



TN Heart Cardiovascular Surgery Center, LLC

CN2607-017 | September 23, 2026

Commission Recognizes the Benefits of This Model

*In July 2026, Commission **unanimously approved** Stern's CON application for a freestanding cardiovascular ASTC in Memphis.*



Identical Scope of Services

Diagnostic / therapeutic cardiac cath

Diagnostic / therapeutic EP procedures
(including ablation and device implantation)

Peripheral vascular cath



Same Experienced Partners

Stern Cardiovascular & Atria Health



**HEALTH FACILITIES COMMISSION
MEETING MINUTES
July 22, 2026**

C. Stern Cardiovascular Surgery Center, Germantown (Shelby County), TN - CN2605-013

Request: For the establishment of a single-specialty ambulatory surgical treatment center (ASTC) located at 1275 South Germantown Road, Germantown (Shelby County), Tennessee 38138. The project will include the initiation of diagnostic and therapeutic cardiovascular catheterization and diagnostic and therapeutic electrophysiology procedures. The project will be wholly owned by Stern Cardiovascular Center, P.A. Estimated project cost: \$23,871,439.

Dr. Russell moved for approval. Dr. Flatt seconded. Nine members voted to approve the application -Brennan, Denney, K. Evans, Flatt, Legate, Mink, Russell, Ussery, and Wright. The motion CARRIED [9-0-0].

Clinical Advances Make ASTC Care Safe

As a result of clinical advancements, diagnostic and therapeutic cardiac catheterization and EP procedures are now routinely and safely performed in the surgery center setting.

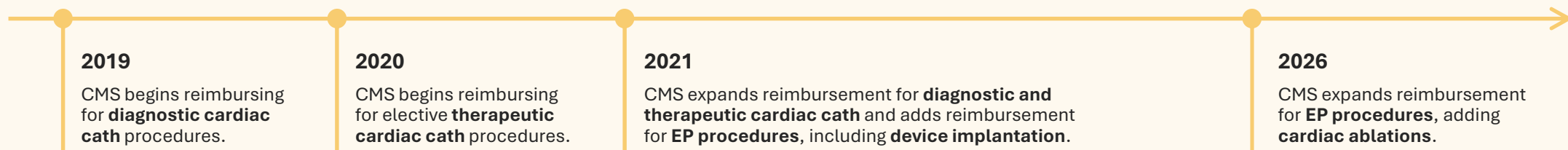
Enhanced technology, equipment and medical supplies **have improved efficacy** of cardiac cath and EP procedures.

- Optimized imaging systems
- Stents with coatings that release drugs to decrease scar tissue
- Dissolvable stents

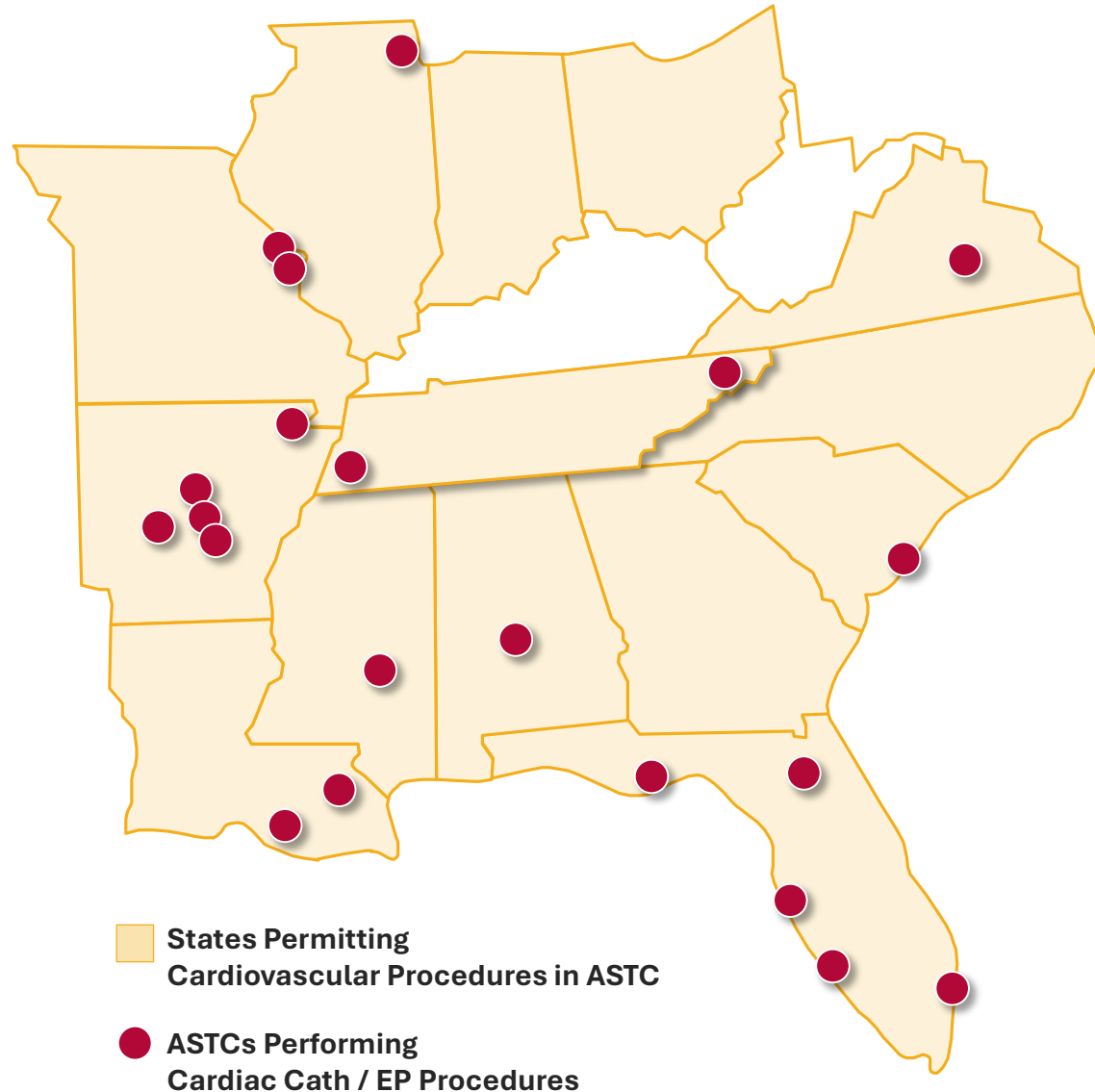
Result is cardiovascular procedures that are:

- Safer
- Faster
- Require less recovery time
- More effective in diagnosing and treating cardiovascular disease

Evolution of Medicare Reimbursement of Cardiac Procedures in ASTC



Cardiovascular ASTCs – A Proven Model



Cardiovascular ASTCs Operating in Surrounding States

State	# of ASTCs	Scope of Services
Alabama	1*	Cardiac Cath, EP
Arkansas	5	Cardiac Cath, EP
Florida	5	Cardiac Cath, EP
Illinois	1	Cardiac Cath, EP
Louisiana	2	Cardiac Cath, EP
Mississippi	1	Cardiac Cath, EP
Missouri	2	Cardiac Cath, EP
South Carolina	1	EP
Tennessee	2**	Cardiac Cath, EP
Virginia	1	Cardiac Cath, EP

*Alabama ASTC approved, in-development

**Stern Memphis ASTC approved, in-development

Tennessee Needs More Access Points



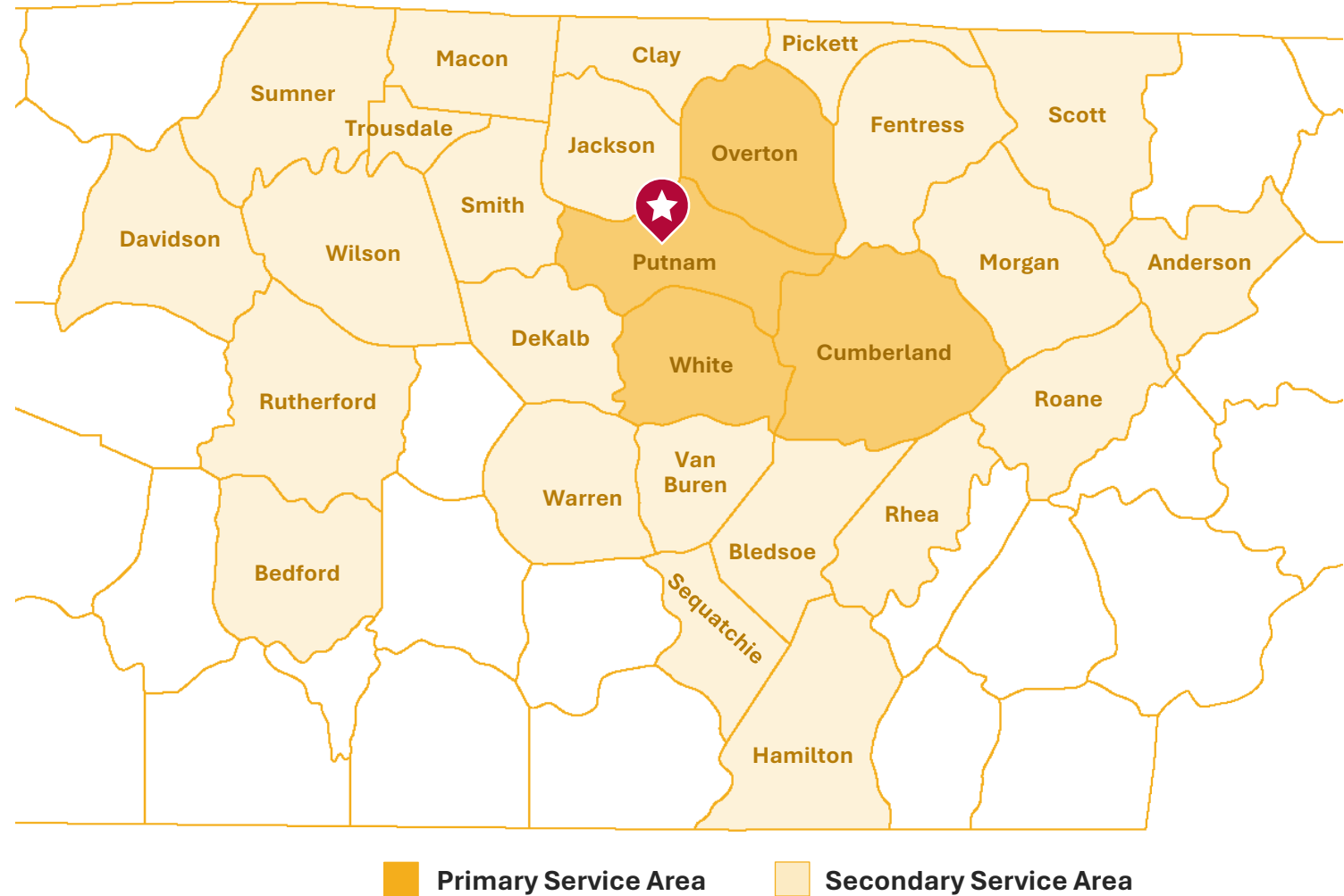
“As I shared at the Commission's July meeting approving Stern's Shelby County ASTC project, *creating non-hospital, outpatient options for cardiovascular services, including cardiac catheterizations and EP procedures, is critical for all Tennesseans. This need is particularly acute in the Upper Cumberland region*, where like in our Johnson City practice, the majority of patients live in rural areas with limited access to specialized cardiovascular medical care.”

**Jeffrey Schoondyke, MD, MPH, FACC, CCDS
Medical Director
Karing Hearts Cardiology Heart & Vascular Center**

- Exemplary safety record
- Patients prefer lower-stress environment
- **\$1.5M in savings** for Medicare
 - Anticipate \$2M in savings in Year 2 of operation
- **\$500,000 in patient co-pay savings**
 - Anticipate \$1M in savings in Year 2 of operation

The Project

- Cardiovascular ASTC providing:
 - Diagnostic / therapeutic cardiac cath
 - Diagnostic / therapeutic EP procedures
 - Peripheral vascular cath
- Strategic collaboration among national leaders in cardiovascular care – ***TN Heart, Stern Cardiovascular*** and ***Atria Health***.
- ***First lower cost, convenient freestanding cardiovascular-focused ASTC*** in Upper Cumberland region.



Verified JAR Data

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HEALTH FACILITIES COMMISSION
SEPTEMBER 23, 2026
APPLICATION REVIEW

NAME OF PROJECT:

TN Heart Cardiovascular Surgery Center, LLC

PROJECT NUMBER:

CN2607-017

ADDRESS:

999 S. Willow Avenue
Cookeville (Putnam County), TN 38501

LEGAL OWNER:

The Stern Cardiovascular Center, P.A.
8060 Wolf River Blvd
Germantown (Shelby County), TN 38138

OPERATING ENTITY:

Atria Health Services of the South, LLC
507 Prudential Rd
Horsham (Montgomery County), PA 19044

CONTACT PERSON:

Jeffrey Stofko, Senior Manager
Ascendent Healthcare Advisors, Inc.
919-403-3300

DATE FILED:

August 3, 2026

PROJECT COST:

\$11,835,798

PURPOSE FOR FILING:

Establishment of a single specialty, cardiovascular ambulatory surgical treatment center (ASTC) and the initiation of diagnostic and therapeutic cardiovascular catheterization and diagnostic and therapeutic electrophysiology procedures.

