LETTER OF INTENT

State of Tennessee
Health Facilities Commission

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

www.tn.gov/hsda Phone: 615-741-2364 hsda.staff@tn.gov

LETTER OF INTENT

The Publication of Intent is to be published in The Knoxville News Sentinel which is a newspaper of general circulation in Sevier County, Tennessee, Tennessee, on or before 07/15/2026 for one day.

This is to provide official notice to the Health Facilities Commission and all interested parties, in accordance with T.C.A. §68-11-1601 et seq., and the Rules of the Health Facilities Commission, that DRD Management, Inc., a/an Nonresidential Substitution Based Treatment Center of Opiate Addiction owned by DRD Management, Inc. with an ownership type of Corporation (For Profit) and to be managed by itself intends to file an application for a Certificate of Need for establishment of a non-residential substitution based opioid treatment center and the initiation of opiate addiction treatment services in Sevier County. The facility will be licensed as a Nonresidential Substitution-Based Treatment Center for Opiate Addiction by the Tennessee Department of Mental Health and Substance Abuse Services. The address of the project will be 11729 Chapman Hwy, Seymour, Sevier County, Tennessee, 37865. The estimated project cost will be $726,260.

The anticipated date of filing the application is 07/31/2026

The contact person for this project is Ms. Darcy Schaeffer who may be reached at Research and Planning Consultants - 6300 La Calma Drive, Suite 170, Austin, Texas, 78752 – Contact No. 512-371-8011.

Darcy Schaeffer	07/15/2026	dschaeffer@rpcconsulting.com
Signature of Contact	**Date**	**Contact's Email Address**

The Letter of Intent must be received between the first and the fifteenth day of the month. If the last day for filing is a Saturday, Sunday, or State Holiday, filing must occur on the next business day. Applicants seeking simultaneous review must publish between the sixteenth day and the last day of the month of publication by the original applicant.

The published Letter of Intent must contain the following statement pursuant to T.C.A. §68-11-1607 (c)(1). (A) Any healthcare institution wishing to oppose a Certificate of Need application must file a written notice with the Health Facilities Commission no later than fifteen (15) days before the regularly scheduled Health Facilities Commission meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application may file a written objection with the Health Facilities Commission at or

prior to the consideration of the application by the Commission, or may appear in person to express opposition. Written notice of opposition may be sent to: Health Facilities Commission, Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243 or email at hsda.staff@tn.gov .

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PUBLICATION OF INTENT

The following shall be published in the "Legal Notices" section of the newspaper in a space no smaller than two (2) columns by two (2) inches.

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

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CRITERIA AND STANDARDS

Attachment 1N

STATE OF TENNESSEE

STATE HEALTH PLAN

CERTIFICATE OF NEED STANDARDS AND CRITERIA

FOR

Non-Residential Opioid Treatment Programs

The Health Services Development Agency (HSDA) may consider the following standards and criteria for applicants seeking to establish Non-Residential Opioid Treatment Programs. Rationale statements are provided for standards to explain the Division of Health Planning's underlying reasoning. Additionally, these rationale statements may assist stakeholders in responding to these Standards and may assist the HSDA in its assessment of applications. Existing Non-Residential Opioid Treatment Programs are not affected by these standards and criteria unless they take action that requires a new certificate of need (CON) for such services. These proposed standards and criteria will become effective immediately upon approval and adoption by the governor.

The Certificate of Need Standards and Criteria serve to uphold the Five Principles for Achieving Better Health set forth by the State Health Plan. These Principles were first developed for the 2010 edition and have been utilized as the overarching framework of the Plan in each annual update that has followed. Utilizing the Five Principles for Achieving Better Health during the development of the CON Standards and Criteria ensures the protection and promotion of the health of the people of Tennessee. The State Health Plan's Five Principles for Achieving Better Health are as follows:

1. **Healthy Lives: The purpose of the State Health Plan is to improve the health of Tennesseans.**

2. **Access: Every citizen should have reasonable access to health care.**

3. **Economic Efficiencies: The state's health care resources should be developed to address the needs of Tennesseans while encouraging competitive markets, economic efficiencies and the continued development of the state's health care system.**

4. **Quality of Care: Every citizen should have confidence that the quality of health care is continually monitored and standards are adhered to by health care providers.**

5. **Workforce: The state should support the development, recruitment and retention of a sufficient and quality health care workforce.**

Definitions

Non-Residential Opioid Treatment Programs or Nonresidential Substitution-based Treatment Centers for Opiate Addiction as referenced in TCA § 68-11-1607: A non-residential opioid treatment program should provide adequate medical, counseling, vocational, educational, mental health assessment, and social services to patients enrolled in the opioid treatment program with the goal of treating the individual with opioid use disorder.

RESPONSE

Standards and Criteria

Summary

This application is for a new opioid treatment provider (OTP). The proposed facility will be located at 11729 Chapman Hwy in Seymour, Tennessee.

The applicant entity currently operates two OTPs: Behavioral Health Group (BHG) Knoxville Citico and BHG Bernard. Based on conversations with the Tennessee Department of Mental Health and Substance Abuse Services, the applicant understands that a new location of a facility that dispenses methadone requires a new OTP license and therefore a new OTP Certificate of Need. As such, this application is for a new OTP. The proposed project will follow all state and federal requirements for OTP services.

However, the proposed facility (referred to throughout this application as BHG Seymour) will function as a medication unit (MU). On the federal level, the OTP will operate under the existing, Joint Commission-accredited BHG Knoxville Citico OTP.

BHG Seymour will provide services similar to those offered at BHG Knoxville Citico Treatment Center and at existing BHG treatment centers in Tennessee. The proposed service area is Sevier County.

Under federal law, MUs are expressly authorized as extensions of an OTP. Federal regulation 42 CFR § 8.2 defines an MU as "an entity that is established as part of, but geographically

separate from, an OTP from which appropriately licensed OTP practitioners, contractors working on behalf of the OTP, or community pharmacists may dispense or administer medication for opioid use disorder, collect samples for drug testing or analysis, or provide other OTP services."[1]

Recent updates to federal regulations have significantly expanded the services MUs are permitted to provide. In February 2024, the Substance Abuse and Mental Health Services Administration (SAMHSA) issued the most comprehensive modernization of OTP regulations in more than 20 years through the rule titled "Medications for the Treatment of Opioid Use Disorder."[2] In this Final Rule, SAMHSA explicitly broadened the permissible scope of MUs to improve access in rural and suburban areas. SAMHSA noted the revised Part 8 regulations were designed to expand access to opioid use disorder (OUD) treatment, reduce barriers to methadone, and allow MUs to operate with greater flexibility to meet community needs.[3] The Final Rule clarifies that certified OTPs may establish MUs that are authorized to dispense medications for OUD under 42 CFR § 8.11(h)(1). Consistent with this expansion, the Final Rule clarifies that MUs may provide a broader range of patient services than had traditionally been associated with MUs. MUs may now provide a full range of patient services, including the direct administration or dispensing of medication; collection of drug-screening specimens on behalf of the parent OTP; provision of telehealth encounters such as medical, clinical, and counseling visits linked to the parent OTP; and the conduct of limited counseling, care coordination, and case management services when these activities are integrated into the parent OTP's treatment plan.[4] The regulatory changes recognize that MUs are an effective mechanism for expanding access to OTP services in underserved communities by extending the reach of existing, accredited OTPs without requiring the establishment of a new standalone program.

Federal regulations under 42 CFR Part 8 permit MUs to operate without a separate federal OTP license when established as an extension of a currently licensed and accredited OTP, with payor contracting, clinical governance, quality oversight, and staffing models all originating from and remaining tied to the parent OTP. This framework would allow BHG to establish the Seymour MU under BHG Knoxville Citico's existing federal license and Joint Commission accreditation, leveraging its clinical, administrative, and accreditation infrastructure rather than introducing duplicative licensing, redundant oversight systems, or excessive startup costs. The Seymour MU would function as an integrated component of a well-established OTP, maintaining the consistent standards of care and operational quality patients experience across all BHG locations, while bringing methadone-based medication-assisted treatment (MAT) services closer to underserved communities in Sevier County.

Establishing an MU in Seymour—rather than opening a new OTP—is a deliberate and efficient strategy to expand access to care while minimizing unnecessary duplication of services. An MU allows BHG to MAT into communities that currently lack local OTP services and methadone-based MAT, but operates under the clinical oversight, leadership, and regulatory infrastructure of the existing BHG Knoxville Citico OTP. This model provides a full range of patient services — including medication administration and dispensing, drug-screening specimen collection,

[1] United States Department of Health and Human Services, 42 CFR Part 8.
[2] United States Department of Health and Human Services, 42 CFR Part 8, 89 FR 9912, "Medications for the Treatment of Opioid Use Disorder," February 2, 2024.
[3] United States Department of Health and Human Services, 42 CFR Part 8, 89 FR, "Medications for the Treatment of Opioid Use Disorder," February 2, 2024.
[4] United States Department of Health and Human Services, 42 CFR Part 8, 89 FR, "Medications for the Treatment of Opioid Use Disorder," February 2, 2024.

individual and group counseling, intensive outpatient counseling, provider visits, care coordination, case management, and telehealth-enabled medical and clinical encounters linked to the parent OTP — all delivered under the clinical oversight of BHG Knoxville Citico and much closer to patients in Sevier County. BHG Seymour will reduce travel burdens, relieve peak-hour congestion at the Knoxville OTPs, and improve geographic equity in access to care, while still ensuring full compliance with federal and state standards through the parent OTP.

BHG Seymour will expand access to OUD treatment services for the growing number of individuals seeking evidence-based care while substantially improving geographic access for residents of the service area. According to the need formula outlined in the Tennessee CON Standards and Criteria, an estimated 1,568 residents of Sevier County with OUD did not receive treatment in 2025, demonstrating a significant unmet need for additional OTP capacity in the region.

The proposed Seymour facility will significantly improve access to OTP services for Sevier County residents, who currently have no OTP within their county and must drive over 37 minutes into a neighboring county for MAT service. The nearest existing OTPs—Cedar Recovery Knoxville at 37.5 minutes, New Hope Treatment Center at 45 minutes, and BHG Knoxville Citico and Bernard each at 47.5 minutes—all require a meaningful commute from Sevier County's population center. The proposed BHG Seymour MU would cut the drive to the nearest OTP by more than half and place OUD treatment within practical daily reach for Sevier County residents for the first time.

BHG Seymour Supports the State Health Plan's Five Principles

BHG Seymour fully aligns with the Five Principles for Achieving Better Health as outlined in the State Health Plan and incorporated into the CON Standards and Criteria.

- **Healthy Lives:** TDMHSAS recognizes methadone as an effective, evidence-based medication for treating opioid addiction that can only be administered in certified OTPs under state oversight.[5] The Department's 2025 Needs Assessment Summary further emphasizes the need to *increase access to MAT* across Tennessee due to its proven ability to improve recovery outcomes and reduce overdose deaths.[6] The proposed OTP will improve the lives of Tennesseans by increasing access to treatment of OUD with methadone. Methadone is the medication with the longest history of use for OUD treatment, and a large number of scientific studies support its effectiveness at reducing opioid use. Methadone has also been proven effective in reducing opioid-related infectious disease and crime.[7] The proposed OTP will also provide buprenorphine to appropriate patients. The OTP's providers will work with patients to determine the medication best suited to their needs.
- **Access:** The proposed facility will increase access to comprehensive MAT for residents of Sevier County who currently lack local options. There are currently no OTPs in Sevier

[5] "Medication Assisted Treatment," Tennessee Department of Mental Health and Substance Abuse Services, https://www.tn.gov/behavioral-health/substance-abuse-services/treatment---recovery/treatment---recovery/opioid-treatment-programs.html, accessed November 6, 2025.
[6] Tennessee Department of Mental Health and Substance Abuse Services Planning and Policy Council, "2025 Needs Assessment Summary," https://www.tn.gov/content/dam/tn/mentalhealth/planning/FINAL%202025%20NA%20Summary.pdf.
[7] "Medications to Treat Opioid Use Disorder," National Institute on Drug Abuse, https://www.drugabuse.gov/publications/research-reports/medications-to-treat-opioid-addiction/efficacy-medications-opioid-use-disorder.

County. Research has established that patients who live further from an OTP are less likely to receive consistent, ongoing treatment.[8] Patients in these areas must now travel long distances to the surrounding counties for dosing and counseling multiple times each week. Establishing an OTP in Seymour will remove these geographic barriers, providing equitable and timely access to treatment for individuals regardless of income, insurance status, or proximity to urban centers.

- **Economic Efficiencies:** The proposed BHG Seymour site will expand access to OUD treatment in a highly cost-effective manner by operating under the existing BHG Knoxville Citico OTP entity. Because the MU functions as an extension of the parent OTP, all accreditation (including Joint Commission), payor contracts, credentialing, policies and procedures, and clinical compliance standards will flow directly from the Citico license. This eliminates the substantial administrative, regulatory, and operational costs associated with establishing a new, standalone OTP, while still allowing BHG Seymour to provide on-site dosing and related services in an underserved area. By leveraging BHG's existing infrastructure—including clinical oversight, staffing frameworks, and electronic health record systems—the project ensures financial and workforce resources are used efficiently and public and private funding is directed toward patient care rather than duplicative overhead.
- **Quality of Care:** The applicant is committed to maintaining the highest standards of care through accreditation by the Joint Commission and oversight by the TDMHSAS. Patients will receive individualized, evidence-based treatment plans that combine FDA-approved medications with counseling and recovery support. Continuous quality improvement and regulatory compliance are integral to BHG's operations statewide.
- **Workforce:** BHG is dedicated to developing and maintaining a qualified clinical workforce through ongoing training, professional development, and recruitment of licensed addiction specialists, nurses, and counselors. By creating new employment opportunities in Sevier County and offering continuing education to staff, BHG Seymour will help strengthen Tennessee's behavioral health workforce and support the long-term sustainability of addiction treatment services in the region.

1. **Determination of Need: The need for non-residential opioid treatment programs should be based on information prepared by the applicant for a certificate of need that acknowledges the importance of considering the demand for services along with need while addressing and analyzing service problems as well.**

   The assessment should cover the proposed service area and include the utilization of existing opioid use disorder treatment providers, scope of services provided, patient origin, and patient mix.

   The assessment should consider the users of opioids as the clients at non-residential opioid treatment programs. Assessment data will be based on prevalence estimates of opioid and heroin use, narcotic-related offenses, opioid-related hospitalizations, deaths, substance abuse treatment admissions, and

[8] Barbara Goodheart, "Study: Lack of Nearby OTPs Puts Methadone Patients at Risk of Early Death," Addiction Treatment Forum, October 3, 2018, https://atforum.com/2018/10/study-lack-of-nearby-otps-puts-methadone-patients-at-risk-of-early-death/.

estimates of medication assisted treatment providers for opioid use disorder and their patient capacity.

RESPONSE

Evidence of the Opioid Epidemic and the Need for OTP Services

According to the 2024 National Survey on Drug Use and Health (NSDUH), an estimated 19.3 percent of Tennessee adults (18+) were classified as needing substance-use treatment. Despite this high level of identified need, 74.4 percent of those Tennesseans did not receive treatment.[9] This disparity underscores a significant treatment gap: nearly 3 out of every 4 adults in Tennessee who would benefit from treatment are not accessing it.

A 2018 study found individuals with OUD had worse health, more chronic conditions, and higher levels of disability than individuals who reported no opioid use.[10] Nonfatal inpatient hospitalizations due to opioid and heroin use also have a significant impact on a community.

Between 2019 and 2024, the composition of opioid-related encounters in Sevier County shifted markedly away from heroin toward fentanyl. Heroin-related outpatient visits declined from 74 in 2019 to 20 in 2024, while heroin-related inpatient stays decreased from 9 to 1. During the same period, fentanyl-related inpatient stays increased from 0 to 9, reflecting the growing role of fentanyl in opioid-related morbidity. Although total opioid-related outpatient visits declined from 118 in 2019 to 67 in 2024, this trend does not necessarily indicate a reduction in the underlying burden of OUD, particularly in light of the fatal overdose data discussed in the following section. Between 2019 and 2024, Sevier County recorded 652 opioid-related outpatient visits and 142 opioid-related inpatient stays, demonstrating a substantial and sustained burden of opioid-related healthcare utilization and the continued need for long-term, evidence-based OUD treatment in the county.[11]

Opioid-Related Deaths

The severity of the opioid epidemic in Sevier County is reflected in persistent opioid- and fentanyl-involved overdose deaths. Between 2019 and 2024, Sevier County recorded between 27 and 62 opioid-involved overdose deaths annually. Although deaths declined from a peak of 62 in 2021 to 36 in 2024, the 2024 total remained 33 percent above the 2019 pre-COVID baseline of 27 deaths, demonstrating that the opioid crisis continues to impose a significant burden on county residents.[12] During this period, fentanyl emerged as the overwhelmingly dominant driver of opioid mortality. Fentanyl-involved deaths increased 50 percent, from 22 in 2019 to 33 in 2024, and accounted for 92 percent of all opioid-involved overdose deaths in 2024. In contrast, heroin-

[9] Substance Abuse and Mental Health Services Administration, 2024 National Survey on Drug Use and Health, Table 96B, https://www.samhsa.gov/data/sites/default/files/reports/rpt56986/2024-nsduh-sae-state-tabs1/2024-nsduh-sae-state-tabs.htm.
[10] Winkelman, Tyler, Virginia Chang, and Ingrid Binswanger, "Health, Polysubstance Use, and Criminal Justice Involvement Among Adults With Varying Levels of Opioid Use," *JAMA Network Open* (2018), https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2687053.
[11] Tennessee Department of Health Office of Information and Analytics, Nonfatal Overdose Data (2013–2024), downloaded June 16, 2026, https://www.tn.gov/health/odsurveillance.html.
[12] Tennessee Department of Health Office of Information and Analytics, Fatal Overdose Data (2013–2024), downloaded June 16, 2026, https://www.tn.gov/health/odsurveillance.html.

involved deaths declined from 6 to 1, and prescription opioid deaths decreased by more than half, from 11 to 5, illustrating the near-complete displacement of other opioids by illicit fentanyl.[13] The predominance of fentanyl in opioid overdose deaths underscores the continued and urgent need for MAT services in Sevier County.

Sevier County Opioid and Fentanyl Overdose Deaths, 2022–2024

County	Opioid Drug Overdose Deaths			2022–2024 % Change	Fentanyl Drug Overdose Deaths			2022–2024 % Change
	2022	2023	2024		2022	2023	2024	
Sevier	53	46	36	-32.1%	50	43	33	-34.0%

Source: Tennessee Department of Health Office of Information and Analytics, Fatal Overdose Data (2013–2024), downloaded June 16, 2026, https://www.tn.gov/health/odsurveillance.html.

Opioid-Related Healthcare Utilization

As shown in the table below, 639 Sevier County residents received TDMHSAS-funded treatment for opioid abuse between 2020 and 2022. During this period, opioid abuse consistently accounted for approximately one-half or more of all individuals served through TDMHSAS-funded substance-use treatment programs.

Although the number of individuals served declined over the 3-year period, opioid use remained the primary reason for treatment among publicly-funded substance-use programs in Sevier County. Moreover, while the opioid abuse rate per 10,000 residents in poverty has declined in the county, it was still 22 percent above the statewide average of 105.4 per 10,000 in 2022. These data demonstrate the persistent demand for OUD treatment and support the need to expand access to evidence-based treatment services, including MAT.

Opioid-Related Treatment Admissions and Substance-Use Service Utilization in the Service Area, 2020–2022

Service Area County	Year	Opioid Abuse Number Served	% Change 2020–2022	Opioid Abuse % of All Served	Opioid Abuse Rate per 10,000 Living in Poverty	All Substances # Served	% Change 2020–2022
Sevier	2020	229	-33.92%	46.36%	175.1	494	-60.39%
	2021	239		60.20%	174.7	397	
	2022	171		55.52%	128.3	308	

Source: https://www.tn.gov/behavioral-health/research/fast-facts/opioid-treatment.html.

[13] *Ibid.*

Drug- and Opioid-Related Crime and Arrests

OUD is associated with increased involvement in the criminal justice system. Individuals with OUD are more likely to have contact with law enforcement than the general population, and a 2018 study in the *Journal of the American Medical Association* found that criminal justice involvement increases with the severity of opioid use.[14]

Drug/Narcotic Violations in Sevier County

2022 Cases	2023 Cases	2024 Cases	Total
192	174	133	499

Source: Tennessee Bureau of Investigation, CrimeInsight, https://crimeinsight.tbi.tn.gov/tops/, accessed June 16, 2026. Limited to Sevier County Sheriff's Office.

Area law enforcement agencies continue to respond to significant levels of drug- and narcotic-related crime. The Tennessee Bureau of Investigation (TBI) reported 133 drug/narcotic violations investigated by the Sevier County Sheriff's Office in 2024. Although these cases declined approximately 31 percent from 2022 through 2024, the continued occurrence of more than 100 drug/narcotic violations annually demonstrates that substance-related criminal activity remains an ongoing concern in Sevier County. Expanding access to evidence-based treatment addresses one of the underlying drivers of substance-related criminal justice involvement.

State and regional law enforcement agencies continue to devote substantial resources to combating illicit opioid trafficking in East Tennessee. The TBI has coordinated a law enforcement effort called the 313 Initiative, centered in Knoxville and the surrounding East Tennessee judicial districts, to disrupt large-scale opioid trafficking networks supplying the region. According to the TBI's Drug Investigation Division 2023–2024 Annual Report, the initiative resulted in the seizure of more than 73 pounds of fentanyl and 246 initiative-related arrests. Its impact has been significant: in 2023, the Fifth Judicial District experienced a 26 percent reduction in reported overdoses compared to the prior year, and Knoxville recorded a 33 percent decrease in homicides.[15] The initiative reflects the substantial law enforcement resources being dedicated to reducing illicit opioid trafficking throughout East Tennessee.

Law enforcement efforts remain an important component of the community's opioid response. However, enforcement alone cannot address OUD. Expanding access to evidence-based treatment complements these initiatives by addressing the underlying addiction that contributes to repeated criminal justice involvement.

Efforts and Initiatives Undertaken by Local Officials and Communities

Local officials in Sevier County have acknowledged the ongoing impact of opioid addiction and overdose and have committed resources toward addressing the crisis. Most notably, Sevier County established the Sevier County Opioid Advisory Council to oversee the expenditure of opioid settlement funds and ensure those funds are used "to remediate the opioid crisis and save

[14] Tyler Winkelman, Virginia Chang, and Ingrid Binswanger, "Health, Polysubstance Use, and Criminal Justice Involvement Among Adults With Varying Levels of Opioid Use," *JAMA Network Open* (2018), https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2687053.
[15] Tennessee Bureau of Investigation, "Annual Report, Fiscal Year 2023–2024," https://digitaltennessee.tnsos.gov/tbi_annual_reports/20/.

lives." The County continues to administer an opioid settlement grant program that directs funding toward opioid-abatement initiatives within the community.[16]

The County government also coordinated substance-use prevention and recovery efforts through the Sevier County Office of Alcohol and Drug Programs. The Office states that Sevier County "faces challenges of substance misuse" and has developed a countywide framework involving local agencies and community partners focused on overdose awareness, treatment and recovery resources, prevention programming, and support services.[17] BHG Seymour's services will benefit the Office of Alcohol and Drug Programs' mission "to prevent and reduce substance misuse and coordinate recovery efforts."[18]

Local leaders have further demonstrated their commitment through collaborative overdose-prevention initiatives. In 2024, the Sevier County Office of Alcohol and Drug Programs, Sevier County Sheriff's Office, and Sevier County CARES launched a countywide overdose awareness initiative designed to connect residents and families affected by substance abuse with treatment programs, recovery resources, housing assistance, and other support services.[19]

Collectively, these actions demonstrate a clear acknowledgment by local leaders that opioid addiction and overdose remain urgent public health challenges in Sevier County. While prevention initiatives, overdose awareness campaigns, naloxone distribution, recovery supports, and opioid-abatement funding are essential components of a comprehensive response, they do not replace the need for evidence-based treatment for individuals with OUD. MAT is a cornerstone of effective OUD treatment and has been shown to reduce illicit opioid use, overdose, criminal justice involvement, and other drug-related harms while improving long-term recovery outcomes.[20]

Expanding access to MAT also benefits the broader economy by helping individuals remain healthy, employed, and engaged in their communities. The University of Tennessee Boyd Center for Business and Economic Research has found that prescription opioid use has contributed substantially to declines in Tennessee's labor force participation since 2000. It estimated that a 10 percent reduction in opioid prescribing would increase labor force participation by approximately 1 percent and generate an additional $825 million in personal income statewide.[21] By improving access to evidence-based treatment, the proposed BHG Seymour MU will complement the opioid-response initiatives already underway in Sevier County while advancing broader public health, public safety, and economic objectives.

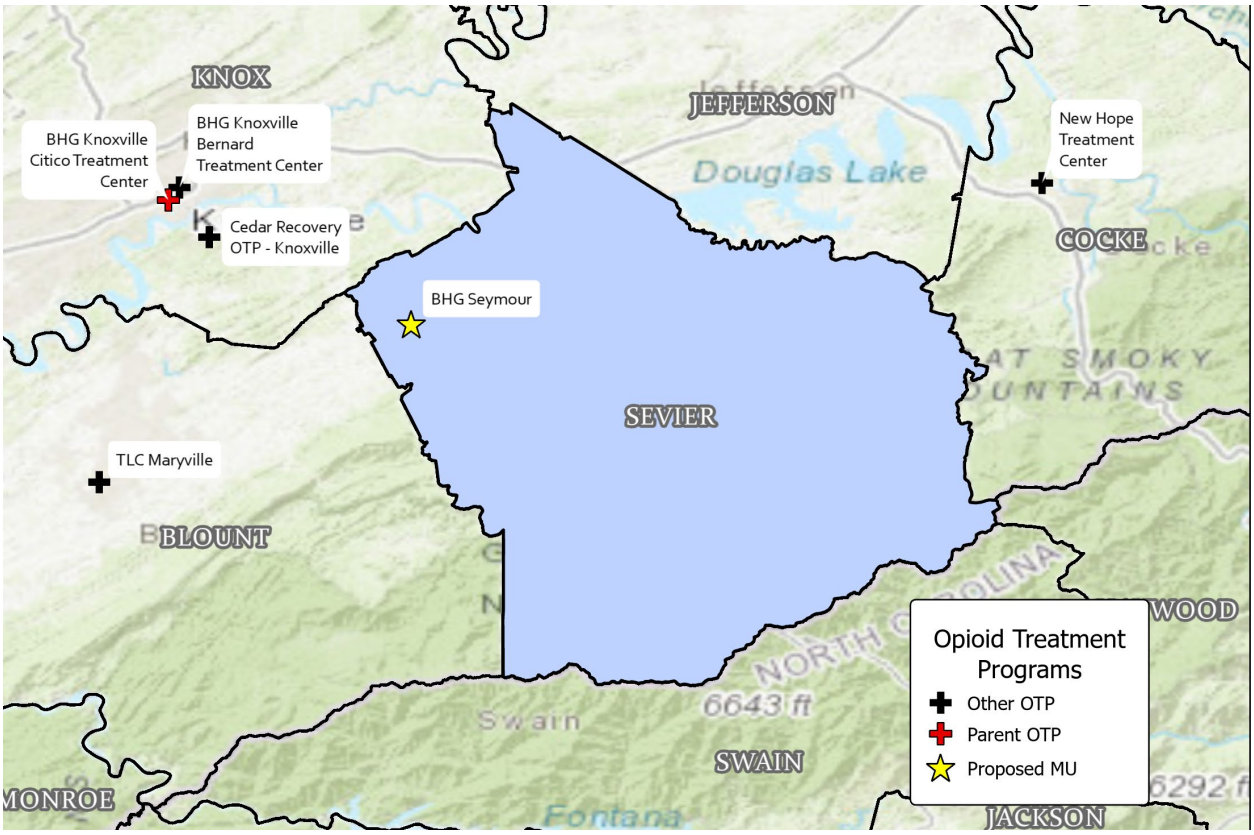
Existing Providers and the Need for an Additional OTP in Sevier County

Sevier County, the location of the proposed MU, has a substantial and growing population, yet

[16] Sevier County, "Alcohol and Drug Programs," accessed June 16, 2026, https://www.seviercountytn.gov/government/departments/services/alcohol_and_drug_education.php.
[17] *Ibid.*
[18] Sevier County Office of Alcohol and Drug Programs. Available at: https://cms5.revize.com/revize/seviercountytn/Office%20One%20Pager%20%20(1).png?t=202504141544290&t=202504141544290.
[19] Sevier County Coalition for Additional Recovery & Education Services, "About Us," accessed June 16, 2026, https://www.sccares.org/aboutus.
[20] Jennifer J. Carroll, Traci C. Green, and Rita K. Noonan, "Evidence-Based Strategies for Preventing Opioid Overdose: What's Working in the United States," Centers for Disease Control and Prevention, 2018, p. 10.
[21] Marc Sallinger, "Opioid Epidemic Costs TN Hundreds of Millions of Dollars in Lost Personal Income," WBIR.com, January 25, 2019, https://www.wbir.com/article/news/local/opioid-epidemic-costs-tn-hundreds-of-millions-of-dollars-in-lost-personal-income/51-23f86b6a-85d6-4864-aec3-cfa87c0d6862.

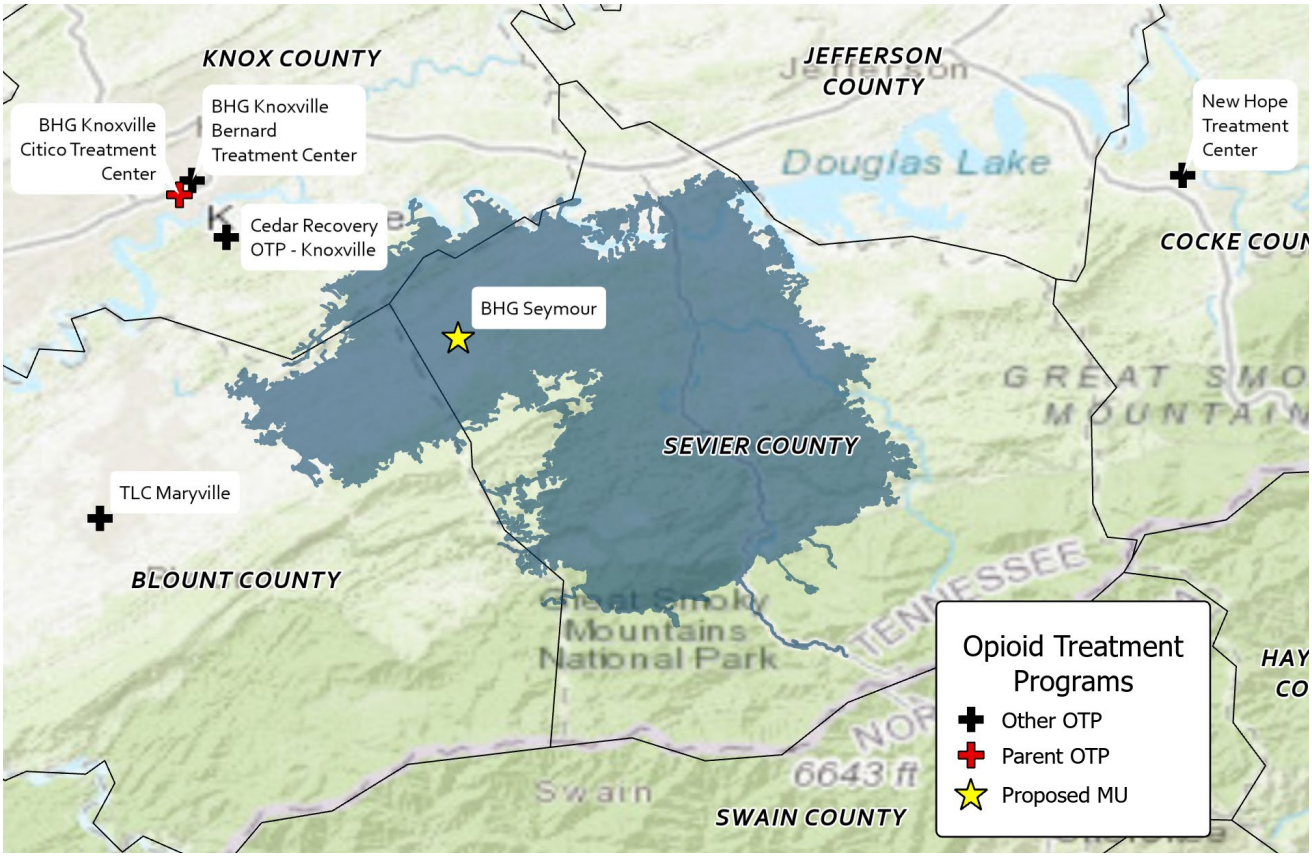
residents currently lack local access to methadone-based MAT services. With approximately 81,674 adult residents, the proposed unit would be the county's first OTP and would improve access to OTP services. The map below shows the proposed service area (Sevier County) as well as the proposed site and OTPs in adjacent counties.

Proposed Service Area (Sevier County)



The following map illustrates the area that is closer to BHG Seymour than any existing OTP, limited to a 60-minute drive of the proposed site. Please note that the Great Smoky Mountains National Park covers a large portion of the southern part of Sevier County. While that area is not accessible within a 60-minute drive, it is also very sparsely populated. The area shown in blue is home to 90,074 Tennesseans and 74,324 Sevier County residents for whom geographic access would be improved by the proposed project.

60-Minute Drive-Time Analysis: Areas Closer to Proposed BHG Seymour Than to Any Existing OTPs



Currently, residents requiring methadone-based treatment must travel to neighboring counties, primarily Knox County, to receive care. Because methadone patients often require observed dosing multiple times per week—and frequently on a daily basis during the early stages of treatment—travel time is a significant factor affecting treatment access, retention, and long-term recovery. For a healthcare service that requires travel to receive care multiple times per week, geographic access is a key component of treatment compliance.[22] The following table shows the driving times from Sevier County population centers to existing OTPs and the proposed BHG Seymour site. As the table demonstrates, the OTP would reduce travel times significantly for area residents who choose MAT care and for existing BHG patients who are currently driving into Knoxville for treatment.

