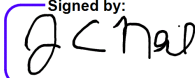
Heart and Soul and its affiliated hospice operations have consistently delivered high-quality care across multiple service areas without any indication that Dr. Lee's past volunteer service on an unrelated nonprofit board affected patient care, quality outcomes, or operational compliance in any way.

7. Conclusion

Heart and Soul Hospice, LLC and Heart N Soul Hospice of Memphis, LLC remain deeply committed to delivering exceptional hospice care to Tennesseans. In total, both agencies have served nine counties with distinction, and nothing about a former minority co-owner's past, unrelated settlement affects Heart and Soul's operations, quality of care, or ability to meet the applicable Certificate of Need standards. And while Heart and Soul believes the disclosure was unnecessary to begin with, should the Commission consider the Settlement Agreement, it should take into account that the Settlement Agreement involved an unrelated nonprofit, arose from a former minority co-owner's unpaid volunteer service, did not involve healthcare services or patient care, falls outside the intended scope of the application's disclosure requirements, and carries no meaningful relevance to the Commission's review of Heart and Soul's current applications. Heart and Soul also has taken concrete steps to enhance its disclosure and vetting procedures going forward.

I will be attending the HFC meeting on March 25, 2026 to answer any questions pertaining to Dr. Andre Lee and the Settlement Agreement discussed within this letter.

Sincerely,

Signed by:

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Jesse Neil

CC:

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