Note to Commission members: This staff review is an analysis of the statutory criteria of Need, Consumer Advantage Attributed to Competition, and Quality Standards, including data verification of the original application and, if applicable, supplemental responses submitted by the applicant. Any Health Facilities Commission Staff comments will be presented as a "Note to Commission members" in bold italic.

TN HEART CARDIOVASCULAR SURGERY CENTER, LLC
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If Joint Annual Report data is utilized for the analysis of this criterion, then the average three-year utilization of service area catheterization labs is (252%) of the optimum utilization standard of 1,400 weighted cases per lab and would exceed the (70%) standard set by this criterion for existing cardiac catheterization laboratories.

This data, both JAR and HDDS, was provided by the applicant with Attachment 5N and was verified by HFC staff. Please note that the data provided by the Tennessee Department of Health, Division of Population Health Assessment is based upon claims data extracted from the Hospital Discharge Data System (HDDS), while the Joint Annual Report Data is self-reported by the reporting entities. The HDDS data for this application has been confirmed to be incomplete and therefore inaccurate for use in the analysis of cardiac catheterization lab utilization. HFC Staff contacted Tennessee Department of Health staff regarding the discrepancy in utilization reported in the Hospital Discharge Data System (HDDS) for Cookeville Regional Medical Center. A response was received on August 5, 2026, explaining that the issue appears to be incomplete coding of claims data by the hospital which results in lower utilization being reported than occurred from 2022-2024. A copy of the TDH response is included as Appendix - One of this Staff Summary. HFC Staff also contacted representative Cookeville Regional Medical Center regarding the specific codes (0480 and 0481) have been identified by TDH as resulting in inaccurate representation of the catheterization laboratory utilization at the hospital from 2022-2024. The response from the Chief Executive Officer - Marilyn (Buffy) Key received August 20, 2026, confirming coding issues is included as Appendix - Two of this Staff Summary. CRMC has provided revised cardiac catheterization lab data based on its internal records which is included in the Appendix for member reference.

See Attachment 1N, Cardiac Catheterization Services Need Standard Criteria, Pages 24-25, Standard #8.

Ambulatory Surgical Treatment Centers

All applicable criteria and standards were met.

Please see Attachment 1N for a full listing of the criteria and standards and the applicant responses.

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“This data, both JAR and HDDS, was provided by the applicant ... and was verified by HFC staff....

The HDDS data for this application has been confirmed to be incomplete and therefore inaccurate for use in the analysis of cardiac catheterization lab utilization.”

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Staff Agree Project Meets Need Requirements

Cath labs in PSA operate nearly 2x higher than full capacity.



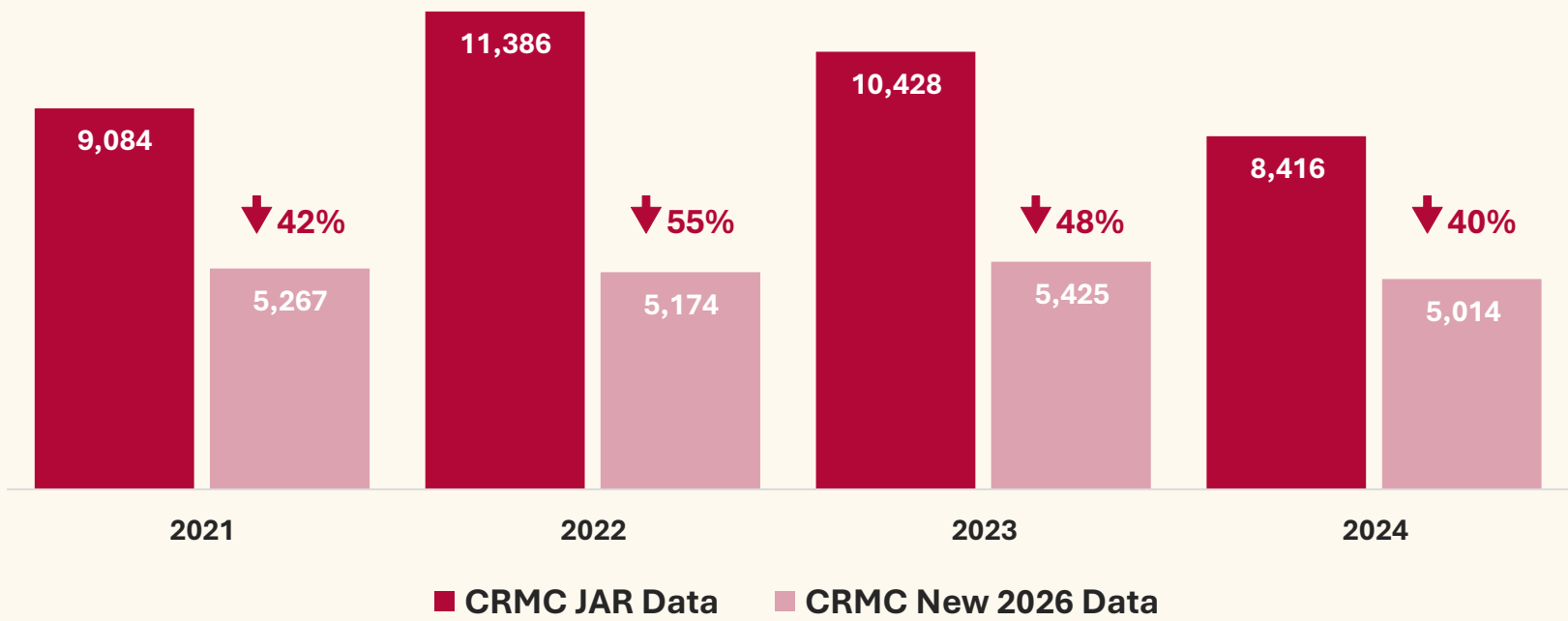
*Note to Commission members regarding Criterion #8. **Definition of Need for New Services:** "A need likely exists for new or additional cardiac catheterization services in a proposed service area if the average current utilization for all existing and approved providers is equal to or greater than 70% of capacity (i.e., 70% of 2,000 cases) for the proposed service area." **This criterion appears to be met** with the following considerations regarding the utilization data sources presented for Commission member context.*

	CMC (Cumberland)	CRMC (Putnam)	PSA Total
2022-2024 Total Avg. Weighted Caths	476	10,077	10,553
# of Cath Labs	1	2	3
Cases / Lab	476	5,039	3,518
% Optimum Capacity	34%	360%	251%
% Full Capacity	24%	252%	176%

CRMC New Numbers Are Not Credible

CRMC “*re-evaluated*” cath lab volumes, provided after CON application was filed, are nearly **50% lower** than reported in its 2021-2024 JARs.

CRMC Total Weighted Cardio Procedures per JARs v. CRMC New 2026 Data

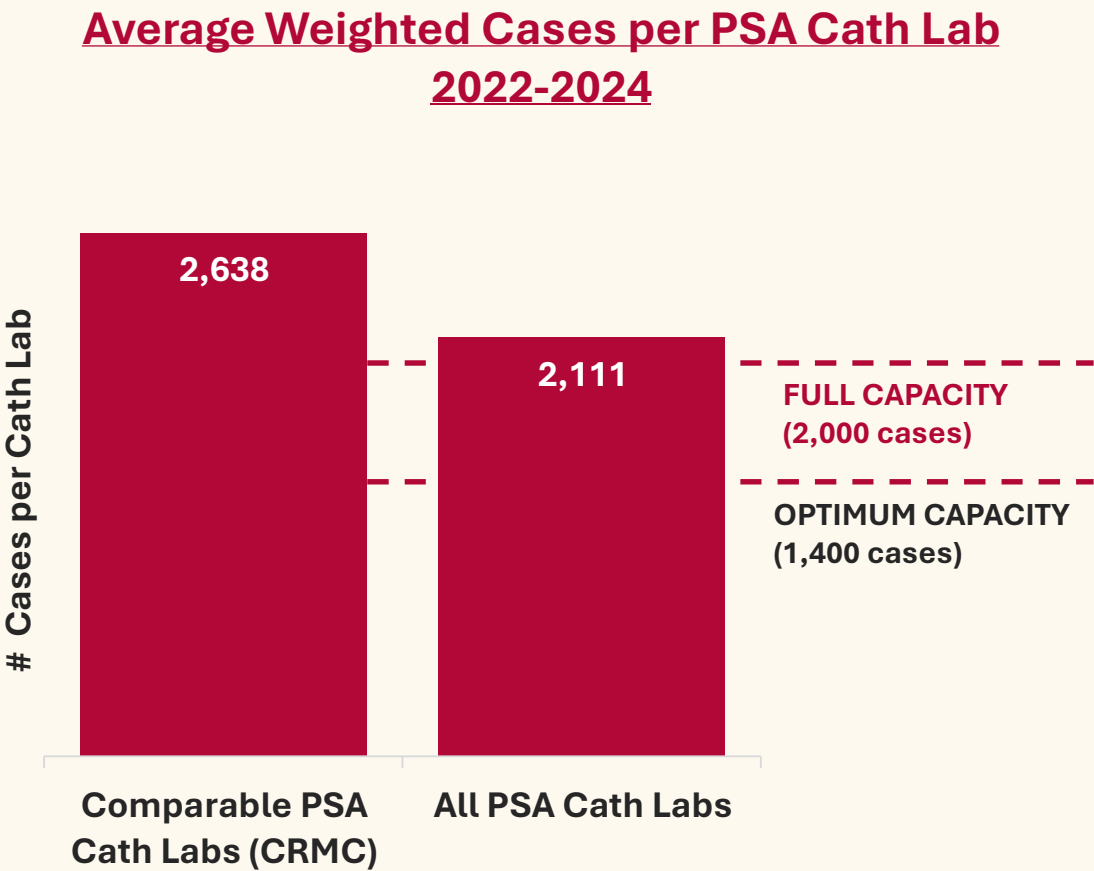


All Numbers Support Need for Project

Regardless of the data used, PSA cath labs operate **above full capacity**.

2022-2024 Total Avg. Weighted Caths		10,553	
# of PSA Cath Labs	3	4	5
Cases / Lab	3,518	2,638	2,111
% Optimum Capacity	251%	188%	151%
% Full Capacity	176%	132%	106%

Source: JAR, CRMC New 2026 Data



Widespread Support for TN Heart

Nearly **250** providers, state officials, community leaders and patients ***support approval*** of TN Heart Cardiovascular Surgery Center.



Physicians & APPs

26+ Community
Physicians and APPs

3 Physicians Operating
Cardiovascular-Focused
ASTCs



State Officials & Community Leaders

State Representatives
Ed Butler (District 41)

Michael Hale (District 40)

Local Public Health Officials

Pastors



TN Heart Patients & Community Members

71+ TN Heart Patients

140+ Upper Cumberland
Community Members

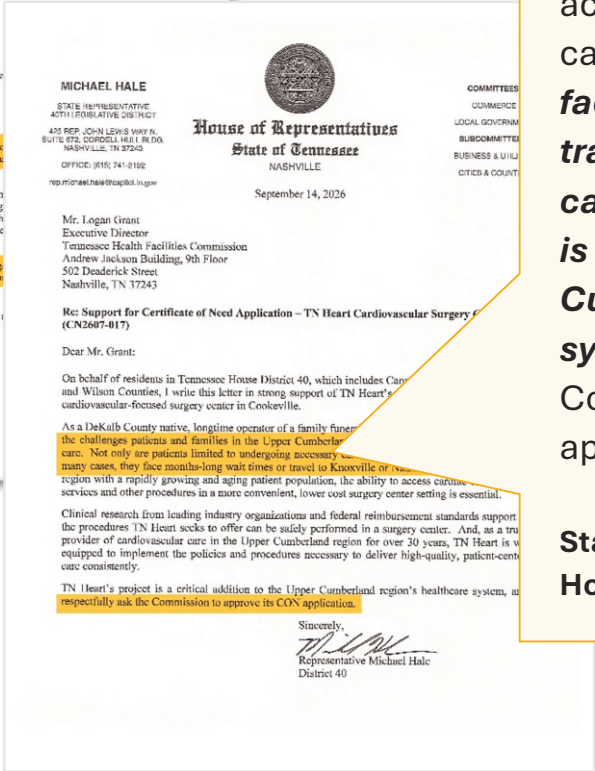
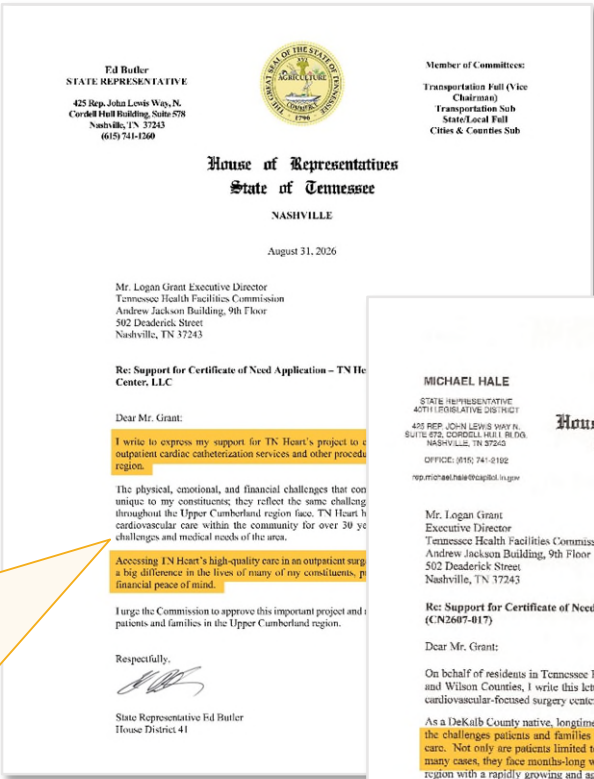
State Leaders Support ASTC Access in Upper Cumberland