[22] Andrew Rosenblum, Charles Cleland, Chunki Fong, Deborah Kayman, Barbara Tempalski, and Mark Parrino, "Distance Traveled and Cross-State Commuting to Opioid Treatment Programs in the United States," *Journal of Environmental and Public Health* 2011 (2010), https://pmc.ncbi.nlm.nih.gov/articles/PMC3136171/pdf/JEPH2011-948789.pdf.

Driving Time to BHG Seymour and Existing OTPs from Sevier County Population Centers

	BHG Seymour	TLC Maryville	Cedar Recovery	BHG Bernard	BHG Citico	New Hope
Seymour	6 mins	37 mins	20 mins	30 mins	31 mins	1 hr 3 mins
Sevierville	17 mins	50 mins	38 mins	43 mins	43 mins	38 mins
Pigeon Forge	26 mins	1 hr	45 mins	55 mins	55 mins	48 mins
Gatlinburg	40 mins	1 hr 10 mins	1 hr	1 hr 10 mins	1 hr 8 mins	55 mins
Pittman Center	50 mins	1 hr 23 mins	1 hr 10 mins	1 hr 13 mins	1 hr 15 mins	40 mins
Fairgarden	38 mins	1 hr 8 mins	58 mins	1 hr 3 mins	1 hr 3 mins	23 mins

Source: Departing at 7:00 a.m. on a Tuesday via the quickest available route per Google Maps.

Two of the three OTPs serving the Knoxville area, BHG Knoxville Bernard and BHG Knoxville Citico, are operated by the applicant's parent company and currently serve a substantial number of Sevier County residents. In 2025, the two OTPs treated 162 Sevier County residents. The proposed MU will provide a more convenient medication administration site for these existing patients while remaining under the clinical oversight of the parent OTP. By allowing appropriate patients to receive medication closer to home, the MU will reduce travel burdens, improve convenience, and enhance access to care without duplicating the clinical infrastructure of a standalone OTP. The resulting redistribution of medication administration will also help optimize patient flow and operational efficiency at the Knoxville facilities while maintaining continuity of care through the existing BHG treatment network. BHG does not expect the proposed MU to have a materially adverse impact on its existing Knoxville OTPs because the project is intended primarily to improve geographic access for current and future Sevier County patients.

Need Formula: Need should be based on the following formula: The average unique patient count during a 1 (one) year period in existing programs serving individuals who are opiate dependent divided by the number of individuals estimated to be opiate dependent. Counties with service providers meeting less than 20% of the need shall be considered high need counties.
Applications for proposed service areas that fail to meet the 20% threshold should still be considered for approval. This need formula only designates *high need* counties that should be given special consideration. It does not indicate that high-quality applications for counties with lower demonstrated need should necessarily be denied.

Note: The applicant shall use the prevalence estimates of persons with opioid (pain reliever and heroin) use disorder using the most recent National Survey on Drug Use and Health (NSDUH) data published by the Substance Abuse and Mental Health Services Administration (SAMHSA). The applicant shall specify the percent of unmet treatment need that will be met by the proposed Non-Residential Opioid Treatment Programs.

In determining need, considerations may be given to alternative treatment modalities. The applicant shall compare estimated need to the existing capacity of non-residential substance abuse treatment facilities including office-based opiate

treatment, opioid treatment program, alcohol and drug rehabilitation treatment, and alcohol and drug detoxification facilities.

The assessment should also include:

a. A description of the geographic area to be served by the program,

i. The applicant shall provide the number of patients projected to be served by county of residence in year one and year two.

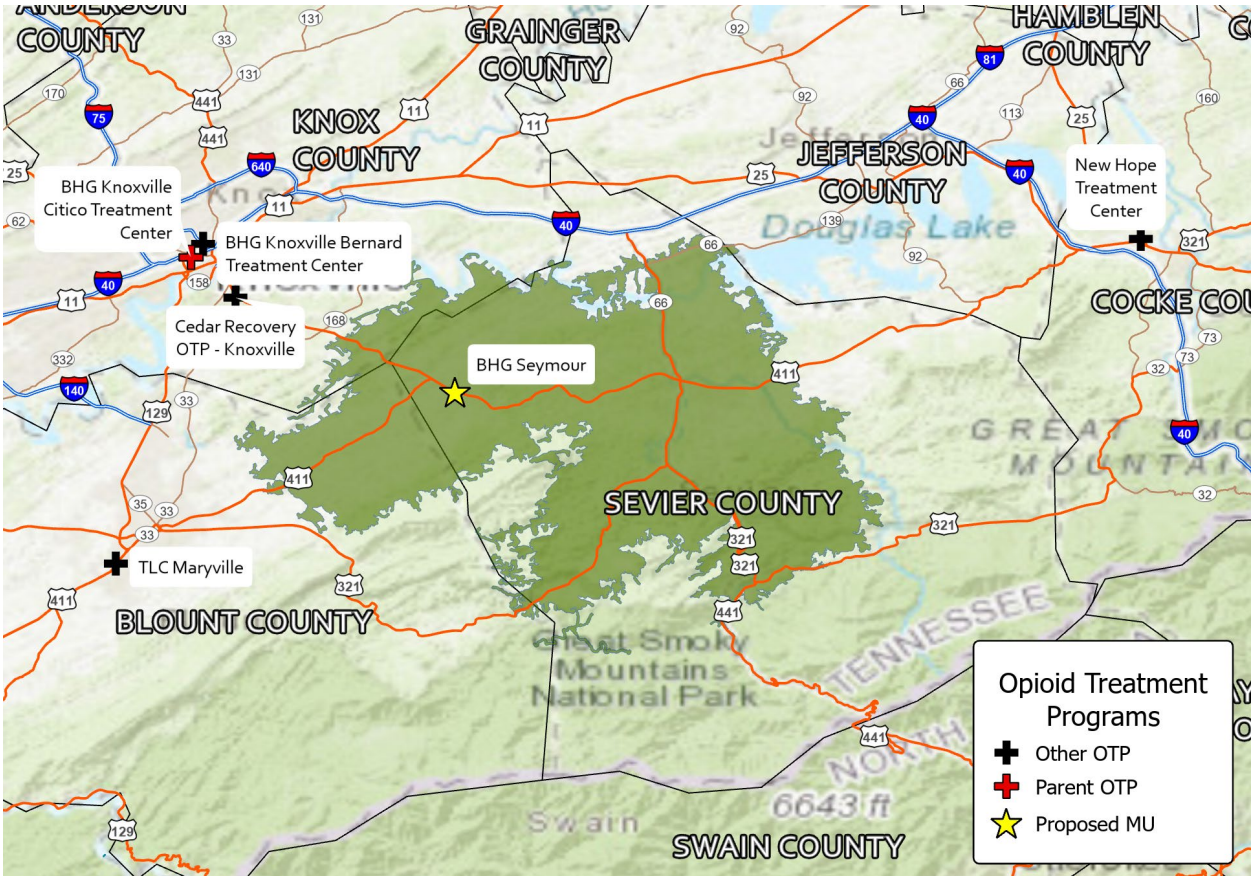
RESPONSE

Service Area

The proposed service area for the MU is Sevier County. To define the service area, a 45-minute drive-time analysis was conducted in ArcGIS from the proposed Seymour site. This threshold reflects BHG's operational experience, which shows that OTP patients typically travel up to 45 minutes to access MAT services. As shown in the map on the following page, the 45-minute drive-time area encompasses virtually all of the populated portions of Sevier County. The area excluded from the drive-time polygon corresponds to the mountainous terrain of Great Smoky Mountains in the eastern and southern portion of the county—a largely uninhabited area with limited roadway access—making Sevier County a natural and logical service area boundary. Using ArcGIS, the applicant was able to determine that 70,327 Sevier County residents live in the 45-minute drive-time range inside the county. This equates to 72 percent of the county's population.

Sevier County currently has no OTP within its borders, requiring residents seeking MAT services to travel to facilities in Knox, Blount, or Cocke County. The proposed Seymour MU would improve access both for existing OTP patients who currently travel outside Sevier County and for residents who have not yet entered treatment, thereby reducing a longstanding geographic barrier to care.

45-Minute Drive Time from Proposed Seymour Site



Other Area OUD Providers (Existing Alternatives to MAT)

Physician office-based opioid treatment (OBOT) services are available in Sevier County, but they are not substitutes for OTP care. Although OBOT providers expand treatment access, they cannot dispense methadone and they generally offer fewer counseling, case management, and behavioral therapy services than OTPs. Likewise, detoxification programs are not comparable alternatives as they address short-term withdrawal rather than sustained stabilization and recovery. Accordingly, the remainder of this need assessment focuses on OTP utilization because OTPs are the only providers authorized to provide the full continuum of methadone-based treatment services.

The proposed service area demonstrates limited availability of locally accessible non-residential substance-use disorder treatment options, particularly those capable of providing methadone-based MAT. There are only three OBOT providers located within Sevier County. In addition to these providers, Sevier County residents have access to five virtual OBOT providers. Although the state's 193 OBOT providers can serve patients in any county, those outside of Sevier County are not readily accessible to service area residents. Beyond OBOT availability, Sevier County contains only nine licensed nonresidential rehabilitation programs and one outpatient

detoxification facility, neither of which provides the ongoing methadone-based MAT available only through an OTP.

Availability of Opioid and Substance-Use Treatment Providers in the Service Area

County	Nonresidential OTP Facilities	Nonresidential OBOT Providers Located in the County*	Alcohol and Drug Nonresidential Rehabilitation Treatment	Alcohol and Drug Detoxification Facilities (Outpatient)	Total Providers in Sevier County
Sevier County	0	3	9	1	13

Source: Tennessee Department of Mental Health and Substance Abuse Services Licensure Search, accessed June 18, 2026, https://cloudmh.tn.gov/LicensureInquiry/.
**Note: The TDMHSAS Licensure Search shows 193 nonresidential OBOT facilities for Sevier County. Only three were located within Sevier County.*

In total, the service area is home to 13 licensed treatment providers across all categories. Despite the absence of an OTP in Sevier County, 280 county residents received OTP services in 2025, all by traveling to neighboring counties. This demonstrates that demand for OTP services already exists in Sevier County despite the absence of a local OTP. Frequent observed dosing makes this travel a substantial barrier for many patients, reinforcing the need for a local MU.

Area OTP Utilization

The closest OTP providers to the proposed BHG Seymour MU are located outside Sevier County, primarily in Knox County to the northwest. As shown in the following table, Sevier County residents currently travel to OTPs in Knox, Blount, and Cocke Counties to receive MAT. In 2025, 280 Sevier County residents received OTP services, according to data from the TDMHSAS.

The two BHG Knoxville clinics served the largest number of Sevier County residents in 2025, with BHG Knoxville Bernard serving 85 patients and BHG Knoxville Citico serving 77 patients. New Hope Treatment Center in Cocke County served 75 Sevier County residents, while TLC Maryville in Blount County served 16 patients. Cedar Recovery Knoxville, which received CON approval in March 2024, served 22 Sevier County residents during its first full reporting year.

Demand for OUD treatment is also expected to continue increasing. Sevier County's adult population is projected to grow 2.4 percent over the next four years, and, using the statewide OUD prevalence estimates published by SAMHSA, an estimated 1,568 Sevier County residents currently suffer from OUD. As the population grows, so will the need for MAT services. Given the growth in the population and lack of OTPs in the county, BHG Seymour's service area and utilization projections are based on improving access to care for an existing and growing patient population, rather than diverting patients from other OTP providers.

The proposed BHG Seymour MU is intended to improve geographic access and convenience for Sevier County residents, including existing BHG patients. In 2025, 58 percent of Sevier County residents who received OTP services traveled to BHG Bernard or BHG Citico in Knoxville for medication administration. BHG understands that Sevier County residents who currently use New Hope Treatment Center, TLC Maryville, and Volunteer Treatment Center may have established relationships with counselors there, and are likely to continue receiving care at those sites. BHG

Seymour does not expect the proposed MU will materially redistribute the patient populations of competing OTPs.

The proposed OTP will expand access by relocating medication administration closer to where existing BHG patients live while complementing, rather than replacing, existing OTP services in the region. The MU will also provide care closer to home for residents with OUD who are not currently receiving MAT treatment and would benefit from a program that requires less travel for ongoing care.

Service Area and Statewide Patients Served at OTP Clinics

OTP Facility Name	Patient County	2023	2024	2025	Total	% Change 2023-2025
BHG - Knoxville Bernard	Sevier	98	85	85	268	-13%
BHG - Knoxville Citico	Sevier	70	70	77	217	10%
New Hope Treatment Center of Tennessee	Sevier	82	90	75	247	-9%
TLC Maryville	Sevier	30	19	16	65	-47%
Volunteer Treatment Center	Sevier	25	7	5	37	-80%
Overmountain Recovery	Sevier	5	0	0	5	-100%
Cedar Recovery - Knoxville	Sevier	Data Unavailable - CON-Approved March 2024		22	22	-
Total		**310**	**271**	**280**	**861**	**-10%**
Patients Treated at All OTPs Statewide		**13,255**	**14,244**	**14,869**	**42,368**	**12%**

Source: TDMHSAS, Count of Patients in Treatment by County, data as of January 1, 2025, to December 31, 2025, report printed by Erica Hurst on May 19, 2026. This report shows patients who were in treatment one or more days of the specified date range. This report masks exact counts when fewer than six patients were served in a county. For conservative estimation purposes, values reported as "less than six" were assumed to represent five patients.

Need Formula

To quantify the unmet need for opioid treatment services, BHG applied the methodology established in the Tennessee CON Standards and Criteria using TDMHSAS OTP utilization data and statewide OUD prevalence estimates. This analysis found that approximately 1,288 Sevier County residents with OUD are not currently receiving treatment through an OTP, demonstrating a substantial unmet need for methadone-based treatment services despite hundreds of county residents already traveling outside Sevier County to obtain care.

The CON Standards and Criteria state that counties with service providers meeting less than 20 percent of the need "shall be considered high need counties." As the following table shows, the service area county is high need. Service area residents with OUD would benefit from expanded access to OTP services through the proposed MU.

Calculation of Need Formula

	A	B	C	D	E	F	G	H	I
County	**2025 18+ Population**	**2023 OUD Prevalence Rate (%)**	**Number of Individuals Estimated to be Opioid Dependent**	**Average Unique Patient Count 2025 (Most Recent Year)**	**% of Service Area Need Being Met**	**High-Need County (E is less than 20%)**	**Unmet Need (Patients)**	**BHG Seymour Patients (Year 2)**	**% of Unmet Need to be Met by BHG Seymour**
Sevier	81,674	1.92%	1,568	280	17.9%	Yes	1,288	182	14.1%

(A) Source: University of Tennessee Knoxville Boyd Center for Business and Economic Research, Tennessee State Data Center, Boyd Center Population Projections, https://tnsdc.utk.edu/estimates-and-projections/boyd-center-population-projections/.

(B) Source: Prevalence estimates of persons with opioid (pain reliever and heroin) use disorder using the most recent National Survey on Drug Use and Health (NSDUH) data published by the Substance Abuse and Mental Health Services Administration (SAMHSA), https://www.samhsa.gov/data/sites/default/files/reports/rpt56986/2024-nsduh-sae-state-tabs1/2024-nsduh-sae-state-tabs.htm.

(C) A x B.

(D) Source: TDMHSAS, Count of Patients in Treatment by County, Data as of January 1, 2025 to December 31, 2025, report printed by Erica Hurst on May 19, 2026. This report shows patients who were in treatment one or more days of the specified date range.

(E) D/C.

(G) C-D.

(H) Attachment 1N, Page 21.

Applying the most recent National Survey on Drug Use and Health (NSDUH), OUD prevalence estimate of 1.92 percent for Tennesseans to Sevier County's adult population yields an estimated 1,568 adults with OUD. TDMHSAS data show that only 280 unique Sevier County residents received OTP services in 2025, indicating that approximately 18 percent of the estimated need is currently being met while approximately 1,288 individuals remain untreated through an OTP. Under the Tennessee CON Standards and Criteria, Sevier County therefore qualifies as a high-need county.

The TDMHSAS data demonstrate that a substantial proportion of adults with OUD in Sevier County are not currently receiving OTP services. BHG recognizes that not every individual with OUD will seek methadone treatment; however, the large unmet need demonstrates that significant barriers to treatment remain. The proposed BHG Seymour MU will reduce one of those barriers by bringing medication administration closer to where patients live.

Estimated Sevier County Residents with OUD Who May Access MAT Services, If Available

Statewide data demonstrate that OTP utilization is influenced by proximity to treatment facilities. Residents of counties with an OTP receive treatment at a higher rate than residents of counties without an OTP. Likewise, residents of counties adjacent to an OTP access treatment at a higher rate than residents of counties with no nearby OTP access. The table below summarizes these statewide utilization patterns, using 2025 TDMHSAS data and statewide estimates of OUD.

Statewide OTP Penetration Rates, by Proximity to OTP

	No OTP in Adjacent County	**OTP in Adjacent County**	**OTP in County**
Residents With OUD	10,608	38,951	59,429
2025 OTP Patients from County	721	4,094	9,464
Average Percent Served	**6.8%**	**10.5%**	**15.9%**

Sources: 2025 NSDUH, SAMHSA Opioid Treatment Program Directory, accessed June 6, 2026; University of Tennessee Knoxville Boyd Center for Business and Economic Research, Tennessee State Data Center, Boyd Center Population Projections; TDMHSAS, Count of Patients in Treatment by County, Data as of January 1, 2025 to December 31, 2025, Report printed by Erica Hurst on May 19, 2026.

Because the proposed MU will be located in Sevier County, BHG applied the statewide penetration rate for counties with an OTP (15.9 percent) to the estimated number of Sevier County residents with OUD who are not currently receiving OTP services. This analysis estimates the number of county residents who could reasonably be expected to receive OTP services if OTP services were available within the county. As the following table shows, one could reasonably expect an additional 205 Sevier County residents to access MAT services if the proposed BHG Seymour site is approved.

Net Need for Opioid Services

County	County Type (If Approved)	Average Percent Served	Net Unmet Need	Potential Patients
Sevier	OTP in County	15.9%	1,288	205

The statewide penetration analysis estimates demand assuming the presence of an OTP within Sevier County. Because the proposed project is an MU operating under an existing OTP rather than a new standalone OTP, BHG adopted utilization projections that are more conservative than the estimated potential demand.

Improved geographic access is particularly important because methadone treatment often requires frequent observed dosing, especially during the early phases of treatment. A literature review in *The Lancet Psychiatry* found, "Evidence from trials and observational studies suggest that treatment retention is better for methadone than for sublingual buprenorphine."[23] Residents of Sevier County would benefit from more convenient access to evidence-based methadone treatment provided through an existing certified OTP, reducing travel burdens while improving access to a treatment modality shown to promote long-term retention in care.

Projection of Need and Patient Utilization

The following methodology estimates the need for OTP services in Sevier County and projects utilization of the proposed BHG Seymour MU during its first two years of operation. The statewide penetration analysis establishes the level of unmet need, while the utilization projections are based on BHG's existing patient population and expected program growth.

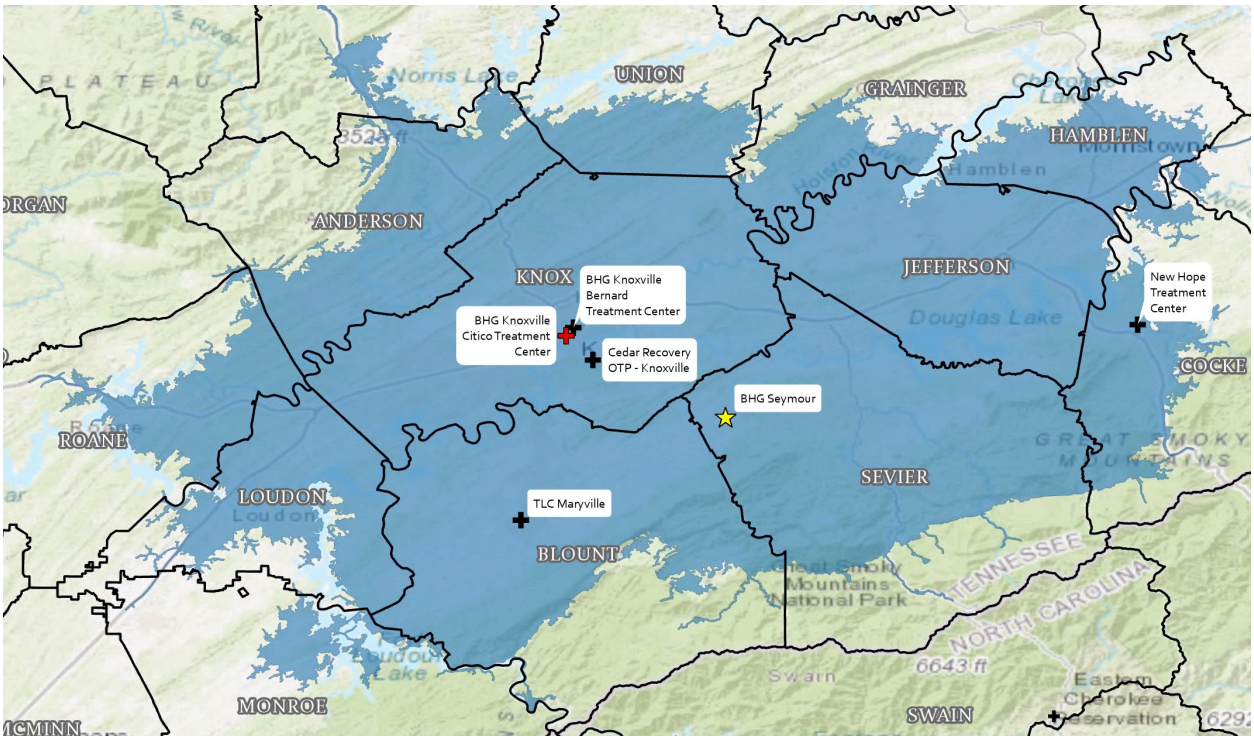
1: Define the Primary Service Area

The proposed BHG Seymour MU is intended to serve residents of Sevier County. As shown in the following map, all populated areas of the county are located within a 60-minute drive of the proposed site. The southern portion of Sevier County lies within the Great Smoky Mountains National Park and is sparsely populated. Although portions of the National Park extend beyond the 60-minute drive-time area, approximately 97 percent of the county's population resides within the portion of Sevier County that is accessible within a 60-minute drive of the proposed MU.[24]

Given the availability of existing providers in adjacent counties, BHG conservatively projects that all patients served during the MU's first two years of operation will originate from Sevier County. Accordingly, the proposed project satisfies the Tennessee CON Standards and Criteria requiring that at least 90 percent of patients originate from within a 60-minute drive of the proposed facility.

[23] Louisa Degenhardt et al., "Buprenorphine Versus Methadone for the Treatment of Opioid Dependence: A Systematic Review and Meta-Analysis of Randomised and Observational Studies," *The Lancet* 10, no. 6 (2023), https://www.thelancet.com/journals/lanpsy/article/PIIS2215-0366(23)00095-0/.
[24] According to *ArcGIS* software.

60-Minute Drive Time from Proposed Seymour Site



2: Project Utilization During the OTP's First Two Years of Operation

BHG operates 13 OTPs in Tennessee and more than 90 OTPs nationwide, and has extensive experience developing and operating MAT programs. Utilization projections are based on two factors:

1. Existing Sevier County residents currently receiving treatment at BHG Knoxville Bernard and BHG Knoxville Citico who are expected to transfer to the proposed MU because of its closer proximity to their homes; and
2. New patients entering treatment as improved geographic access reduces transportation barriers and increases access to MAT.

In 2025, BHG Knoxville Bernard and BHG Knoxville Citico served a combined 162 Sevier County residents.

2025 Utilization for BHG Knoxville OTPs by Area County

Area	BHG Knoxville Bernard	BHG Knoxville Citico	Total BHG Patients
Sevier County	85	77	162

Source: TDMHSAS, Count of Patients in Treatment by County, data as of January 1, 2025, to December 31, 2025.

Based on BHG's experience operating OTPs and medication units, BHG projects that approximately 70 percent of its existing Sevier County patients (113 patients) will elect to receive MAT at the proposed Seymour MU during its first year of operation. BHG believes a 70 percent transfer rate is reasonable, as most patients will prefer a closer option for care, while some will prefer to continue receiving care at the Knoxville clinics due to established counseling relationships, employment location, or personal preference.

In addition to patients transferring from the BHG Knoxville clinics, BHG projects steady growth in new patient admissions as awareness of the program increases and referrals are received from healthcare providers, behavioral health providers, community organizations, and other community partners. BHG Seymour expects it will only treat patients transferring from existing BHG programs in its first month of operation. Beginning in the second month of operation, BHG projects admitting approximately two new methadone patients and one new buprenorphine patient per month throughout the first two years of operation. These projections are based on BHG's experience operating OTPs throughout Tennessee and represent conservative expectations for patient growth.

Projected Patients at BHG Seymour, Years 1 and 2

Area	Shifted Patients YR 1	Additional Patients	Total YR 1	Additional Patients Year 2	Total YR 2
Sevier County	113	33	146	36	**182**

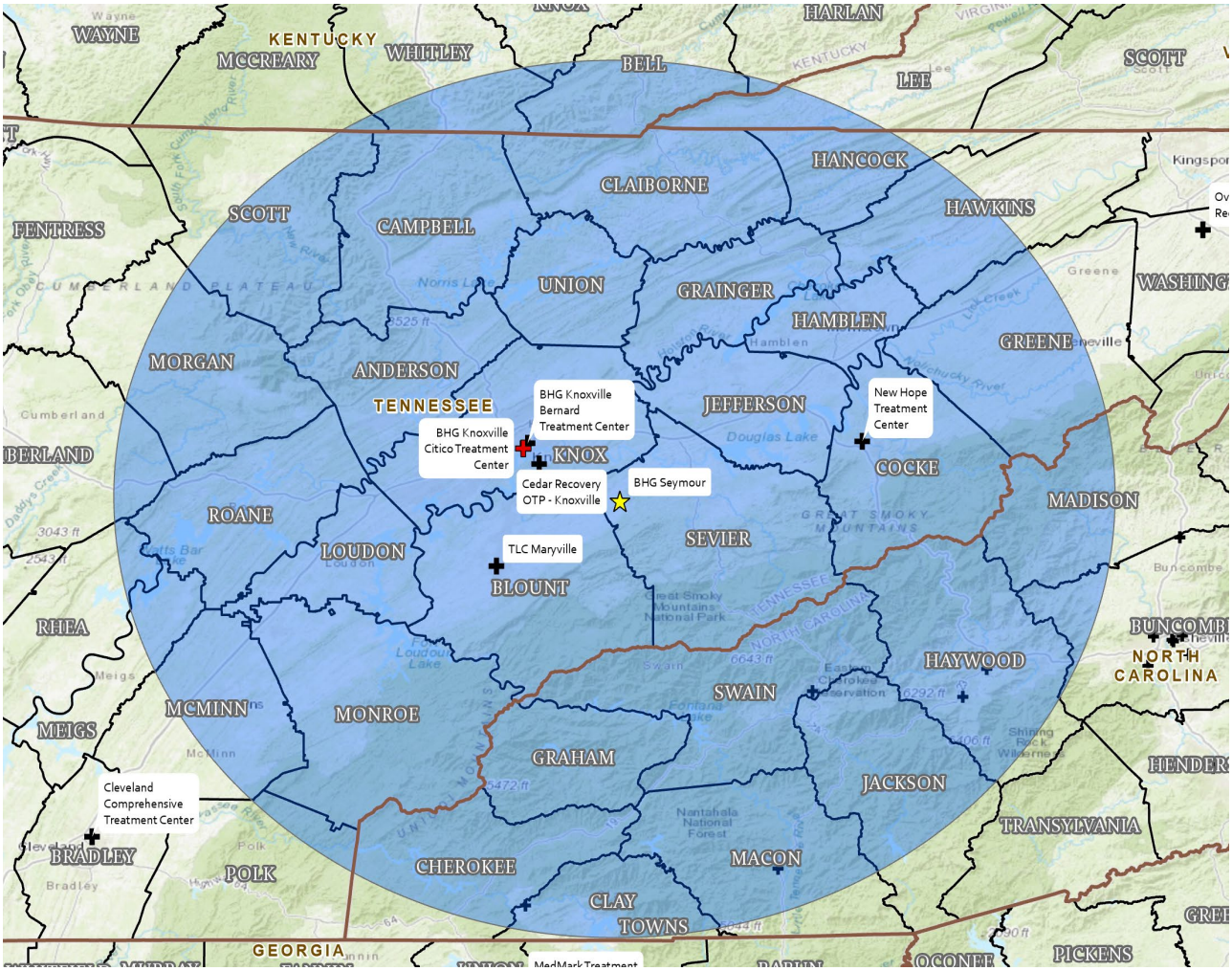
The projected Year 2 census of 182 patients (approximately 69 of whom are “new” OTP patients) is well below the 1,288 unmet-need patients identified by the Standards and Criteria Calculation of Need Formula. This underscores both the scale of unmet need in the county and the conservative nature of BHG's utilization projections, which fall below the 205 patients that the statewide penetration analysis estimates could reasonably be expected to seek OTP services if a local facility were available.

ii. At least 90% of the projected patients in year one and year two reside within a 60 mile radius of the proposed program site or less than a one hour drive time to the proposed program site.

RESPONSE

BHG projects that 100 percent of patients served will reside in Sevier County. Sevier County is entirely within a 60-mile radius of the proposed BHG Seymour MU, as shown in the following map, and approximately 97 percent of the county's population resides within the 60-minute drive-time area shown in the map in the previous section. Accordingly, the proposed MU complies with the CON Standards and Criteria requiring that at least 90 percent of projected patients reside within a 60-mile radius or less than a one-hour drive of the proposed program site.

60-Mile Radius of the BHG Seymour MU Site



iii. The applicant shall provide an analysis of driving distances by county from the proposed clinic location site in comparison to the closest existing OTP clinic.

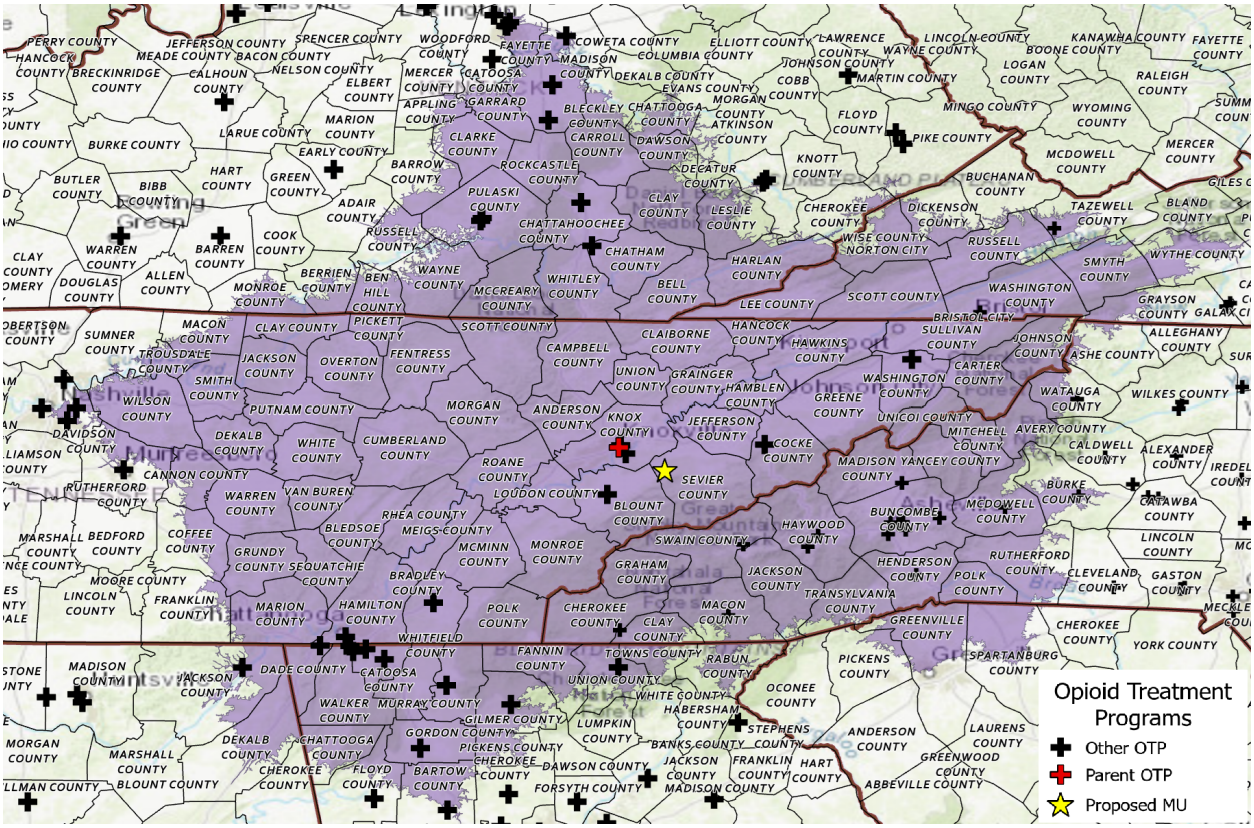
Please complete the following table to demonstrate the driving distances from the counties in the proposed service area to the proposed site and to existing non-residential opioid treatment programs within a 180 minute drive time. This should include programs located in neighboring states.

Additional columns and rows may be added to reflect the appropriate number of existing programs and affected counties.

RESPONSE

The following map shows all OTPs within an 180-minute drive time from the proposed BHG Seymour site.

180-Minute Drive Time from Proposed Seymour Site



The following table shows all OTPs within a three-hour drive of the proposed MU. To develop this list, an 180-minute drive-time analysis was run in ArcGIS from the proposed site to generate an initial candidate list, which was then mapped in Google Maps departing at 7:00 a.m. on a Tuesday. Facilities that exceeded 180 minutes under Google Maps morning conditions were excluded. Distances reflect the US Census Bureau's 2020 mean center of population for Sevier County.

The proposed BHG Seymour MU would become the closest OTP access point for Sevier County residents by a substantial margin. Located just 18 minutes and 12 miles from the Sevier County population center[25], the proposed MU is significantly closer than any existing OTP. The next closest provider, Cedar Recovery Knoxville, is approximately 37 minutes away, while the four OTPs currently serving the largest share of Sevier County patients—BHG Knoxville Citico, BHG Knoxville Bernard, New Hope Treatment Center, and TLC Maryville—are all 37 to 50 minutes from the county population center.

These travel patterns are reflected in current utilization: in 2025, all 280 Sevier County residents receiving OTP services traveled outside the county for treatment, primarily to facilities in Knox,

[25] As determined by the US Census Bureau, *Mean Centers of Population by County*, https://www.census.gov/geographies/reference-files/time-series/geo/centers-population.html.

Blount, and Cocke Counties, with the two Knoxville BHG OTPs alone serving 162 of those patients. For patients currently traveling to the Knoxville BHG OTPs, the proposed MU would reduce one-way travel by approximately 30 minutes—saving nearly one hour of travel on each treatment day.

For services requiring near-daily attendance, drive time functions as a direct barrier to treatment adherence. New methadone patients must visit their OTP several days per week, meaning a 45-minute drive translates to a 90-minute daily round trip, a burden that compounds across employment schedules, childcare, and transportation costs. Research shows that adherence is lower for patients who live further from the OTP where they receive treatment.[26]

Driving Distance from Sevier County to Existing OTPs

Program Name	Minutes from Sevier County	Miles from Sevier County
BHG Seymour	18 mins	12.3
Cedar Recovery OTP - Knoxville	37.5 mins	23.0
New Hope Treatment Center	45.0 mins	24.2
BHG Knoxville Citico Treatment Center	47.5 mins	30.4
BHG Knoxville Bernard Treatment Center	47.5 mins	30.5
TLC Maryville	50 mins	29.4
Overmountain Recovery	1 hr 30 mins	85.6
Cleveland Comprehensive Treatment Center	2 hrs 5 mins	109.0
BHG Corbin Treatment Center	2 hrs 10 mins	116.0
BrightView London	2 hrs 15 mins	129.0
Crossroads Treatment Center of Northwest Georgia	2 hrs 30 mins	136.0
Volunteer Treatment Center	2 hrs 35 mins	138.0
Private Clinic North	2 hrs 35 mins	138.0
Ringgold Treatment Center	2 hrs 35 mins	143.0
Northwest Georgia Treatment Center	2 hrs 40 mins	140.0
MedMark Treatment Centers Chatsworth	2 hrs 45 mins	116.0
Tri-State Treatment	2 hrs 45 mins	149.0
Crossroads Treatment Center of Somerset	2 hrs 45 mins	137.0
BrightView Somerset	2 hrs 45 mins	136.0
BHG Berea Treatment Center	2 hrs 50 mins	165.0
BHG Richmond Treatment Center	3 hrs	178.0
MedMark Treatment Centers Blairsville	3 hrs	124.0

Source: U.S. Census Bureau, 2020 Centers of Population by County; drive times calculated from Sevier County population centroid (35.864247°N, 83.582490°W) departing at 7:00 a.m. on a Tuesday via the quickest available route per Google Maps. Census centroid data available at https://www.census.gov/geographies/reference-files/time-series/geo/centers-population.html.

[26] Barbara Goodheart, "Study: Lack of Nearby OTPs Puts Methadone Patients at Risk of Early Death," Addiction

Accordingly, the proposed MU does not simply provide another treatment location; it significantly improves geographic access to existing OTP services for Sevier County residents. By reducing travel time while maintaining the clinical oversight of the parent OTP, the project directly advances the objective of improving access to evidence-based treatment without unnecessarily duplicating existing services.

b. Population of the area to be served

RESPONSE

The population to be served in the proposed service area consists of adults aged 18 and older, who represent the target population for OTP services. Total and adult population figures for 2026, along with projected 2030 population estimates, are provided in **Attachment 3N**.

c. The estimated number of persons, in the described area, with opioid use disorder and an explanation of the basis of the estimate.

RESPONSE

The estimated number of adults with OUD in the proposed service area is based on 2024 statewide OUD prevalence data from the NSDUH and 2025 OTP patient counts from the TDMHSAS. Using a prevalence rate of 1.92 percent, it is estimated that approximately 1,568 adults in the service area have OUD. Detailed county-level estimates and calculations are shown on page 17.

d. The applicant shall provide the projected rate of intake per week for year one of the proposed project along with factors controlling intake.

RESPONSE

During the first month of operation, BHG Seymour MU expects to serve only existing patients who transfer from BHG Knoxville Citico and BHG Knoxville Bernard while staff establish clinical workflows and operational processes. This phased implementation allows the MU to begin operations with existing BHG patients before accepting new admissions from the community, promoting continuity of care while ensuring a safe and orderly transition to full operations.

Beginning in Month 2, BHG Seymour MU projects an average intake rate of approximately three new patients per month, resulting in 33 new patient admissions during the remainder of the first year of operation. During the second year, BHG projects 36 additional new patient admissions, or approximately three new patients per month, as awareness of the program increases and referrals are received from healthcare providers, behavioral health providers, and community partners. Intake volume will be managed based on physician and nursing capacity, counseling availability, patient assessment requirements, and coordination with the parent OTP for dosing authorization, medical oversight, and integration of patient records. This controlled intake process supports regulatory compliance, maintains quality of care, and allows for individualized treatment planning while maintaining conservative growth expectations.

e. The applicant shall contact the Tennessee State Opioid Treatment Authority to

Treatment Forum, October 3, 2018, https://atforum.com/2018/10/study-lack-of-nearby-otps-puts-methadone-patients-at-risk-of-early-death/.

obtain the current patient caseload and capacity of Non-Residential Opioid Treatment Providers providing care to patients in the proposed service area. The list shall delineate the number of patients receiving methadone treatment and buprenorphine treatment.

RESPONSE

In response to this requirement, the applicant contacted the Tennessee State Opioid Treatment Authority and obtained current caseload and patient utilization data from TDMHSAS via public records request, including unduplicated patient counts for calendar years 2023, 2024, and 2025, and a point-in-time medication census as of April 1, 2026. The responsive data, printed by Erica Hurst on May 19, 2026, is included as Attachment 1N-2 to this application.

Consideration should be given to the reality that existing facilities can expand or reduce their capacity to maintain or treat patients without large changes in overhead.

RESPONSE

While BHG Knoxville Citico can adjust caseloads to meet fluctuations in demand, these adjustments are typically incremental and limited by staffing, facility capacity, and regulatory requirements. The proposed BHG Seymour MU is intended to complement—not replace—existing capacity by providing additional local access in a high-need area, thereby relieving pressure on overextended programs in Knox County and expanding the overall treatment network's ability to respond flexibly to patient needs.

Simply expanding the existing OTP would not achieve the primary aim of this application: to provide care closer to patients' homes to improve treatment compliance, patient experience, and to make MAT services more accessible for Sevier County residents.

2. **Assurance of Resources: The proposal's estimate of the number of patients to be treated, anticipated revenue from the proposed project, and the program funding source with description of the organizational structure of the program delineating the person(s) responsible for the program, should be considered.**

RESPONSE

This project will be funded by cash reserves. Evidence of availability of funds can be found in a letter from Kim Baber at Wells Fargo Bank, which is included as Attachment 1E to this application. The projected number of patients in the first two years of operations and the anticipated revenues are in the Projected Data Chart in response to Question 4 of the Economic Feasibility section. The projected patients and revenues are based on BHG's experience in Tennessee and with recent start-ups in other states.

BHG is the parent company of the applicant. BHG Seymour's daily operations will be overseen by its Program Director. The Program Director will report to the Regional Director, Joshua Wright. All of BHG's locations follow all BHG policies, procedures, reporting requirements, and quality-assurance programs.

3. **Charity Care: The proposal should address the program's ability to provide for indigent and charity care. The applicant shall provide the rate of charity care of total gross revenue in year one and year two, including the total number of charity care patients to be served.**

Please complete the following table to demonstrate projected charity care in year 1 and year 2.

	Gross Revenue	Gross Charge Per Patient	Charity Care Total	Total Charity Care Patients
Year 1				
Year 2				

RESPONSE

BHG Seymour patients experiencing financial hardship can apply to receive treatment for a nominal fee or for a waiver of their financial responsibility. Charity care patients include patients experiencing financial hardships as well as pregnant patients who are unable to pay for services. See Attachment 1N-3 for BHG's Financial Assessment Policy.

Based on BHG's experience in its 13 existing OTPs in Tennessee, BHG Seymour expects to provide approximately 2 percent of its gross revenue as charity care. This equates to three patients receiving care at no cost in the first year of operations and four patients in the second year.

	Gross Revenue	Gross Charge Per Patient	Charity Care (Total)	Total Charity Care Patients
Year 1	$3,036,800	$20,800	$60,736	3
Year 2	$3,785,600	$20,800	$75,712	4

4. **Special Populations: The applicant shall address how the proposed program will serve patients who are pregnant, HIV positive, Hepatitis C positive, and patients who are incarcerated and/or facing risk of incarceration. The applicant should also discuss its ability, willingness, and plan to provide care to women who are pregnant but cannot afford the services.**

RESPONSE

Clinically appropriate patients will be admitted to the program, regardless of comorbidities or pregnancy. BHG will admit patients who are Hepatitis C positive. BHG's model of care includes testing, treatment, counseling, and education for HIV and AIDS. Patients who are HIV positive will have access to support groups, and their caseworkers will coordinate with community agencies that provide health, mental health, housing, and legal services to persons with HIV or AIDS. HIV positive patients will be provided with a referral to the local Ryan White Care Act

providers for ancillary services and programs that will support their success in recovery. These services often include housing, medical, dental, and psychiatric care.

BHG Seymour will treat incarcerated and previously incarcerated patients. BHG has extensive experience providing services to individuals in the criminal justice system. Our outcome data consistently shows significantly lower recidivism rates for previously incarcerated patients who adhere to BHG OTP services. BHG's OTPs collaborate with local and county jails to deliver treatment to patients who are incarcerated. We also work closely with state and federal probation and parole boards to provide continuity of care for individuals that are released or scheduled for release from incarceration settings. BHG Seymour welcomes conversations with the criminal justice system in service area counties on how we can work with parole boards, jails, law enforcement, and the courts to provide OTP services to incarcerated individuals and those at risk of incarceration.

BHG understands the importance of OTP treatment for pregnant women and the associated benefits for their babies. Pregnant women who present at BHG Seymour for care will be eligible to have the admission requirement of one-year history of addiction waived. If a woman receiving care at the proposed facility becomes pregnant and can no longer afford treatment, BHG will continue her treatment throughout her pregnancy without regard to ability to pay. Pregnant women not receiving care at a BHG facility prior to becoming pregnant may be eligible for financial assistance, delayed payment, or free care.

5. **Adequate Staffing: An applicant shall document a plan demonstrating the intent and ability to recruit, hire, train, assess competencies of, supervise, and retain the appropriate numbers of qualified personnel to provide the services described in the application and that such personnel are available in the proposed service area. The applicant should provide evidence of planned staffing patterns that adhere to relevant TDMHSAS licensing standards.**

RESPONSE

BHG requires professionalism, teamwork, and high ethical standards from all staff. BHG staff accept accountability, act responsibly, and work together to achieve successful outcomes for each patient. BHG Seymour's staff will meet or exceed all required professional standards for OTP staff. The applicant will comply with all federal and TDMHSAS rules and standards.

BHG recruited and trained staff at its 13 existing OTPs in Tennessee. BHG is confident it can recruit necessary staff for the proposed MU in Seymour. BHG offers its employees continuing education, sign-on bonuses, and competitive compensation and benefits packages. In its first year of operation, the BHG Seymour MU is projected to employ 9.5 total staff across direct patient care, administrative, and contractual roles. Direct patient care staff will include four substance abuse and behavioral health counselors, two LPN nurses, and one medical assistant. Administrative and operational support will be provided by one administrative assistant. Both the supervising physician and the program manager will be shared with BHG Knoxville Citico, ensuring continuity of clinical oversight, regulatory compliance, and operational leadership across both sites without duplicating these positions.

6. **Licensure and Quality Considerations: Any existing applicant for this CON service category shall be in compliance, or have a plan for compliance, with the appropriate rules of the Tennessee Department of Health (TDH) and TDMHSAS.**

Rationale: This section supports the State Health Plan's Fourth Principle for Achieving Better Health regarding quality of care.

RESPONSE

DRD Management, Inc. is in compliance with all applicable TDH and TDMHSAS rules and is accredited by the Joint Commission. BHG's 13 Tennessee locations comply with all applicable TDH and TDMHSAS rules.

7. **Data Requirements: Applicants shall agree to provide the TDH, TDMHSAS, and/or the HSDA with all reasonably requested information and statistical data related to the operation and provision of services and to report that data in the time and format requested. As a standard practice, existing data reporting streams will be relied upon and adapted over time to collect all needed information.**

RESPONSE

BHG Seymour will comply with the data reporting requirement, and will provide all reasonably requested information to TDH, TDMHSAS and/or HSDA.

8. **Community Linkage Plan: The applicant shall describe its participation, if any, in a community linkage plan, including its relationships with appropriate health care system providers/services and working agreements with other related community services assuring continuity of care. The applicant is encouraged to include primary prevention initiatives in the community linkage plan that would address risk factors leading to increased opioid dependency. Applicants should document plans for satisfying TDMHSAS Administrative Rule 0940-05-42-.28, related to community education.**

Rationale: The State Health Plan moved from a primary emphasis of health care to an emphasis on "health protection and promotion". The development of primary prevention initiatives for the community advances the mission of the State Health Plan.

RESPONSE

BHG has discussed the project and the benefits of having an OTP with interested stakeholders, including community leaders. We have begun establishing collaborative relationships to link OUD patients to community resources. The Applicant will continue making connections in the community. The following organizations serve as key referral sources and community partners for BHG's East Tennessee clinics and will support the BHG Seymour MU's efforts to connect patients with the full continuum of care:

- Northeast Correctional Complex and Annex
- ASAP of Anderson
- Rosecrance
- Knox County Probation & Parole
- Addiction Recovery and Restoration
- Office of Homeless Services
- Helen Ross McNabb

- University of Tennessee Medical Center
- University Health System, Inc
- Shandy Baptist Church
- Tennessee Department of Mental Health and Substance Abuse
- State of Tennessee Department of Corrections
- Mirror Lake Recovery
- River Valley Health
- Clinch Valley Comprehensive Care
- Addiction Specialists Center for Recovery

Attachment 1N-2

Department of
Mental Health &
Substance Abuse Services

June 11, 2026

Sent VIA ELECTRONIC MAIL ONLY

Britney Sudduth
britney@watlawgroup.com

Dear Ms. Sudduth,

This letter is in response to your public records request received on May 19, 2026. Specifically, you requested:

1. *The number of patients served by opioid treatment provider (OTP) and patient county of residence on the most recent date for which data is available (April 1, 2026, if available), with a delineation of patients by medication type (methadone, buprenorphine, suboxone, or any others) the patient is receiving treatment for.*

2. *The number of unduplicated patients receiving care at OTPs in Tennessee in calendar years 2023, 2024,2025. If possible, include the patient's county of residence, the OTP at which they received services, and the medication type.*

Following this cover letter, you will find spreadsheets of data in response to your request. In order, we have a point in time medication by clinic count and calendar year patients in treatment at OTP clinics by county of residence (2025, 2024, and 2023). Our registry is not able to do a point in time report by clinic, medication type, and clinic. Additionally, the standard disclaimers when working with the Lighthouse Registry apply to this data:

1. *Lighthouse Software Systems, LLC brought the Tennessee Central Registry (hereinafter referred to as "Registry") online mid-year 2012. Registry data is derived from information submitted by each facility. The TDMHSAS and Lighthouse Software Systems, LLC neither guarantee nor attest to the accuracy of any data submitted by or on behalf of the facilities. The TDMHSAS and Lighthouse Software Systems, LLC make no warranties or guarantees about its accuracy or reliability.*

2. *Reports that are based upon the unique individuals treated means that, in such report, a patient should only be counted once, even if that patient was admitted more than one (1) time per specified date range or was enrolled in any program more than one (1) time per specified date range. In contrast, reports that are based upon episodes are not based upon*

the unique individual treated. Within these reports, a unique individual may be counted more than once if the patient was admitted more than one (1) time within a specified date range.

3. *Each report was generated at a specific date and time or for a specific date range. Data contained in these reports may change daily and the reports provided only represent data for the respective time period provided listed above each response.*

Please let me know if I can be of further service.

Sincerely,



Matthew Parriott
TDMHSAS Director of Communications

	Medication Requirements Data as of 04/01/2026. Report printed by Erica Hurst on May 19, 2026 at 10:16 am. All data has been entered by clinic staff, and Lighthouse does not enter, create, edit or verify the accuracy of the data. DISCLAIMER: (1) This report shows patients who were in treatment one or more days of the specified date range. (2) All data used in this report was entered by clinic staff. Lighthouse staff did not enter, create or edit any data. (3) The results displayed on this report can vary each time the report is generated due to clinic staff entering new data.							
Site Name	Census	Missing Medication	Methadone patients	Methadone mgs	Methadone - Sugar Free patients	Methadone - Sugar Free mgs	Suboxone patients	Suboxone mgs
Bradley County CTC	523	-	479	39,686	-	-	-	-
Clarksville CTC	348	<6	318	29,418	-	-	-	-
Hermitage CTC	266	-	242	21,306	-	-	-	-
Memphis CTC	254	6	226	20,093	-	-	<6	16
South Nashville CTC	294	19	260	22,626	-	-	-	-
BHG - Columbia	204	<6	194	16,110	-	-	-	-
BHG - Dyersburg	364	-	360	35,305	-	-	-	-
BHG - Jackson	303	-	295	32,075	-	-	-	-
BHG - Knoxville Bernard	824	-	815	86,081	-	-	-	-
BHG - Knoxville Citico Medical Center	958	-	932	83,277	-	-	-	-
BHG - Madison	137	<6	125	12,045	-	-	-	-
BHG - Middle Tennessee	466	-	453	47,345	-	-	-	-
BHG - Paris	319	-	302	29,130	-	-	<6	8
Overmountain Recovery	840	-	621	59,079	-	-	15	208
BHG - Memphis Midtown	266	<6	260	24,920	-	-	-	-
BHG - Memphis North	258	-	230	20,090	-	-	-	-
BHG - Memphis South	199	-	191	17,165	-	-	-	-
BHG - Murfreesboro	224	9	209	20,765	-	-	-	-
BHG - Savannah	158	-	156	13,177	-	-	-	-
Cedar Recovery Knoxville OTP	463	-	433	48,024	29	3,200	-	-
New Hope Treatment Center of Tennessee	394	<6	385	42,680	-	-	8	120
TLC Maryville	306	<6	298	38,409	-	-	-	-
Volunteer Treatment Center	1,230	-	1,137	111,421	-	-	44	566
	9,598	44	8,921	870,227	29	3,200	69	918

Site Name	Buprenorphine Monoproduct / Subutex patients	Buprenorphine Monoproduct / Subutex mgs	Naltrexone patients	Naltrexone mgs	Buprenorphine patients	Buprenorphine mgs
Bradley County CTC	-	-	-	-	50	624
Clarksville CTC	-	-	-	-	21	270
Hermitage CTC	-	-	-	-	17	170
Memphis CTC	-	-	-	-	19	216
South Nashville CTC	-	-	-	-	12	142
BHG - Columbia	-	-	-	-	<6	8
BHG - Dyersburg	-	-	-	-	<6	32
BHG - Jackson	-	-	-	-	6	112
BHG - Knoxville Bernard	-	-	-	-	<6	6
BHG - Knoxville Citico Medical Center	-	-	-	-	6	70
BHG - Madison	-	-	-	-	<6	64
BHG - Middle Tennessee	-	-	-	-	<6	70
BHG - Paris	-	-	-	-	12	154
Overmountain Recovery	<6	16	-	-	125	1,798
BHG - Memphis Midtown	-	-	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-
BHG - Memphis South	-	-	-	-	-	-
BHG - Murfreesboro	-	-	-	-	-	-
BHG - Savannah	-	-	-	-	-	-
Cedar Recovery Knoxville OTP	-	-	-	-	-	-
New Hope Treatment Center of Tennessee	-	-	-	-	-	-
TLC Maryville	<6	120	-	-	-	-
Volunteer Treatment Center	50	742	-	-	-	-
	56	878	-	-	281	3,736

Site Name	Vivitrol patients	Vivitrol mgs	Probuphine patients	Probuphine mgs	Sublocade patients	Sublocade mgs	Zubsolv patients	Zubsolv mgs	Brixadi patients	Brixadi mgs	None / NA patients
Bradley County CTC	-	-	-	-	-	-	-	-	-	-	-
Clarksville CTC	-	-	-	-	-	-	-	-	-	-	<6
Hermitage CTC	-	-	-	-	-	-	-	-	-	-	-
Memphis CTC	-	-	-	-	-	-	-	-	-	-	-
South Nashville CTC	-	-	-	-	-	-	-	-	-	-	-
BHG - Columbia	-	-	-	-	-	-	-	-	-	-	8
BHG - Dyersburg	-	-	-	-	-	-	-	-	-	-	<6
BHG - Jackson	-	-	-	-	-	-	-	-	-	-	<6
BHG - Knoxville Bernard	-	-	-	-	-	-	-	-	-	-	8
BHG - Knoxville Citico Medical Center	-	-	-	-	-	-	-	-	-	-	20
BHG - Madison	-	-	-	-	-	-	-	-	-	-	<6
BHG - Middle Tennessee	-	-	-	-	-	-	-	-	-	-	13
BHG - Paris	-	-	-	-	-	-	-	-	-	-	6
Overmountain Recovery	-	-	-	-	7	1,700	-	-	-	-	78
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	-	-	<6
BHG - Memphis North	-	-	-	-	-	-	-	-	-	-	28
BHG - Memphis South	-	-	-	-	-	-	-	-	-	-	8
BHG - Murfreesboro	-	-	-	-	-	-	-	-	-	-	6
BHG - Savannah	-	-	-	-	-	-	-	-	-	-	<6
Cedar Recovery Knoxville OTP	-	-	-	-	-	-	-	-	-	-	10
New Hope Treatment Center of Tennessee	-	-	-	-	-	-	-	-	-	-	-
TLC Maryville	-	-	-	-	-	-	-	-	-	-	<6
Volunteer Treatment Center	-	-	-	-	-	-	-	-	-	-	<6
	-	-	-	-	7	1,700	-	-	-	-	209

Site Name	No Medication patients	No Medication mgs
Bradley County CTC	<6	-
Clarksville CTC	<6	-
Hermitage CTC	7	-
Memphis CTC	<6	-
South Nashville CTC	<6	-
BHG - Columbia	-	-
BHG - Dyersburg	-	-
BHG - Jackson	-	-
BHG - Knoxville Bernard	-	-
BHG - Knoxville Citico Medical Center	-	-
BHG - Madison	-	-
BHG - Middle Tennessee	-	-
BHG - Paris	-	-
Overmountain Recovery	-	-
BHG - Memphis Midtown	-	-
BHG - Memphis North	-	-
BHG - Memphis South	-	-
BHG - Murfreesboro	-	-
BHG - Savannah	-	-
Cedar Recovery Knoxville OTP	-	-
New Hope Treatment Center of Tennessee	-	-
TLC Maryville	-	-
Volunteer Treatment Center	-	-
	17	-

	Treatment by County Data as of 01/01/2025 to 12/31/2025 Report printed by Erica Hurst on May 19, 2026 at 10:36 am. All data has been entered by clinic staff, and Lighthouse does not enter, create, edit or verify the accuracy of the data. DISCLAIMER: (1) This report shows patients who were in treatment one or more days of the specified date range. (2) All data used in this report was entered by clinic staff. Lighthouse staff did not enter, create or edit any data. (3) The results displayed on this report can vary each time the report is generated due to clinic staff entering new data.											
Site Name	Anderson	Bedford	Benton	Bledsoe	Blount	Bradley	Campbell	Cannon	Carroll	Carter	Cheatham	Chester
BHG - Columbia	-	8	-	-	-	-	-	-	-	-	-	-
BHG - Dyersburg	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Jackson	-	-	<6	-	-	-	-	-	9	-	-	17
BHG - Knoxville Bernard	91	-	-	-	76	-	68	-	-	-	-	-
BHG - Knoxville Citico Medical Center	147	-	-	-	115	-	85	-	-	-	-	-
BHG - Madison	-	-	-	-	-	-	-	-	-	-	<6	-
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis South	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Middle Tennessee	<6	<6	-	<6	-	-	-	-	-	-	52	-
BHG - Murfreesboro	-	21	-	<6	-	-	-	17	-	-	-	-
BHG - Paris	-	-	87	-	-	<6	-	-	34	-	-	-
BHG - Savannah	-	-	-	-	-	-	-	-	-	-	-	<6
Bradley County CTC	<6	-	<6	<6	<6	603	<6	-	-	-	-	-
Cedar Recovery Knoxville OTP	30	-	-	-	28	-	27	-	-	-	-	-
Clarksville CTC	-	-	-	-	-	-	<6	-	-	-	21	-
Hermitage CTC	-	-	-	-	-	-	-	<6	-	-	<6	-
Memphis CTC	-	-	-	-	-	-	-	-	-	-	-	-
New Hope Treatment Center of Tennessee	<6	-	-	-	<6	-	<6	-	-	-	-	-
Overmountain Recovery	-	-	-	-	-	-	-	-	-	177	-	-
South Nashville CTC	-	<6	<6	-	-	-	-	<6	-	-	13	-
TLC Maryville	13	-	-	-	243	-	<6	-	-	-	-	-
Volunteer Treatment Center	9	<6	-	<6	11	56	6	-	-	-	-	-
Total by County	296	34	94	6	477	660	198	24	43	177	92	18

Site Name	Claiborne	Clay	Cocke	Coffee	Crockett	Cumberland	Davidson	Decatur	DeKalb	Dickson	Dyer	Fayette
BHG - Columbia	-	-	-	-	-	-	<6	-	-	<6	-	-
BHG - Dyersburg	-	-	-	-	<6	-	-	-	-	-	246	-
BHG - Jackson	-	-	-	<6	16	-	-	<6	-	-	-	<6
BHG - Knoxville Bernard	15	-	6	<6	-	<6	-	-	-	-	-	-
BHG - Knoxville Citico Medical Center	16	-	-	-	-	7	-	-	-	-	-	-
BHG - Madison	-	-	-	-	-	-	220	-	-	6	-	-
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	-	-	<6	<6
BHG - Memphis North	-	-	-	-	-	-	-	-	-	-	-	6
BHG - Memphis South	-	-	-	-	-	-	-	-	-	-	-	<6
BHG - Middle Tennessee	-	<6	-	<6	-	<6	486	-	<6	46	-	-
BHG - Murfreesboro	-	-	-	26	-	<6	<6	-	<6	-	-	-
BHG - Paris	-	-	-	-	<6	-	<6	<6	-	<6	-	-
BHG - Savannah	-	-	-	-	-	-	-	-	-	-	-	-
Bradley County CTC	-	-	-	-	-	-	<6	-	-	-	-	-
Cedar Recovery Knoxville OTP	6	-	<6	-	-	<6	-	-	-	-	-	-
Clarksville CTC	-	-	-	-	-	<6	<6	-	-	<6	-	-
Hermitage CTC	-	<6	-	<6	-	-	280	-	<6	<6	-	-
Memphis CTC	-	-	-	-	-	-	-	-	-	-	<6	6
New Hope Treatment Center of Tennessee	<6	-	228	-	-	-	-	-	-	-	-	-
Overmountain Recovery	<6	-	<6	-	-	-	-	-	-	<6	-	-
South Nashville CTC	-	-	-	<6	<6	-	393	-	-	18	-	-
TLC Maryville	-	-	-	-	-	-	-	-	-	-	-	-
Volunteer Treatment Center	-	<6	-	7	-	<6	<6	-	<6	-	-	-
Total by County	43	<6	236	40	23	25	1,393	7	14	78	248	18

Site Name	Fentress	Franklin	Gibson	Giles	Grainger	Greene	Grundy	Hamblen	Hamilton	Hancock	Hardeman	Hardin	Hawkins
BHG - Columbia	-	-	-	13	-	-	-	-	-	-	-	-	-
BHG - Dyersburg	-	-	13	-	-	-	-	-	-	-	-	-	-
BHG - Jackson	-	-	38	-	-	-	-	-	-	-	8	6	-
BHG - Knoxville Bernard	<6	-	-	-	21	-	-	13	-	<6	-	-	-
BHG - Knoxville Citico Medical Center	6	-	-	-	22	<6	-	19	-	<6	-	-	<6
BHG - Madison	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis South	-	-	-	-	-	-	-	-	-	-	<6	-	-
BHG - Middle Tennessee	-	-	-	<6	-	-	-	-	-	-	-	-	-
BHG - Murfreesboro	-	<6	-	-	-	-	<6	-	-	-	-	-	-
BHG - Paris	-	-	<6	-	-	-	-	-	-	-	-	-	-
BHG - Savannah	-	-	-	-	-	-	-	-	-	-	<6	103	<6
Bradley County CTC	-	-	-	-	-	-	-	-	28	-	-	-	-
Cedar Recovery Knoxville OTP	-	-	-	-	9	-	-	<6	-	-	-	<6	-
Clarksville CTC	-	-	-	-	-	-	-	-	-	-	-	-	-
Hermitage CTC	-	<6	-	-	-	-	-	-	-	-	-	-	-
Memphis CTC	-	-	-	-	-	-	-	-	-	-	<6	-	-
New Hope Treatment Center of Tennessee	-	-	-	-	20	31	-	48	-	11	-	-	9
Overmountain Recovery	-	-	-	-	<6	62	-	9	-	-	-	-	78
South Nashville CTC	<6	-	-	<6	-	-	-	-	-	-	-	-	-
TLC Maryville	-	-	-	-	<6	-	-	<6	-	-	-	-	-
Volunteer Treatment Center	7	<6	-	-	-	<6	6	<6	1,071	-	-	-	<6
Total by County	17	8	53	16	76	98	7	94	1,099	14	12	110	94

Site Name	Haywood	Henderson	Henry	Hickman	Houston	Humphreys	Jackson	Jefferson	Johnson	Knox	Lake	Lauderdale
BHG - Columbia	-	-	-	9	-	-	-	-	-	-	-	<6
BHG - Dyersburg	-	<6	-	-	-	-	-	-	-	-	77	44
BHG - Jackson	7	38	<6	-	-	-	<6	-	-	-	<6	-
BHG - Knoxville Bernard	-	-	-	-	-	-	-	35	<6	824	-	-
BHG - Knoxville Citico Medical Center	-	-	-	-	-	-	-	38	-	961	-	-
BHG - Madison	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis Midtown	<6	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-	<6	-	-	-	-	-
BHG - Memphis South	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Middle Tennessee	-	-	-	14	<6	<6	<6	-	-	-	-	-
BHG - Murfreesboro	-	-	-	<6	-	-	<6	-	-	<6	-	-
BHG - Paris	-	<6	190	-	<6	<6	-	-	-	-	-	-
BHG - Savannah	-	<6	-	-	-	-	-	-	-	-	-	-
Bradley County CTC	-	-	-	-	-	-	-	-	-	<6	-	-
Cedar Recovery Knoxville OTP	-	-	-	-	-	-	<6	<6	-	286	-	-
Clarksville CTC	-	-	<6	-	9	<6	-	-	-	-	-	-
Hermitage CTC	-	-	-	-	<6	-	-	-	-	-	-	-
Memphis CTC	-	-	-	-	-	-	-	-	-	-	-	-
New Hope Treatment Center of Tennessee	-	-	-	-	-	-	-	75	-	13	-	-
Overmountain Recovery	-	-	-	-	-	-	-	-	10	-	-	-
South Nashville CTC	-	-	-	<6	<6	<6	-	-	-	-	-	-
TLC Maryville	-	-	-	-	-	-	-	<6	-	66	-	-
Volunteer Treatment Center	-	-	-	-	<6	-	<6	<6	-	24	-	-
Total by County	8	47	196	25	15	12	11	158	13	2,176	78	45

Site Name	Lawrence	Lewis	Lincoln	Loudon	Macon	Madison	Marion	Marshall	Maury	McMinn	McNairy	Meigs	Monroe
BHG - Columbia	15	25	<6	-	-	-	-	38	166	<6	-	-	-
BHG - Dyersburg	-	-	-	-	-	<6	-	-	-	-	-	-	-
BHG - Jackson	-	-	-	-	-	219	-	-	-	-	14	-	-
BHG - Knoxville Bernard	-	-	-	22	-	-	-	-	-	<6	-	<6	10
BHG - Knoxville Citico Medical Center	-	-	-	52	<6	-	-	-	-	<6	-	-	13
BHG - Madison	-	<6	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis Midtown	-	-	-	-	-	<6	<6	<6	-	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis South	-	-	-	-	-	-	-	<6	-	-	-	-	-
BHG - Middle Tennessee	-	<6	-	-	<6	<6	-	<6	<6	-	-	-	-
BHG - Murfreesboro	-	-	-	-	-	-	<6	<6	<6	-	-	-	-
BHG - Paris	-	-	-	-	-	<6	-	<6	-	-	-	-	-
BHG - Savannah	-	-	-	-	-	-	-	-	-	-	40	-	-
Bradley County CTC	-	-	-	6	-	<6	-	-	-	89	<6	31	32
Cedar Recovery Knoxville OTP	-	-	-	10	-	-	-	-	-	-	-	-	<6
Clarksville CTC	-	-	-	-	-	-	-	-	-	-	-	-	-
Hermitage CTC	<6	-	-	-	<6	-	-	-	<6	-	-	-	-
Memphis CTC	-	-	-	-	-	-	-	-	-	-	-	-	<6
New Hope Treatment Center of Tennessee	-	-	-	-	-	-	-	-	-	-	-	<6	-
Overmountain Recovery	-	-	-	-	-	-	-	-	-	-	-	-	-
South Nashville CTC	<6	-	-	-	<6	-	-	-	<6	-	-	-	-
TLC Maryville	-	-	-	29	-	-	-	-	-	-	-	-	22
Volunteer Treatment Center	-	-	-	18	-	-	58	-	<6	13	-	<6	18
Total by County	17	29	<6	137	6	227	60	48	173	108	55	39	99