House of Representatives State of Tennessee

“I write to express my support for TN Heart’s project...**Accessing TN Heart’s high-quality care in an outpatient surgery center setting would make a big difference in the lives of many of my constituents**”

State Representative Ed Butler
House District 41

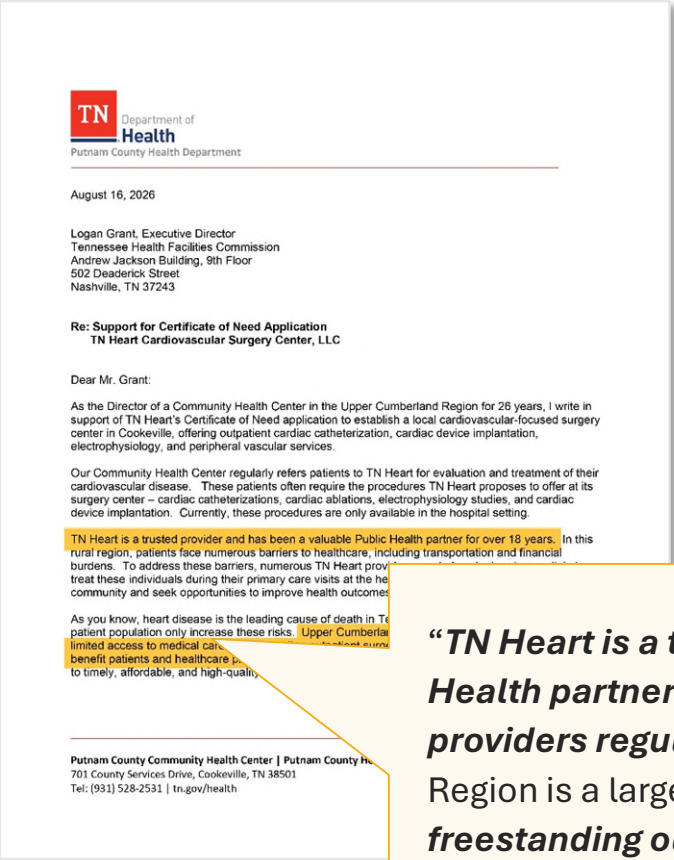


“I see and hear daily the challenges patients and families in the Upper Cumberland region face in accessing cardiovascular care...**[I]n many cases, [patients] face months-long wait times or travel to Knoxville or Nashville for cardiac care...TN Heart’s project is a critical addition to the Upper Cumberland region’s healthcare system,** and I respectfully ask the Commission to approve its CON application.”

State Representative Michael Hale
House District 40



Local Public Health Officials Agree Project Needed

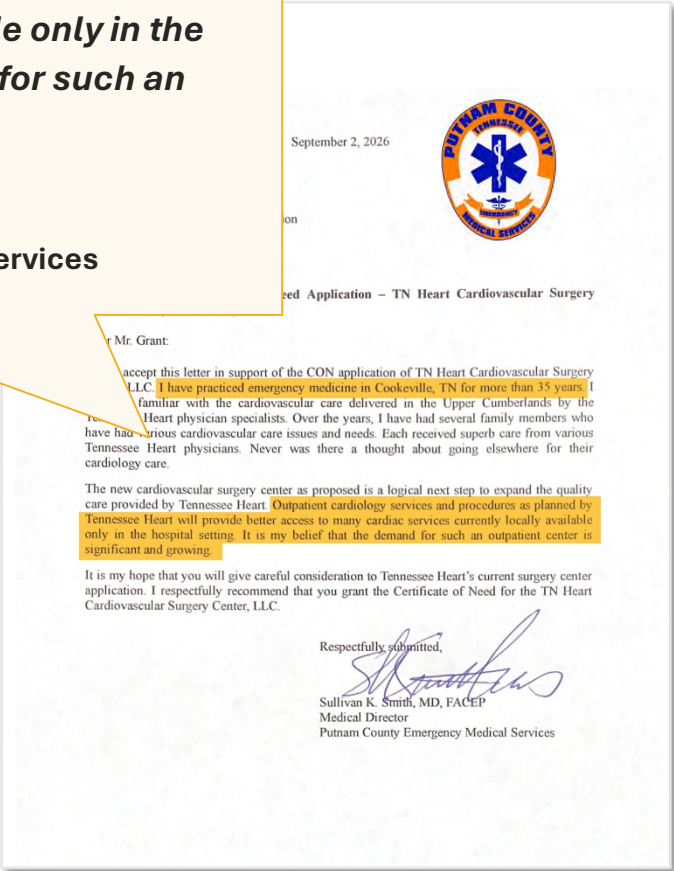


“I have practiced emergency medicine in Cookeville, TN for more than 35 years...**Outpatient cardiology services and procedures as planned by Tennessee Heart will provide better access to many cardiac services currently locally available only in the hospital setting. It is my belief that the demand for such an outpatient center is significant and growing.**”

Sullivan K. Smith, MD, FACEP
Medical Director, Putnam County Emergency Medical Services

“**TN Heart is a trusted provider and has been a valuable Public Health partner for over 18 years...Numerous TN Heart providers regularly volunteer in our clinic...**Upper Cumberland Region is a large rural area with limited access to medical care. **A freestanding outpatient surgery center will tremendously benefit patients and healthcare providers in our community.**”

Lisa Bumbalough
Public Health Director, Putnam County



Local Physicians Agree Project Improves Patient Care

TIER 1 ORTHOPEDICS
James D. McKinney, M.D.
John M. Turnbull, M.D.
Gregory J. Roberts, M.D.
Kenneth Grinspun, M.D.
Derek Worley, M.D.
David Burstedt, M.D.
Shawn Stachler, D.O.

Christopher Juels, D.P.M.
Michael Pahl, M.D.
Heather Taillac, M.D.
Jonathan Srou, D.P.M.
Brian Huff, D.O.
Adrian Viñas, M.D.
Taylor Dennison, M.D.



TIER 1 ORTHOPEDIC AND NEUROSURGICAL INSTITUTE
A MEMBER OF THE CAMPBELL CLINIC FAMILY

August 16, 2026

Mr. Logan Grant
Executive Director
Tennessee Health Facilities Commission
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

Re: Support for Certificate of Need Application – TN Heart Cardiovascular Surgery Center, LLC

Dear Mr. Grant:

As a surgical specialist practicing in the Upper Cumberland region since 1997, previous Medical Staff at Cookeville Regional Medical Center (2021 – 2025), and previous Trustee of Trustees (2021 – 2025), I write in strong support of TN Heart's Certificate of Need to establish a cardiovascular-focused surgery center in Cookeville, offering outpatient cardiac catheterization, cardiac device implantation, electrophysiology and peripheral vascular services.

TN Heart is a trusted provider of cardiovascular care in our community, and I regularly send my patients to their cardiologists for evaluation and treatment of their cardiovascular disease. These patients often require the procedures TN Heart proposes to offer in its surgery center – cardiac catheterizations, cardiac ablations, electrophysiology studies, and cardiac device implantation. Today, these procedures are only available in the hospital setting. But, our hospital is already at capacity and has been for many years and cannot meet the Upper Cumberland region's growing need for cardiovascular services.

Adding a freestanding outpatient surgery center benefits patients and healthcare providers in our community. Heart disease is the leading cause of death in Tennessee and in the service area, and the demographics of our patient population only increase these risks. Patients live in rural areas with limited access to medical care, and we have a rapidly increasing elderly population. This project improves access to timely, affordable, and high-quality care through a familiar provider team.

My patients consistently report positive experiences with TN Heart's physician and staff. This project reiterates their commitment to our patients and fills a strong need in our community. I urge the Commission to approve TN Heart's project.

Sincerely,

Joseph A. Jestus M.D.
Tier 1 Neurosurgery



Joseph A. Jestus, MD
Tier 1 Neurosurgery

CRMC Chief of Staff (2021 – 2025)
CRMC Board of Trustees (2021 – 2025)

“[O]ur hospital is already at capacity and has been for many years and cannot meet the Upper Cumberland region's growing need for cardiovascular services...This project improves access to timely, affordable, and high-quality care through a familiar provider team.”

“Outpatient cardiovascular procedures are now only done in the hospital setting which severely limits availability, timeliness, and the burgeoning quantity of these vital procedures due to the full capacity of the hospital in Cookeville. TN Heart has been my valued and trusted colleague...[I] depend on TN Heart for competent and timely care of our approximately 15,000 patients. My support for this project is strong, and I urge the Commission to approve.”

John R. Clough, MD, FAAFP
Priority Care Medical Clinic



(931) 823-3030
5751 Bradford Hicks Drive • Livingston, TN 38570

Mr. Logan Grant
Executive Director
Tennessee Health Facilities Commission
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville TN 37243

Re: Support for CON Application - TN Heart Cardiovascular Surgery Center, LLC

Dear Mr. Grant:

I am a Family Physician practicing for 39+ years in the Upper Cumberland and want to give my strongest support for TN Heart's Certificate of Need to have this proposed facility. Outpatient cardiovascular procedures are now only done in the hospital setting which severely limits availability, timeliness, and the burgeoning quantity of these vital procedures due to the full capacity of the hospital in Cookeville.

TN Heart has been my valued and trusted colleague for care of my patients, and in my own personal cardiac procedures and care (ablation, cardioversion, and stent placement), have been provided by TN Heart.

As a provider primary care clinic in Overton County and depend on TN Heart for timely care of our approximately 15,000 patients. A surgery center will provide more access, more rapid response, and more convenience for outpatients in this largely rural region of the state.

My support for this project is strong, and I urge the Commission to approve TN Heart's project.



AFP



TN Heart Patients Lack Convenient Care Option

September 12, 2023

Mr. Logan Grant
Executive Director
Tennessee Health Facilities Commission
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

Re: Support for Certificate of Need Application – TN Heart Cardiovascular Surgery Center, LLC

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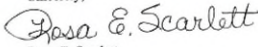
I am a patient of TN Heart writing to support its project to establish a surgery center providing outpatient cardiac catheterization and related heart procedures.

I have been advised by Doctor Wathan that the leads on my pacemaker (placed at Crossville hospital on December 10, 2024) are not properly placed nor functioning properly. I was advised that I would have to get a referral to Vanderbilt University's Dr. Montgomery to have them replaced because the necessary equipment is not available in Cookeville. I live in Crossville and it is very expensive and time consuming to have to drive to Nashville to have this done. I am confident that I am not the only local patient who must do this. Please strive to get the necessary equipment in Cookeville.

Currently, there are only two options for cardiac catheterizations in our area, and both are hospitals. This means longer wait times for care, an unfamiliar and stressful environment, higher medical care costs, or, worse, driving to Knoxville or Nashville for cardiovascular procedures. Having the option to receive my heart care team's high-quality care in a convenient, safe and lower cost outpatient setting would make a real difference for me and other patients and families in our area. I receive excellent care from our doctors in the Tennessee Heart group. And yet I will have to get established with a new doctor in Nashville, which will involve at least two trips to get the care which is needed.

I have trusted the TN Heart team with my care for over four years now. As part of our community, they know that access to affordable, timely heart care matters. I ask the Health Facilities Commission to approve TN Heart's application and give patients in the Upper Cumberland region a choice for essential cardiac care.

Sincerely,


Rosa E. Scarlett
TN Heart Patient

“I was advised that I would have to get a referral to Vanderbilt University...to have [my pacemaker leads] replaced because the necessary equipment is not available in Cookeville...*[I]t is very expensive and time consuming to have to drive to Nashville....*I ask the ... Commission to approve TN Heart’s application ...”