Site Name	Montgomery	Moore	Morgan	Obion	Overton	Perry	Pickett	Polk	Putnam	Rhea	Roane	Robertson	Rutherford
BHG - Columbia	-	-	-	-	-	<6	-	-	-	-	-	-	<6
BHG - Dyersburg	-	-	-	84	<6	-	-	-	-	-	-	-	<6
BHG - Jackson	-	-	-	<6	-	-	-	-	-	-	-	<6	-
BHG - Knoxville Bernard	-	-	11	-	<6	-	-	-	-	<6	27	-	-
BHG - Knoxville Citico Medical Center	-	-	17	-	<6	-	<6	-	-	-	91	-	-
BHG - Madison	-	-	-	-	-	-	<6	-	<6	-	-	16	<6
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis North	-	-	-	<6	-	-	-	-	-	-	-	-	-
BHG - Memphis South	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Middle Tennessee	8	-	<6	-	<6	-	-	-	9	-	-	15	33
BHG - Murfreesboro	-	-	-	-	<6	-	-	-	<6	-	-	-	225
BHG - Paris	-	-	-	<6	-	<6	-	-	-	-	-	-	-
BHG - Savannah	-	-	-	-	-	-	-	-	-	-	-	-	-
Bradley County CTC	-	-	-	-	<6	-	-	68	-	40	11	-	-
Cedar Recovery Knoxville OTP	-	-	6	-	-	-	-	-	-	-	6	-	-
Clarksville CTC	476	-	-	-	-	-	-	-	-	-	-	6	<6
Hermitage CTC	<6	-	-	-	<6	-	-	-	19	-	-	<6	20
Memphis CTC	-	-	-	-	-	-	-	-	-	-	-	-	-
New Hope Treatment Center of Tennessee	-	-	<6	-	-	-	-	-	-	<6	-	-	-
Overmountain Recovery	-	-	-	-	-	-	-	-	-	-	-	-	-
South Nashville CTC	<6	-	-	-	-	-	-	-	<6	-	-	<6	37
TLC Maryville	-	-	<6	-	-	-	-	-	-	-	15	-	-
Volunteer Treatment Center	-	-	<6	-	<6	-	<6	<6	11	47	30	-	<6
Total by County	486	-	44	89	18	<6	9	69	44	89	180	46	323

Site Name	Scott County	Sequatchie	Sevier	Shelby	Smith	Stewart	Sullivan	Sumner	Tipton	Trousdale	Unicoi	Union
BHG - Columbia	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Dyersburg	-	-	-	<6	-	-	-	-	<6	-	-	-
BHG - Jackson	-	-	-	<6	-	-	-	<6	<6	-	-	-
BHG - Knoxville Bernard	<6	-	85	-	-	-	-	-	-	-	-	24
BHG - Knoxville Citico Medical Center	11	<6	77	-	-	-	<6	-	-	-	<6	53
BHG - Madison	-	-	-	-	-	-	-	118	-	-	-	-
BHG - Memphis Midtown	-	-	-	363	-	-	-	-	<6	-	-	<6
BHG - Memphis North	<6	-	-	321	-	-	-	-	23	-	-	-
BHG - Memphis South	<6	-	-	211	-	-	-	-	-	-	-	<6
BHG - Middle Tennessee	-	-	-	-	<6	-	-	33	-	-	-	-
BHG - Murfreesboro	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Paris	-	-	-	-	-	9	-	-	-	-	-	-
BHG - Savannah	-	-	-	-	-	-	-	-	-	-	-	-
Bradley County CTC	<6	<6	-	-	-	-	-	-	-	-	-	-
Cedar Recovery Knoxville OTP	<6	-	22	-	-	-	-	-	-	-	-	13
Clarksville CTC	-	-	-	-	-	16	-	<6	-	-	-	-
Hermitage CTC	-	-	-	-	6	-	<6	30	-	<6	-	-
Memphis CTC	-	-	-	349	-	-	-	-	7	-	-	-
New Hope Treatment Center of Tennessee	-	-	75	-	-	-	<6	-	-	-	-	<6
Overmountain Recovery	9	-	-	-	-	-	470	-	-	-	41	-
South Nashville CTC	-	-	-	<6	<6	-	-	9	-	-	-	-
TLC Maryville	-	-	16	-	-	-	-	-	-	-	-	<6
Volunteer Treatment Center	-	42	<6	-	-	-	<6	-	-	-	-	-
Total by County	30	44	280	1,247	16	25	474	194	37	<6	42	99

Site Name	Van Buren	Warren	Washington	Wayne	Weakley	White	Williamson	Wilson	za - Out of State - Alabama
BHG - Columbia	-	-	-	<6	-	-	11	-	-
BHG - Dyersburg	-	-	-	-	<6	-	-	-	-
BHG - Jackson	-	-	-	<6	<6	-	-	<6	-
BHG - Knoxville Bernard	-	<6	-	-	<6	<6	-	-	<6
BHG - Knoxville Citico Medical Center	-	-	<6	-	-	-	-	<6	-
BHG - Madison	-	-	-	-	-	-	<6	7	-
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-	-	-	-
BHG - Memphis South	-	-	-	-	-	-	-	-	-
BHG - Middle Tennessee	-	-	-	-	-	-	35	26	-
BHG - Murfreesboro	-	13	-	-	-	<6	7	<6	-
BHG - Paris	-	-	-	-	19	-	-	-	-
BHG - Savannah	-	-	-	17	-	-	-	-	-
Bradley County CTC	-	-	-	-	-	-	-	-	-
Cedar Recovery Knoxville OTP	-	-	-	-	-	-	-	-	-
Clarksville CTC	-	-	-	-	-	-	-	-	-
Hermitage CTC	-	-	-	-	-	<6	7	85	-
Memphis CTC	-	-	-	-	-	-	-	-	-
New Hope Treatment Center of Tennessee	-	-	<6	-	-	-	-	-	-
Overmountain Recovery	-	-	332	-	-	-	-	-	-
South Nashville CTC	-	-	-	-	-	-	19	17	-
TLC Maryville	-	-	-	-	-	-	-	-	-
Volunteer Treatment Center	7	7	-	-	-	8	-	<6	<6
Total by County	7	22	335	22	29	14	81	140	<6

Site Name	zb - Out of State - Arkansas	zc - Out of State - Georgia	zd - Out of State - Illinois	ze - Out of State - Kentucky
BHG - Columbia	-	-	-	-
BHG - Dyersburg	<6	-	-	-
BHG - Jackson	-	-	-	-
BHG - Knoxville Bernard	-	-	-	<6
BHG - Knoxville Citico Medical Center	-	-	-	7
BHG - Madison	-	-	-	-
BHG - Memphis Midtown	23	-	-	-
BHG - Memphis North	<6	-	-	-
BHG - Memphis South	<6	-	-	-
BHG - Middle Tennessee	-	-	-	7
BHG - Murfreesboro	-	-	-	-
BHG - Paris	-	-	-	44
BHG - Savannah	-	-	-	-
Bradley County CTC	-	<6	-	-
Cedar Recovery Knoxville OTP	-	-	-	-
Clarksville CTC	-	-	-	6
Hermitage CTC	-	-	-	-
Memphis CTC	17	-	-	-
New Hope Treatment Center of Tennessee	-	-	-	<6
Overmountain Recovery	-	-	-	-
South Nashville CTC	-	-	-	-
TLC Maryville	-	-	-	<6
Volunteer Treatment Center	-	158	-	<6
Total by County	47	161	-	73

Site Name	zf - Out of State - Mississippi	zg - Out of State - Missouri	zh - Out of State - North Carolina
BHG - Columbia	-	-	-
BHG - Dyersburg	-	<6	-
BHG - Jackson	<6	-	-
BHG - Knoxville Bernard	-	-	<6
BHG - Knoxville Citico Medical Center	-	-	-
BHG - Madison	-	-	-
BHG - Memphis Midtown	35	-	-
BHG - Memphis North	16	-	-
BHG - Memphis South	71	-	-
BHG - Middle Tennessee	-	-	<6
BHG - Murfreesboro	-	-	-
BHG - Paris	<6	-	-
BHG - Savannah	20	-	-
Bradley County CTC	-	-	-
Cedar Recovery Knoxville OTP	-	-	-
Clarksville CTC	-	-	-
Hermitage CTC	-	-	-
Memphis CTC	35	-	-
New Hope Treatment Center of Tennessee	<6	-	-
Overmountain Recovery	-	-	<6
South Nashville CTC	-	-	-
TLC Maryville	-	-	-
Volunteer Treatment Center	-	-	-
Total by County	182	<6	<6

Site Name	zi - Out of State - South Carolina	zj - Out of State - Virginia	zz - Out of State - All Other States	Total with Info
BHG - Columbia	-	-	-	298
BHG - Dyersburg	-	-	-	486
BHG - Jackson	-	-	-	407
BHG - Knoxville Bernard	<6	<6	-	1,362
BHG - Knoxville Citico Medical Center	-	-	-	1,761
BHG - Madison	-	-	-	381
BHG - Memphis Midtown	-	-	<6	434
BHG - Memphis North	-	-	-	371
BHG - Memphis South	-	-	-	294
BHG - Middle Tennessee	-	-	<6	802
BHG - Murfreesboro	-	-	-	343
BHG - Paris	-	-	-	408
BHG - Savannah	-	-	-	188
Bradley County CTC	-	-	-	934
Cedar Recovery Knoxville OTP	-	-	-	463
Clarksville CTC	-	-	-	553
Hermitage CTC	-	-	<6	482
Memphis CTC	-	-	-	417
New Hope Treatment Center of Tennessee	-	-	-	534
Overmountain Recovery	-	55	<6	1,252
South Nashville CTC	-	-	-	542
TLC Maryville	-	-	-	421
Volunteer Treatment Center	-	-	<6	1,679
Total by County	<6	56	10	14,812

Site Name	No Information
BHG - Columbia	-
BHG - Dyersburg	-
BHG - Jackson	-
BHG - Knoxville Bernard	-
BHG - Knoxville Citico Medical Center	-
BHG - Madison	<6
BHG - Memphis Midtown	<6
BHG - Memphis North	-
BHG - Memphis South	-
BHG - Middle Tennessee	44
BHG - Murfreesboro	<6
BHG - Paris	-
BHG - Savannah	-
Bradley County CTC	-
Cedar Recovery Knoxville OTP	-
Clarksville CTC	<6
Hermitage CTC	-
Memphis CTC	<6
New Hope Treatment Center of Tennessee	-
Overmountain Recovery	-
South Nashville CTC	<6
TLC Maryville	-
Volunteer Treatment Center	-
Total by County	57

	Treatment by County Data as of 01/01/2024 to 12/31/2024 Report printed by Erica Hurst on May 19, 2026 at 10:35 am. All data has been entered by clinic staff, and Lighthouse does not enter, create, edit or verify the accuracy of the data. DISCLAIMER: (1) This report shows patients who were in treatment one or more days of the specified date range. (2) All data used in this report was entered by clinic staff. Lighthouse staff did not enter, create or edit any data. (3) The results displayed on this report can vary each time the report is generated due to clinic staff entering new data.													
Site Name	Anderson	Bedford	Benton	Bledsoe	Blount	Bradley	Campbell	Cannon	Carroll	Carter	Cheatham	Chester	Claiborne	Clay
BHG - Columbia	-	6	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Dyersburg	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Jackson	-	-	<6	-	-	-	-	-	9	-	-	15	-	-
BHG - Knoxville Bernard	92	-	-	-	91	-	69	-	-	-	-	-	17	-
BHG - Knoxville Citico Medical Center	123	-	-	-	108	<6	77	-	-	-	-	-	23	-
BHG - Madison	-	-	-	-	-	-	-	-	-	-	<6	-	-	-
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis South	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Middle Tennessee	-	<6	-	<6	-	-	-	-	-	-	60	-	-	<6
BHG - Murfreesboro	-	19	-	<6	-	-	-	11	-	<6	-	-	-	-
BHG - Paris	-	-	94	-	-	<6	-	-	36	-	-	-	-	-
BHG - Savannah	-	-	-	-	-	-	-	-	-	-	-	<6	<6	-
Bradley County CTC	<6	-	<6	<6	<6	621	<6	-	-	-	-	-	-	-
Clarksville CTC	-	-	-	-	-	-	<6	-	-	-	8	-	-	-
Hermitage CTC	-	-	-	-	-	-	-	<6	-	-	<6	-	-	<6
Memphis CTC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
New Hope Treatment Center of Tennessee	<6	-	-	-	<6	-	<6	-	-	-	-	-	<6	-
Overmountain Recovery	-	-	-	-	-	-	-	-	-	157	-	-	-	-
South Nashville CTC	-	<6	<6	-	-	-	-	<6	-	-	7	-	-	-
TLC Maryville	14	-	-	-	251	-	<6	-	-	-	-	-	<6	-
Volunteer Treatment Center	10	<6	-	6	12	64	7	-	-	-	-	-	-	<6
Total by County	247	32	101	9	468	687	167	17	45	158	81	16	46	<6

Site Name	Cocke	Coffee	Crockett	Cumberland	Davidson	Decatur	DeKalb	Dickson	Dyer	Fayette	Fentress	Franklin	Gibson	Giles
BHG - Columbia	-	-	-	-	<6	-	-	<6	-	-	-	-	-	11
BHG - Dyersburg	-	-	6	-	-	-	-	-	266	-	-	-	17	-
BHG - Jackson	-	<6	17	-	-	<6	-	-	<6	<6	-	-	39	-
BHG - Knoxville Bernard	6	<6	-	<6	-	-	-	-	-	-	<6	<6	-	-
BHG - Knoxville Citico Medical Center	<6	-	-	10	-	-	-	-	-	-	6	-	-	<6
BHG - Madison	-	-	-	-	230	-	-	7	-	-	-	-	-	-
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	-	<6	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-	-	-	-	6	-	-	-	-
BHG - Memphis South	-	-	-	-	-	-	-	-	-	<6	-	-	-	-
BHG - Middle Tennessee	-	<6	-	<6	646	<6	<6	48	-	-	-	<6	-	<6
BHG - Murfreesboro	-	18	-	<6	<6	-	<6	-	-	-	-	<6	-	-
BHG - Paris	-	-	-	-	<6	<6	-	<6	-	-	-	-	<6	-
BHG - Savannah	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bradley County CTC	-	-	-	<6	-	<6	-	-	-	<6	-	-	-	-
Clarksville CTC	-	-	-	<6	<6	-	-	<6	-	-	-	-	-	-
Hermitage CTC	-	<6	-	-	212	<6	<6	<6	-	-	-	<6	-	-
Memphis CTC	-	-	-	-	-	-	-	-	<6	<6	-	-	-	-
New Hope Treatment Center of Tennessee	220	-	-	-	-	-	-	-	-	-	-	-	-	-
Overmountain Recovery	<6	-	-	-	-	-	-	<6	-	-	-	-	-	-
South Nashville CTC	-	<6	-	<6	281	-	-	6	-	-	<6	-	-	<6
TLC Maryville	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Volunteer Treatment Center	-	7	-	<6	<6	-	<6	-	-	-	<6	<6	-	-
Total by County	230	32	23	25	1,383	14	14	73	269	19	14	9	57	14

Site Name	Grainger	Greene	Grundy	Hamblen	Hamilton	Hancock	Hardeman	Hardin	Hawkins	Haywood	Henderson	Henry	Hickman
BHG - Columbia	-	-	-	-	-	-	-	-	-	-	-	-	14
BHG - Dyersburg	-	-	-	-	-	-	-	-	-	<6	<6	-	-
BHG - Jackson	-	-	-	-	-	-	8	8	-	10	38	<6	-
BHG - Knoxville Bernard	19	-	-	15	-	<6	-	-	<6	-	-	-	-
BHG - Knoxville Citico Medical Center	21	<6	-	16	-	<6	-	<6	<6	<6	-	-	-
BHG - Madison	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis South	-	-	-	-	-	-	<6	-	-	-	-	-	-
BHG - Middle Tennessee	-	-	-	-	<6	-	-	-	-	-	-	-	15
BHG - Murfreesboro	-	-	-	-	-	-	-	-	-	-	-	-	<6
BHG - Paris	-	-	-	-	-	-	-	-	-	-	<6	205	-
BHG - Savannah	-	-	-	-	-	-	-	107	<6	-	6	-	-
Bradley County CTC	-	-	-	-	42	-	-	-	-	-	-	-	-
Clarksville CTC	-	-	-	-	-	-	-	-	-	-	-	<6	-
Hermitage CTC	-	-	-	-	-	-	-	-	-	-	-	-	-
Memphis CTC	-	-	-	-	-	-	-	-	-	-	-	-	-
New Hope Treatment Center of Tennessee	24	23	-	68	-	11	-	-	7	-	-	-	-
Overmountain Recovery	<6	92	-	11	-	-	-	-	71	-	-	-	-
South Nashville CTC	-	-	-	-	-	-	-	-	-	-	-	-	-
TLC Maryville	<6	-	-	<6	-	-	-	-	-	-	-	-	-
Volunteer Treatment Center	-	-	7	<6	947	-	-	-	<6	-	-	-	-
Total by County	67	117	7	113	990	15	10	116	86	12	48	212	30

Site Name	Houston	Humphreys	Jackson	Jefferson	Johnson	Knox	Lake	Lauderdale	Lawrence	Lewis	Lincoln	Loudon	Macon	Madison
BHG - Columbia	-	-	-	-	-	-	-	-	14	23	<6	-	-	-
BHG - Dyersburg	-	-	-	-	-	-	90	51	-	-	-	-	-	<6
BHG - Jackson	-	-	<6	-	-	-	<6	-	-	-	-	-	-	231
BHG - Knoxville Bernard	-	-	-	39	-	823	-	-	-	-	-	19	-	-
BHG - Knoxville Citico Medical Center	-	-	-	34	-	897	-	-	-	-	-	42	<6	-
BHG - Madison	-	-	-	-	-	-	-	-	-	<6	-	-	<6	-
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	-	-	-	-	-	<6
BHG - Memphis North	-	-	<6	-	-	-	<6	<6	-	-	-	-	-	-
BHG - Memphis South	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Middle Tennessee	<6	<6	<6	-	-	<6	-	-	-	<6	<6	-	<6	-
BHG - Murfreesboro	-	-	<6	-	-	<6	-	-	-	<6	-	-	-	-
BHG - Paris	<6	9	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Savannah	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bradley County CTC	-	-	-	-	-	<6	-	-	-	-	-	6	-	-
Clarksville CTC	<6	<6	-	-	-	-	-	-	-	-	-	-	-	-
Hermitage CTC	<6	-	-	-	-	-	-	-	<6	-	-	-	<6	-
Memphis CTC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
New Hope Treatment Center of Tennessee	-	-	-	68	-	20	-	-	-	-	-	-	-	-
Overmountain Recovery	-	-	-	-	11	<6	-	-	-	-	-	-	-	-
South Nashville CTC	-	-	-	-	-	-	-	-	<6	<6	-	-	<6	-
TLC Maryville	-	-	-	<6	-	81	-	-	-	-	-	29	-	-
Volunteer Treatment Center	-	-	6	<6	-	30	-	-	-	-	-	22	-	-
Total by County	7	14	13	147	11	1,859	92	52	17	32	<6	118	7	233

Site Name	Marion	Marshall	Maury	McMinn	McNairy	Meigs	Monroe	Montgomery	Moore	Morgan	Obion	Overton	Perry	Pickett	Polk
BHG - Columbia	-	33	159	<6	-	-	-	-	-	-	-	-	-	-	-
BHG - Dyersburg	-	-	-	-	-	-	-	-	-	-	87	<6	-	-	-
BHG - Jackson	-	-	<6	-	12	-	-	-	-	-	<6	-	-	-	-
BHG - Knoxville Bernard	-	-	-	<6	-	-	11	-	-	11	-	<6	-	-	-
BHG - Knoxville Citico Medical Center	-	-	-	<6	-	-	7	-	-	20	-	<6	-	<6	-
BHG - Madison	-	-	<6	-	-	-	-	<6	-	-	-	-	-	<6	-
BHG - Memphis Midtown	<6	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-	-	-	-	-	<6	-	-	-	-
BHG - Memphis South	-	<6	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Middle Tennessee	-	<6	<6	-	-	-	-	12	-	-	-	<6	-	-	-
BHG - Murfreesboro	<6	<6	<6	-	-	-	-	-	-	-	-	<6	-	-	-
BHG - Paris	-	<6	-	-	-	-	-	<6	-	-	<6	-	-	-	-
BHG - Savannah	-	-	-	-	44	-	-	-	-	-	-	-	-	-	-
Bradley County CTC	-	-	-	88	-	39	18	-	-	<6	-	<6	-	-	71
Clarksville CTC	-	-	-	-	-	-	-	378	-	-	-	-	-	-	-
Hermitage CTC	-	-	<6	-	-	-	-	<6	-	-	-	<6	-	<6	-
Memphis CTC	-	-	-	-	-	<6	-	-	-	-	-	-	-	-	-
New Hope Treatment Center of Tennessee	-	-	-	-	-	<6	-	-	-	-	-	-	-	-	-
Overmountain Recovery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
South Nashville CTC	-	-	<6	-	-	-	-	<6	-	-	-	-	-	-	-
TLC Maryville	-	-	-	-	-	<6	22	-	-	<6	-	-	-	-	<6
Volunteer Treatment Center	44	-	<6	18	-	<6	17	-	-	<6	-	<6	-	<6	<6
Total by County	46	42	170	111	56	48	75	397	-	41	92	20	-	8	76

Site Name	Putnam	Rhea	Roane	Robertson	Rutherford	Scott County	Sequatchie	Sevier	Shelby	Smith	Stewart	Sullivan	Sumner	Tipton
BHG - Columbia	-	-	-	-	<6	-	-	-	-	-	-	-	-	-
BHG - Dyersburg	-	-	-	-	<6	-	-	-	<6	-	-	-	-	<6
BHG - Jackson	-	-	-	<6	-	-	-	-	<6	-	-	-	<6	<6
BHG - Knoxville Bernard	-	<6	23	-	-	7	-	85	-	-	-	-	-	-
BHG - Knoxville Citico Medical Center	-	<6	71	-	-	11	<6	70	-	-	-	-	-	-
BHG - Madison	<6	-	-	22	<6	-	-	-	-	-	-	-	96	-
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	345	-	-	-	-	7
BHG - Memphis North	-	-	-	-	-	-	-	-	350	-	-	<6	-	25
BHG - Memphis South	-	-	-	-	-	<6	-	-	254	-	-	-	-	-
BHG - Middle Tennessee	8	-	-	26	48	-	-	-	-	<6	-	-	52	-
BHG - Murfreesboro	<6	-	-	<6	237	-	-	-	<6	-	-	-	-	-
BHG - Paris	-	-	-	-	-	-	-	-	-	-	12	-	-	-
BHG - Savannah	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bradley County CTC	-	37	13	-	-	<6	<6	-	-	-	-	-	-	-
Clarksville CTC	-	-	-	<6	-	-	-	-	-	-	11	-	<6	-
Hermitage CTC	12	-	-	<6	16	-	-	-	-	7	-	-	29	-
Memphis CTC	-	-	-	-	-	-	-	-	291	-	-	-	-	<6
New Hope Treatment Center of Tennessee	-	<6	-	-	-	-	-	90	-	-	-	<6	-	-
Overmountain Recovery	-	-	-	-	-	11	-	-	-	-	-	455	-	-
South Nashville CTC	<6	-	-	<6	26	-	-	-	-	<6	-	-	10	-
TLC Maryville	-	-	14	-	-	-	-	19	-	-	-	-	-	-
Volunteer Treatment Center	15	51	27	-	<6	-	33	7	<6	-	-	<6	-	-
Total by County	39	91	148	65	333	32	35	271	1,246	16	23	458	190	39

Site Name	Trousdale	Unicoi	Union	Van Buren	Warren	Washington	Wayne	Weakley	White	Williamson	Wilson	za - Out of State - Alabama
BHG - Columbia	-	-	-	-	-	-	-	-	-	15	-	-
BHG - Dyersburg	-	-	-	-	-	-	-	<6	-	-	-	-
BHG - Jackson	-	-	-	-	-	-	<6	<6	-	-	<6	-
BHG - Knoxville Bernard	-	-	29	-	<6	-	-	<6	<6	-	-	<6
BHG - Knoxville Citico Medical Center	-	<6	50	-	-	<6	-	-	-	-	<6	-
BHG - Madison	-	-	-	-	<6	-	-	-	<6	-	33	-
BHG - Memphis Midtown	-	-	<6	-	-	-	-	-	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis South	-	-	<6	-	-	-	-	-	-	-	-	-
BHG - Middle Tennessee	-	-	-	-	-	-	<6	-	-	40	44	-
BHG - Murfreesboro	-	-	-	-	8	-	-	-	<6	<6	<6	-
BHG - Paris	-	-	-	-	-	-	-	22	-	-	-	-
BHG - Savannah	-	-	-	-	-	-	19	-	-	-	-	<6
Bradley County CTC	-	-	-	-	-	-	-	-	-	-	-	-
Clarksville CTC	-	-	-	-	-	-	-	-	-	-	-	-
Hermitage CTC	<6	-	-	-	-	-	-	-	<6	<6	79	-
Memphis CTC	-	-	-	-	-	-	-	-	-	-	-	-
New Hope Treatment Center of Tennessee	-	-	<6	-	-	<6	-	-	-	-	-	-
Overmountain Recovery	-	45	-	-	-	304	-	-	-	-	-	-
South Nashville CTC	-	-	-	-	-	-	-	-	-	15	13	-
TLC Maryville	-	-	<6	-	-	-	-	-	-	-	-	-
Volunteer Treatment Center	-	-	<6	6	8	-	-	-	11	-	<6	<6
Total by County	<6	46	91	6	19	306	22	29	19	77	177	6

Site Name	zb - Out of State - Arkansas	zc - Out of State - Georgia	zd - Out of State - Illinois	ze - Out of State - Kentucky
BHG - Columbia	-	-	-	-
BHG - Dyersburg	<6	-	-	-
BHG - Jackson	-	-	-	-
BHG - Knoxville Bernard	-	-	-	<6
BHG - Knoxville Citico Medical Center	-	-	-	7
BHG - Madison	-	-	-	<6
BHG - Memphis Midtown	24	-	-	-
BHG - Memphis North	<6	-	-	-
BHG - Memphis South	<6	-	-	-
BHG - Middle Tennessee	-	<6	-	10
BHG - Murfreesboro	-	-	-	-
BHG - Paris	-	-	-	57
BHG - Savannah	-	-	-	-
Bradley County CTC	-	7	-	-
Clarksville CTC	-	-	-	<6
Hermitage CTC	-	-	-	-
Memphis CTC	8	-	-	-
New Hope Treatment Center of Tennessee	-	-	-	-
Overmountain Recovery	-	-	-	-
South Nashville CTC	-	-	-	-
TLC Maryville	-	-	-	<6
Volunteer Treatment Center	-	138	-	<6
Total by County	41	146	-	89

Site Name	zf - Out of State - Mississippi	zg - Out of State - Missouri	zh - Out of State - North Carolina	zi - Out of State - South Carolina
BHG - Columbia	-	-	-	-
BHG - Dyersburg	-	<6	-	-
BHG - Jackson	<6	-	-	-
BHG - Knoxville Bernard	-	-	<6	-
BHG - Knoxville Citico Medical Center	-	-	-	-
BHG - Madison	-	-	-	-
BHG - Memphis Midtown	39	-	-	-
BHG - Memphis North	17	-	-	-
BHG - Memphis South	74	-	-	-
BHG - Middle Tennessee	-	-	-	-
BHG - Murfreesboro	-	-	-	-
BHG - Paris	<6	-	-	-
BHG - Savannah	19	-	-	-
Bradley County CTC	-	-	-	-
Clarksville CTC	-	-	-	-
Hermitage CTC	-	-	-	-
Memphis CTC	35	-	-	-
New Hope Treatment Center of Tennessee	<6	-	-	-
Overmountain Recovery	-	-	<6	<6
South Nashville CTC	-	-	-	-
TLC Maryville	-	-	-	-
Volunteer Treatment Center	-	-	-	-
Total by County	189	<6	<6	<6

Site Name	zj - Out of State - Virginia	zz - Out of State - All Other States	Total with Info	No Information
BHG - Columbia	-	-	288	-
BHG - Dyersburg	-	-	538	-
BHG - Jackson	-	-	423	-
BHG - Knoxville Bernard	<6	<6	1,385	-
BHG - Knoxville Citico Medical Center	-	-	1,620	-
BHG - Madison	-	-	407	<6
BHG - Memphis Midtown	-	<6	422	<6
BHG - Memphis North	-	-	406	-
BHG - Memphis South	-	-	341	-
BHG - Middle Tennessee	-	-	1,057	44
BHG - Murfreesboro	-	-	338	<6
BHG - Paris	-	<6	457	-
BHG - Savannah	-	-	199	-
Bradley County CTC	-	-	974	-
Clarksville CTC	-	<6	423	<6
Hermitage CTC	-	<6	397	-
Memphis CTC	-	-	343	<6
New Hope Treatment Center of Tennessee	-	-	556	-
Overmountain Recovery	51	<6	1,217	-
South Nashville CTC	-	-	390	<6
TLC Maryville	-	-	454	-
Volunteer Treatment Center	-	<6	1,552	-
Total by County	52	8	14,187	57

Treatment by County Data as of 01/01/2023 to 12/31/2023 Report printed by Erica Hurst on May 19, 2026 at 10:34 am. All data has been entered by clinic staff, and Lighthouse does not enter, create, edit or verify the accuracy of the data. DISCLAIMER: (1) This report shows patients who were in treatment one or more days of the specified date range. (2) All data used in this report was entered by clinic staff. Lighthouse staff did not enter, create or edit any data. (3) The results displayed on this report can vary each time the report is generated due to clinic staff entering new data.

Site Name	Anderson	Bedford	Benton	Bledsoe	Blount	Bradley	Campbell	Cannon	Carroll	Carter	Cheatham	Chester	Claiborne	Clay
BHG - Columbia	-	<6	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Dyersburg	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Jackson	-	-	<6	-	-	-	-	-	<6	-	-	15	-	-
BHG - Knoxville Bernard	89	-	-	-	80	-	67	-	-	-	-	-	13	-
BHG - Knoxville Citico Medical Center	127	-	-	-	106	<6	103	-	-	-	-	-	19	-
BHG - Madison	-	-	-	-	-	-	-	-	-	-	<6	-	-	-
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis South	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Middle Tennessee	-	<6	-	<6	<6	-	-	<6	-	-	65	-	-	<6
BHG - Murfreesboro	-	16	-	<6	-	-	-	8	-	<6	-	-	-	-
BHG - Paris	-	-	92	-	-	<6	-	-	37	-	-	-	-	-
BHG - Savannah	-	-	-	-	-	-	-	-	-	-	-	<6	-	-
Bradley County CTC	<6	-	<6	-	<6	568	<6	-	-	-	-	-	-	-
Clarksville CTC	-	-	-	-	-	<6	<6	-	-	-	6	-	-	-
Hermitage CTC	-	-	-	-	-	-	-	-	-	-	<6	-	-	<6
Memphis CTC	-	-	-	-	-	<6	-	-	-	-	-	-	-	-
New Hope Treatment Center of Tennessee	<6	-	-	-	<6	-	<6	-	-	-	-	-	<6	-
Overmountain Recovery	<6	-	-	-	-	-	-	-	-	118	-	-	-	-
South Nashville CTC	-	-	-	-	-	-	-	<6	-	-	<6	-	-	-
TLC Maryville	18	-	-	-	264	-	9	-	-	-	-	-	<6	-
Volunteer Treatment Center	11	<6	-	<6	14	74	9	-	-	-	-	-	-	<6
Total by County	256	23	96	7	469	646	196	12	42	119	78	16	37	<6

Site Name	Cocke	Coffee	Crockett	Cumberland	Davidson	Decatur	DeKalb	Dickson	Dyer	Fayette	Fentress	Franklin	Gibson	Giles
BHG - Columbia	-	-	-	-	<6	-	-	6	-	-	-	<6	-	9
BHG - Dyersburg	-	-	<6	-	-	-	-	-	257	<6	-	-	11	-
BHG - Jackson	-	<6	17	-	-	<6	-	-	<6	<6	-	-	48	-
BHG - Knoxville Bernard	6	-	-	<6	-	-	-	-	-	-	<6	-	-	-
BHG - Knoxville Citico Medical Center	<6	-	-	9	-	-	-	-	-	-	<6	-	-	<6
BHG - Madison	-	-	-	-	178	-	-	<6	-	-	-	-	-	-
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	-	<6	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-	-	-	-	7	-	-	-	-
BHG - Memphis South	-	-	-	-	-	-	-	-	-	<6	-	-	-	-
BHG - Middle Tennessee	-	<6	-	-	736	-	<6	50	-	-	-	<6	<6	<6
BHG - Murfreesboro	-	14	-	-	<6	-	<6	-	-	-	-	<6	-	<6
BHG - Paris	-	-	-	-	<6	<6	-	<6	-	-	-	-	<6	-
BHG - Savannah	-	-	-	-	-	<6	-	-	-	-	-	-	-	-
Bradley County CTC	-	-	-	<6	-	<6	-	-	-	-	-	-	-	-
Clarksville CTC	-	-	-	<6	<6	-	-	-	-	-	-	-	-	-
Hermitage CTC	-	<6	-	<6	199	-	<6	<6	-	-	-	<6	-	-
Memphis CTC	-	-	-	-	-	-	-	-	<6	<6	-	-	-	-
New Hope Treatment Center of Tennessee	202	-	-	-	-	-	-	-	-	-	-	-	-	-
Overmountain Recovery	<6	-	-	-	-	-	-	-	-	-	-	-	-	-
South Nashville CTC	-	<6	-	<6	238	-	-	<6	-	-	-	-	<6	-
TLC Maryville	<6	-	-	<6	-	-	-	-	-	-	-	-	-	-
Volunteer Treatment Center	-	8	-	<6	<6	-	<6	-	-	-	11	<6	-	-
Total by County	214	29	22	22	1,359	11	13	68	260	16	18	8	63	12

Site Name	Grainger	Greene	Grundy	Hamblen	Hamilton	Hancock	Hardeman	Hardin	Hawkins	Haywood	Henderson	Henry	Hickman
BHG - Columbia	-	-	-	-	-	-	-	-	-	-	-	-	16
BHG - Dyersburg	-	-	-	-	-	-	-	-	-	-	<6	-	-
BHG - Jackson	-	-	-	-	-	-	11	10	-	7	42	<6	-
BHG - Knoxville Bernard	25	-	-	20	-	8	-	-	<6	-	-	-	-
BHG - Knoxville Citico Medical Center	17	<6	-	16	-	<6	-	<6	<6	<6	-	-	-
BHG - Madison	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis South	-	-	-	-	-	-	<6	-	-	-	-	-	-
BHG - Middle Tennessee	-	-	-	-	<6	-	-	-	-	-	<6	-	19
BHG - Murfreesboro	-	-	-	-	-	-	-	-	-	-	-	-	<6
BHG - Paris	-	-	-	-	-	-	-	-	-	-	<6	213	-
BHG - Savannah	-	-	-	-	-	-	<6	119	<6	-	<6	-	-
Bradley County CTC	-	-	-	-	35	-	-	-	-	-	-	-	-
Clarksville CTC	-	-	-	-	-	-	-	-	-	-	-	<6	<6
Hermitage CTC	-	-	-	-	-	-	-	-	-	-	-	-	-
Memphis CTC	-	-	-	-	-	-	-	-	-	-	-	-	-
New Hope Treatment Center of Tennessee	21	22	-	67	-	6	-	-	9	-	-	-	-
Overmountain Recovery	<6	63	-	<6	-	-	-	-	64	-	-	-	-
South Nashville CTC	-	-	-	-	-	-	-	-	-	-	-	-	-
TLC Maryville	<6	-	-	<6	-	-	-	-	-	-	-	-	-
Volunteer Treatment Center	-	-	<6	<6	847	-	-	-	<6	-	-	-	-
Total by County	68	88	<6	111	883	16	14	130	86	8	52	221	37

Site Name	Houston	Humphreys	Jackson	Jefferson	Johnson	Knox	Lake	Lauderdale	Lawrence	Lewis	Lincoln	Loudon	Macon
BHG - Columbia	-	-	-	-	-	-	-	-	13	24	<6	-	-
BHG - Dyersburg	-	-	-	-	-	<6	88	36	-	-	-	-	-
BHG - Jackson	-	-	-	-	-	-	<6	-	-	-	-	-	-
BHG - Knoxville Bernard	-	-	-	28	<6	711	-	-	-	-	-	21	-
BHG - Knoxville Citico Medical Center	-	-	-	28	<6	702	<6	-	-	-	-	44	<6
BHG - Madison	-	<6	-	-	-	-	-	-	-	-	-	-	<6
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-	-	<6	-	-	-	-	-
BHG - Memphis South	-	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Middle Tennessee	<6	10	<6	-	-	<6	-	-	-	<6	<6	<6	<6
BHG - Murfreesboro	-	-	<6	-	-	<6	-	-	-	-	-	-	-
BHG - Paris	<6	10	-	-	-	-	-	-	-	<6	-	-	-
BHG - Savannah	-	-	-	-	-	-	-	-	<6	-	-	-	-
Bradley County CTC	-	-	-	-	-	<6	-	-	-	-	-	<6	-
Clarksville CTC	6	<6	-	-	-	-	-	-	-	-	-	-	-
Hermitage CTC	-	-	<6	-	-	-	-	-	-	-	-	-	<6
Memphis CTC	-	-	-	-	-	-	-	-	-	-	-	-	-
New Hope Treatment Center of Tennessee	-	-	-	62	-	25	-	-	-	-	-	-	-
Overmountain Recovery	-	-	-	<6	8	<6	-	-	-	-	-	-	-
South Nashville CTC	-	<6	-	-	-	-	-	-	<6	-	-	-	<6
TLC Maryville	-	-	-	<6	-	91	-	-	-	-	-	30	-
Volunteer Treatment Center	-	-	<6	<6	-	31	-	-	-	-	-	22	-
Total by County	8	25	7	130	10	1,569	91	37	16	30	6	121	8

Site Name	Madison	Marion	Marshall	Maury	McMinn	McNairy	Meigs	Monroe	Montgomery	Moore	Morgan	Obion	Overton	Perry
BHG - Columbia	-	-	38	171	<6	-	-	-	-	-	-	-	-	-
BHG - Dyersburg	<6	-	-	-	-	-	-	-	-	-	-	91	<6	-
BHG - Jackson	223	-	-	-	-	13	-	-	-	-	-	<6	-	-
BHG - Knoxville Bernard	-	-	-	-	<6	-	-	8	-	-	8	-	<6	-
BHG - Knoxville Citico Medical Center	-	<6	-	-	-	-	-	<6	-	-	14	-	-	-
BHG - Madison	-	-	-	-	-	-	-	-	<6	-	-	-	-	-
BHG - Memphis Midtown	<6	<6	-	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis North	-	-	-	-	-	-	-	-	-	-	-	<6	-	-
BHG - Memphis South	-	-	<6	-	-	-	-	-	-	-	-	-	-	-
BHG - Middle Tennessee	-	<6	<6	<6	-	-	-	-	24	-	-	-	7	-
BHG - Murfreesboro	-	<6	-	<6	-	-	-	-	-	-	-	-	<6	-
BHG - Paris	<6	-	<6	-	-	-	-	-	<6	-	-	<6	-	-
BHG - Savannah	-	-	-	-	-	47	-	-	-	-	-	-	-	-
Bradley County CTC	-	-	-	-	54	-	29	21	-	-	-	-	<6	-
Clarksville CTC	-	-	-	<6	-	-	-	-	323	<6	-	-	-	-
Hermitage CTC	<6	-	-	<6	-	-	-	-	<6	-	-	-	-	-
Memphis CTC	-	-	<6	-	-	-	-	-	-	-	-	-	-	-
New Hope Treatment Center of Tennessee	-	-	-	-	-	-	<6	-	-	-	-	-	-	-
Overmountain Recovery	-	-	-	-	-	-	-	-	-	-	-	-	-	-
South Nashville CTC	-	-	-	-	-	-	-	-	<6	-	-	-	-	-
TLC Maryville	-	-	-	-	-	-	<6	25	-	-	<6	-	-	-
Volunteer Treatment Center	-	37	<6	-	21	-	6	16	-	-	<6	-	<6	-
Total by County	228	42	47	176	77	60	37	74	355	<6	27	95	17	-

Site Name	Pickett	Polk	Putnam	Rhea	Roane	Robertson	Rutherford	Scott County	Sequatchie	Sevier	Shelby	Smith	Stewart	Sullivan
BHG - Columbia	-	-	-	-	-	-	<6	-	-	-	-	<6	-	-
BHG - Dyersburg	-	-	-	-	-	-	<6	-	-	-	<6	-	-	-
BHG - Jackson	-	-	-	-	-	<6	-	-	-	-	<6	-	-	-
BHG - Knoxville Bernard	-	<6	-	<6	40	-	-	6	-	98	-	-	-	-
BHG - Knoxville Citico Medical Center	<6	-	-	<6	48	<6	-	9	<6	70	-	-	-	-
BHG - Madison	<6	-	-	-	-	12	<6	-	-	-	-	-	-	-
BHG - Memphis Midtown	-	-	-	-	-	-	-	-	-	-	327	-	-	-
BHG - Memphis North	-	-	-	-	-	-	-	<6	-	-	349	-	-	<6
BHG - Memphis South	-	-	-	-	-	-	-	<6	-	-	256	-	-	-
BHG - Middle Tennessee	-	-	10	-	<6	27	76	-	-	-	-	<6	-	-
BHG - Murfreesboro	-	-	<6	-	-	-	199	-	-	-	-	-	-	-
BHG - Paris	-	-	-	-	-	-	-	-	-	-	-	-	11	-
BHG - Savannah	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bradley County CTC	-	45	-	25	12	-	-	-	-	-	-	-	-	<6
Clarksville CTC	-	-	-	-	-	<6	<6	-	-	-	-	-	15	-
Hermitage CTC	-	-	7	-	-	<6	20	-	-	-	-	<6	-	-
Memphis CTC	-	-	-	-	-	-	-	-	-	-	258	-	-	-
New Hope Treatment Center of Tennessee	-	-	-	-	-	-	-	-	-	82	-	-	-	-
Overmountain Recovery	-	-	-	-	-	-	-	<6	-	<6	-	-	-	381
South Nashville CTC	-	-	<6	-	-	<6	22	-	-	-	-	<6	-	-
TLC Maryville	-	<6	-	-	15	-	-	-	-	30	-	-	-	-
Volunteer Treatment Center	-	<6	13	59	30	-	<6	-	25	8	-	-	-	<6
Total by County	<6	50	34	87	146	53	323	22	26	289	1,192	11	26	384

Site Name	Sumner	Tipton	Trousdale	Unicoi	Union	Van Buren	Warren	Washington	Wayne	Weakley	White	Williamson	Wilson
BHG - Columbia	-	-	-	-	-	-	<6	-	<6	-	-	17	-
BHG - Dyersburg	-	<6	-	-	-	-	-	-	-	<6	-	-	-
BHG - Jackson	<6	<6	-	-	-	-	-	-	-	6	-	-	<6
BHG - Knoxville Bernard	-	-	-	-	36	-	<6	<6	-	<6	<6	-	-
BHG - Knoxville Citico Medical Center	-	-	-	<6	41	-	-	<6	-	-	-	-	<6
BHG - Madison	92	-	-	-	-	-	-	-	-	-	<6	<6	<6
BHG - Memphis Midtown	-	<6	-	-	<6	-	-	-	-	-	-	-	-
BHG - Memphis North	-	23	-	-	-	-	-	-	-	-	-	-	-
BHG - Memphis South	-	<6	-	-	<6	-	-	-	-	-	-	-	-
BHG - Middle Tennessee	67	-	-	-	-	-	<6	-	-	-	<6	37	47
BHG - Murfreesboro	<6	-	-	-	-	<6	<6	-	-	-	<6	-	<6
BHG - Paris	-	-	-	-	-	-	-	-	-	17	-	-	-
BHG - Savannah	-	-	-	-	-	-	-	-	16	-	-	-	-
Bradley County CTC	-	-	-	-	-	-	-	-	-	-	-	-	-
Clarksville CTC	<6	-	-	-	-	-	-	-	-	-	-	-	-
Hermitage CTC	31	-	<6	-	-	-	-	-	-	-	<6	-	62
Memphis CTC	-	<6	-	-	-	-	-	-	-	-	-	-	-
New Hope Treatment Center of Tennessee	-	-	-	-	<6	-	-	<6	-	-	-	-	-
Overmountain Recovery	-	-	-	29	-	-	-	230	-	-	-	-	-
South Nashville CTC	6	-	-	-	-	-	-	-	-	-	-	9	18
TLC Maryville	-	-	-	-	<6	-	-	-	-	-	-	-	-
Volunteer Treatment Center	-	-	-	-	<6	<6	9	-	-	-	<6	-	<6
Total by County	200	32	<6	30	90	7	17	233	17	27	13	64	136

Site Name	za - Out of State - Alabama	zb - Out of State - Arkansas	zc - Out of State - Georgia	zd - Out of State - Illinois
BHG - Columbia	-	-	-	-
BHG - Dyersburg	-	<6	-	-
BHG - Jackson	-	-	-	-
BHG - Knoxville Bernard	<6	-	-	-
BHG - Knoxville Citico Medical Center	-	-	-	-
BHG - Madison	-	-	-	-
BHG - Memphis Midtown	<6	23	-	-
BHG - Memphis North	-	<6	-	-
BHG - Memphis South	-	<6	-	-
BHG - Middle Tennessee	<6	-	<6	-
BHG - Murfreesboro	-	-	-	-
BHG - Paris	-	-	-	-
BHG - Savannah	<6	-	-	-
Bradley County CTC	-	-	<6	-
Clarksville CTC	-	-	-	-
Hermitage CTC	-	-	-	-
Memphis CTC	-	8	-	-
New Hope Treatment Center of Tennessee	-	-	-	-
Overmountain Recovery	-	-	-	-
South Nashville CTC	-	-	-	-
TLC Maryville	-	-	-	-
Volunteer Treatment Center	<6	-	119	-
Total by County	8	39	122	-

Site Name	ze - Out of State - Kentucky	zf - Out of State - Mississippi	zg - Out of State - Missouri	zh - Out of State - North Carolina
BHG - Columbia	-	-	-	-
BHG - Dyersburg	-	-	6	-
BHG - Jackson	-	<6	-	-
BHG - Knoxville Bernard	7	-	-	<6
BHG - Knoxville Citico Medical Center	10	-	-	-
BHG - Madison	<6	-	-	-
BHG - Memphis Midtown	-	46	-	-
BHG - Memphis North	-	18	-	-
BHG - Memphis South	-	84	-	-
BHG - Middle Tennessee	13	-	-	-
BHG - Murfreesboro	-	-	-	-
BHG - Paris	69	<6	-	-
BHG - Savannah	-	21	-	-
Bradley County CTC	-	-	-	<6
Clarksville CTC	<6	-	-	-
Hermitage CTC	-	-	-	-
Memphis CTC	<6	26	-	-
New Hope Treatment Center of Tennessee	-	<6	-	-
Overmountain Recovery	-	-	-	<6
South Nashville CTC	-	-	-	-
TLC Maryville	<6	-	-	-
Volunteer Treatment Center	<6	-	-	-
Total by County	113	200	6	<6

Site Name	zi - Out of State - South Carolina	zj - Out of State - Virginia	zz - Out of State - All Other States	Total with Info	No Information
BHG - Columbia	-	-	-	314	-
BHG - Dyersburg	-	-	-	510	-
BHG - Jackson	-	-	-	425	-
BHG - Knoxville Bernard	-	<6	-	1,299	-
BHG - Knoxville Citico Medical Center	-	-	<6	1,402	-
BHG - Madison	-	-	-	297	<6
BHG - Memphis Midtown	-	-	<6	407	<6
BHG - Memphis North	-	-	<6	406	-
BHG - Memphis South	-	-	-	355	-
BHG - Middle Tennessee	-	-	-	1,236	44
BHG - Murfreesboro	-	-	-	271	<6
BHG - Paris	-	-	<6	470	-
BHG - Savannah	-	-	-	216	-
Bradley County CTC	-	-	-	816	-
Clarksville CTC	-	-	-	375	<6
Hermitage CTC	-	-	<6	356	-
Memphis CTC	-	-	<6	301	<6
New Hope Treatment Center of Tennessee	-	-	-	515	-
Overmountain Recovery	-	49	<6	967	-
South Nashville CTC	-	-	-	320	<6
TLC Maryville	-	-	-	506	-
Volunteer Treatment Center	-	-	<6	1,434	-
Total by County	-	50	14	13,198	57

Attachment 1N-3

POLICY AND PROCEDURE

Title:	Financial Assessment and Patient Collections SAMMS				
Policy Number:	1011	**Effective Date:**	02/22	**Next Review Date:**	09/26
Regulatory Agency:	BHG Corporate Office				

POLICY: The purpose of the policy is to provide an overview of BHG's Financial Assessment process and to detail the patient collection process.

SCOPE: All Registration members, including Patient Financial Coordinator (PFC) Patient Registration Coordinator (PRC), Office Managers (OM), Program Directors (PD), and Regional Directors (RD) should read and understand this SOP.

DEFINITIONS:

Financial Assessment – previously known as Financial Hardship Application. A Qualifying Financial Assessment (QFA) establishes that a patient is at or below 400% of the Federal Poverty Level. This application enables BHG to charge a patient the Nominal Rate for Self-Pay or collect the Nominal Rate as a payment plan for insured patients.

- A Financial Assessment must be on file for every patient. All applications must be renewed every year.
- Supporting documentation to validate the patient's Federal Poverty Level (FPL), as outlined in the Financial Assessment Policy, must be scanned into the EHR/billing system.
- For patients at or below 250% of the Federal Poverty Level, if the patient is not currently enrolled in Medicaid, the registration teams should assist the patient with Medicaid enrollment.

Financial Management Policy for 'At Risk' Patients – This applies to 1% of the census and is not a common application. This policy allows BHG to provide a set temporary discount for an 'At Risk' patient who is undergoing a unique financial circumstance. This application is SAMMS-specific and will not be an application in the other EHRs.

- When a patient qualifies and is approved, supporting documentation and the approval must be documented in SAMMS.

- The new rate that will be applied to a set number of weeks will be set up in SAMMS and will turn off automatically after the set number of weeks expires.
- This benefit can only be approved once per year.
- This program is for uninsured patients

Nominal Rate – This is the amount that should be billed to and collected for self-pay patients or the weekly payment amount to collect for Insured patients who have not satisfied their yearly deductible balances with both the carrier and BHG. A Qualifying Financial Assessment (previously known as the Financial Hardship Application) must be on file.

- Self-Pay – The Nominal Rate will be charged to the patient weekly.
- Insured – The Nominal Rate is the minimum to collect for deductible and coinsurance for patients that have Qualifying Financial Assessments on file. This is an extended payment plan for the full balance, adjustments are not permitted.
- A Consolidated Nominal Rate listing is available in SharePoint: Ops/Training/Patient Registration Manual Forms and Recordings/Registration Training Manual. The spreadsheet is labeled 9.4.24 Nominal Rate

Passback- After Insurance adjudicates a claim and the Revenue Cycle Team (RCM) posts the response, if it is determined that the patient does not have insurance coverage or that the patient is required to pay the remaining balance, the balance is passed back to self-pay responsibility. The balances are now owned by the Registration Team and not RCM.

- There are times that due to billing system limitations, it is difficult to determine during posting if a patient has a true secondary insurance that needs to be billed or if the patient is Medicaid QMB eligible and requires adjustments. Look for the following exceptions to Passback scenarios:
    - If the patient is Medicaid secondary or Medicaid QMB eligible and the balance due is co-insurance (not deductible), please proceed with taking the adjustments at the Reg level (PFC/PD) to prevent inflated self-pay balances.

- If the patient has a deductible or co-insurance balance due and secondary insurance that needs to be billed, follow the BHG Secondary Claims Policy 1013 in HealthDox.

RESPONSIBILITIES: Patient Registration Coordinators and Patient Financial Coordinators are responsible for following the procedure outlined in this process.

PROCEDURE:

Financial Assessment Billing and Patient Collection Process by Financial Category:

1. Self-Pay/Uninsured

    a. Qualifying Financial Assessment (QFA) on File indicating the patient is at or below 400% of the Federal Poverty Level.

        i. The patient will be charged and should pay in full the Nominal Rate at the time of billing which should match the fee located in the document titled Consolidated Nominal Rate located in Sharepoint/Ops/Training/Patient Registration Manual Forms Recordings/9.4.24 Nominal Rate Listing. A qualifying Financial Assessment should be on file with supporting documentation as listed in the Verification Checklist items.

    b. No Qualifying Financial Assessment (QFA) on File:

        i. In the event a patient does not meet the qualifying guidelines of the Financial Assessment, the patient will be charged the gross weekly billing rate of $400. The patient will not be eligible for the Nominal Rate without a QFA and supporting documentation.

            1. Before charging the gross rate, PD should complete a second review to determine whether the patient has extenuating circumstances that would support billing at the Nominal Rate.

    c. ‘At Risk’ Financial Management Plan Patients (FMP) (SAMMS only):

        i. Rare scenario that applies to at most 1% of the census. ‘At Risk’ patients are assessed and if approved they will be temporarily charged a discounted rate for a set number of weeks using SAMMS functionality.

This process will be managed by the Program Directors and will reduce the Nominal Rate payment plan to an approved rate. The Financial Assessment will be required in addition to documentation supporting the FMP requirements.

2. Insured with Deductible/Co-Insurance

    a. No Qualifying Financial Assessment/Supporting Documentation
        i. Collect the balance in full
        ii. Initiate a PD-approved payment plan when required.
    b. Qualifying Financial Assessment/Supporting Documentation
        i. Do not adjust down to the Nominal Rate, simply collect the Nominal Rate weekly in advance until the patient has paid their balance in full. This option pays the full balance but extends the time allowed to pay.
        ii. You may have credits on the account until the insurance carrier has processed the claim and the payment team has posted the charge and passed the balance back to self-pay.
    c. 'At Risk' Financial Management Plan Patients (FMP)
        i. This will not be an option for Insured Patients.
            1. In some cases, there may be scenarios that should be escalated for PFC/PD review to determine if qualifying financial circumstances exist that would allow a temporary reduction in the current payment plan, without adjustments.

Notwithstanding anything outlined in this Policy, if a patient does not have such supporting documentation available, or such information does not exist at the time the patient is entering treatment or otherwise completing the QFA, then the patient must explain why the supporting documentation is unavailable on the QFA and must further agree to provide such information as soon as it becomes available.

Patient Collection Process:

1. <u>New Patient Process:</u>

    a. Verify benefits in Waystar and scan the insurance packet into the EHR, input all information into the 3rd party tab for payer enrollment.

b. If the patient has an unmet deductible, complete the financial conversation ensuring that the patient is aware that the Nominal Rate for Qualifying Financial Assessment or Full Rate for Non-Qualifying Financial Assessment must be remitted until the deductible is met and paid in full.

   i. If a patient has two eligible insurances (primary and secondary), do not collect deductibles for associated service dates that have the dual in network coverage.

   ii. Do not collect deductibles for service dates where a Medicaid plan or Medicaid QMB is active. *Use state specific guidelines. Most states do not allow billing of Medicaid patients in out-of-network scenarios. Verify guidelines and seek support before proceeding with patient billing.

   iii. Add a system Hold/Flag/Note to reflect that the patient has a Deductible Balance and must pay the Nominal rate weekly.

c. Once the deductible is satisfied with the payer and balances due to BHG are paid in full, the weekly fee would then reduce to the co-insurance amount due.

d. Do not wait for insurance Passbacks to collect weekly payments. There may be temporary credits on accounts until charges are passed back.

e. This SOP supersedes prior payment arrangements.

2. Existing Patient Process:

   a. Monthly, review the full Waystar patient eligibility return, ensuring all patients and deductible statuses are verified to determine new deductibles and remaining unsatisfied deductibles.

   b. For patients where the deductible remaining is now satisfied or reduced from prior month, update the account information to reflect the patient deductible has been satisfied.

   c. Follow steps d-e from the New Patient Process outlined above.

3. Patient Deductible Questions and Disputes:

a. If a patient reports that their deductible is now satisfied with the carrier, perform a quick status check in Waystar and update the note in the EHR/billing system that the payer deductible is satisfied, or let the patient know the amount the carrier is still reflecting as unsatisfied.

4. Non-Compliant Patients:

    a. Week 1- Missed payment: If a patient is not making their weekly payments in full, you will need to take the following actions:

        i. Enter in a red Hold/Flag/Note in the EHR and notate patient is not paying their scheduled balance due and has missed the first payment.

        ii. Request the balance due from the patient by the end of the week. Document the conversation in the notes.

        iii. If no Qualifying Financial Assessment is on file, request the Program Director or Office Manager review the patient for eligibility to decrease the minimum weekly payment due. If eligible, communicate the new weekly payment amount due to the patient and request payment.

        iv. Initiate a Review by Physician and Treatment Teams to determine eligibility for removal of take-homes. Approval/Disapproval must be documented in the EHR.

    b. Week 2 - Missed Payment:

        i. Refer the patient to the Program Director or Office Manager as appropriate for your location to determine next steps, which could include administrative withdrawal and possible discharge. *Note, if a patient is paying a small amount towards the Nominal Rate due, it will not bypass the steps outlined in this policy unless approved by PD/RD.

        ii. Document the PD’s action plan in the notes.

5. Regulatory Compliance:

    a. Reasonable documented efforts must be made to collect the full deductible/co-insurance due before any balance modifications can be

considered or approved. Any balance adjustments must be approved by PD/RD and be documented in the EHR.

ADDITIONAL: Reference to additional related Forms and Documents:

1. BHG Patient Reg Manual Chapters 1-4 FV 2022.docx
2. Election to Self-Pay: BHG_Election to Self-Pay Agreement 2022 FV.docx
3. Revocation of Self-Pay Election: BHG_Revocation to Self-Pay Agreement 2022 FV.docx
4. Patient Registration Manual: BHG Patient Reg Manual Chapters 1-4 FV 2022.docx
5. 2024 Federal Poverty Level: 2024 Federal Poverty Level PDF.pdf
6. Financial Assessment Form: FINANCIAL ASSESSMENT FORM 2022.docx
    a. Form Facts:
        i. All New Patients should complete the Financial Assessment Form, and all existing patients should complete the form yearly.
        ii. Patients at or below 400% of the current year's poverty level must be asked to submit documented proof, which could include a prior year's tax return, three most recent pay stubs, or other qualifiers.
        iii. The Office Use Only section of the form must be completed by the Office Manager, Program Director, or Patient Financial Coordinator.
        iv. The Patient Financial Coordinator or other designated representative should ensure monthly audits are established to confirm compliance.

System Generated Footer

Standards:

Review Date:

Revision History: 03/22, 01/23, 04/23, 09/24

Authorized By:

BHG
behavioral health group

Financial Assessment 2025

Name of Head of Household		Place of Employment		
Street	City	State	Zip	Phone
Health Insurance Plan				

Please list spouses and dependents under age 18

Name		Date of Birth	Name		Date of Birth
Self			Dependent		
Spouse			Dependent		
Dependent			Dependent		
Dependent			Dependent		

Annual Household Income

Source	Self	Spouse	Other	Total
Gross wages, salaries, tips, etc.				
Social security, pension, annuity, and veteran's benefits				
Alimony, child support, military family allotments				
Income from business self-employment, and dependents				
Rent, interest, dividend, and other income				
Total Income				

Verification Checklist (attach copies)	Yes	No
Identification/Address: Driver's license, birth certificate, employment ID, social security		
Income: Prior year tax return, three most recent pay stubs, or other		
If currently Uninsured, have you applied for state medical assistance in the last 12 months?		
If Y, Status of Application: Enter A (Approved), D (Denied) or P (Pending)		

I certify that the information shown above is correct and understand verification is required for approval.

_____ _____

Name (Print) Signature/Date

BHG
behavioral health group

Office Use Only

Pay class approved: _____ Effective date: _____

Approved by: _____ Expiration date: _____

BHG 2/9/2021

ORIGINAL APPLICATION

State of Tennessee
Health Facilities Commission
502 Deaderick Street, Andrew Jackson Building, 9th Floor, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364 hsda.staff@tn.gov

CERTIFICATE OF NEED APPLICATION

1A. Name of Facility, Agency, or Institution

DRD Management, Inc.
Name

11729 Chapman Hwy | Sevier County
Street or Route | **County**

Seymour | Tennessee | 37865
City | **State** | **Zip**

www.bhgrecovery.com
Website Address

Note: The facility's name and address **must be** the name and address of the project and **must be** consistent with the Publication of Intent.

2A. Contact Person Available for Responses to Questions

Darcy Schaeffer | Ms.
Name | **Title**

Research and Planning Consultants | dschaeffer@rpcconsulting.com
Company Name | **Email Address**

6300 La Calma Drive, Suite 170
Street or Route

Austin | Texas | 78752
City | **State** | **Zip**

Consultant | 512-371-8011
Association with Owner | **Phone Number**

3A. Proof of Publication

Attach the full page of newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper that includes a copy of the publication as proof of the publication of the letter of intent. (Attachment 3A)

Date LOI was Submitted: 07/15/26

Date LOI was Published: 07/15/26

RESPONSE: See Attachment 3A for proof of publication.

4A. **Purpose of Review** *(Check appropriate box(es) – more than one response may apply)*

- [x] Establish New Health Care Institution
- [ ] Relocation
- [ ] Change in Bed Complement
- [ ] Addition of a Specialty to an Ambulatory Surgical Treatment Center (ASTC)
- [ ] Initiation of MRI Service
- [ ] MRI Unit Increase
- [ ] Satellite Emergency Department
- [ ] Addition of Therapeutic Catheterization
- [ ] Positron Emission Tomography (PET) Service
- [x] Initiation of Health Care Service as Defined in §TCA 68-11-1607(3)

Initiation of HealthCare services

- [ ] Burn Unit
- [ ] Neonatal Intensive Care Unit
- [ ] Open Heart Surgery
- [ ] Organ Transplantation
- [ ] Cardiac Catheterization
- [ ] Linear Accelerator
- [ ] Home Health
- [ ] Hospice
- [x] Opiate Addiction Treatment Provided through a Non-Residential Substitution-Based Treatment Section for Opiate Addiction

Please answer all questions on letter size, white paper, clearly typed and spaced, single sided, in order and sequentially numbered. In answering, please type the question and the response. All questions must be answered. If an item does not apply, please indicate "N/A" (not applicable). Attach appropriate documentation as an Appendix at the end of the application and reference the applicable item Number on the attachment, i.e. Attachment 1A, 2A, etc. The last page of the application should be a completed signed and notarized affidavit.

5A. **Type of Institution** *(Check all appropriate boxes – more than one response may apply)*

- [ ] Hospital
- [ ] Ambulatory Surgical Treatment Center (ASTC) – Multi-Specialty
- [ ] Ambulatory Surgical Treatment Center (ASTC) – Single Specialty
- [ ] Home Health
- [ ] Hospice
- [ ] Intellectual Disability Institutional Habilitation Facility (ICF/IID)
- [ ] Nursing Home
- [ ] Outpatient Diagnostic Center
- [ ] Rehabilitation Facility
- [ ] Residential Hospice
- [x] Nonresidential Substitution Based Treatment Center of Opiate Addiction

☐ Other

Other -

Hospital -

6A. Name of Owner of the Facility, Agency, or Institution

DRD Management, Inc.

Name

5001 Spring Valley Rd, Suite 600		214-365-6112
Street or Route		**Phone Number**
Dallas	Texas	75244
City	**State**	**Zip**

7A. Type of Ownership of Control *(Check One)*

- ☐ Sole Proprietorship
- ☐ Partnership
- ☐ Limited Partnership
- ☑ Corporation (For Profit)
- ☐ Corporation (Not-for-Profit)
- ☐ Government (State of TN or Political Subdivision)
- ☐ Joint Venture
- ☐ Limited Liability Company
- ☐ Other (Specify)

Attach a copy of the partnership agreement, or corporate charter and certificate of corporate existence. Please provide documentation of the active status of the entity from the Tennessee Secretary of State's website at https://tnbear.tn.gov/ECommerce/FilingSearch.aspx If the proposed owner of the facility is government owned must attach the relevant enabling legislation that established the facility. (Attachment 7A)

Describe the existing or proposed ownership structure of the applicant, including an ownership structure organizational chart. Explain the corporate structure and the manner in which all entities of the ownership structure relate to the applicant. As applicable, identify the members of the ownership entity and each member's percentage of ownership, for those members with 5% ownership (direct or indirect) interest.

RESPONSE: See Attachment 7A for a copy of the certificate of existence and documentation of the active status of the entity from the Tennessee Secretary of State's website. DRD Management, Inc. is 100% owned by VCPHCS, LP, which is a wholly owned subsidiary of TVG-BHG Intermediate III, LLC, d/b/a Behavioral Health Group, LLC ("BHG").

8A. Name of Management/Operating Entity *(If Applicable)*

Name

Street or Route	**County**

City	State	Zip

Website Address

For new facilities or existing facilities without a current management agreement, attach a copy of a draft management agreement that at least includes the anticipated scope of management services to be provided, the anticipated term of the agreement, and the anticipated management fee payment schedule. For facilities with existing management agreements, attach a copy of the fully executed final contract. (Attachment 8A)

9A. Legal Interest in the Site

Check the appropriate box and submit the following documentation. (Attachment 9A)

The legal interest described below must be valid on the date of the Agency consideration of the Certificate of Need application.

- ☐ Ownership (Applicant or applicant's parent company/owner) – Attach a copy of the title/deed.
- ☑ Lease (Applicant or applicant's parent company/owner) – Attach a fully executed lease that includes the terms of the lease and the actual lease expense.
- ☐ Option to Purchase - Attach a fully executed Option that includes the anticipated purchase price.
- ☐ Option to Lease - Attach a fully executed Option that includes the anticipated terms of the Option and anticipated lease expense.
- ☐ Letter of Intent, or other document showing a commitment to lease the property - attach reference document
- ☐ Other (Specify)

RESPONSE: The lease and its amendment are in Attachment 9A.

10A. Floor Plan

If the facility has multiple floors, submit one page per floor. If more than one page is needed, label each page. (Attachment 10A)

- Patient care rooms (Private or Semi-private)
- Ancillary areas
- Other (Specify)

RESPONSE: See Attachment 10A for the floor plan.

11A. Public Transportation Route

Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients. (Attachment 11A)

RESPONSE: The proposed BHG Seymour MU will be located at 11729 Chapman Highway (US-441), Seymour, TN 37865. Chapman Highway is a principal north-south arterial in East Tennessee, providing direct access between Seymour, Sevierville, and Knoxville and serving as the primary travel corridor for residents throughout southern Sevier County. The site's location on this major highway allows patients to access the facility conveniently while avoiding the heavier congestion associated with travel into downtown Knoxville. Near the proposed site, Chapman Highway carried an annual average daily traffic count of 21,303 vehicles in 2025, compared to 145,217 vehicles on Interstate 40 adjacent to BHG Knoxville Citico — illustrating the significantly less congested travel environment patients will encounter at the Seymour location. Although Sevier County does

not operate a fixed-route public transit system, the proposed site is accessible through East Tennessee Human Resource Agency (ETHRA) demand-response transportation services, which provide door-to-door transportation for TennCare enrollees, older adults, and other eligible residents throughout Sevier County and surrounding counties. ETHRA service is available for $3.00 per one-way trip or at no cost for eligible TennCare enrollees, helping ensure that patients without personal vehicles can reliably access the MU. The site also provides adequate onsite parking to accommodate the anticipated patient volume.

12A. Plot Plan

Unless relating to home care organization, briefly describe the following and attach the requested documentation on a letter size sheet of white paper, legibly labeling all requested information. It **must** include:

- Size of site (in acres);
- Location of structure on the site;
- Location of the proposed construction/renovation; and
- Names of streets, roads, or highways that cross or border the site.

(Attachment 12A)

RESPONSE: See Attachment 12A for the response and zoning documentation.