Rosa E. Scarlett, TN Heart Patient

“I have trusted the TN Heart team with my care for over 5 years. As part of our community, they know that access to affordable timely, heart care matters. *I ask the ... Commission to approve TN Heart’s application and give patients in the Upper Cumberland region a choice for essential cardiac care.*”

Charles A. Sewell, TN Heart Patient

August 17, 2026

Mr. Logan Grant
Executive Director
Tennessee Health Facilities Commission
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

Re: Support for Certificate of Need Application – TN Heart Cardiovascular Surgery Center, LLC

Dear Mr. Grant:

I am a patient of TN Heart writing to support its project to establish a surgery center in Cookeville providing outpatient cardiac catheterization and related heart procedures.

I had a diagnosis of Atrial Fibrillation in 2022. Dr. Mark Wathan performed my heart ablation surgery in February of 2023. My heart ablation surgery went well, and I have annual checkups.

Currently, there are only two options for cardiac catheterizations in our area, and both are hospitals. This means longer wait times for care, an unfamiliar and stressful environment, higher medical care costs, or, worse, driving to Knoxville or Nashville for cardiovascular procedures. Having the option to receive my heart care team's high-quality care in a convenient, safe, and lower cost outpatient setting would make a real difference for me and other patients and families in our area.

I have trusted the TN Heart team with my care for over 5 years. As part of our community, they know that access to affordable, timely heart care matters. I ask the Health Facilities Commission to approve TN Heart's application and give patients in the Upper Cumberland region a choice for essential cardiac care.

I have a friend whose lives were saved because of the close proximity of the The Cookeville area's population is growing rapidly and there is an additional medical facilities. A few minutes can mean the difference between

allow Tennessee Heart to grow so that lives may be saved including my sister,

Sincerely,


Charles A. Sewell
TN Heart Patient

Heart Cardiovascular Surgery

establish a surgery center in Cookeville heart procedures.

in my heart. He and his team of doctors activity within weeks of the procedure. I ve added years to my life and given me

tations in our area, and both are hospitals. a stressful environment, higher medical e cardiovascular procedures. Having the e in a convenient, safe and lower cost d other patients and families in our area.

s. As part of our community, they know sk the Health Facilities Commission to Upper Cumberland region a choice for


Tom Stephens
TN Heart Patient

Community Leaders See Strong Need



Mr. Logan Grant
Executive Director
Tennessee Health Facilities Commission
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

Dear Mr. Grant,

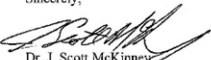
I am writing to express the urgent need for a dedicated heart surgery center for outpatient cardiac procedures in our rural community. Residents in our community face significant challenges with cardiovascular care, including long travel distances, limited access to specialized care, and the financial and emotional strain on patients and families.

Heart disease remains one of the most serious health challenges in our congregation. The rising costs of medical care impact many of our members, particularly those living on fixed incomes.

By allowing TN Heart to establish an outpatient heart surgery center, we can provide timely access to cardiac evaluations, minimally invasive procedures, and post-operative care, and coordinated follow-up. Such a center would support earlier intervention, ease pressure on emergency transport systems, and provide access to the specialized physicians that patients know and trust.

I respectfully urge you to consider supporting the development of TN Heart's surgery center in our rural area. Our residents deserve access to timely, high-quality cardiac care, and this investment would reduce hardship and ultimately improve health outcomes for many families. Thank you for your time, consideration, and commitment to the health of our community. We appreciate your support and look forward to your approval of this important project and allow TN Heart to better serve patients in the Upper Cumberland region.

Sincerely,



Dr. J. Scott McKinney
Senior Pastor First Baptist Church, Cookeville

18 South Walnut Avenue • Cookeville, Tennessee 38501 • (931) 526-7111

"I am writing to express *the urgent need for a dedicated heart surgery center* capable of supporting appropriate outpatient cardiac procedures in our rural community...*Our residents deserve access to timely, high-quality cardiovascular care, and this investment would reduce hardship and ultimately improve health outcomes for many families.*"

Dr. J. Scott McKinney
Senior Pastor First Baptist Church



Mr. Logan Grant
Executive Director
Tennessee Health Facilities Commission
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

Re: Support for Certificate of Need Application – TN Heart Cardiovascular Surgery Center, LLC

Dear Mr. Grant:

I want to express my support for TN Heart Surgery Center for out-patient cardiac catheterization services here in Cookeville Tn. I had a heart attack five years ago, and the services from TN Heart were outstanding they truly saved my life. I believe in their diligence and preparation and their desire to see what's best for the patient. As a pastor in the local community, I have had a lot of our members get cardiovascular care at TN Heart and I would say every one of them has had a great experience.

I don't fully understand all that goes into the medical side of providing service for a surgery center for outpatient cardiac care, but I do know this, the Upper Cumberland is growing, and we need that availability to be accessible quickly when there is a heart incident. So, I would ask that you would consider this approval so that those in the Upper Cumberland could have access to those facilities on a regular basis.

Thank you very much,
Steve Tiebout



Steve Tiebout
The River Community Church

1200 Miracle Road | Cookeville, TN | 38506 | 931-528-3660



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Executive Director
Tennessee Health Facilities Commission
Andrew Jackson Building, 9th Floor
502 Deaderick Street
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Thank you very much,
Bobby Davis



Bobby Davis
Senior Pastor – Life Church

1200 Miracle Road | Cookeville, TN | 38506 | 931-528-3660

A Partnership of Cardiovascular Leaders



- **TN Heart**

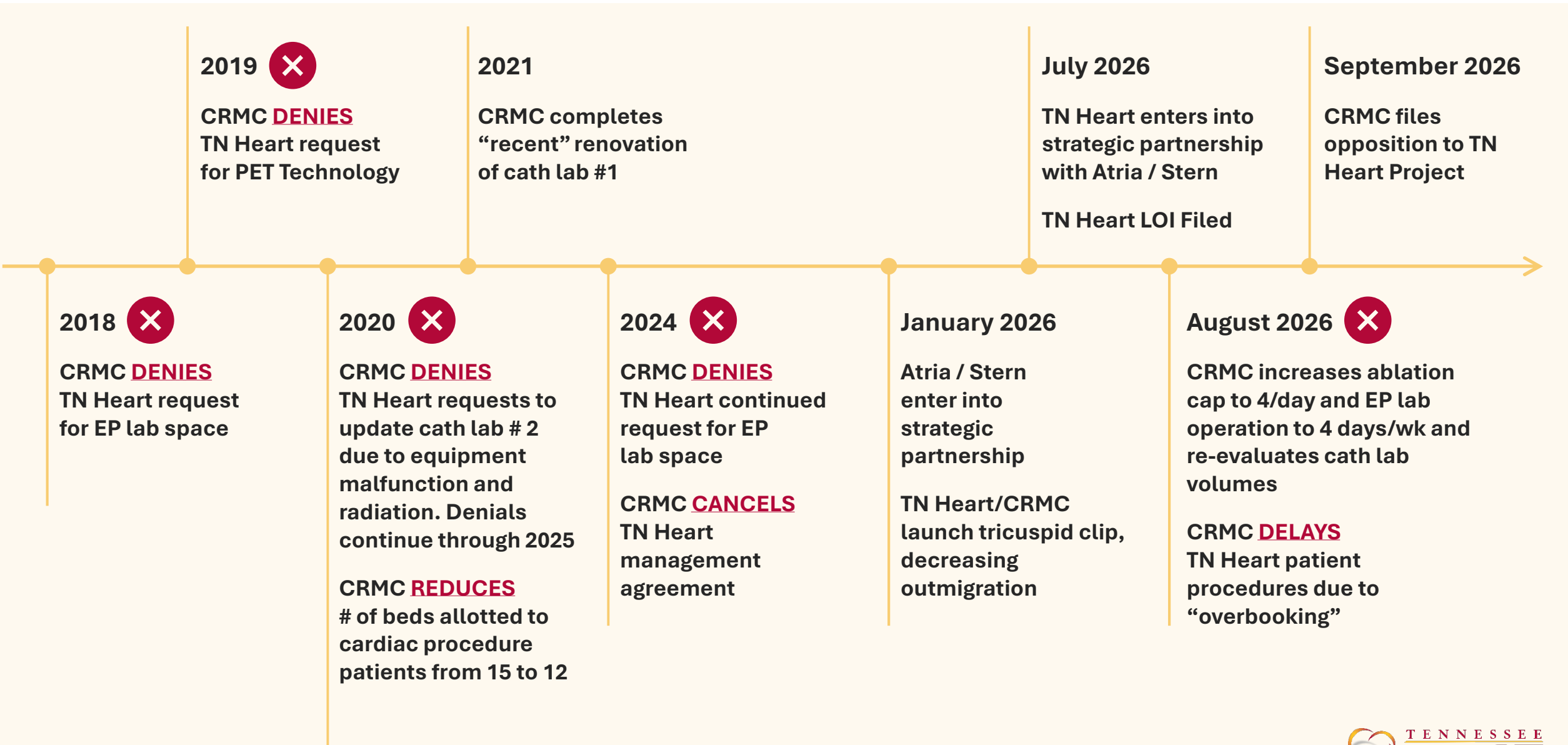
- > **30 years** of patient care in Upper Cumberland region
- 11 cardiologists, 5 APPs
- 3 clinic locations: Cookeville, Crossville and Livingston

- **Stern Cardiovascular**

- > **100 years** of patient care
- Largest cardiovascular group in Memphis area
- Approved for TN's first full service cardiovascular ASTC

- Cookeville **cardiovascular center of excellence**
 - **Expand access** to care
 - **Recruit new physicians** to the Upper Cumberland region
 - Provide **innovative cardiology services**
- Combined provider network
 - > **55 cardiologists**
 - > **65 APPs**

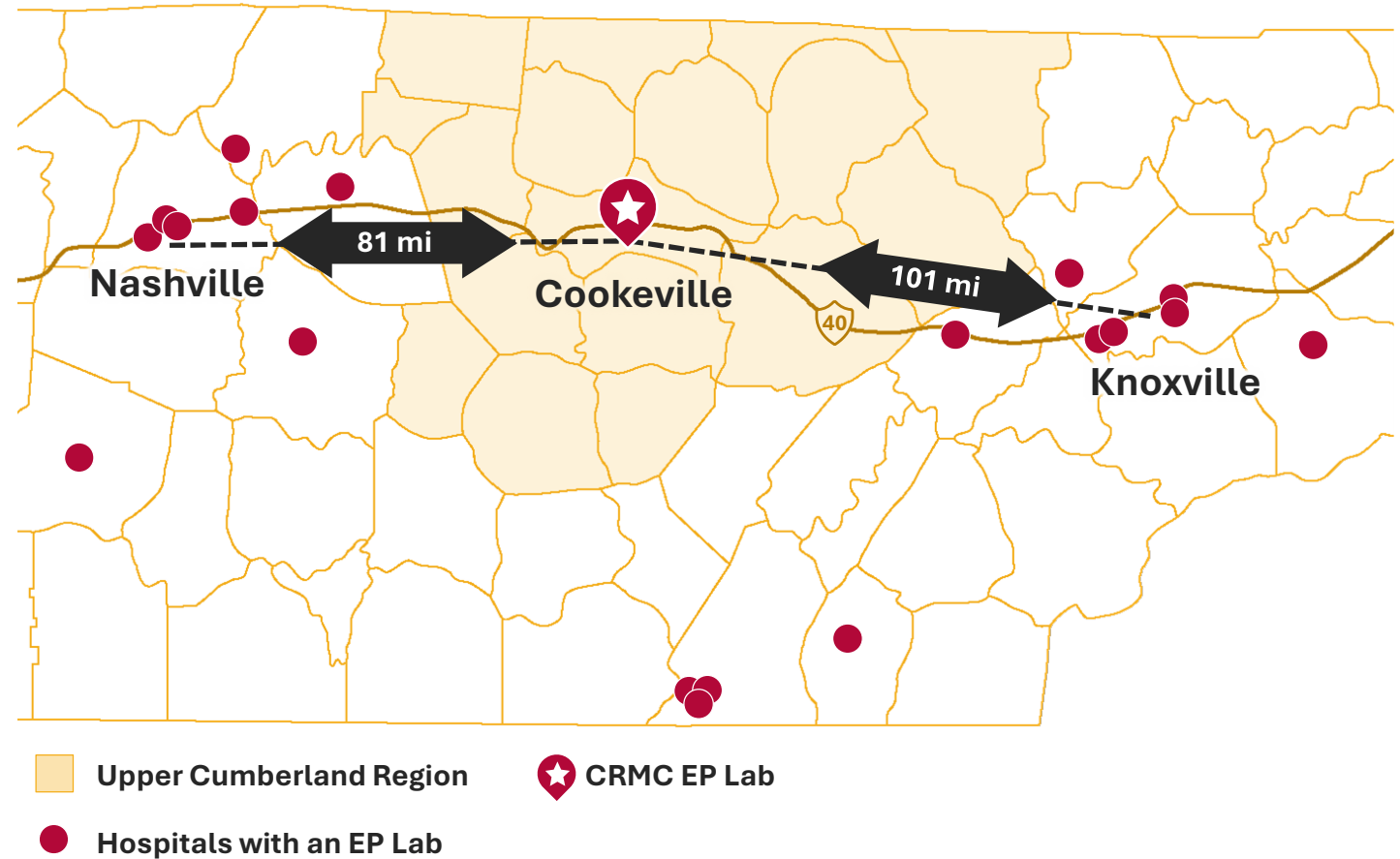
CRMC Upgrades – Too Little, Too Late



One Local Option for EP Procedures

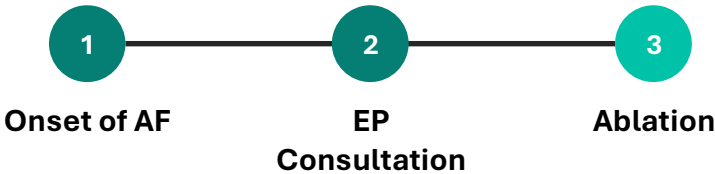
*CRMC is the **only EP lab** between Nashville and Knoxville.*