13A. Notification Requirements

- TCA §68-11-1607(c)(9)(B) states that "... If an application involves a healthcare facility in which a county or municipality is the lessor of the facility or real property on which it sits, then within ten (10) days of filing the application, the applicant shall notify the chief executive officer of the county or municipality of the filing, by certified mail, return receipt requested." Failure to provide the notifications described above within the required statutory timeframe will result in the voiding of the CON application.
  - ☐ Notification Attached (Provide signed USPS green-certified mail receipt card for each official notified.)
  - ☐ Notification in process, attached at a later date
  - ☐ Notification not in process, contact HFC Staff
  - ☑ Not Applicable

- TCA §68-11-1607(c)(9)(A) states that "... Within ten (10) days of the filing of an application for a nonresidential substitution based treatment center for opiate addiction with the agency, the applicant shall send a notice to the county mayor of the county in which the facility is proposed to be located, the state representative and senator representing the house district and senate district in which the facility is proposed to be located, and to the mayor of the municipality, if the facility is proposed to be located within the corporate boundaries of the municipality, by certified mail, return receipt requested, informing such officials that an application for a nonresidential substitution based treatment center for opiate addiction has been filed with the agency by the applicant.
  - ☐ Notification Attached (Provide signed USPS green-certified mail receipt card for each official notified.)
  - ☑ Notification in process, attached at a later date
  - ☐ Notification not in process, contact HFC Staff
  - ☐ Not Applicable

EXECUTIVE SUMMARY

1E. Overview

Please provide an overview not to exceed **ONE PAGE** (for 1E only) in total explaining each item point below.

- Description: Address the establishment of a health care institution, initiation of health services, and/or bed complement changes.

  RESPONSE:

  The applicant DRD Management, Inc. d/b/a BHG Knoxville Citico proposes to establish a new Medication Unit (MU) in Seymour, Sevier County, Tennessee, operating under the existing Joint Commission accreditation and clinical oversight of BHG Knoxville Citico, a fully certified Opioid Treatment Program (OTP). The applicant understands that a new location of a facility that dispenses methadone requires a new OTP license at the state level. The MU will provide onsite medication dispensing and administration, drug screening, care coordination, telehealth-enabled counseling encounters, and other services permitted under the federal MU regulations (42 CFR § 8.11(h)). The proposed MU will be located at 11729 Chapman Highway, Seymour, TN 37865. The MU anticipates its hours of operations will be Monday–Friday, 5:30 a.m. to 2:00 p.m., and Saturday and Sunday, 6:00–9:00 a.m. The project represents an expansion of an existing health service—not the development of a new OTP—and will significantly improve access to medication-assisted treatment (MAT) in Sevier County, which currently has no local methadone-dispensing services.

- Ownership structure

  RESPONSE: DRD Management, Inc. is a wholly owned subsidiary of TVG-BHG Intermediate III, LLC, d/b/a Behavioral Health Group, LLC (“BHG”).

- Service Area

  RESPONSE: The proposed service area is Sevier County.

- Existing similar service providers

  RESPONSE: Currently, no OTP operates within Sevier County. The nearest OTPs are located in Knox County—BHG Knoxville Citico, BHG Knoxville Bernard, and Cedar Recovery Knoxville—as well as New Hope Treatment Center in Cocke County and TLC Maryville in Blount County. While office-based opioid treatment (OBOT) providers exist within Sevier County, they cannot dispense methadone, offer fewer structured counseling and case-management services, and do not replace the role of an OTP or MU.

- Project Cost

  RESPONSE: The project cost is $726,260. The details of these costs are included in the Project Cost Chart. The proposed project will be funded with cash reserves. A letter from Wells Fargo Bank documenting the availability of cash to cover the project's capital cost and initial operating expenses and a letter detailing construction costs are included in Attachment 1E.

- Staffing

  RESPONSE: The BHG Seymour MU will be staffed with about 9.5 full-time equivalent (FTEs) positions, including two nurses, four counselors, one medical assistant, and one administrative assistant. The supervising physician and Program Manager will both be shared with BHG Knoxville Citico, ensuring continuity of clinical oversight and operational leadership across both sites without duplicating these positions. This staffing model is consistent with federal MU regulations and allows BHG to deliver comprehensive, physician-supervised MAT at the Seymour site

without replicating the full administrative infrastructure of a standalone OTP. Staffing levels are designed to meet federal and state regulatory requirements and to support a projected census of 146 patients in Year 1 and 182 patients in Year 2.

2E. Rationale for Approval

A Certificate of Need can only be granted when a project is necessary to provide needed health care in the area to be served, will provide health care that meets appropriate quality standards, and the effects attributed to competition or duplication would be positive for consumers

Provide a brief description not to exceed ONE PAGE (for 2E only) of how the project meets the criteria necessary for granting a CON using the data and information points provided in criteria sections that follow.

- Need

  RESPONSE: BHG Seymour explains the need for this project in Attachment 1N, as outlined in the State Health Plan Certificate of Need Standards and Criteria for Non-Residential Opioid Treatment Programs. The proposed BHG Seymour MU is necessary to improve access to opioid treatment services in Sevier County, which currently has no operating OTP. Sevier residents must travel a minimum of 37 minutes to reach the nearest OTP in an adjacent county, and the four facilities serving the largest share of Sevier County patients are all between 37 and 50 minutes from the county's population center. According to the Tennessee Certificate of Need (CON) Need Formula, an estimated 1,288 Sevier County residents with opioid use disorder (OUD) are not currently receiving OTP care, and the county qualifies as a "high need county." Establishing an MU—rather than a duplicative full OTP—allows BHG to strategically increase access where no comparable services currently exist while also relieving congestion at the BHG Knoxville OTPs.

- Quality Standards

  RESPONSE: BHG Seymour will operate under the existing Joint Commission accreditation and regulatory infrastructure of BHG Knoxville Citico, a fully accredited OTP meeting all Joint Commission standards. BHG Seymour will comply with all state and federal requirements for OTP services. All clinical policies, medication-dispensing protocols, emergency procedures, diversion-control plans, staffing ratios, and quality-assurance systems will be the same as those in place at BHG Knoxville Citico. This structure ensures BHG Seymour delivers care identical in quality and safety to BHG's existing OTP locations, all of which maintain strong clinical outcomes and consistently high performance. Patients will receive MAT aligned with Substance Abuse and Mental Health Services Administration's (SAMHSA) evidence-based guidelines, with integrated counseling, case management, toxicology screening, and telehealth encounters as permitted under 42 CFR § 8.11(h). Operating under the BHG Knoxville Citico's accreditation ensures uniformity of care, centralized oversight, and adherence to the highest state and federal standards.

- Consumer Advantage
  - Choice

    RESPONSE: The project will expand consumer choice by offering the first OTP site in Sevier County, eliminating the need for county residents to travel to Knox, Blount, or Cocke Counties for care. Patients who currently must choose between long daily commutes or lower-intensity OBOT services will gain a new, geographically accessible option that provides the full continuum of MAT. The Seymour MU also enhances choice for Sevier County patients currently receiving care at the Knoxville BHG OTPs by offering a closer site for medication administration while maintaining continuity of care under the same clinical infrastructure.

  - Improved access/availability to health care service(s)

    RESPONSE: The MU will substantially reduce travel time for Sevier County residents who must currently drive 37 to 50 minutes each way to reach the nearest OTPs—a burden that compounds for patients in the early phases of methadone treatment who must visit their OTP several days per week. For a healthcare service requiring multiple visits per week, geographic access is a direct determinant of treatment compliance and retention. The proposed Chapman Highway location is accessible via a major arterial corridor connecting Seymour, Sevierville, Pigeon Forge, and Gatlinburg, making it convenient for residents throughout the populated portions of the county. The

MU will also allow Sevier County residents to avoid traveling into Knoxville for treatment, alleviating peak-hour patient volume at the Knoxville BHG OTPs and improving system-wide access.

- Affordability

RESPONSE: Establishing an MU ensures the most cost-efficient expansion of care. Because the MU will operate under the accreditation and clinical oversight of BHG Knoxville Citico, BHG avoids duplicative administrative, staffing, security, accreditation, and regulatory costs. These efficiencies allow BHG to maintain affordable daily self-pay rates, participate fully in TennCare and Medicare, and direct financial resources toward patient care rather than overhead. MAT provided through OTPs remains one of the most cost-effective treatments for OUD, making the Seymour MU particularly valuable for the low-income and medically indigent populations that comprise a significant share of OTP patients statewide.

3E. Consent Calendar Justification

- ☐ Letter to Executive Director Requesting Consent Calendar (Attach Rationale that includes addressing the 3 criteria)
- ☑ Consent Calender NOT Requested

If Consent Calendar is requested, please attach the rationale for an expedited review in terms of Need, Quality Standards, and Consumer Advantage as a written communication to the Agency's Executive Director at the time the application is filed.

4E. PROJECT COST CHART

A. Construction and equipment acquired by purchase:	
1. Architectural and Engineering Fees	$19,960
2. Legal, Administrative (Excluding CON Filing Fee), Consultant Fees	$43,000
3. Acquisition of Site	$0
4. Preparation of Site	$0
5. Total Construction Costs	$332,673
6. Contingency Fund	$10,000
7. Fixed Equipment (Not included in Construction Contract)	$0
8. Moveable Equipment (List all equipment over $50,000 as separate attachments)	$50,277
9. Other (Specify): _____	$0
B. Acquisition by gift, donation, or lease:	
1. Facility (inclusive of building and land)	$0
2. Building only	$267,350
3. Land only	$0
4. Equipment (Specify): _____	$0
5. Other (Specify): _____	$0
C. Financing Costs and Fees:	
1. Interim Financing	$0
2. Underwriting Costs	$0
3. Reserve for One Year's Debt Service	$0
4. Other (Specify): _____	$0
D. Estimated Project Cost (A+B+C)	$723,260
E. CON Filing Fee	$3,000
F. Total Estimated Project Cost (D+E) **TOTAL**	$726,260

GENERAL CRITERIA FOR CERTIFICATE OF NEED

In accordance with TCA §68-11-1609(b), "no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, will provide health care that meets appropriate quality standards, and the effect attributed to completion or duplication would be positive for consumers." In making determinations, the Agency uses as guidelines the goals, objectives, criteria, and standards adopted to guide the agency in issuing certificates of need. Until the agency adopts its own criteria and standards by rule, those in the state health plan apply.

Additional criteria for review are prescribed in Chapter 11 of the Agency Rules, Tennessee Rules and Regulations 01730-11.

The following questions are listed according to the three criteria: (1) Need, (2) the effects attributed to competition or duplication would be positive for consumers (Consumer Advantage), and (3) Quality Standards.

NEED

The responses to this section of the application will help determine whether the project will provide needed health care facilities or services in the area to be served.

1N. Provide responses as an attachment to the applicable criteria and standards for the type of institution or service requested. A word version and pdf version for each reviewable type of institution or service are located at the following website. https://www.tn.gov/hsda/hsda-criteria-and-standards.html (Attachment 1N)

RESPONSE:

See Attachment 1N.

2N. Identify the proposed service area and provide justification for its reasonable ness. Submit a county level map for the Tennessee portion and counties boarding the state of the service area using the supplemental map, clearly marked, and shaded to reflect the service area as it relates to meeting the requirements for CON criteria and standards that may apply to the project. Please include a discussion of the inclusion of counties in the border states, if applicable. (Attachment 2N)

RESPONSE:

See Attachment 2N.

Complete the following utilization tables for each county in the service area, if applicable.

PROJECTED UTILIZATION

Unit Type: ☐ Procedures ☐ Cases ☑ Patients ☐ Other _____

Service Area Counties	Projected Utilization Recent Year 1 (Year = 2027)	% of Total
Sevier	146	100.00%
Total	146	100%

3N. A. Describe the demographics of the population to be served by the proposal.

RESPONSE:

See Attachment 3N.

B. Provide the following data for each county in the service area:

- Using current and projected population data from the Department of Health. (www.tn.gov/health/health-program-areas/statistics/health-data/population.html);
- the most recent enrollee data from the Division of TennCare (https://www.tn.gov/tenncare/information-statistics/enrollment-data.html),
- and US Census Bureau demographic information (https://www.census.gov/quickfacts/fact/table/US/PST045219).

RESPONSE:

See Attachment 3N.

4N. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly those who are uninsured or underinsured, the elderly, women, racial and ethnic minorities, TennCare or Medicaid recipients, and low income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.

RESPONSE:

According to the Tennessee Department of Health, Sevier County recorded 36 opioid-involved overdose deaths in 2024, down from a peak of 62 in 2021 but still 33 percent above the pre-pandemic baseline of 27 deaths in 2019.[1] Fentanyl-involved deaths accounted for 92 percent of all opioid overdose deaths in 2024, reflecting the near-complete displacement of other opioids by illicit fentanyl in the county.[2] Statewide, overdose mortality remains nearly 75 percent higher than pre-pandemic levels, underscoring the ongoing and urgent need for accessible, evidence-based treatment options such as MAT.

Sevier County residents currently have no OTP within the county and must travel a minimum of 37 minutes to reach the nearest methadone-dispensing facility. For low-income residents, individuals without reliable transportation, and those with work or family obligations, this daily travel burden is often prohibitive. Establishing an MU in Seymour will help reduce disparities caused by these geographic barriers by bringing methadone-based MAT within practical daily reach of county residents for the first time. In addition, BHG maximizes access to cost-effective treatment for people diagnosed with OUD through a combination of grant funding and internal financial assistance programs for patients experiencing temporary financial hardship and for pregnant women.

Sevier County's median age of 43.5 is notably higher than the statewide median of 39.1, reflecting a population with a growing share of older residents who may face mobility limitations, fixed incomes, and chronic health conditions that make frequent travel for medical services increasingly difficult. These demographic characteristics underscore the importance of providing OTP services that are geographically accessible and responsive to the needs of older adults as well as the broader county population.

Economic constraints represent a critical barrier to OTP access in Sevier County. The county's median household income of $62,581 is below the Tennessee median of $69,595, and 13.2 percent of residents live below the federal poverty level, comparable to the statewide rate of 13.5 percent. Sevier County's economy is heavily dependent on tourism, with Accommodation and Food Services (16,888 employees, 30.5% of total employment) and Retail Trade (9,870 employees, 17.8%) representing the county's two largest employment sectors and accounting for nearly half of all jobs.[3] Many of these positions are hourly wage jobs that offer limited scheduling flexibility, making the time and cost associated with frequent travel for treatment especially burdensome. For residents who must travel to Knoxville for methadone treatment, a daily 75- to 100-minute round trip can result in lost work time, transportation expenses, and reduced earnings.

TennCare enrollment reflects this elevated need: 18,599 Sevier County residents—18.3 percent of the county's total population—are enrolled in TennCare as of September 2025, consistent with the statewide enrollment rate of 18.7 percent. This substantial Medicaid population requires providers willing to accept TennCare and able to deliver cost-effective, evidence-based services close to where low-income residents live. Because there is no OTP in Sevier County, TennCare enrollees and other low-income residents must currently travel daily to facilities in Knox, Blount, or Cocke Counties for methadone dosing—a burden that disproportionately affects those least able to absorb the time and transportation costs involved.

The proposed BHG Seymour MU is specifically designed to address these disparities by bringing methadone-based medication treatment, counseling, and case management directly into a high-need county that currently lacks any local OTP services. BHG Seymour will accept TennCare, maintain low out-of-pocket costs, and ensure that underserved populations—particularly low-income residents, elderly adults, women, and rural patients—can access evidence-based treatment without the geographic, financial, and logistical barriers that currently limit care in Sevier County.

[1] Tennessee Department of Health Office of Information and Analytics, fatal overdose data (2013–2024), https://www.tn.gov/health/odsurveillance.html, accessed June 16, 2026.

[2] *Ibid.*

[3] "Sevier County," Tennessee Department of Economic and Community Development, https://tnecd.com/counties/sevier/, accessed July 20, 2026.

5N. Describe the existing and approved but unimplemented services of similar healthcare providers in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. List each provider and its utilization and/or occupancy individually. Inpatient bed projects must include the following data: Admissions or discharges, patient days. Average length of stay, and occupancy. Other projects should use the most appropriate measures, e.g. cases, procedures, visits, admissions, etc. This does not apply to projects that are solely relocating a service.

RESPONSE:

Sevier County currently has no OTP within its borders. The existing OTPs serving Sevier County residents are all located outside the county: BHG Knoxville Bernard, BHG Knoxville Citico, and Cedar Recovery Knoxville in Knox County to the west; New Hope Treatment Center in Cocke County to the east; and TLC Maryville in Blount County to the southwest. Because most OTP patients receive treatment during early morning hours, travel to these facilities often coincides with peak traffic conditions. At 7:00 a.m. on a weekday, estimated driving times from the Sevier County population center range from 37.5 minutes to Cedar Recovery Knoxville to 50 minutes to TLC Maryville, according to Google Maps. The proposed BHG Seymour MU will therefore offer a substantially more convenient and accessible treatment option for Sevier County residents, with an estimated drive time of just 18 minutes from the county center of population.

The table below shows three calendar years of unduplicated patient counts for Sevier County residents at each OTP serving the county. Utilization at the two BHG Knoxville clinics—which together account for the largest share of Sevier County patients—declined modestly from a combined 168 patients in 2023 to 162 in 2025. New Hope Treatment Center in Cocke County served 75 Sevier County residents in 2025, down from 82 in 2023. TLC Maryville saw the sharpest decline, falling 47 percent from 30 patients in 2023 to 16 in 2025. Volunteer Treatment Center and Overmountain Recovery each served five or fewer Sevier County patients in 2025.

Service Area and Statewide Patients Served at OTP Clinics

OTP Facility Name	Patient County	2023	2024	2025	Total	% Change 2023-2025
BHG - Knoxville Bernard	Sevier	98	85	85	268	-13%
BHG - Knoxville Citico Medical Center	Sevier	70	70	77	217	10%
New Hope Treatment Center of Tennessee	Sevier	82	90	75	247	-9%
TLC Maryville	Sevier	30	19	16	65	-47%
Volunteer Treatment Center	Sevier	25	7	5	37	-80%
Overmountain Recovery	Sevier	5	0	0	5	-100%
Cedar Recovery - Knoxville	Sevier	Data Unavailable - CON-Approved March 2024		22	22	-
Total		**310**	**271**	**280**	**861**	**-10%**
Patients Treated at All OTPs Statewide		**13,255**	**14,244**	**14,869**	**42,368**	**12%**

Source: TDMHSAS, Count of Patients in Treatment by County, Data as of January 1, 2025 to December 31, 2025, Report printed by Erica Hurst on May 19, 2026. This report shows patients who were in treatment one or more days of the specified date range. This report masks exact counts when fewer than six patients were served in a county. For conservative estimation purposes, values reported as "less than six" were assumed to represent five patients.

Cedar Recovery Knoxville was CON-approved in March 2024 and became operational thereafter.[1] Because of its recent approval, Cedar's utilization was not fully reflected in earlier TDMHSAS annual datasets. In 2025, Cedar Recovery Knoxville served 22 Sevier County residents—its first full reporting year. Even with Cedar Recovery operational, no OTP serves Sevier County from within the county, and the addition of Cedar Recovery has had only a modest effect on Sevier County utilization. The total number of Sevier County residents receiving OTP services declined slightly from 310 in 2023 to 280 in 2025, even as statewide OTP utilization grew 12 percent over the same period.

BHG believes the decline in Sevier County OTP utilization—occurring simultaneously with strong statewide growth—reflects in part the barriers presented by travel distance and the absence of a local treatment option. Patients who might otherwise seek OTP services are likely deterred by the daily commute required to reach any of the existing facilities. BHG is dedicated to improving lives through evidence-based OUD treatment and believes that establishing the proposed MU in Seymour, which will dramatically improve geographic accessibility for Sevier County residents, is an important step toward increasing OUD treatment rates in a county where unmet need remains substantial. According to the Tennessee CON Need Formula, an estimated 1,288 Sevier County residents with OUD are not currently receiving OTP services, demonstrating that the county's unmet need remains substantial and that the existing network of out-of-county providers—despite serving a combined 280 Sevier County patients in 2025—has not been sufficient to close the treatment gap for a county with no local OTP.

[1] Tennessee Health Facilities Commission, "Meeting Minutes," March 27, 2024, https://www.tn.gov/content/dam/tn/hfc/documents/Minutes-March2024.pdf.

6N. Provide applicable utilization and/or occupancy statistics for your institution services for each of the past three years and the project annual utilization for each of the two years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology must include detailed calculations or documentation from referral sources, and identification of all assumptions.

RESPONSE:

See Attachment 6N.

7N. Complete the chart below by entering information for each applicable outstanding CON by applicant or share common ownership; and describe the current progress and status of each applicable outstanding CON and how the project relates to the applicant, and the percentage of ownership that is shared with the applicant's owners.

RESPONSE:

The applicant has no outstanding Certificates of Need.

CONSUMER ADVANTAGE ATTRIBUTED TO COMPETITION

The responses to this section of the application helps determine whether the effects attributed to competition or duplication would be positive for consumers within the service area.

1C. List all transfer agreements relevant to the proposed project.

RESPONSE: There are no formal transfer agreements specific to the proposed BHG Seymour MU. As an extension of BHG Knoxville Citico, the MU will follow the parent OTP's established protocols for coordinating with area hospitals and healthcare providers in the event a patient requires emergency medical care or a higher level of care.

2C. List all commercial private insurance plans contracted or plan to be contracted by the applicant.

- [x] Aetna Health Insurance Company
- [x] Ambetter of Tennessee Ambetter
- [x] Blue Cross Blue Shield of Tennessee
- [x] Blue Cross Blue Shield of Tennessee Network S
- [x] Blue Cross Blue Shiled of Tennessee Network P
- [x] BlueAdvantage
- [x] Bright HealthCare
- [x] Cigna PPO
- [x] Cigna Local Plus
- [x] Cigna HMO - Nashville Network
- [x] Cigna HMO - Tennessee Select
- [x] Cigna HMO - Nashville HMO
- [x] Cigna HMO - Tennessee POS
- [x] Cigna HMO - Tennessee Network
- [x] Golden Rule Insurance Company
- [x] HealthSpring Life and Health Insurance Company, Inc.
- [x] Humana Health Plan, Inc.
- [x] Humana Insurance Company
- [ ] John Hancock Life & Health Insurance Company
- [ ] Omaha Health Insurance Company
- [ ] Omaha Supplemental Insurance Company
- [ ] State Farm Health Insurance Company
- [x] United Healthcare UHC
- [x]

UnitedHealthcare Community Plan East Tennessee

- [x] UnitedHealthcare Community Plan Middle Tennessee
- [x] UnitedHealthcare Community Plan West Tennessee
- [x] WellCare Health Insurance of Tennessee, Inc.
- [ ] Others

RESPONSE: ##

3C. Describe the effects of competition and/or duplication of the proposal on the health care system, including the impact upon consumer charges and consumer choice of services.

RESPONSE:

The proposed BHG Seymour MU will not duplicate existing services. There are no OTPs located within Sevier County. The closest OTPs are located in Knox County—BHG Knoxville Bernard, BHG Knoxville Citico, and Cedar Recovery Knoxville—as well as New Hope Treatment Center in Cocke County and TLC Maryville in Blount County, all requiring a minimum 37-minute drive from the Sevier County population center. Although OBOT providers operate within Sevier County, they cannot dispense methadone. Methadone is a pharmacologically distinct medication from buprenorphine and provides the best outcomes for some patients. Moreover, patients who receive care at an OTP often benefit from the additional support, supervision, and structure that OTPs provide: a level of care that office-based OBOT providers are generally not able to match.

A. Positive Effects

OUD can be treated with three medications: methadone, buprenorphine, and extended-release naltrexone.[1] To provide the most comprehensive, patient-centered treatment possible, all three medications should be available to patients. BHG Seymour will use these medications in combination with behavioral therapy to provide care for Sevier County residents.

Area residents can continue to receive buprenorphine from licensed OBOT physicians. If that level of treatment is effective for a patient, they will not need to receive care at an OTP. However, patients who would benefit from the counseling, case management, and structured support offered by BHG Seymour—or who would achieve better outcomes through methadone—will have access to appropriate care locally for the first time. The applicant does not anticipate a large number of area residents switching from office-based buprenorphine care to OTP services at the proposed MU. However, the proposed project will have the positive effect of making the full array of medication-based opioid treatment options available to Sevier County residents who currently have no local access to methadone-based MAT.

As shown in the driving distance table in Attachment 1N, Sevier County residents will be substantially closer to the proposed Seymour site than to any existing OTP. The project will therefore increase consumer choice, eliminate the need for daily out-of-county travel, and improve access to evidence-based care for a population that has historically been underserved due to geographic barriers. Additionally, BHG Seymour will relieve patient volume at the existing Knoxville BHG locations during peak morning hours, improving service efficiency and accessibility at both sites.

B. Negative Effects

BHG Seymour anticipates no negative effects from approving this project. The project will not materially reduce patient volume at the existing Knoxville OTPs; rather, it will redistribute a portion of demand from those facilities to a site that is more geographically convenient for Sevier County patients while the overall regional treatment network gains additional capacity. Existing OBOT providers in Sevier County will continue to serve patients who are stable on buprenorphine, while those who would benefit from methadone or additional structured OTP support will have access to

appropriate care locally. Because this proposal expands geographic access without introducing duplicative full-service OTP capacity, it is expected to strengthen the regional treatment continuum and improve patient outcomes without adverse impact on existing providers.

[1] National Academies of Sciences, Engineering, and Medicine, "Medications for Opioid Use Disorder Save Lives," The *National Academies Press*, 2019, https://www.nationalacademies.org/projects/HMD-HSP-18-14.

4C. Discuss the availability of and accessibility to human resources required by the proposal, including clinical leadership and adequate professional staff, as per the State of Tennessee licensing requirements, CMS, and/or accrediting agencies requirements, such as the Joint Commission and Commission on Accreditation of Rehabilitation Facilities.

RESPONSE:

The applicant will rely on BHG's experience in staffing 13 OTPs in Tennessee to recruit, train, and retain staff at the proposed OTP, which will be staffed to meet or exceed all licensure and accreditation requirements of The Joint Commission. BHG Seymour will have access to regional and corporate BHG staff with decades of clinical and administrative experience operating OTPs. Below are brief biographies for several key BHG leaders committed to ensuring this program's success.

Tony Kilgore, Chief Executive Officer

Tony has over 25 years of experience guiding multi-site organizations through rapid growth and operational transformation. At BHG, he is committed to advancing the mission of delivering high-quality, evidence-based treatment for substance use disorders while strengthening the company for long-term success. His background includes four CEO roles, including leading Synapse Health, where he helped build a tech-enabled model in the Home Medical Equipment space. He also served as CEO of the Center for Autism and Related Disorders, overseeing national expansion and updating operational and cultural systems. Throughout his career, Tony has focused on developing strong teams and leaders, ensuring that growth is paired with exceptional patient care. He believes successful healthcare organizations are grounded in empathy, accountability, and mission alignment, which shape his work at BHG.

Dr. Benjamin Nordstrom, Chief Medical Officer

As a Board-Certified Addiction Psychiatrist, Dr. Nordstrom brings extensive clinical, academic, and leadership experience to his role at BHG. Before joining the organization, he served on the faculties of Dartmouth College and the University of Pennsylvania, where he led addiction treatment services. He also served in senior leadership roles at Phoenix House, including Chief Clinical Officer and CEO, guiding quality and operational improvement across a national treatment network. Dr. Nordstrom contributed to the ASAM National Practice Guidelines for OUD and supported Vermont's Hub-and-Spoke quality initiatives. As a two-time Army Reserve deployer, he has provided psychiatric care in military settings. He earned his medical degree from Dartmouth and his PhD in Criminology from the University of Pennsylvania, and he completed psychiatry and addiction psychiatry training at Columbia University Medical Center and the New York State Psychiatric Institute.

Joshua Wright, Regional Director for Central and Eastern Tennessee

Joshua Wright serves as the Regional Director for Central and Eastern Tennessee at BHG. He brings over a decade of experience with the organization, having first joined BHG as a counselor before advancing into leadership roles. Joshua's growth within the company reflects his strong commitment to patient-centered care, team development, and operational excellence.

Joshua holds a degree from The University of Southern Mississippi, where he built a strong foundation and capacity for leadership. In his current role, he focuses on supporting organizational growth and ensuring consistent, high-quality care across the Midwest region. Joshua is dedicated to advancing BHG's mission and leading with compassion, collaboration, and purpose.

Dwight Musselman, Chief Development Officer

Dwight Musselman brings 30 years of healthcare corporate and business development expertise to BHG. As Chief Development Officer, Dwight establishes and fosters key external relationships to enter new markets and expand the company's presence through treatment center acquisition and new site development. Before joining BHG, Dwight served as Vice President of Business Development with Alliance Oncology. Dwight also spent over 14 years with US Oncology in roles including Vice President of Physician Development.

Marlin Martin, Senior Vice President of Regulatory and Clinical Affairs

Marlin Martin brings 40 years of combined medical and mental health leadership expertise to BHG. As Vice President of Regulatory and Clinical Affairs, Marlin provides the leadership, management, and vision to guarantee the organization has the proper administrative and regulatory reporting procedures and systems in place to ensure financial strength and regulatory compliance. Before joining BHG, Marlin held leadership positions at the Missouri Department of Health and Senior Services. He has also served as adjunct faculty at several graduate schools of social work, teaching courses on policy, human diversity, and clinical interviewing skills. He has had a private counseling practice and served on numerous non-profit boards.

The applicant anticipates no difficulty in attracting and retaining high-quality staff. BHG Seymour will provide necessary training and continuing education to ensure all staff are trained to deliver high-quality services.

5C. Document the category of license/certification that is applicable to the project and why. These include, without limitation, regulations concerning clinical leadership, physician supervision, quality assurance policies and programs, utilization review policies and programs, record keeping, clinical staffing requirements, and staff education.

RESPONSE:

Based on conversations with TDMHSAS, the applicant understands a new location of a facility that dispenses methadone requires a new OTP license and therefore a new OTP CON. As such, this application is for a new OTP. The proposed project will follow all state and federal requirements for OTP services.

However, BHG Seymour will function as an MU. On the federal level, the OTP will operate under the existing, Joint Commission-accredited BHG Knoxville Citico OTP.

BHG Seymour will comply with all federal and state requirements pertaining to clinical leadership and medical direction. The medical director at BHG Knoxville Citico will be shared with BHG Seymour and will oversee the MU's clinical operations, including patient admission decisions, ongoing clinical review, dosing protocols, and care coordination. Physician supervision, including prescribing authority and medication management, will also remain under the Knoxville Citico OTP's licensed providers, consistent with SAMHSA and Drug Enforcement Administration (DEA) requirements for MUs.

All quality assurance (QA) and performance improvement activities will be integrated into the parent OTP's established QA program. These include regular audits of clinical records, medication handling, adverse-event reporting, counseling documentation, and patient outcomes. Utilization review (UR) will also be conducted through BHG Knoxville Citico's centralized UR processes, ensuring consistency in clinical practice standards, appropriateness of care, and ongoing monitoring of service utilization patterns.

The MU will adhere to the same record-keeping and documentation standards required of a full OTP. All patient records—including dosing logs, treatment plans, toxicology results, and counseling notes—will be maintained within BHG's unified electronic health record system, allowing seamless coordination between the MU and the parent OTP. Data reporting to state and federal agencies will be completed by the Knoxville Citico OTP in accordance with TDMHSAS, SAMHSA, and DEA regulations.

All clinical staffing requirements for MUs will be met through the combined resources of BHG Knoxville Citico and the Seymour MU. The MU will be staffed by trained nurses, counselors, and support personnel who meet all state credentialing and educational standards, while physician and nurse practitioner oversight will be provided by the same credentialed providers responsible for care at the Knoxville Citico OTP. Staff education, including initial training and ongoing competency-based education, will follow BHG's corporate training standards, which align with SAMHSA's OTP accreditation requirements and The Joint Commission's standards.

By operating under the existing BHG Knoxville Citico accreditation, the BHG Seymour MU ensures full compliance with all clinical, administrative, and accreditation requirements while expanding geographic accessibility to evidence-based opioid treatment in a high-need region.

PROJECTED DATA CHART

☑ Project Only
☐ Total Facility

Give information for the *two (2)* years following the completion of this proposal.

		Year 1	**Year 2**
		2027	2028
A. Utilization Data			
Specify Unit of Measure Patients		146	182
B. Revenue from Services to Patients			
1. Inpatient Services		$0.00	$0.00
2. Outpatient Services		$3,036,800.00	$3,785,600.00
3. Emergency Services		$0.00	$0.00
4. Other Operating Revenue (Specify)		$0.00	$0.00
	Gross Operating Revenue	$3,036,800.00	$3,785,600.00
C. Deductions from Gross Operating Revenue			
1. Contractual Adjustments		$2,152,745.00	$2,683,559.00
2. Provision for Charity Care		$60,736.00	$75,712.00
3. Provisions for Bad Debt		$39,869.00	$49,700.00
	Total Deductions	$2,253,350.00	$2,808,971.00
NET OPERATING REVENUE		$783,450.00	$976,629.00

7C. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge using information from the Historical and Projected Data Charts of the proposed project.

Project Only Chart

	Previous Year to Most Recent Year	Most Recent Year	Year One	Year Two	% Change (Current Year to Year 2)
Gross Charge *(Gross Operating Revenue/Utilization Data)*	$0.00	$0.00	$20,800.00	$20,800.00	0.00
Deduction from Revenue *(Total Deductions/Utilization Data)*	$0.00	$0.00	$15,433.90	$15,433.91	0.00
Average Net Charge *(Net Operating Revenue/Utilization Data)*	$0.00	$0.00	$5,366.10	$5,366.09	0.00

8C. Provide the proposed charges for the project and discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the project and the impact on existing patient charges.

RESPONSE:

BHG Seymour MU anticipates a weekly charge of $400 for MAT services and $400 per week for OBOT patients. The fees include all medication, counseling, and urine drug screening services. Actual payments for MAT services will be less for Medicaid, Medicare, and self-pay patients. BHG Seymour will have the same charges for services regardless of payor; however, expected payments and contractual adjustments will vary based on the payor. BHG Seymour anticipates receiving payment of $118 per week for MAT treatment and $128 per week for OBOT treatment from self-pay patients, consistent with the current self-pay rate at the existing BHG Knoxville OTPs.

The proposed MU will not result in any adjustment to charges at the existing BHG Knoxville Citico or BHG Knoxville Bernard OTPs. The Seymour MU will operate under the same fee schedule and payor contracts as the BHG Knoxville Citico, ensuring consistency across BHG's Tennessee locations.

9C. Compare the proposed project charges to those of similar facilities/services in the service area/adjoining services areas, or to proposed charges of recently approved Certificates of Need.