- Serves nearly **500,000** patients across 17 counties
 - Covers **6,166 sq. miles**
- Lab to patient ratio **4x worse** than comparable TN counties
- **6-month** median wait time for ablations at CRMC



Untimely Ablations Are Costly

Pathway A Timely Ablation



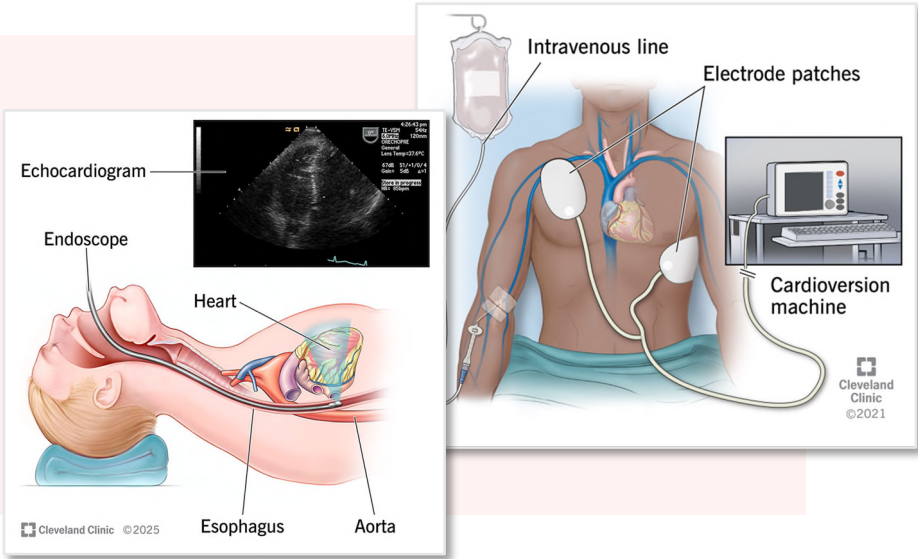
Pathway B Delayed Ablation



Patients remain on anti-arrhythmia drugs (AAD) and blood thinners that cost up to **\$23,000/year**.



When AAD drugs are not fully effective, patients receive a cardioversion, which is guided by a Trans-Esophageal Echo (TEE) - costs ~\$2,500.



Local Physicians Send Patients Outside Service Area

C.S. Sewell, M.D., P.C.
941 West Central Avenue • P.O. Box 1330
Jamestown, TN 38556
Office: (931) 879-9802
Fax: (931) 879-9800
August 14, 2025

Mr. Logan Grant
Executive Director
Tennessee Health Facilities Commission
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

RE: Support for Certificate of Need Application - TN Heart Cardiovascular Surgery Center, LLC

Dear Mr. Grant:

As a primary care physician practicing in the Upper Cumberland region for 27 years, I write in support of TN Heart's Certificate of Need application to establish a cardiovascular-focused surgery center in Cookeville, offering outpatient cardiac catheterization, cardiac device implantation, electrophysiology and peripheral vascular services. Due to limited availability at Cookeville Hospital, many of my patients have to be sent to Nashville or Knoxville which creates a burden and hardship for them.

TN Heart is a trusted provider of cardiovascular care in our community, and I regularly send my patients to their cardiologists for evaluation and treatment of the cardiovascular disease. These patients often require the procedures TN Heart proposes to offer in its surgery center - cardiac catheterizations, cardiac ablations, electrophysiology studies, and cardiac device implantation. Today, these procedures are only available in the hospital setting and we often have access difficulties in our community. Our hospitals are already at capacity and cannot meet the Upper Cumberland region's growing need for cardiovascular services. I have had several occasions of a patient requiring cardiovascular services and being scheduled far enough into the future that it is not acceptable or safe. As a primary care provider, I too often have had to text one of the providers at Tennessee Heart to over-ride scheduling limitations in order to provide appropriate care for a patient. I appreciate the assistance I always receive, but it is an indication that the current capacity is not adequate to meet our needs. Cookeville's population has grown significantly and unfortunately, cardiac disease is continuing to increase in our society. Cookeville is also the hub for multiple rural communities and our town as specialty care is not available in those communities directly.

Adding a freestanding outpatient surgery center benefits patients and healthcare providers in our community. Heart disease is the leading cause of death in Tennessee and in the service area, and the demographics of our patients population only increase these risks. Patients live in rural areas with limited access to medical care, and we have a rapidly increasing elderly population. This project improves access to timely, affordable, and high quality care through a familiar provider team.

My patients consistently report positive experiences with their physician and staff. This project reiterates their commitment to our patients and their need in our community. I urge the Commission to approve TN Heart's project.

feet first

Feet First, PLLC
345 W. Broad Street, Suite 2
Cookeville, TN 38501
C. Lynn Rosenbaum, D.P.M.
(931) 854-9222

August 27, 2025

Mr. Logan Grant
Executive Director
Tennessee Health Facilities Commission
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

Re: Support for Certificate of Need Application - TN Heart Cardiovascular Surgery Center, LLC

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SEASONS
Family Medicine

Seasons Family Medicine, PLLC
Dr. Pamela Sanders, MD
Carly Sturgill, FNP-C
Maurine Robbins, FNP-C
3611 S. Jefferson Ave., Cookeville, TN 38506
Phone: (931) 644-0262
Fax: (931) 992-2128

Re: Support for Certificate of Need Application - TN Heart Cardiovascular Surgery Center, LLC

Dear Mr. Grant:

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“Due to limited availability at Cookeville Hospital, many of my patients have to be sent to Nashville or Knoxville which creates a burden and hardship for them...This project reiterates [TN Heart’s] commitment to our patients and fills a strong need in our community.”

Christopher S. Sewell, MD
Sewell Family Practice

“Requiring patients to travel outside the area for cardiovascular or vascular services can create additional delays and burdens...TN Heart’s proposed project would fill an important need in our community...[I] respectfully urge the...Commission to approve this project.”

C. Lynn Rosenbaum, DPM
Feet First, PLLC

“I have had several occasions of a patient requiring cardiovascular services and being scheduled far enough into the future that it is not acceptable or safe...[I]t is an indication that the current capacity is not adequate to meet our needs.”

Pamela Sanders, MD, FAAFP
Seasons Family Medicine, PLLC

Project Improves Timely Care

*TN Heart projects **85%** of procedures offered at ASTC will be those with highest wait times at CRMC – EP procedures and diagnostic cardiac cath.*

TN Heart Weighted Historical & Projected EP and Diagnostic Cardiac Cath Procedure Volumes

Procedure	2024	2025	% Change	Proj. 2029 (Y2)	% Total ASTC
Cardiac Ablations	462	576	25%	592	22%
EP Studies and Cardiac Rhythm Device Implantations	488	719	47%	738	27%
Total EP Procedures	950	1,295	36%	1,330	49%
Diagnostic Cardiac Cath	1,038	942	-9%	967	36%
Total Diagnostic Cath / EP Procedures	1,988	2,237	13%	2,297	85%
Total Procedures	2,363	2,646	12%	2,716	

Experienced Cardiology Team Ready to Serve

ASTC Medical Director – Dr. Carlos Podesta



Specialties: Interventional/Structural Cardiology

Experience: Joined TN Heart – 2020, > **10 years** – Mount Sinai Medical Center (FL)

Clinical Leadership: CRMC Structural Heart Program Director, CV Quality Director; CRMC cath lab director (2021-2023)

EP Medical Director – Dr. Mark Wathen



Specialties: Electrophysiology – pacemakers, defibrillators and implanted monitors

Practicing 30+ years

Clinical Leadership: Founder of EP Programs at CRMC and Vanderbilt; CRMC EP Medical Director

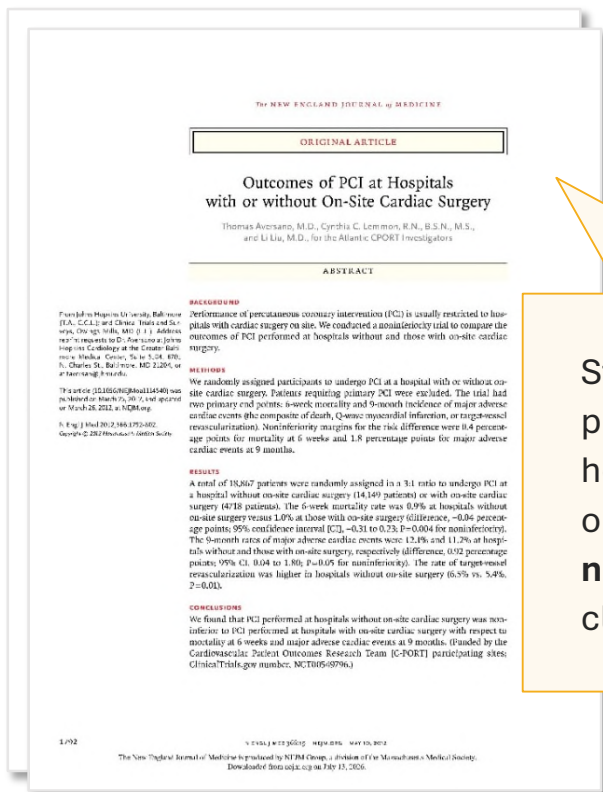


- ***Strategic partner*** to cardiology practices nationwide.
 - Provides operational expertise and administrative services.
 - Enables physician autonomy and delivery of personalized patient care.
- Partnered with:
 - AMS Cardiology to ***establish cardiac ASTC*** in PA.
 - Stern Cardiovascular to ***establish cardiac ASTC*** in Memphis.

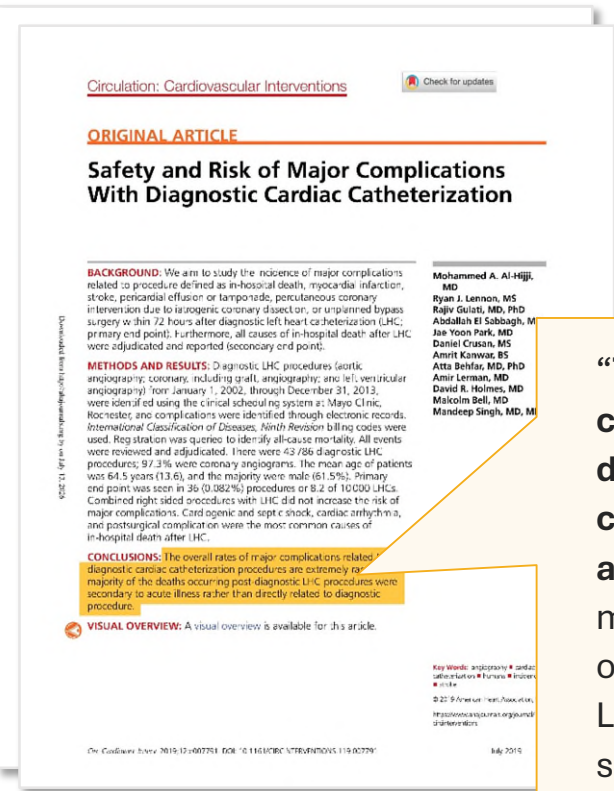
Clinical Evidence Confirms ASTCs Are Safe



The NEW ENGLAND JOURNAL of MEDICINE



Study examining PCI procedures performed at hospitals with and without on-site cardiac surgery found **no significant difference** in clinical outcomes.



American Heart Association.

“The overall rates of major complications related to diagnostic cardiac catheterization procedures are extremely rare. The majority of the deaths occurring post-diagnostic LHC procedures were secondary to acute illness rather than directly related to diagnostic procedure.”

Safety Built into Every Protocol

Comprehensive policies and procedures help ensure cardiovascular care is safe, effective and delivered in the appropriate setting.

THERAPEUTIC CARDIAC CATHETERIZATION

Policy Name:	THERAPEUTIC CARDIAC CATHETERIZATION
Section:	Operating Room
Purpose:	To establish protocol

Approved Date

Reviewed Date

Revised Date

Click or tap to enter a date.

Click or tap to enter a date.

Click or tap to enter a date.

Purpose: To establish standardized procedure guidelines and safety protocols for the performance of therapeutic cardiac catheterizations in our Center. This policy aims to ensure this procedure is performed safely by establishing appropriate patient selection, staffing, equipment requirements, and emergency preparedness.