If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

RESPONSE:

The proposed BHG Seymour MU will offer opioid treatment services at charges that are consistent with those of comparable OTP providers in the region. BHG maintains standardized self-pay rates across its Tennessee programs, and the Seymour MU will use the same daily self-pay rate structure as the existing BHG Knoxville Citico and BHG Knoxville Bernard facilities. The weekly self-pay rate for methadone treatment at these programs is $118 and the weekly self-pay rate for buprenorphine treatment is $128. These rates will also apply to services delivered at the Seymour MU.

For comparison, BHG contacted Cedar Recovery Knoxville—the only non-BHG OTP operating in the Knox County market—to obtain its current self-pay pricing. Cedar Recovery Knoxville reported a weekly methadone self-pay rate of $99, which is comparable to the proposed Seymour MU rate. The program also stated it does not offer buprenorphine services. These findings confirm that the proposed Seymour MU will be competitively priced within the regional OTP market and will not contribute to increased consumer charges in the service area.

The Centers for Medicare & Medicaid Services (CMS), the federal government agency that establishes regulations for Medicare, has set reimbursement for OTP services with methadone at $263.08 per week in Tennessee and reimbursement for OTP service with buprenorphine at $282.36 per week.[1] For planning purposes, the applicant has made a conservative assumption that the average Medicare payment will be $263 per week. The difference between billed charges and Medicare payment will be written off as a contractual adjustment.

[1] Centers for Medicare and Medicaid Services, geographically-adjusted payment rates for OTP services, January 2026–December 2026, https://www.cms.gov/medicare/payment/opioid-treatment-program/billing-payment.

10C. Report the estimated gross operating revenue dollar amount and percentage of project gross operating revenue anticipated by payor classification for the first and second year of the project by completing the table below.

If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

Applicant's Projected Payor Mix

Project Only Chart

Payor Source	Year-2027		Year-2028	
	Gross Operating Revenue	**% of Total**	**Gross Operating Revenue**	**% of Total**
Medicare/Medicare Managed Care	$534,804.56	17.61	$666,674.17	17.61
TennCare/Medicaid	$494,012.57	16.27	$615,823.88	16.27
Commercial/Other Managed Care	$1,829,008.68	60.23	$2,279,997.13	60.23
Self-Pay	$85,314.63	2.81	$106,351.11	2.81
Other(Specify)	$93,659.56	3.08	$116,753.71	3.08
Total	$3,036,800.00	100%	$3,785,600.00	100%
Charity Care	$60,736.00		$75,712.00	

**Needs to match Gross Operating Revenue Year One and Year Two on Projected Data Chart*

Discuss the project's participation in state and federal revenue programs, including a description of the extent to which Medicare, TennCare/Medicaid, and medically indigent patients will be served by the project.

RESPONSE: The proposed BHG Seymour MU will fully participate in all applicable state and federal reimbursement programs, serving Medicare, TennCare/Medicaid, commercially insured, and medically indigent patients under the same payer contracts and compliance infrastructure as BHG Knoxville Citico. BHG is an enrolled Medicare provider for all OTP bundled payment codes and holds longstanding contracts with TennCare Managed Care Organizations, ensuring full financial access to MAT services for the 18,599 Sevier County residents — 18.3 percent of the county's population — enrolled in TennCare. Uninsured and underinsured patients will be served through payment plans, sliding-scale fees, and financial hardship options, and medically indigent patients will have continued access to medication, counseling, and treatment planning through BHG's internal patient-assistance policies.

QUALITY STANDARDS

1Q. Per PC 1043, Acts of 2016, any receiving a CON after July 1, 2016, must report annually using forms prescribed by the Agency concerning appropriate quality measures. Please attest that the applicant will submit an annual Quality Measure report when due.

- [x] Yes
- [ ] No

2Q. The proposal shall provide health care that meets appropriate quality standards. Please address each of the following questions.

- Does the applicant commit to maintaining the staffing comparable to the staffing chart presented in its CON application?

  - [x] Yes

☐ No

- Does the applicant commit to obtaining and maintaining all applicable state licenses in good 3tanding?
  - ☑ Yes
  - ☐ No
- Does the applicant commit to obtaining and maintaining TennCare and Medicare certification(s), if participation in such programs are indicated in the application?
  - ☑ Yes
  - ☐ No

3Q. Please complete the chart below on accreditation, certification, and licensure plans. Note: if the applicant does not plan to participate in these type of assessments, explain why since quality healthcare must be demonstrated.

Credential	Agency	Status (Active or Will Apply)	Provider Number or Certification Type
Licensure	☐ Health Facilities Commission/Licensure Division ☐ Intellectual & Developmental Disabilities ☑ Mental Health & Substance Abuse Services	Active	L000000040559
Certification	☑ Medicare ☑ TennCare/Medicaid ☐ Other _____	Active Active	1366601775 Q055328
Accreditation(s)	TJC - The Joint Commission	Active	394684

4Q. If checked "TennCare/Medicaid" box, please list all Managed Care Organization's currently or will be contracted.

- ☑ AMERIGROUP COMMUNITY CARE- East Tennessee
- ☑ AMERIGROUP COMMUNITY CARE - Middle Tennessee
- ☑ AMERIGROUP COMMUNITY CARE - West Tennessee
- ☑ BLUECARE - East Tennessee
- ☑ BLUECARE - Middle Tennessee
- ☑ BLUECARE - West Tennessee
- ☑ UnitedHealthcare Community Plan - East Tennessee
- ☑ UnitedHealthcare Community Plan - Middle Tennessee
- ☑ UnitedHealthcare Community Plan - West Tennessee
- ☐ TENNCARE SELECT HIGH - All
- ☐ TENNCARE SELECT LOW - All
- ☐ PACE
- ☐ KBB under DIDD waiver
- ☐ Others

5Q. Do you attest that you will submit a Quality Measure Report annually to verify the license, certification, and/or accreditation status of the applicant, if approved?

- ☑ Yes
- ☐ No

6Q. For an existing healthcare institution applying for a CON:

- Has it maintained substantial compliance with applicable federal and state regulation for the three years prior to the CON application. In the event of non-compliance, the nature of non-compliance and corrective action should be discussed to include any of the following: suspension of admissions, civil monetary penalties, notice of 23-day or 90-day termination proceedings from Medicare/Medicaid/TennCare, revocation/denial of accreditation, or other similar actions and what measures the applicant has or will put into place to avoid similar findings in the future.

  - ☑ Yes
  - ☐ No
  - ☐ N/A

- Has the entity been decertified within the prior three years? If yes, please explain in detail. (This provision shall not apply if a new, unrelated owner applies for a CON related to a previously decertified facility.)

  - ☐ Yes
  - ☑ No
  - ☐ N/A

7Q. Respond to all of the following and for such occurrences, identify, explain, and provide documentation if occurred in last five (5) years.

Has any of the following:

- Any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include any entity in the chain of ownership for applicant);
- Any entity in which any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include any entity in the chain of ownership for applicant) has an ownership interest of more than 5%; and/or.

Been subject to any of the following:

- Final Order or Judgement in a state licensure action;
  - ☐ Yes
  - ☑ No
- Criminal fines in cases involving a Federal or State health care offense;
  - ☐ Yes
  - ☑ No
- Civil monetary penalties in cases involving a Federal or State health care offense;
  - ☐ Yes
  - ☑ No
- Administrative monetary penalties in cases involving a Federal or State health care offense;
  - ☐ Yes
  - ☑ No
- Agreement to pay civil or administrative monetary penalties to the federal government or any state in cases involving claims related to the provision of health care items and services;
  - ☐ Yes
  - ☑ No
- Suspension or termination of participation in Medicare or TennCare/Medicaid programs; and/or
  - ☐ Yes
  - ☑ No
- Is presently subject of/to an investigation, or party in any regulatory or criminal action of which you are aware.
  - ☐ Yes
  - ☑ No

8Q. Provide the project staffing for the project in Year 1 and compare to the current staffing for the most recent 12-month period, as appropriate. This can be reported using full-time equivalent (FTEs) positions for these positions.

☑ Existing FTE not applicable (Enter year)

Position Classification	Existing FTEs(enter year)	Projected FTEs Year 1
A. Direct Patient Care Positions		
Nurse (LPN)	0.00	2.00
Counselors-Substance Abuse Behavioral Disorder and Mental Health	0.00	4.00
Ancillary-Medical Assistant	0.00	1.00
Total Direct Patient Care Positions	N/A	7
B. Non-Patient Care Positions		
Program Manager-RN	0.00	0.50
Ancillary-Administrative Assistant	0.00	1.00
Total Non-Patient Care Positions	N/A	1.5
Total Employees *(A+B)*	0	8.5
C. Contractual Staff		
Contractual Staff Position	0.00	1.00
Total Staff *(A+B+C)*	0	9.5

DEVELOPMENT SCHEDULE

TCA §68-11-1609(c) provides that activity authorized by a Certificate of Need is valid for a period not to exceed three (3) years (for hospital and nursing home projects) or two (2) years (for all other projects) from the date of its issuance and after such time authorization expires; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificate of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need authorization which has been extended shall expire at the end of the extended time period. The decision whether to grant an extension is within the sole discretion of the Commission, and is not subject to review, reconsideration, or appeal.

- Complete the Project Completion Forecast Chart below. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.
- If the CON is granted and the project cannot be completed within the standard completion time period (3 years for hospital and nursing home projects and 2 years for all others), please document why an extended period should be approved and document the "good cause" for such an extension.

PROJECT COMPLETION FORECAST CHART

Assuming the Certificate of Need (CON) approval becomes the final HFC action on the date listed in Item 1 below, indicate the number of days from the HFC decision date to each phase of the completion forecast.

Phase	Days Required	Anticipated Date (Month/Year)
1. Initial HFC Decision Date		10/28/26
2. Building Construction Commenced	15	11/11/26
3. Construction 100% Complete (Approval for Occupancy)	135	03/11/27
4. Issuance of License	225	06/09/27
5. Issuance of Service	230	06/14/27
6. Final Project Report Form Submitted (Form HR0055)	290	08/13/27

Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

Attachment 3A

USA TODAY CO.

LocaliQ

PO Box 631340 Cincinnati, OH 45263-1340

AFFIDAVIT OF PUBLICATION

Darcy Schaeffer
Darcy Schaeffer
6300 LaCalma Drive, Suite 17
Austin TX 78752

STATE OF WISCONSIN, COUNTY OF BROWN

The Knoxville News-Sentinel, a daily newspaper published in the city of Knoxville, Knox County, State of Tennessee, and personal knowledge of the facts herein state and that the notice hereto annexed was Published in said newspapers in the issue dated and was published on the publicly accessible website:

KNS knoxnews.com 07/15/2026
KNS Knoxville News Sentinel 07/15/2026

and that the fees charged are legal.
Sworn to and subscribed before on 07/15/2026

Legal Clerk

Notary, State of WI, County of Brown

5.15.27

My commission expires

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NANCY HEYRMAN
Notary Public
State of Wisconsin

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Facilities Commission and all interested parties, in accordance with T.C.A. §68-11-1601 et seq., and the Rules of the Health Facilities Commission, that DRD Management, Inc., a/an Nonresidential Substitution Based Treatment Center of Opiate Addiction owned by DRD Management, Inc. with an ownership type of Corporation (For Profit) and to be managed by itself intends to file an application for a Certificate of Need for establishment of a non-residential substitution based opioid treatment center and the initiation of opiate addiction treatment services in Sevier County. The facility will be licensed as a Nonresidential Substitution-Based Treatment Center for Opiate Addiction by the Tennessee Department of Mental Health and Substance Abuse Services. The address of the project will be 11729 Chapman Hwy, Seymour, Sevier County, Tennessee, 37865. The estimated project cost will be $726,260.

The anticipated date of filing the application is 07/31/2026
The contact person for this project is Ms. Darcy Schaeffer who may be reached at Research and Planning Consultants - 6300 La Calma Drive, Suite 170, Austin, Texas, 78752 – Contact No. 512-371-8011.
The published Letter of Intent must contain the following statement pursuant to T.C.A. §68-11-1607 (c)(1). (A) Any healthcare institution wishing to oppose a Certificate of Need application must file a written notice with the Health Facilities Commission no later than fifteen (15) days before the regularly scheduled Health Facilities Commission meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application may file a written objection with the Health Facilities Commission at or prior to the consideration of the application by the Commission, or may appear in person to express opposition. Written notice may be sent to: Health Facilities Commission, Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243 or email at hsda.staff@tn.gov.
July 15 2026
LOKR0555381

Attachment 7A

005589800

APPLICATION FOR REGISTRATION OF ASSUMED NAME

SS-4230

Tre Hargett
Secretary of State

Division of Business Services
Department of State
State of Tennessee
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102
(615) 741-2286

Filing Fee: $20.00

For Office Use Only

-FILED-

Amendment # 005589800

Pursuant to the Tennessee Business Corporation Act, Tennessee Nonprofit Corporation Act, Tennessee Limited Liability Company Act, Tennessee Revised Limited Liability Company Act, or the Tennessee Revised Uniform Partnership Act, this application for registration of an assumed name is submitted to the Tennessee Secretary of State.

1. The Secretary of State Control Number is: 000217213
   and the true name of the business entity is:
   DRD MANAGEMENT, INC.

2. The state or country of organization is:
   MISSOURI

3. The business entity intends to transact business under an assumed name.

4. The assumed name the business entity proposes to use is:
   BHG Knoxville Citico Treatment Center
   The assumed name must satisfy the statutory requirements for that type of entity.

11/30/2020	Electronic
Signature Date	Signature
Dallas	Anthony Barbieri
Signer's Capacity	Name (typed or printed)

Note: Pursuant to T.C.A. § 10-7-503 all information on this form is public record.

B0950-9817 11/30/2020 12:48 PM Received by Tennessee Secretary of State Tre Hargett

DRD MANAGEMENT, INC.

Entity Type: Foreign For-profit Corporation
Formed in: MISSOURI
Term of Duration: Perpetual

Status: Active
Control Number: 000217213
Initial Filing Date: 6/21/1989 3:27:00 PM
Fiscal Ending Month: November
AR Due Date: 03/01/2027

Registered Agent

REGISTERED AGENT SOLUTIONS, INC.
992 DAVIDSON DRIVE, Suite B
NASHVILLE, TN 37205

Principal Office Address

5001 SPRING VALLEY RD STE 600
DALLAS, TX 75244-3946

Mailing Address

5001 SPRING VALLEY RD STE 600
DALLAS, TX 75244-3946

AR Standing: Good | RA Standing: Good | Other Standing: Good | Revenue Standing: Good

History (61)

Type	Date	Tracking Number	Change History
Assumed Name Renewal for DRD MANAGEMENT, INC.	3/2/2026 5:22:18 PM	B2026174476	○ Renewed Assumed Name: BHG Knoxville Intake Center ○ Assumed Name BHG Knoxville Intake Center Expiration Date Updated From: 3/12/2026 12:00:00 AM to 3/12/2031 12:00:00 AM
2025 Annual Report for DRD MANAGEMENT, INC.	1/28/2026 12:43:41 PM	B2026074658	○ Annual Report Due Date changed from: 3/1/2026 to: 3/1/2027 ○ Officers Changed
Assumed Name Renewal for DRD MANAGEMENT, INC.	11/24/2025 3:39:18 PM	B2025833904	○ Renewed Assumed Name: BHG Knoxville Citico Treatment Center ○ Assumed Name BHG Knoxville Citico Treatment Center Expiration Date Updated From: 11/30/2025 12:00:00 AM to 11/30/2030 12:00:00 AM
Assumed Name Renewal for DRD MANAGEMENT, INC.	11/24/2025 3:33:47 PM	B2025833891	○ Renewed Assumed Name: BHG Knoxville Bernard Treatment Center ○ Assumed Name BHG Knoxville Bernard Treatment Center Expiration Date Updated From: 11/30/2025 12:00:00 AM to 11/30/2030 12:00:00 AM
Statement of Change of Registered Agent for DRD MANAGEMENT, INC.	10/16/2025 2:25:03 PM	B2025804734	○ Registered Agent changed from: C T CORPORATION SYSTEM 300 MONTVUE RD KNOXVILLE, TN 37919-5546 to: REGISTERED AGEN SOLUTIONS, INC. 992 DAVIDSON DRIVE, Suite B NASHVILLE, TN 37205

2024 Annual Report for DRD MANAGEMENT, INC.	3/28/2025 11:28:03 AM	B2025157646	○ Annual Report Due Date changed from: 3/1/2025 to: 3/1/2026 ○ Annual Report Status changed from: Delinquent to: Good ○ NAICS changed
2023 Annual Report for DRD MANAGEMENT, INC.	2/13/2024 2:15:16 PM	B1507-4376	
2022 Annual Report for DRD MANAGEMENT, INC.	3/18/2023 12:57:35 PM	B1357-6490	
System Amendment for DRD MANAGEMENT, INC.	3/4/2023 1:40:36 AM		
2021 Annual Report for DRD MANAGEMENT, INC.	2/25/2022 3:47:32 PM	B1168-9047	
2020 Annual Report for DRD MANAGEMENT, INC.	3/25/2021 3:33:20 PM	B1006-6771	
Assumed Name for DRD MANAGEMENT, INC.	3/12/2021 4:32:32 PM	B0997-4076	○ New Assumed Name changed from: No Value to: BHG Knoxville Intake Center
System Amendment for DRD MANAGEMENT, INC.	3/9/2021 1:42:43 AM		
Assumed Name for DRD MANAGEMENT, INC.	11/30/2020 12:48:48 PM	B0950-9817	○ New Assumed Name changed from: No Value to: BHG Knoxville Citico Treatment Center

2017 Annual Report for DRD MANAGEMENT, INC.	4/3/2018 5:58:56 PM	B0529-2380	
System Amendment for DRD MANAGEMENT, INC.	3/2/2018 1:41:32 AM		
Registered Agent Change (by Agent)	1/26/2018 3:45:00 PM	*B0478-4994	
2016 Annual Report for DRD MANAGEMENT, INC.	4/11/2017 11:37:34 AM	B0380-4159	○ Principal Address 1 changed from: 8300 DOUGLAS AVE to: 5001 SPRING VALLEY RD ○ Principal Address 2 changed from: STE 750 to: STE 600 ○ Principal Postal Code changed from: 75225-5856 to: 75244-3946
System Amendment for DRD MANAGEMENT, INC.	3/3/2017 1:48:47 AM		
2015 Annual Report for DRD MANAGEMENT, INC.	3/9/2016 9:48:00 AM	B0208-9160	
System Amendment for DRD MANAGEMENT, INC.	3/3/2016 3:00:43 AM		
Assumed Name for DRD MANAGEMENT, INC.	5/22/2015 3:57:57 PM	B0102-3906	○ New Assumed Name changed from: No Value to: NORTH KNOXVILLE MEDICAL CLINIC
Assumed Name for DRD MANAGEMENT, INC.	5/22/2015 3:53:41 PM	B0102-3903	○ New Assumed Name changed from: No Value to: DRD KNOXVILLE MEDICAL CLINIC

2011 Annual Report for DRD MANAGEMENT, INC.	2/14/2012 8:00:00 AM	A0104-0339	○ Principal Address 1 changed from: 245 MAIN STREET STE A to: 245 MAIN ST ○ Principal Address 2 changed from: No value to: STE A ○ Principal Postal Code changed from: 64079 to: 64079-8461
2010 Annual Report for DRD MANAGEMENT, INC.	3/8/2011 8:00:00 AM	A0059-2454	
System Amendment for DRD MANAGEMENT, INC.	3/5/2011 3:01:03 AM		
2009 Annual Report for DRD MANAGEMENT, INC.	12/8/2009 2:49:52 PM	A0002-1006	○ Principal Address 1 changed from: 208 S 169 HWY to: 245 MAIN STREET STE A ○ Principal City changed from: TRIMBLE to: PLATTE CITY ○ Principal Postal Code changed from: 64492 to: 64079
2008 Annual Report for DRD MANAGEMENT, INC.	3/4/2009 12:08:13 AM	6461-1459	○ Mail Address Changed
2007 Annual Report for DRD MANAGEMENT, INC.	11/29/2007 12:06:39 AM	6164-0005	
2006 Annual Report for DRD MANAGEMENT, INC.	3/6/2007 12:07:53 AM	5974-0911	
2005 Annual Report for DRD MANAGEMENT, INC.	3/7/2006 12:08:20 AM	5709-2210	

Notice of Determination for DRD MANAGEMENT, INC.	5/21/2001 12:13:57 AM	ROLL 4207	
Assumed Name for DRD MANAGEMENT, INC.	6/26/2000 12:00:20 AM	3938-0196	
1999 Annual Report for DRD MANAGEMENT, INC.	11/15/1999 12:05:13 AM	3766-2523	
Assumed Name Renewal for DRD MANAGEMENT, INC.	6/9/1999 12:00:27 AM	3694-3388	
Registered Agent Change (by Entity) for DRD MANAGEMENT, INC.	4/15/1996 12:00:18 AM	3160-1550	○ Registered Agent Physical Address Change ○ Registered Agent Changed
CMS Annual Report Update for DRD MANAGEMENT, INC.	11/14/1994 12:02:46 AM	2914-0725	○ Principal Address Changed
Assumed Name Renewal for DRD MANAGEMENT, INC.	4/25/1994 12:00:25 AM	2840-1145	
CMS Annual Report Update for DRD MANAGEMENT, INC.	2/28/1992 12:02:51 AM	2389-0766	○ Principal Address Changed
Administrative Amendment for DRD MANAGEMENT, INC.	2/27/1991 12:03:09 AM	2092-0492	○ Mail Address Changed
Administrative Amendment for	6/17/1990 1:12:28 AM	FYC/REVENUE	○ Fiscal Year Close Changed

Name History (7)

Name	Type	Effective	Expires
BHG Knoxville Intake Center	Assumed Name	03/12/2021	03/12/2031
BHG Knoxville Citico Treatment Center	Assumed Name	11/30/2020	11/30/2030
BHG Knoxville Bernard Treatment Center	Assumed Name	11/30/2020	11/30/2030
NORTH KNOXVILLE MEDICAL CLINIC	Previous Assumed Name	05/22/2015	05/22/2025
DRD KNOXVILLE MEDICAL CLINIC	Previous Assumed Name	05/22/2015	05/22/2025
DRD KNOXVILLE MEDICAL CLINIC	Previous Assumed Name	06/21/2004	06/21/2009
NORTH KNOXVILLE PROFESSIONAL	Previous Assumed Name	06/26/2000	06/26/2005

Attachment 8A

The proposed BHG Seymour MU will be managed by the applicant, DRD Management, Inc., and no separate management agreement is applicable.

Attachment 9A

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LEASE AGREEMENT

THIS LEASE AGREEMENT (this "**Lease**") is made and entered into as of October 22, 2025 (the "**Effective Date**"), by and between **RUPAL SHAH** ("**Landlord**") and **DRD MANAGEMENT, INC.,** a Tennessee corporation ("**Tenant**").

ARTICLE I DEMISED PREMISES

1.1 Demised Premises. In consideration of the mutual covenants and agreements of this Lease, and other good and valuable consideration, and subject to the terms and provisions of this Lease, Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord that certain premises consisting of approximately 2,250 rentable square feet (the "**Premises**") and located at 11729 Chapman Hwy, Seymour, TN (the "**Building**"). By occupying the Premises, Tenant accepts the Premises in its **"AS-IS, WHERE IS"** with all faults and in the condition such Premises is in as of the date of Tenant's occupancy, except for latent defects and as provided in Section 10.1 hereof. Landlord shall deliver the Premises in accordance with the terms of this Lease on the Effective Date.

1.2 Title. Landlord represents and warrants to Tenant as of the Effective Date, that Landlord is the fee simple owner of the Premises and has full right and lawful authority to lease the Premises to Tenant pursuant to the terms hereof. Landlord further represents and warrants to Tenant that, as of the Effective Date: (a) to Landlord's knowledge, no zoning or similar ordinance, restrictive covenant or other encumbrance or restriction prevents the Tenant's current use of the Premises for its business and (b) no joinder or approval of any lender is required with respect to Landlord's right and authority to enter into this Lease; (c) there is no underlying or superior lease with respect to the Premises.

1.3 Quiet Enjoyment. Tenant shall peaceably and quietly hold and enjoy the Premises for the Term (defined below), without hindrance from Landlord or any other party, but subject to all of the provisions of this Lease and all Laws (defined below), liens, encumbrances and restrictive covenants to which the Premises is subject. "**Law(s)**" shall mean all federal, state, and local laws, zoning ordinances, municipal regulations, rules, and regulations; all court orders, governmental directives, and governmental orders, all Environmental Laws (as defined below), all applicable laws, regulations and building codes governing nondiscrimination accommodations and commercial facilities, and all restrictive covenants affecting the Premises and Building.

1.4 Right of First Refusal. Tenant shall have an on-going right of first refusal during the Term and any extension thereof ("**Tenant's ROFR**") with respect to leasing any space in the Building (the "**Additional Space**"), when and if the same becomes available for leasing by Landlord. Tenant's ROFR shall be subject to the conditions set forth in this Section 1.4. If a third party makes a bona fide offer, or if Landlord makes a bona fide offer to a third party (each, an "**Additional Space Offer**"), to lease all or any part of the Additional Space (the "**Offered Space**"), then Tenant shall have the right to lease all, or any part of, the Offered Space pursuant to terms and conditions no less favorable than those offered by or to the third party. Landlord must provide notice of the Additional Space Offer (such notice, the "**ROFR Notice**") to Tenant within five (5) days of receipt thereof and such ROFR Notice must summarize all relevant terms and conditions of the Additional Space Offer. If Tenant desires to lease all or any part of the Offered Space, then Tenant will send written notice thereof to Landlord within fifteen (15) business days of receipt of such ROFR Notice (the "**Acceptance Notice**"). If Tenant does not send such Acceptance Notice, then Tenant will have no further rights to lease the Offered Space related to the Additional Space Offer at hand, and Landlord may lease the Offered Space related to the Additional Space Offer at hand, provided that the Landlord does not lease such Offered Space to a tenant that provides substance abuse counseling and medication services. Provided however, if Landlord does not lease the Offered Space to such third party within ninety (90) days of receipt of such Additional Space Offer, then Tenant's ROFR will be ongoing and apply to any future or subsequent Additional Space Offer from a third party. If Tenant elects to lease such Offered Space, then the parties will enter into an amendment to the Lease adding the Offered Space thereto and making the Offered Space part of the Premises within thirty (30) days after Tenant sends the Acceptance Notice.

ARTICLE II TERM

2.1 Primary Term. The primary term of this Lease (the "**Primary Term**") shall be sixty (60) months, commencing November 1, 2025 (the "**Commencement Date**"), and ending on the last day of the sixtieth (60^{th}) full calendar month thereafter, unless sooner terminated as provided herein (the "**Termination Date**").

2.2 Renewal Option. The Primary Term of this Lease shall automatically renew for two (2) additional terms of five (5) years each (each, a "**Renewal Term**" with each such Renewal Term and the Primary Term hereinafter referred to as the "**Term**"), on the same terms, conditions and covenants set forth in this Lease, unless Tenant notifies Landlord in

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writing (a "**Termination Notice**") of its election not to renew the Lease no less than ninety (90) days prior to the end of the Primary Term or the first Renewal Term, as applicable. Monthly installments of Rent for each Renewal Term shall be as set forth in the rent chart below.

2.3 Contingency Period. Tenant is applying for a Certificate of Need ("**CON**") for the Premises. Notwithstanding any provision of this Lease to the contrary, in the event Tenant does not receive approval for the CON, Tenant shall have the one-time right to terminate this Lease by written notice thereof to Landlord. In the event Tenant elects to terminate this Lease for failure to receive the CON (or extreme delay receiving), Landlord shall retain the Security Deposit (defined below), the Prepaid Rent (defined below), and Tenant shall reimburse Landlord for any commission paid to Landlord's Broker or Tenant's Broker (defined below).

ARTICLE III RENT

3.1 Rent. The payments required to be made by Tenant to Landlord pursuant to this Lease shall constitute "**Rent**". During the Primary Term hereof, Tenant shall pay Rent to Landlord in accordance with the following:

Primary Term	Annual Rent Rate PSF	Annual Rent	Monthly Rent	Monthly Rent Less Brokerage Commission (see Section 18.1)
November 1, 2025 – December 31, 2025*	$0.00*	0.00*	$0.00*	N/A
January, 2026**	$18.00**	N/A**	$3,375.00**	N/A
February 1, 2026 – October 31, 2026	$18.00	$40,500.00	$3,375.00	$3,077.47
November 1, 2026 – October 31, 2027	$18.54	$41,715.00	$3,476.25	$3,178.72
November 1, 2027 – October 31, 2028	$19.10	$42,966.45	$3,580.54	N/A
November 1, 2028 – October 31, 2029	$19.67	$44,255.44	$3,687.95	N/A
November 1, 2029 – September 30, 2030	$20.26	$45,583.11	$3,798.59	N/A
October, 2030**	$20.26**	N/A**	$3,798.59**	N/A
First Renewal Term	**Annual Rent Rate PSF**	**Annual Rent**	**Monthly Rent**	
November 1, 2030 – October 31, 2031	$20.87	$46,950.60	$3,912.55	
November 1, 2031 – October 31, 2032	$21.49	$48,359.12	$4,029.93	
November 1, 2032 – October 31, 2033	$22.14	$49,809.89	$4,150.82	
November 1, 2033 – October 31, 2034	$22.80	$51,304.19	$4,275.35	
November 1, 2034 – October 31, 2035	$23.49	$52,843.31	$4,403.61	
Second Renewal Term	**Annual Rent Rate PSF**	**Annual Rent**	**Monthly Rent**	
November 1, 2035 – October 31, 2036	$24.10	$54,428.61	$4,535.72	
November 1, 2036 – October 31, 2037	$24.92	$56,061.47	$4,671.79	
November 1, 2037 – October 31, 2038	$25.66	$57,743.32	$4,811.94	
November 1, 2038 – October 31, 2039	$26.43	$59,475.62	$4,956.30	
November 1, 2039 – October 31, 2040	$27.23	$61,259.88	$5,104.99	

* Landlord agrees to abate the Rent due and payable from the Commencement Date through the second full month of the Primary Term (the "**Abatement Period**"). Accordingly, Tenant shall have no obligation to pay Rent for the Abatement Period.

** Within seven (7) business days after the Effective Date, Tenant shall pay to Landlord the sum of $7,173.59 as first and last Lease months' installments of Rent (the "**Prepaid Rent**"). Accordingly, along with the Rent abatement provided for in this Lease during the Abatement Period, Landlord and Tenant acknowledge and agree that Tenant shall have no obligation to pay Rent for the first three full months of the Primary Term and the last full month of the Primary Term.

3.2 Payment of Rent. Tenant shall pay Rent on the first day of each month, without prior notice, demand, deduction or offset (except as otherwise expressly set forth in this Lease). Payments of Rent for any fractional month shall be prorated. If any Rent or other payment required of Tenant under this Lease is not paid within five (5) days of the date when due, Landlord may charge Tenant, and Tenant will pay a fee equal to $75.00 to reimburse Landlord for its cost and inconvenience. Tenant shall pay Rent to Landlord at the following address (the "**Landlord's Address**"): 1705 Royal Chase

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Ct., Sevierville, TN 37862 or to such other person or at such other place as Landlord may from time to time designate by advance written notice to Tenant.

3.2 Security Deposit. To secure the prompt and faithful payment of all Rent in this Lease and the faithful performance by Tenant of all the other covenants and conditions herein contained, Tenant shall within seven (7) business days after the Effective Date deposit with Landlord a security deposit in the initial amount of $3,375.00 (the "**Security Deposit**"). The Security Deposit is in addition to the Prepaid Rent, and thus, Tenant will pay a total of $10,548.59 to Landlord no later than seven (7) business days following the Effective Date. In the event Tenant defaults on any payment of Rent reserved herein or fails to perform any of the other covenants or conditions herein contained, Landlord shall have the right to apply the Security Deposit or any portion thereof, against any reasonable and documented expenses, costs or fees actually incurred by Landlord in curing such default or failure. Following the expiration of the Term, Landlord shall return to Tenant the Security Deposit, less any portion thereof that may have been utilized by Landlord to cure any default or applied to any documented damages suffered by Landlord, within thirty (30) days after the expiration of the Term. Any deductions from the Security Deposit shall be itemized in writing and provided to Tenant with supporting documentation.

ARTICLE IV TAXES

4.1 Tenant-Paid Taxes. Tenant shall pay all taxes (including assessments and licensing fees) assessed or imposed upon Tenant's fixtures, furniture, appliances, and personal property located in the Premises.

4.2 Landlord-Paid Taxes. Landlord shall pay any and all taxes assessed or imposed upon the Building, including the Premises, and Tenant shall have no liability therefor. Landlord represents and warrants to Tenant that Landlord is not delinquent in the payment of Taxes currently assessed or imposed upon the Building and/or the Building is not subject to any real estate tax abatements or deferrals.

ARTICLE V ALTERATIONS AND TENANT EQUIPMENT

5.1 Alterations. Except for cosmetic, interior and non-structural changes, Tenant shall not make or permit to be made any alterations to the Building or the Premises without Landlord's prior written consent (which shall not be unreasonably withheld, conditioned or delayed). Any alterations to the Premises by Tenant shall be the property of Tenant until the Lease expires or terminates; at such time the alterations will remain on the Premises and become the property of Landlord unless Landlord gives written notice to Tenant to remove the same, in which event Tenant will remove such alterations and repair any resulting damage to substantially its original condition. At Tenant's request, prior to Tenant making any alterations, Landlord shall notify Tenant in writing, whether Tenant is required to remove such alterations at the expiration or termination of this Lease. Work performed by Tenant in the Premises, including work relating to the alterations or their repair, shall be performed in a good and workmanlike manner in accordance with Law.

5.2 Tenant Trade Fixtures/Equipment. Tenant shall have the right to install its trade fixtures and equipment in, at or on the Premises, provided that the installation and/or removal thereof shall not affect any structural portion of the Premises, and the installation of trade fixtures and equipment is in compliance with the terms and provisions of this Lease. At the expiration or termination of this Lease, Tenant shall remove, at Tenant's cost and expense, the trade fixtures and equipment and Tenant will repair any damage, at Tenant's cost and expense, caused by such installation or removal to substantially its original condition.

ARTICLE VI SIGNS

6.1 Signs. Tenant shall have the right to install signs advertising Tenant's business and/or to make any other Tenant signage in or on the Premises, provided that any signs installed by Tenant shall be in a good and workmanlike manner, and conform with all applicable Laws. After the expiration or termination of this Lease will remove the signage and repair and restore any damage caused by the sign and its installation to substantially its original condition before the installation of the sign.