Definitions:

Therapeutic Percutaneous Coronary Intervention (PCI) – a minimally invasive non-surgical coronary intervention using balloon angioplasty, stent placement, and other intracoronary technologies intended to treat obstructive coronary artery disease

Elective Percutaneous Coronary Intervention – non emergent PCI performed on hemodynamically stable patients without the presence of active chest pain or ischemia.

High Risk PCI – specific clinical presentations listed below in this policy that categorize the PCI as high risk and therefore not appropriate for the center.

Patients appropriate for Therapeutic Cardiac Catheterization at Stern Cardiovascular Surgery Center:

- Do not meet any of exclusion criteria in Admission Policy
- Hemodynamically stable at time of admission
- Stable ischemic heart disease
- Have adequate social support for post procedure care
- Able to comply with same-day discharge instructions

Patients appropriate for Therapeutic Cardiac Catheterization in an Acute Care Hospital Setting:

- Hemodynamically unstable
- Acute coronary syndrome
- Unstable angina
- The following conditions warrant the consideration of PCI deferment to the hospital setting:
 - Bifurcation lesions with significant side branch involvement
 - Severe lesion calcification
 - Extremely angulated segment or excessive proximal tortuosity
 - Bypass graft lesions
 - Chronic total occlusions

ADMISSION/TREATMENT POLICY

Policy Name:	ADMISSION/TREATMENT POLICY
Section:	Admission
Purpose:	To establish protocol for patient admissions

Approved Date

Reviewed Date

Revised Date

Click or tap to enter a date.

Click or tap to enter a date.

Click or tap to enter a date.

POLICY

It is the policy of the Center to admit and treat all persons without regard to race, origin, handicap, religious or fraternal organization, or age. The same requirement to all, and patients are assigned without regard to race, color, national origin, handicap, religious or fraternal organization, or age. All services are available without distinction to patients regardless of race, color, national origin, handicap, religious or fraternal organization, or age. All persons and organizations having occasion to refer people for services recommended by the Center are advised to do so without regard to the person's race, origin, handicap, religious or fraternal organization, or age.

EXCEPTIONS

Due to accreditation, patient safety, and equipment restrictions, the Center cannot admit the following patients for admission:

Patients with brittle diabetes (unstable diabetes that results in disruption of life and admissions to hospital).

Alcohol dependence who is at risk for withdrawal syndrome.

Patients who have a history of severe latex allergy.

Pregnancy.

Patients with a history of malignant hyperthermia.

Moderate to severe uncontrolled obstructive sleep apnea.

Patients with a total BMI >55.

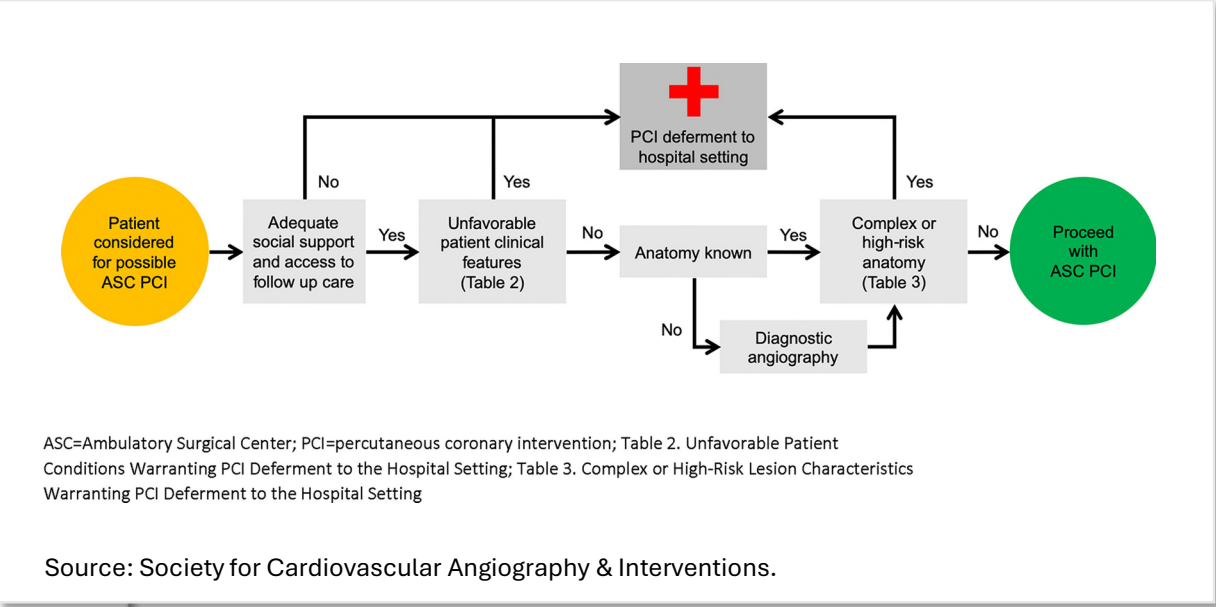
Bleeding disorder requiring replacement factor or blood products to correct a coagulopathy.

Patients who are in PS 4, 5, or 6 categories as assessed by physician.

Uncooperative/unreliable.

No responsible person at home.

Patients not cleared by the provider.



Proven Health Outcomes in CV ASTCs



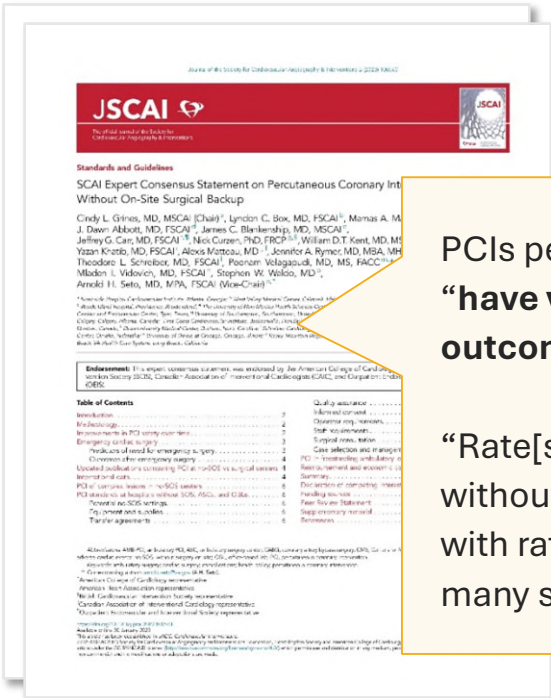
Less than 1% of cases have required transfer to a hospital since 2024.



More than 99% of patients are discharged home the same day.



Since June 2026, >70 ablations – 0 transfers or complications



PCIs performed at centers without surgery on site “have very low rates of complications and similar outcomes to PCIs performed with surgery on site.”

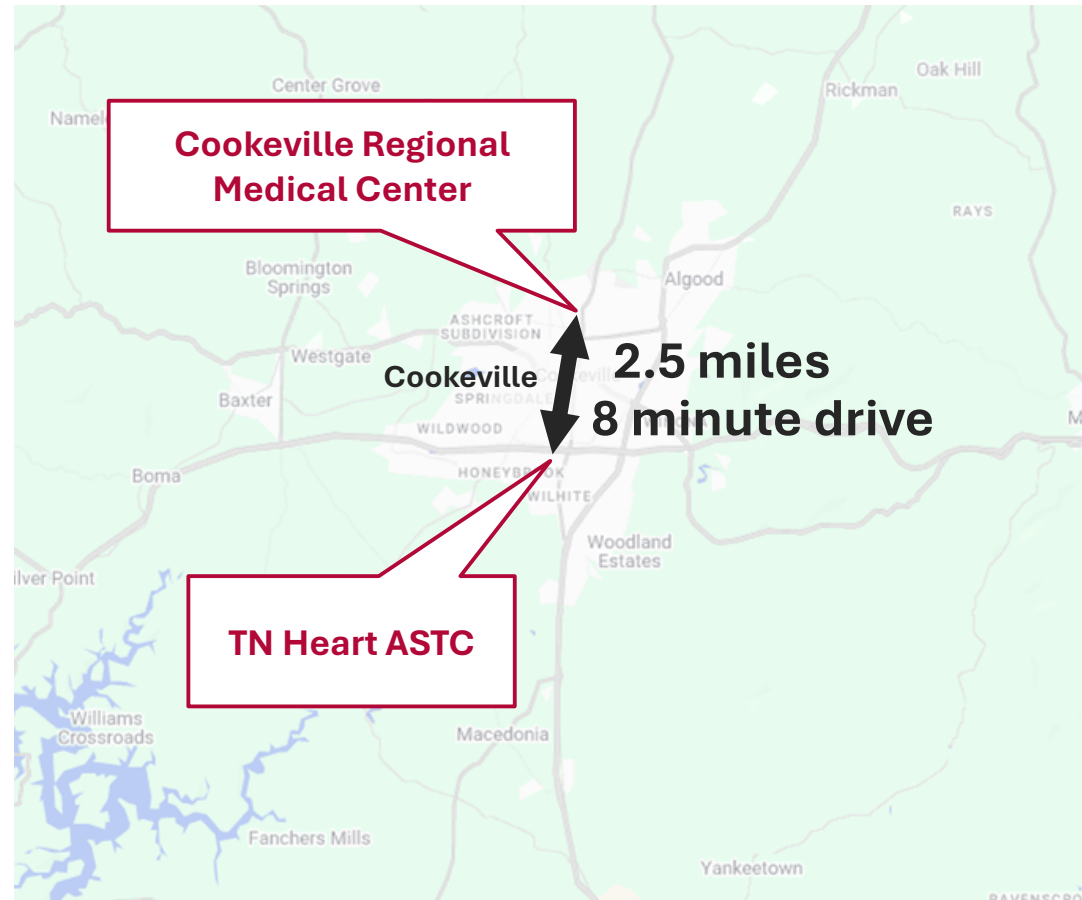
“Rate[s] of periprocedural complications [at centers without surgery] has remained constant, or declined, with rates of emergency surgery as low as 0.1% in many series.”



Ablation procedures performed in ambulatory settings “found no difference in complication rates compared with hospital settings.”

Competition Invalid Reason to Deny Transfer Agreement

CMS removed written transfer agreement requirement for ASCs in 2019.



51738 Federal Register / Vol. 84, No. 189 / Monday, September 30, 2019 / Rules and Regulations

removal also stated that ASCs should not be forced to close their businesses because regulations cannot be met due to competition issues with the local hospital and their outpatient surgery center. Comments opposing removal of the written hospital transfer agreement stated that transfer agreements have the potential to ensure that there is a plan for emergencies, that appropriate continued care will be delivered, and that both the ASC and hospital communicate with one another. In addition, we received several comments that suggested the regulation should instead specify that the ASC would be deemed to have met the hospital transfer agreement provision if a "good faith effort" was documented. One commenter suggested that instead of an all or nothing provision, ASCs should periodically provide local hospitals with a written notice. The commenter contended that this requirement would notify the hospital of ASC services in the community and the types of patients that are receiving care that may need additional care beyond the capability of the ASC.

Response: We continue to believe that, because of the existing EMTALA regulations, the small number of transfers, and the burden ASCs incur when faced with local hospital competition issues, removing this requirement is necessary and appropriate. We agree that communication between hospitals is important; however, we do not agree that a mandated transfer agreement is a necessary or effective method to assure this communication. In response to the commenter's suggestions described above, and to assure that hospitals are aware of the potential for receiving patient transfers from an ASC, we are revising our proposal at § 416.41(b)(3) to require the ASC to periodically provide the local hospital with written notice of its operation and patient population served. For example, the notice would include details such as hours of operation and the procedures that are performed in the ASC. Providing written notice, rather than securing a transfer agreement, will alleviate the administrative burden of negotiating or being denied negotiating opportunities associated with the requirement of a written transfer agreement between the ASC and hospital. We are requiring that the notice be provided "periodically" to the local hospital to ensure the ASC keeps the local hospital informed and up-to-date on ASC information and any patient population changes. The "periodically" phrasing is similar to the

reappraisal requirement for the medical policies for pre-surgical H&Ps and the

staff privileges at § 416.43(b), "Medical Reappraisal", in the same meaning. To preclude those functional work agreements, which require preparation transfers in the b. Patient Admission Discharge (§ 416.43(b)). The current requirement requires ASCs to or other qualified comprehensive physical assessment not more than 30 of the scheduled We proposed requirements of them with required surgical medical examinations (if associated with the physician's clinical patient's receive surgical assessment the patient and performed. We proposed ASC to establish policies.

"[B]ecause of the existing EMTALA regulations, the small number of transfers, and *the burden ASCs incur when faced with local hospital competition issues*, removing this [transfer agreement] requirement is necessary and appropriate."

[C]ommunication between ASCs and hospitals is important; however, we do not agree that a mandated transfer agreement is a necessary or effective method to assure this communication."

per common anesthesia services performed. ASCs to those factors, to include other their patient population we proposed the would be required recognized standards guidelines, as well as local health conform to the physical examination requirements at § 416.52(a), we proposed to revise the requirement at § 416.47(b)(2), that states "Significant medical history and results of physical examination," by adding "as applicable."

Comment: A majority of commenters supported the proposed change to remove the medical H&P examination requirement no more than 30 days before the date of the scheduled surgery, and defer to the ASC's established

implement their own policies, based on their clinical judgment and patient population served, will provide the most optimal balance between burden and necessary examinations and testing, by identifying when a medical H&P examination should be completed, if appropriate. We are finalizing the proposal to require ASCs to address certain patient characteristics, such as age, diagnosis, the type and number of procedures, comorbidities and the planned anesthesia level, when

Experience & Quality Ensure Immediate Utilization

TN Heart Cardiovascular Surgery Center Projected Weighted Cardiovascular Procedures Year 2



Procedure	Cath Lab	OR	PR
Cardiac Ablations		592	
Diagnostic Cardiac Catheterizations	967		
Electrophysiology Studies and Cardiac Rhythm Device Implantations		738	
Loop Procedures			185
Therapeutic Cardiac Catheterizations	189		
Peripheral Vascular Catheterizations	45		
Total Procedures by Room	1,201	1,330	185
Total Procedures Year 2		2,716	

Major Cost Savings

*Transitioning outpatient-appropriate cardiovascular procedures to ASTC setting will **reduce total care costs by more than half**.*

Procedure	Patient Payment		Facility Fee		Savings Calculations		
	ASTC	Hospital	ASTC	Hospital	Patient Savings	% Patient Savings	Total Savings
Right Heart Catheterization (Diagnostic)	\$511	\$1,033	\$1,707	\$3,312	\$522	51%	\$1,605
PCI (Percutaneous Transluminal Angioplasty, single artery)	\$846	\$1,239	\$3,849	\$5,814	\$393	32%	\$1,965
PCI (Percutaneous Transcatheter Stent Placement, single artery)	\$1,553	\$1,828*	\$7,308	\$11,794	\$275	≥15%*	\$4,486
AV Node Ablation	\$1,287	\$1,692*	\$5,943	\$7,968	\$405	≥24%*	\$2,025
Cardiac Device Implantation	\$1,450	\$1,705	\$7,175	\$8,454	\$255	15%	\$1,279

Source: Medicare.gov Procedure Price Lookup

*May not reflect full patient savings as Medicare caps copayments at \$1,676 in hospital outpatient departments, which may apply to this procedure. Greater patient savings are anticipated, especially for those covered by commercial payors.

Commission Should Approve Project



Need

Only ASTC in region offering outpatient cardiac cath / EP procedures.

PSA cath labs operate at **151% optimal standards**.

Reduces ≥ 6 mo. wait times.



Quality

Seeking **The Joint Commission Ambulatory Health Care Accreditation**.

Comprehensive patient safety policies and procedures.



Consumer Advantage

Lower cost procedures in a **local, accessible** setting patients prefer.

Aligns care with patient acuity.

Strengthens healthcare infrastructure in PSA.

Appendix

CRMC Verified HDDS Data Accurate

From: Health PRRC <Health.PPRC@tn.gov>
Sent: Wednesday, August 5, 2026 8:48 PM
To: Phillip M. Earhart <Phillip.M.Earhart@tn.gov>; Health PRRC <Health.PPRC@tn.gov>; Thomas P. Pitt <Thomas.P.Pitt@tn.gov>; Tabitha Fagg <Tabitha.Fagg@tn.gov>; Mike Norris <Mike.Norris@tn.gov>
Cc: Alecia L. Craighead <Alecia.L.Craighead@tn.gov>; Jeffrey Stofko <Jeffrey.Stofko@tn.gov>; Logan Grant <Logan.Grant@tn.gov>; Jim Christoffersen <Jim.Christoffersen@tn.gov>
Subject: RE: HDDS Cardiac Catheterization Request - Putnam County

Thank you for your email. We submitted your questions to our HDDS Program and the Program has informed us as follows:

- The reason that Cookeville hospital does not have any cardiac catheterization data in HDDS is due to their coding practices and not HDDS. When billing for a cardiac catheterization, they are required to have the revenue code 0481 (or 481) designating the Cardiac Cath Lab within a hospital or facility setting. The attached document shows that their data changed from 2021. Reviewing and validating the cardiac codes included in HDDS data is beyond the scope of the HDDS data process; the HDDS Program accepts the data provided by hospitals and processes the data accordingly.

From: Buffy Key <mckey@crmchealth.org>
Sent: Thursday, August 20, 2026 8:48 AM
To: Phillip M. Earhart <Phillip.M.Earhart@tn.gov>
Subject: [EXTERNAL] FW: Cath Lab Utilization 2025 and 2026 year to date.

Good morning ,

Thank you for the opportunity to respond to your inquiry. Our billing and utilization team at Cookeville Regional has re-evaluated our cath lab utilization data consistent with your instructions. Upon review, we have identified the mapping oversight in our EHR/Chargemaster regarding codes 0480 and 0481, and we have updated our reporting processes to ensure all cardiac catheterization data is accurately transmitted to HDDS moving forward. In order to ensure that you have a complete and accurate picture of our cardiac catheterization program, we have compiled cumulative cardiac data for the past five years (2021–2025), which are attached for your review. The attached provides an itemized list of cases along with the location of where the case was performed.

I also wanted to provide some important context regarding how our cardiac program is structured. These utilization numbers are spread over four labs that are currently in use at Cookeville Regional to serve our patients and community:

1. **Cath Lab 1** – diagnostic and therapeutic cardiac catheterizations
2. **Cath Lab 2** – diagnostic and therapeutic cardiac catheterizations
3. **EP Lab** – dedicated electrophysiology lab
4. **Vascular (VIR) Lab** – dedicated to vascular procedures

CRMC Certified JARs Were Accurate



Tennessee Department of Health
Health Statistics
5th Floor, Andrew Johnson Tower

Year 2024

JAR Hospital - Submit

71204 - Cookeville
Regional Medical
Center

*Please note: pursuant to T.C.A. 68-11-310, (4) All hospitals that submit a joint annual report to the department of health as designated in this section shall also submit to the department, at the same time they submit the report, a notarized statement from their chief financial officer stating that the financial data reported on the joint annual report is consistent with the audited financials for the hospitals for that reporting year. The notarized statement shall also be attested to by the chief executive officer of the hospital.

Mail notarized statements to:
Department of Health
Health Statistics 5th Floor
710 James Robertson Pkwy
Nashville, TN 37243

Several of the Schedules have multiple pages. Reports that are incomplete will not be accepted. I have reviewed each Schedule and each page for completeness.

☒

By checking the box, you have validated that your JAR has been reviewed and approved.

☒

By checking the box, you have validated that you will submit the JAR with errors.

☒

Date Submitted: 2/18/2025 9:56:25 AM

Date Finalized: 2/18/2025 9:56:25 AM
For state staff only

Please click on the Display PDF tab and save a copy of your report for your records.

Joint Annual Report (JAR) Search

Select the Type of Report

* The Joint Annual Report is comprised of data that is self-reported by each individual facility.
All facilities are urged to review and submit accurate data.
Facilities that do not comply with the regulations governing annual reporting, set forth by the Board of Health Care Facilities Licensing, will be subject to the issuance of deficiency.

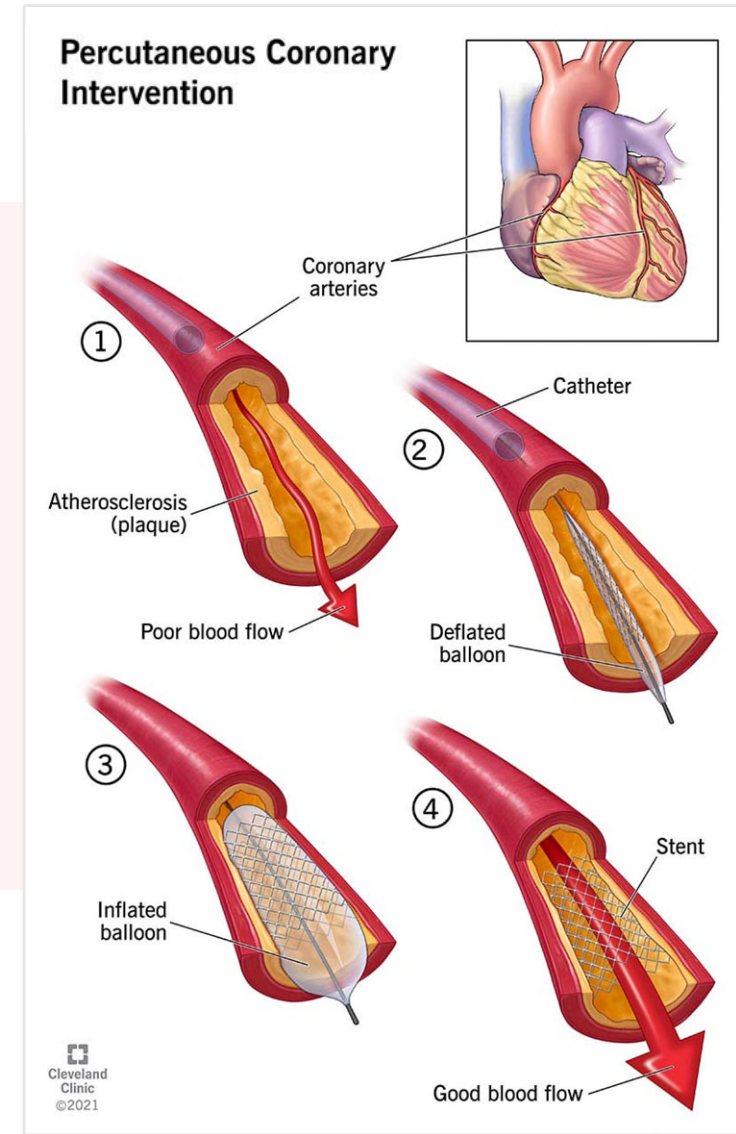
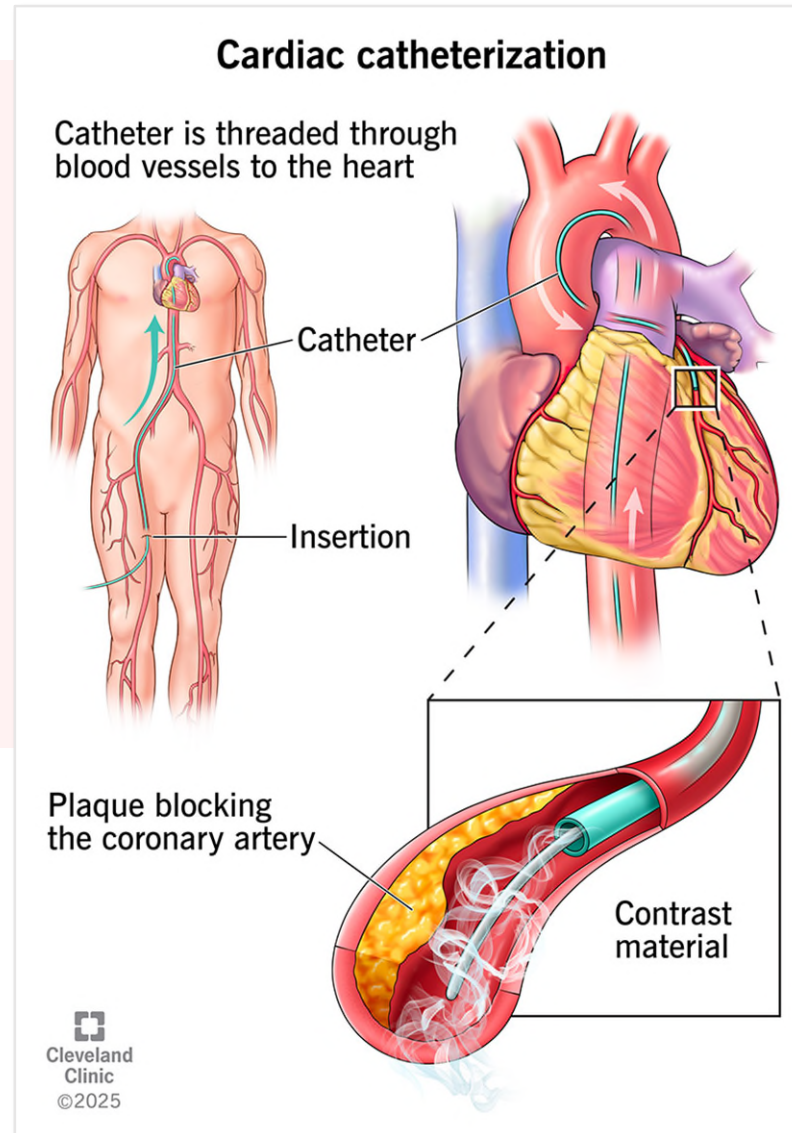
☒ Summary Report [Hospital Only]

☐ Individual Facility Report

☐ MasterFile

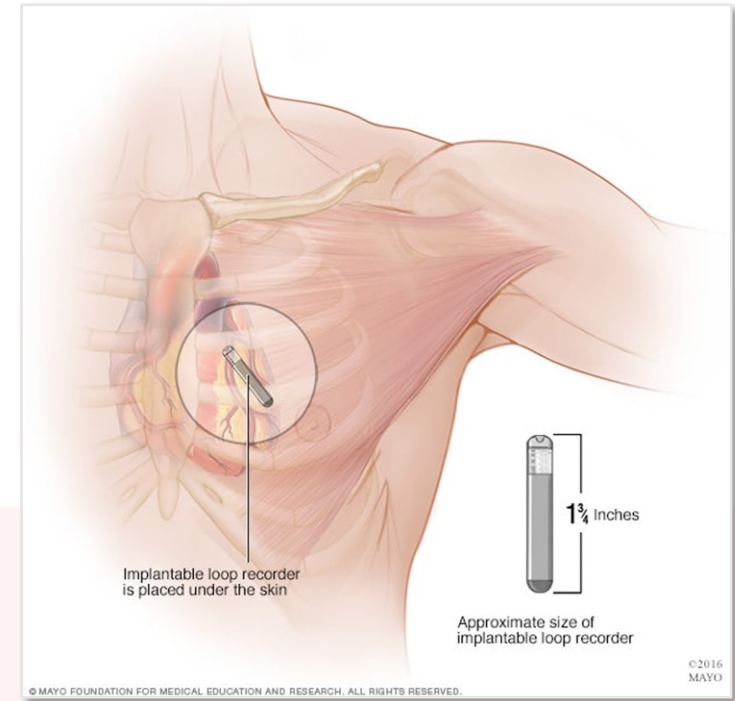
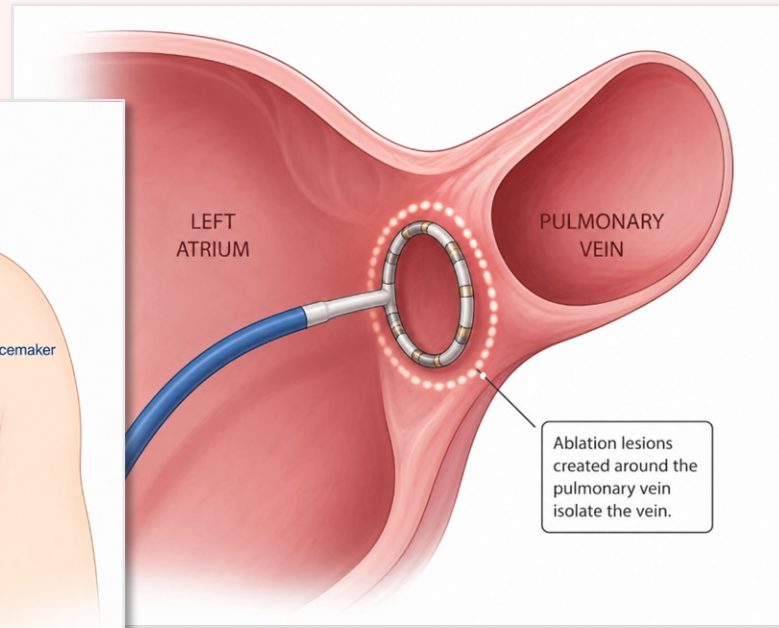
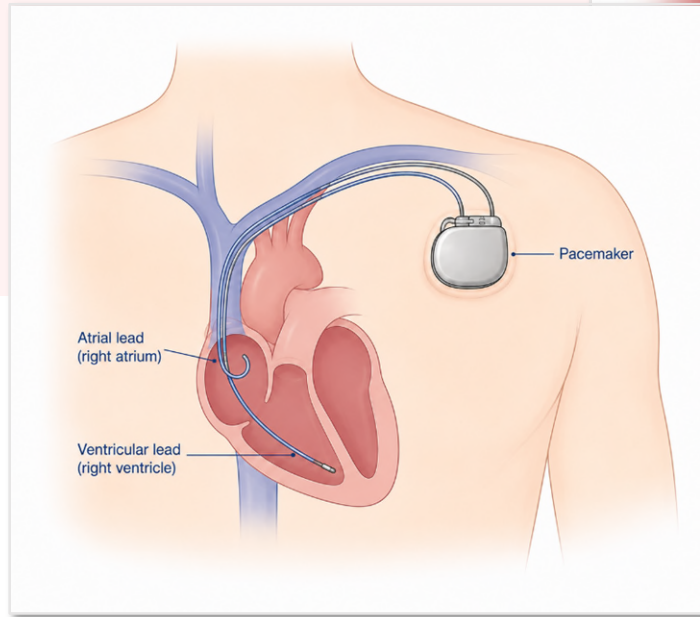
High Quality Cardiac Cath Labs

Cath labs will be used for diagnostic and therapeutic cardiac catheterization procedures.



ORs and PRs Support Comprehensive Services

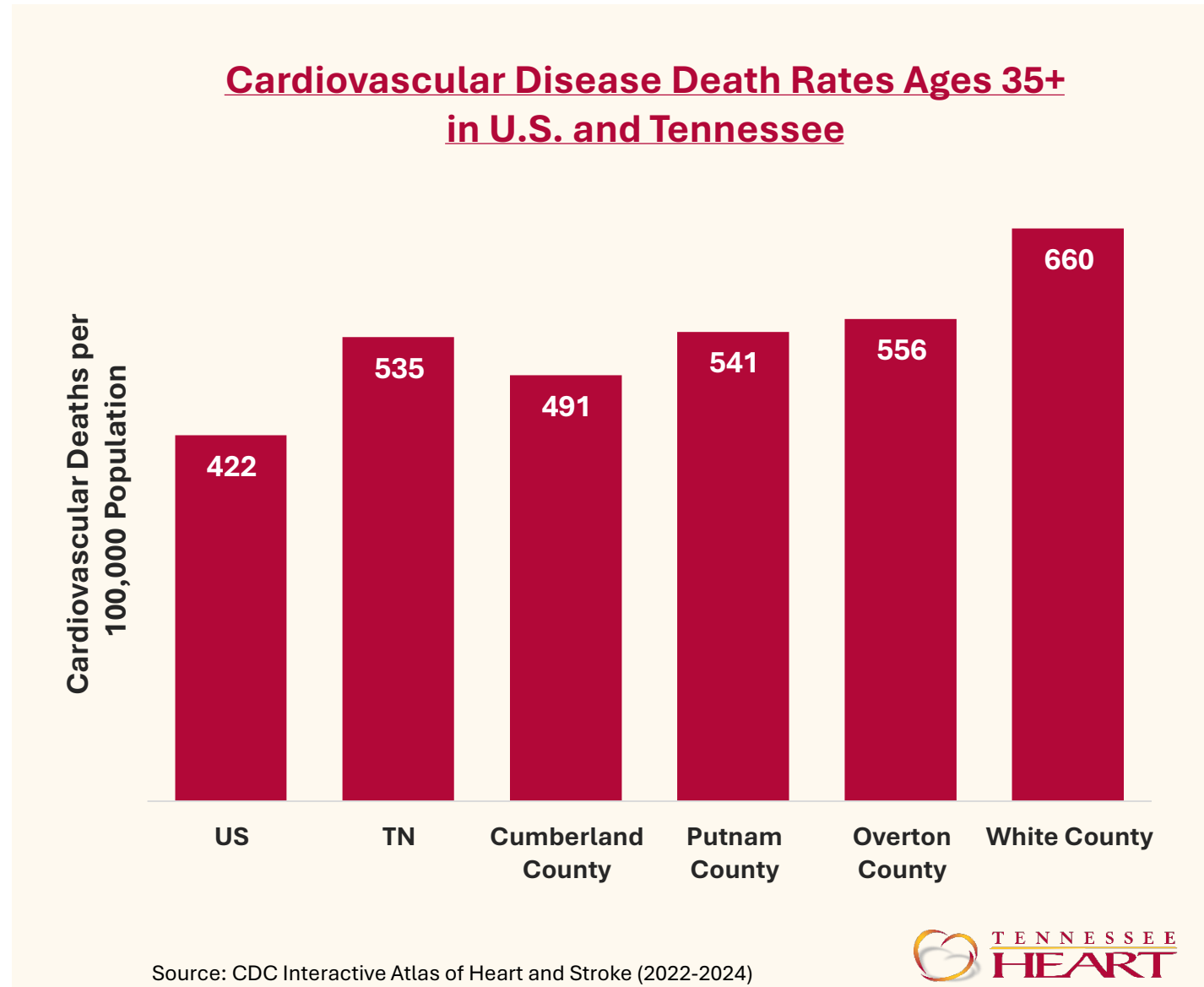
ORs will be used for EP procedures, including EP studies, cardiac rhythm device implantations and ablations.



Procedure room will be used for procedures, such as loop recorder implantation and removal.

Demographics Support Project

- Heart disease is the #1 cause of death in Tennessee (**1.3x higher** than U.S.).
- Heart disease is the **#1 cause of death in the PSA**.
 - PSA counties **medically underserved**.
 - **CV disease death rates in PSA exceed national and state averages.**



Rural Patients Need Accessible, Affordable Care

- Rural patients are more likely to:
 - Have **chronic diseases**
 - Suffer **worse health outcomes**
 - Face **longer travel distances** to care
 - Be **uninsured**
 - Have **poorer health literacy**
 - Experience **elevated rates of morbidity and mortality**
- Socioeconomic factors comparable to BP and diabetes in shaping CV health
- Adults in lowest household income tier **6x more likely to die from cardiac event**
 - **Mortality risk 4x higher** compared to adults in top income tier

PSA Socioeconomic Factors

County	Median Household Income	Poverty Rate	Proportion of Uninsured Under Age 65
Cumberland	\$60,375	13.2%	11.5%
Overton	\$48,959	13.5%	12.6%
Putnam	\$58,912	18.4%	12.0%
White	\$52,188	11.6%	12.9%
Tennessee	\$69,595	13.5%	11.6%

Source: U.S. Census Bureau, QuickFacts

Project Aligns with Patient Preferences

- Patients prefer ASTCs to HOPD settings.
 - **>75%** of patients would choose freestanding facility over facility on hospital campus.
 - More favorable patient experiences in ASTC across all 4 areas:



Staff Friendliness
& Facility
Cleanliness



Communications
About Procedure



Overall Rating of
Facility

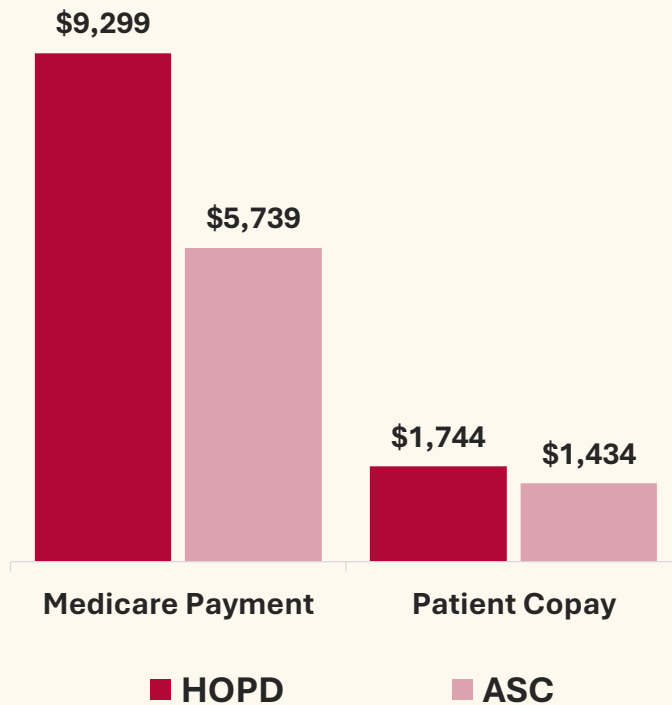


Willingness to
Recommend ASTC

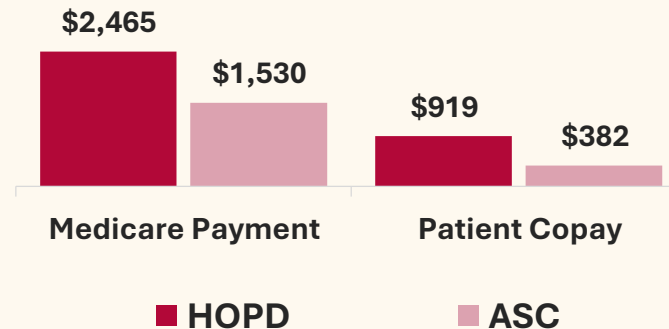
Lower Costs for Patients and Payors

Cardiovascular surgery centers reduce health care spending and patient financial burden.

Savings on PCI w/ Stent (Single Artery)



Savings on Coronary Angio w/ LHC



- Analysis of ~500,000 Medicare claims
- Medicare and patient save on every procedure shifted from HOPD to ASTC
 - Savings driven by lower ASTC facility fees
- CMS estimates: 5% PCI shift saves **\$20M** annually