ARTICLE VII USE OF THE PREMISES; COMPLIANCE WITH LAWS

7.1 Use. The Premises may be used for the Tenant's business purposes, and any reasonable incidental uses thereto. Tenant may not use the Premises for any disorderly and/or illegal purpose nor shall Tenant use the property in such a way that would endanger the health and safety of others or which otherwise causes a nuisance.

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7.2 Compliance with Laws. Landlord hereby represents and warrants to Tenant that the Premises is in full compliance with all applicable Laws. Landlord shall, at its sole cost and expense, comply with (and be liable for violations and cure of) all Laws relating to the physical condition of the Building and the Premises. Tenant shall, at its sole cost and expense, comply with (and shall be liable for violations and cure of) all Laws which are solely applicable to Tenant's use of the Premises; provided, however, that nothing contained herein shall require Tenant to make any structural alterations or changes to the Building or Premises or to remedy any situation other than a situation solely and directly caused by Tenant. Tenant shall comply with any directive of any governmental authority having jurisdiction which imposes any duty upon Tenant with respect to the Premises, or with respect to Tenant's occupancy or use thereof.

7.3 Medical Records Legal Compliance. Landlord acknowledges that Tenant intends the Premises to be used as a medical clinic serving various patients, and that the Premises shall contain Medical Records (hereinafter defined) owned by such patients, and that such Medical Records must remain confidential. Accordingly, in no event shall Landlord obtain any ownership interest or block access to any Medical Records and if any Landlord or Landlord's affiliate enters the Premises for any reason, Landlord or Landlord's affiliate shall not review, disclose, use, distribute, or destroy any of the Medical Records. Landlord further agrees to: (i) comply with HIPAA (hereinafter defined), to the extent applicable in connection with this Lease and Tenant's use of the Premises, (ii) take all prudent action to avoid accessing or disclosing PHI (hereinafter defined), including advising all its employees and contractors providing services to Landlord to acknowledge it is subject to the obligations and restrictions, and to maintain the confidentiality of the PHI records, (iii) to refrain from entering the Tenant space when patients are being examined or treated, and (iv) comply with Tenant's commercially reasonable security rules. As used herein, the term "**Medical Records**" shall mean and include, without limitation, patient files and materials owned by such patients, and/or any other confidential information or information protected by the Health Insurance Portability and Accountability Act (together with any similar or related state laws, and all related rules, regulations and orders with respect to the foregoing, "**HIPAA**") or similar federal/state law, whether stored electronically or on paper, which Medical Records shall at all times remain the property of Tenant or the respective patient(s) of Tenant, as the case may be. As used herein, the term "**PHI**" shall mean "protected health information" as used in the HIPAA Privacy Rule.

7.4 Parking. Tenant and its employees, agents and invitees shall have the non-exclusive right to use any parking areas associated with the Building which Landlord has designated for such use (the "Parking Areas"). Tenant shall only permit parking by its employees, agents or invitees of appropriate vehicles in the Parking Areas.

ARTICLE VIII ENVIRONMENTAL

8.1 Definitions.

(a) "**Environmental Laws**" as used herein shall mean all applicable federal, state or local laws, statutes, codes, ordinances, rules, regulations, opinions, orders, directives, decrees and policies that relate to pollution, the environment, or exposure to Hazardous Substances.

(b) "**Hazardous Substances**" as used herein shall include, without limitation, (i) all chemicals, materials and substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," contaminants," "wastes," or "pollutants," or any words of similar import, under any Environmental Law.

8.2 Landlord's Environmental Covenants. Landlord hereby represents and warrants the following to Tenant that, to Landlord's knowledge, the Premises has not been used for the disposal, storage, handling generation, processing, release, or discharge of any Hazardous Substances, except in accordance with all applicable Environmental Laws. Landlord has not received any written notice from any governmental authority or person claiming any violations of the Environmental Laws, and to Landlord's knowledge, the Premises is not in violation of any Environmental Laws. Landlord hereby indemnifies and agrees to hold Tenant and Tenant's Affiliates (as hereinafter defined) harmless from any and all claims for any costs, expenses, penalties, fines, losses and liabilities arising out of or in connection with: (a) Landlord's breach of any representation, warranty or covenant contained in this Article VIII; or (b) the presence of Hazardous Substances on, under or about the Premises, which are not a result of Tenant's activities on the Premises.

8.3 Tenant's Environmental Covenants. Tenant hereby agrees that Tenant shall not manufacture, process, distribute, use, dispose of or handle on the Premises any Hazardous Substances except in compliance with all Environmental Laws. Tenant agrees to indemnify and defend Landlord and Landlord's Affiliates against claims arising out of the actual presence of any Hazardous Substances on the Premises caused Tenant or Tenant Affiliates and/or Tenant's operation or use of the Premises and/or Tenant's non-compliance with Environmental Laws. The provisions of this Article VIII shall survive the expiration date or earlier termination of this Lease. As used herein, "**Tenant Affiliate(s)**" shall include Tenant and any of its respective agents, contractors, employees, and invitees; and "**Landlord Affiliate(s)**" shall include Landlord, its successors, assigns, agents, employees, contractors, property manager, partners, directors, officers and affiliates.

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ARTICLE IX UTILITIES

9.1 Utilities. Landlord shall provide the normal utility service connections to the Premises.

(a) Tenant will pay the cost of electricity, telephone, internet, and cable television services used on the Premises for Tenant's sole use. Additionally, Tenant shall pay, on a monthly basis along with regular Rent payments, a percentage share of the water utility costs incurred by the Building as additional rent, which percentage shall be calculated based on the proportion of the Premises' rentable square footage to the rentable square footage of the Building. Except as otherwise set forth in this Section 9.1(a), any utility costs billed to the Building for uses which are not Tenant's uses shall be paid by the Landlord and Tenant shall have no liability therefor.

(b) Landlord will pay the cost of water, waste, sewer, and all utility costs related to the Building, including but not limited to the common areas, the grounds, and maintenance costs for the Building and the Premises.

9.2 Interruption in Utility Services. Landlord will not be liable for interruption or failure of utility service to the Premises, and Tenant will not be entitled to abatement or reduction of Rent by reason of interruption or failure of utilities or other services to the Premises, unless such interruption of utility service was caused by Landlord's negligence or willful misconduct. Notwithstanding the foregoing, if Tenant is prevented from making reasonable use of the Premises for more than fourteen (14) consecutive days because of the unavailability of any such utility service for any reason (other than unavailability caused by Tenant), then Tenant shall be entitled to a reasonable abatement of Rent for each consecutive day after the expiration of such fourteen (14)-day period that Tenant is so prevented from making reasonable use of the Premises; and in the event such unavailability continues for thirty (30) consecutive days, then Tenant shall have the right to terminate this Lease upon thirty (30) days written notice to Landlord.

ARTICLE X CONDITION OF PREMISES AND REPAIRS

10.1 Condition of Premises. Landlord represents and warrants to Tenant that Landlord has not received any written notice of any violations that remain uncured with respect to any defective condition, structural or otherwise, with respect to the Premises or Building; and Landlord represents and warrants that the heating, ventilating and air conditioning equipment and systems, plumbing system, sprinkler system, electrical system, fire suppression and alarm systems, the roof and roof membrane, and all other fixtures, equipment and systems at or serving the Premises are in good condition, repair and working order as of the Commencement Date.

10.2 Landlord's Repairs. Landlord shall, at its sole cost and expense, maintain in good working order, condition and repair (including any replacements thereof): (i) all common areas; (ii) the exterior foundation, the roof and roof membrane (including, without limitation, keeping the roof watertight), as well as gutters and downspouts; (iii) the Building structure, including but not limited to exterior walls, interior load bearing walls, or any retaining walls; (iv) all utility lines and/or major systems serving the Premises; (v) any repairs to the interior of the Premises due to Landlord's failure or refusal to promptly make its required repairs. In the event Landlord fails to commence any required repair (and diligently pursue the completion of same) within ten (10) days after written notice to Landlord (or immediately upon oral notice in the event of an emergency), Tenant shall have the right, but not the obligation, to cause such repairs to be made, and Landlord shall reimburse Tenant for the reasonable costs of same within ten (10) days of receipt of paid invoices for such work.

10.3 Repair Conditions. In connection with any repairs or other work performed by Landlord in the Premises, such work shall be diligently performed and shall not unreasonably restrict Tenant's access to the Premises. Landlord's repairs shall be made at times and in such manner as to cause the least possible inconvenience to Tenant's business. Landlord will provide Tenant with written notice at least forty-eight (48) hours prior to when Landlord intends to conduct work in the Building that may impact the Tenant and the Premises, except in the event of an emergency. Landlord shall coordinate repairs with Tenant. Landlord shall promptly repair, at its sole cost and expense, any damage to Tenant's property which is caused by Landlord, its agents, contractors or employees. Further, in the event, Tenant is forced to close for business as the result of any work being performed by the Landlord for a period of more than forty-eight (48) hours, the Rent shall abate until the work has been completed and Tenant can reopen for business.

10.4 Tenant's Repairs. Subject to Landlord's repair obligations set forth in Section 10.2 above, Tenant, at its sole cost and expense throughout the Term of this Lease, shall keep and maintain in good working order, repair and condition the Premises (reasonable wear and tear and damage by casualty excepted). Tenant shall be responsible for the maintenance and repair of the heating, ventilating, and air conditioning systems exclusively serving the Premises. In the event Tenant fails to perform its obligations under this Section 10.4, the Landlord shall have the right, but not the obligation, to cause the necessary work to be made, and Tenant shall reimburse Landlord for the reasonable costs of the work within ten (10) days of

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receipt of paid invoices for such work. Tenant shall also be responsible for the reasonable, verified costs of any repairs which must be made due to Tenant's gross negligence or willful misconduct.

ARTICLE XI INSURANCE

11.1 Maintenance of Tenant Policies. From and after the Commencement Date, and during the entire Term of this Lease, Tenant shall procure and maintain the following insurance on or in connection with the Premises, to-wit:

(a) Commercial general liability insurance naming the Landlord as an additional insured against claims for bodily injury, death or property damage occurring on, in or as a result of the use of the Premises, in an amount not less than $1,000,000.00 per occurrence.

(b) Personal property insurance covering loss or damage to the Tenant's personal property and other contents of the Premises. Such insurance shall be written on a replacement cost basis in an amount equal to one hundred percent (100%) of the full replacement value of the aggregate of the foregoing (less a commercially reasonable deductible or self-insured retention).

Further, Tenant shall not intentionally do anything, or permit anything to be done, on the Premises that would adversely effect, contravene, or impair any insurance policies that are in force for the Premises or the Building. Tenant shall pay the costs, damages, expenses, claims, fines, or penalties incurred by Landlord due to Tenant's failure to perform its obligations under this Section 11.1.

11.2 Maintenance of Landlord Policies. During the entire Term of this Lease, Landlord shall procure and maintain the following insurance on or in connection with the Premises:

(a) Insurance against all physical loss or damage to the Building and Premises in amounts not less than the actual "replacement cost" of the Building and Premises. Such policies shall contain replacement cost and agreed amount endorsements.

(b) Business interruption or loss of rents insurance;

(c) Commercial general liability insurance against claims for bodily injury, death or property damage occurring on, in or as a result of the use of the Building or Premises, in an amount not less than $1,000,000.00 per occurrence, with a blanket broad form contractual endorsement.

11.3 Insurance Providers. The insurance required by this Section 11 shall be written by companies that have a Best's rating of AX or above in the most current issue of *A.M. Best's Insurance Ratings Guide* and are authorized to conduct insurance business in the state where the Premises are located. The insurance policies (a) shall be endorsed to waive subrogation against Landlord and Tenant; (b) shall name Tenant, Landlord and Landlord's mortgagee, if any, as additional insureds on all liability policies and (c) shall name Landlord and Landlord's mortgagee, if any, as loss payees on all policies of property insurance with respect to the Building.

11.4 Waiver of Subrogation. Landlord and Tenant hereby mutually release each other from liability and waive all rights of recovery against each other for all loss or damage to any real and/or personal property owned by Landlord and/or Tenant located within or upon or constituting a part of the Premises including, without limitation, all loss and damage to the improvements, inventory owned by the Tenant located at the Premises and/or Tenant's equipment, whether due to negligence or any other cause. Either Landlord or Tenant will, at the request of the other party, execute and deliver to the requesting party a Waiver of Subrogation in the form and content as reasonably required by the requesting party's insurance carrier.

ARTICLE XII WAIVER AND INDEMNITY

12.1 Tenant's Waiver and Indemnity. Landlord shall not be liable to Tenant or to Tenant's employees, members, partners, venturers, officers, directors, stockholders, agents, legal representatives ("**Tenant's Affiliates**"), or any other person including, without limitation, any person entering the Premises under implied or express invitation of Tenant, for any injury to person or damage to or loss of property on the Premises caused by the negligence or willful misconduct of Tenant, Tenant's Affiliates, or any other person entering the Premises under express or implied invitation of Tenant, or arising out of any breach or default by Tenant in the performance of its obligations hereunder. Tenant hereby agrees to indemnify Landlord and hold Landlord and Landlord's Affiliates harmless from any loss, expense or claims arising out of such damage or injury. The liability of Tenant to indemnify Landlord and Landlord's Affiliates shall not extend to any matter against which the Landlord shall be effectively protected by insurance, provided that if any such liability exceeds the amount of the effective and collectible insurance, the liability of Tenant shall apply to the excess. This indemnity shall specifically survive the expiration or earlier termination of this Lease.

12.2 Landlord's Waiver and Indemnity. Tenant shall not be liable to Landlord or to Landlord's employees, members, partners, venturers, officers, directors, stockholders, agents, legal representatives ("**Landlord's Affiliates**"), or any

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other person for any injury to or damage to or loss of property on or about the Premises or the Building caused by the negligence or willful misconduct of Landlord and/or Landlord's Affiliates, or arising out of the breach or default by Landlord in the performance of Landlord's obligations hereunder. Landlord agrees to indemnify Tenant and hold Tenant and Tenant's Affiliates harmless from any loss, expense or damage arising out of such damage or injury. The liability of Landlord to indemnify Tenant and Tenant's Affiliates shall not extend to any matter against which the Tenant shall be effectively protected by insurance, provided that if any liability exceeds the amount of the effective and collectible insurance in question, the liability of Landlord shall apply to the excess. This indemnity shall specifically survive the expiration or earlier termination of this Lease.

ARTICLE XIII DAMAGE OR DESTRUCTION

13.1 Notice of Casualty. If the Premises, Building or any improvements thereon should be damaged or destroyed by fire, tornado or other casualty (hereinafter a "**Casualty**"), Tenant shall promptly give written notice thereof to Landlord.

13.2 Damage. Landlord shall notify Tenant, within thirty (30) days after the date of Landlord's actual knowledge of any Casualty, of the amount of time Landlord reasonably estimates it will take to restore the Premises. If the restoration time is estimated to exceed 210 days from the date of the Casualty, then either Landlord or Tenant may elect to terminate the Lease upon written notice to the other party given no later than thirty (30) days after the date of Landlord's notice. If neither party elects to terminate this Lease, or if Landlord estimates that restoration from the date of such Casualty will take 210 days or less, then Landlord will proceed with reasonable diligence to rebuild or repair the Building and/or the Premises to substantially the condition in which the Premises existed prior to the Casualty. If the Building is to be rebuilt or repaired in whole or in part following a Casualty, the Rent will be adjusted equitably in proportion to the area damaged. Upon restoration, Tenant shall promptly re-enter the Premises and commence doing business in accordance with this Lease.

13.3 Termination Rights. Tenant shall have the right, at its option, to terminate this Lease in the event of the following (i) a Casualty that damages or destroys all or substantially all of the Premises at any time during the Term and that cannot be repaired with 210 days of such Casualty, (ii) a Casualty occurs and Landlord fails to complete the restoration within 210 days or (iii) a Casualty occurs during the final year of the Primary Term or during any exercised Renewal Term. Tenant shall give Landlord written notice of its intent to terminate this Lease within sixty (60) days after the date of the Casualty or within sixty (60) days of Landlord's failure to restore under (ii) above. If the Lease is terminated as herein provided, the Rent shall be abated for the unexpired portion of the Lease effective from the date of the Casualty.

13.4 Insurance Proceeds. All insurance proceeds paid as a result of any Casualty shall be paid to Landlord and shall be used by Landlord solely for the purpose of rebuilding or repairing the Building and/or Premises unless this Lease is terminated as herein provided, in which event all insurance proceeds paid as a result of any Casualty shall be paid to and be the property of the Landlord. All insurance proceeds paid as a result of any casualty of the Tenant's equipment or other improvements owned by Tenant shall be paid to and are the property of the Tenant. Any insurance proceeds received by Landlord with respect to any loss to Tenant's equipment or other improvements owned by Tenant shall be paid to Tenant.

ARTICLE XIV CONDEMNATION

14.1 Notice. If either Landlord or Tenant learns that any portion of the Premises has been or is proposed to be subjected to a "Taking" (as hereinafter defined), such party shall immediately, but no longer than five (5) business days, notify the other party of the Taking (the "**Condemnation Notice**"). A "**Taking**" means the taking of all or any portion of the Premises as a result of the exercise of the power of eminent domain or condemnation for public or quasi-public use or the sale or conveyance of all or any part of the Premises in lieu of or under the threat of condemnation.

14.2 Termination Option on Substantial Taking. If a Taking occurs during the Term of this Lease that materially interferes with the Tenant's use of the Premises (a "**Substantial Taking**"), the Tenant may terminate this Lease by giving notice to the Landlord within sixty (60) days of the date of the Condemnation Notice. If more than fifty percent (50%) of the Premises is subject to a Taking, and Landlord does not desire to restore, then Landlord may terminate this Lease by giving notice to Tenant within sixty (60) days of the date of the Condemnation Notice. In the event this Lease is not terminated following a Taking, the Rent payable during the unexpired portion of the Term shall be reduced in proportion of the share of the Premises that remains usable by the Tenant.

14.3 Continuation of Lease. If a Taking occurs during the Term of this Lease that is not a Substantial Taking, or if a Substantial Taking occurs but Tenant fails to exercise its termination option according to Section 15.2 above, this Lease shall remain in full force and effect according to its terms, except that, effective as of the Taking Date, this Lease shall

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terminate automatically as to any portion of the Premises taken and the Rent payable during the remaining Term of the Lease will be adjusted equitably in proportion to the area taken.

14.4 Reconstruction. If a Taking occurs that is not a Substantial Taking, or if a Substantial Taking occurs but the Tenant does not exercise its termination option according to Paragraph 14.2 above, Landlord shall proceed diligently to repair and restore the Premises that were not taken to the condition that existed immediately prior to the Taking or (if the Premises is not capable of being repaired and restored) as closely to such condition as is possible and the Rent payable during the unexpired portion of this Lease shall be adjusted equitably in proportion to the area taken.

14.5 Awards. If any Taking occurs, Landlord shall be entitled to receive all compensation, damages or consideration paid or payable as a result of or in connection with such Taking, except that Tenant shall be entitled to any portion of such award or payment that is attributable to the value of Tenant's personal property or inventory, or equipment, moving expenses, business relocation expenses and damages to Tenant's business incurred as a result of such Taking.

ARTICLE XV ASSIGNMENT & SUBLETTING

15.1 Assignment and Subletting. Subject to the remaining subsections of this Article XV and except for Permitted Transfers (as hereafter defined), Tenant shall not, without the prior written consent of Landlord (such consent not to be unreasonably withheld, conditioned or delayed) (1) assign this Lease or any estate or interest herein, (2) sublet any portion of the Premises, or (3) permit the use of the Premises by any parties other than Tenant (each event listed above being a "**Transfer**"). Any Transfer without such consent shall be void. In the event that Tenant requests consent of an assignment or sublet hereunder (excluding a Permitted Transfer (hereinafter defined)) and Landlord does not deliver a response to Tenant's request within fifteen (15) business days of the date Landlord receives such request, then Landlord shall be deemed to have consented to such assignment or sublet request. Consent to one assignment or subletting shall not be deemed consent to any subsequent assignment or subletting.

15.2 Permitted Transfers. Notwithstanding anything to the contrary contained in this Lease, if the proposed subtenant or assignee is any corporation which controls, is controlled by or is under common control with Tenant, or is any corporation or entity resulting from the merger or consolidation of Tenant, or is any person or entity which acquires all of the assets of Tenant (a "**Permitted Transferee**"), then Tenant may assign or sublet the Premises or any portion thereof to a Permitted Transferee without the prior written consent of Landlord (a "**Permitted Transfer**"). In the event that Tenant transfers all or part of its interest in this Lease under this Section 15.2 to a Permitted Transferee, then Tenant's obligations under this Lease shall be assumed by the Permitted Transferee. For purposes of this section, "control" shall be deemed to mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of Tenant or any such corporation or entity as the case may be, whether through the ownership of voting securities, by contract, or otherwise.

15.3 Assignment by Landlord. The Landlord may assign its interest in this Lease and the Premises but shall provide notice of such assignment to the Tenant. Tenant shall attorn to any party succeeding to Landlord's interest in the Premises and shall execute those agreements which are reasonable to confirm such attornment.

15.4 Obligations of Tenant and Proposed Transferee. If Landlord consents to a proposed Transfer, then the proposed transferee shall deliver to Landlord a written agreement whereby the proposed transferee expressly assumes the Tenant's obligations hereunder. Provided that, in the event of a transfer of less than all of the Premises the proposed transferee shall be liable only for obligations under this Lease that are properly allocable to the space subject to the Transfer, and only to the extent of the Rent it has agreed to pay Tenant. No such Transfer shall constitute a novation. Upon an event of default by Tenant under this Lease, Tenant authorizes its transferees to make payments of Rent directly to Landlord upon receipt of notice from Landlord to do so.

ARTICLE XVI END OF TERM

16.1 Surrender. Upon the expiration or termination of this Lease, Tenant shall: (i) surrender the Premises to Landlord in substantially the same condition that Tenant agreed to keep the Premises during the Term hereof, normal wear and tear (and damage caused by any Casualty) excepted, and otherwise in "broom clean" condition as it existed at the Effective Date, with all improvements and alterations that are not required to be removed by Tenant as set forth herein; (ii) deliver to Landlord all keys and parking and access cards to the Premises, and (iii) remove all signage placed on the Premises or the Building. All personal property, fixtures and equipment not removed by Tenant shall, at the option of Landlord, be deemed abandoned by Tenant and may be appropriated, sold, stored, destroyed, or otherwise disposed of by Landlord without notice to Tenant and without any obligation to account for such items. All work required of Tenant under this Section

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shall be coordinated with Landlord and be done in a good and workmanlike manner, in accordance with all Laws, and so as not to damage the Building or unreasonably interfere with other tenants' use of their premises.

16.2 Holding Over. In the event Tenant remains in possession of the Premises after the expiration of the Term or earlier termination of this Lease and without the execution of a new lease, then Tenant's possession of the Premises shall constitute and be construed as a tenancy at will only, subject, however, to all of the terms, provisions, covenants and agreements on the part of Tenant under this Lease, and Tenant shall be subject to immediate eviction and removal. In the event of a holdover by Tenant, Tenant covenants and agrees to pay Landlord, as Rent for the period of such holdover a prorated daily Rent equal to the sum of one hundred fifty (150%) percent of the daily Rent then in effect at the end of the Term. In no event, however, shall Tenant be liable for indirect, special or consequential damages of any kind whatsoever under this Lease.

ARTICLE XVII DEFAULTS AND REMEDIES

17.1 Default by Tenant. Each of the following events shall constitute an event of default (herein singularly an "**Event of Default**" and collectively the "**Events of Default**") under this Lease:

(a) The failure of Tenant to timely comply with any monetary terms of this Lease and such failure continues for five (5) days after written notice thereof by Landlord to Tenant;

(b) The failure of Tenant to timely comply with any non-monetary term of this Lease and such failure continues for thirty (30) days after written notice by Landlord to Tenant; provided, however, if such default cannot reasonably be cured within thirty (30) days, Tenant shall not be in default, provided that Tenant shall have commenced curing the default within thirty (30) days and thereafter diligently proceeds to complete curing the Event of Default, then such failure shall not be an Event of Default;

(c) If any of Tenant's interest under this Lease or in the Premises is taken upon execution or by other process of law directed against Tenant, or is subject to any attachment by any creditor or claimant against Tenant and such attachment is not discharged or disposed of within sixty (60) days after such levy;

(d) The filing of a petition by or against Tenant of Tenant's obligations hereunder (1) in any bankruptcy or other insolvency proceeding; (2) seeking any relief under any debtor relief Law; (3) for the appointment of a liquidator, receiver, trustee, custodian, or similar official for all or substantially all of Tenant's property or for Tenant's interest in this Lease.

17.2 Landlord's Remedies. If any Event of Default occurs, Landlord shall have the rights and remedies afforded under this Lease or by Law, to exercise any one or more of the below:

(a) Terminate the Lease and cause Tenant to surrender the Premises to Landlord. If Tenant fails to surrender the Premises, Landlord may enter and take possession of the Premises with due process of law. Tenant shall pay to Landlord all Rent accrued under the Lease up to the date of such Termination. Landlord's acceptance of Rent following an Event of Default does not waive Landlord's rights regarding such Event of Default; or

(b) Terminate Tenant's right to possess the Premises without terminating this Lease by giving written notice to Tenant, in which event Tenant shall pay to Landlord (1) all Rent and other amounts accrued hereunder to the date of termination of possession and (2) Rent and other sums required hereunder to be paid by Tenant during the remainder of the Term, diminished by any net sums received by Landlord through reletting the Premises during the relevant Lease Term. Landlord shall use good faith, reasonable efforts to relet the Premises under reasonable terms to another tenant—provided that, Tenant's obligations under the Lease will not be diminished because of Landlord's failure to relet the Premises; or

(c) Enter the Premises with due process of law without terminating this Lease and do whatever Tenant is obligated to do under the terms of this Lease. Tenant agrees to pay Landlord for expenses which Landlord may reasonably incur in effecting compliance with Tenant's obligations under this Lease; or

(d) No failure of Landlord (i) to insist at any time upon the strict performance of any provision of this Lease or (ii) to exercise any option, right, power or remedy contained in this Lease, shall be construed as a waiver, modification or relinquishment thereof. A receipt by Landlord of any sum in satisfaction of any obligation with knowledge of the breach of any provision hereof shall not be deemed a waiver of such breach, and no waiver by Landlord of any provision hereof shall be deemed to have been made unless expressed in a writing signed by Landlord.

17.3 Duty to Mitigate. Upon the occurrence of an Event of Default, Landlord shall use its best efforts to relet the Premises and to otherwise mitigate its damages. Notwithstanding anything to the contrary contained in this Lease, in no event shall a "de-minimus non-monetary default" be a basis for a forfeiture of this Lease or otherwise result in an eviction of Tenant or the termination of this Lease. For purposes hereof, a "de-minimus non-monetary default" is a non-monetary default which does not adversely affect the structural integrity or condition of the Premises.

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17.4 Default by Landlord. Tenant shall give written notice of any failure by Landlord to perform any of its obligations under this Lease to Landlord and to any mortgagee or beneficiary under any deed of trust encumbering the Premises whose name and address have been previously furnished to Tenant in writing. Landlord shall not be in default under this Lease unless Landlord, or Landlord's mortgagee or beneficiary, fails to cure such non-performance within thirty (30) days after written notice by Tenant. Should Landlord be in default of its obligations under this Lease, in addition to all other remedies available to Tenant under this Lease or at law or equity, Tenant may (but shall not be obligated to) perform the obligations of Landlord and the reasonable costs thereof shall be payable from Landlord to Tenant upon demand. If Landlord fails to reimburse Tenant on demand for the reasonable costs of performing Landlord's obligations within fifteen (15) days after Tenant gives Landlord written notice of such past due amount, then Tenant may in either of such events deduct any such amounts owing from Landlord from Rent or any other amounts due or to become due to Landlord under this Lease.

ARTICLE XVIII MISCELLANEOUS

18.1 Intentionally Omitted.

18.2 Estoppel Certificates. Within twenty (20) business days following written request by Landlord or Tenant, the other party shall execute, acknowledge and deliver to the requesting party a certificate indicating any or all of the following: (a) the date on which the term of this Lease commenced and the date on which it is then scheduled to expire; (b) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the date and nature of each modification); (c) the then current monthly Rent; (d) the date, if any, through which Rent has been paid; and (e) that no default exists that has not been cured, except as to defaults stated in such certificate. Any such certificate may be relied upon by the requesting party and, if Landlord is the requesting party, by any prospective purchaser or mortgagee of Landlord's interest in the Premises, or if Tenant is the requesting party, by any present or prospective mortgagee's of Tenant's interest in the Premises or any prospective subtenant or assignee of Tenant's interest under this Lease.

18.3 Non-Disturbance Agreement; Subtenant Recognition. Provided that Tenant is not in default of any of the covenants and conditions hereof Landlord shall use its best efforts to provide Tenant with a non-disturbance agreement ("**Non-Disturbance Agreement**") executed by all existing and, as and when applicable, future mortgagees or lessors, which Non-Disturbance Agreement shall be in form and substance satisfactory to Tenant and shall provide that this Lease shall be recognized by such mortgagees or lessors and the rights of Tenant as set forth herein shall remain in full force and effect during the Term of this Lease so long as Tenant shall continue to timely perform all the covenants and conditions of this Lease. No subordination of this Lease shall operate to modify the terms of this Lease with respect to the rights of the parties to any condemnation award or insurance proceeds.

18.4 Entry By Landlord. During the last one hundred and eighty (180) days of the Term of this Lease, Landlord and its authorized representatives shall have the right to enter the Premises. Landlord shall use its best efforts to avoid interfering with Tenant's use of the Premises during any such entry. Landlord shall give Tenant prior written notice of Landlord's intent to enter the Premises.

18.5 Construction and Capitalized Terms. As used in this Lease, the singular shall include the plural and any gender shall include all genders as the context requires. All capitalized terms used in this Lease shall have the meanings set forth in this Lease.

18.6 Integration. This Lease and all documents executed by Landlord and Tenant contemporaneously or in connection herewith constitute the entire agreement between the parties hereto with respect to the matters set forth herein and supercede all prior understandings and agreements, whether written or oral, between the parties hereto relating to the Premises and the transactions provided for herein. Landlord and Tenant are business entities and/or individuals, as applicable, having substantial experience with the subject matter of this Lease and each have fully participated in the negotiation and drafting of this Lease. Accordingly, this Lease shall be construed without regard to the rule providing that ambiguities in a document are to be construed against the drafter.

18.7 Brokers. Landlord and Tenant each represent and warrant to the other that they have not dealt with any broker or agent in connection with this Lease other than James Rainer of Newmark ("**Tenant's Broker**"), whose commission will be equal to 3% of the total gross rent for the Primary Term, an amount equal to $6,248.10 (the "**Brokerage Commission**"). Such Brokerage Commission shall be paid by Tenant directly to Tenant's Broker pursuant to a separate commission agreement; provided however, that such Brokerage Commission shall be credited by Landlord in equal monthly installments (in the amount of $297.53 per month) towards Tenant's Rent obligations for the twenty-one (21) month period

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from Lease month 4 through Lease month 24. By way of example, since Tenant's monthly Rent payment for the second year of the Primary Term is $3,476.25, Tenant shall only be required to pay Landlord $3,178.72 ($3,476.25 – $297.53) per month. Landlord and Tenant acknowledge and agree that the foregoing Rent credit is reflected in the Section 3.1 rent chart above. Landlord and Tenant shall each defend, indemnify, and hold the other harmless from all damages, judgments, liabilities, and expenses (including reasonable attorneys' fees) arising from any claims or demands of any broker, agent, or finder with whom the indemnifying party has dealt with for any commission or fee alleged to be due in connection with the transactions contemplated in the Lease and this Amendment, other than those alleged by Tenant's Broker.

18.8 Notices. All notices, requests and demands to be given hereunder shall be in writing, sent by (i) certified mail, return receipt requested, postage pre-paid; or (ii) recognized overnight courier service guaranteeing next day delivery to Landlord and/or Tenant at the address set forth below; or such other address as such party may designate by written notice given in advance. Notices sent in compliance with this paragraph shall be deemed to be delivered: (a) five (5) days after deposit in the United States Post Office; or (b) one (1) day after depositing with such overnight courier.

If to Landlord:	Rupal Shah 1705 Royal Chase Ct. Sevierville, TN 37862
If to Tenant:	Behavioral Health Group 5001 Spring Valley Road, Suite 600 East Dallas, Texas 75244 Attn.: Dwight Mussleman
With a copy to:	Kessler Collins 500 Akard Street, Suite 3700 Dallas, Texas 75201 Attn.: Tony Barbieri

Any party hereto may change its notice address upon written notice to the other party hereto in accordance with this paragraph. Notices by the parties may be given on their behalf by their respective counsel.

18.9 Subordination of Landlord Liens. Landlord agrees that its contractual and statutory landlord's liens are and shall at all times be subordinate to the security interests of the suppliers and lenders of Tenant. Landlord shall execute such additional documents subordinating such liens as may be requested by Tenant and/or its lenders or suppliers.

18.10 Survival. All obligations of any party hereto not fulfilled at the expiration or earlier termination of this Lease shall survive such expiration or earlier termination as continuing obligations of such party.

18.11 Binding Effect. This Lease shall inure to the benefit of and be binding upon each of the parties hereto and their heirs, legal representatives, successors and assigns.

18.12 Modifications. No modification, waiver or amendment of this Lease or any provisions of this Lease shall be binding upon any party to this Lease unless in writing and signed by such party.

18.13 No Waiver. No waiver of any provision of this Lease shall be implied by any failure of either party to enforce any remedy upon the violation of such provision, even if such violation is continued or repeated subsequently. No express waiver shall affect any provision other than the one specified in such waiver, and then only for the time and in the manner specifically stated.

18.14 Captions. The captions of Articles and Sections are for convenience only and shall not be deemed to limit, construe, affect or alter the meaning of such Articles and Sections.

18.15 Severability. If any provision of this Lease is deemed or held to be illegal, invalid or unenforceable, this Lease shall be considered divisible and inoperative as to such provision to the extent it is deemed to be illegal, invalid or unenforceable, and in all other respects this Lease shall remain in full force and effect.

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18.16 Jury Trial. Landlord and Tenant hereby expressly waive trial by jury in any action, proceeding or counterclaim brought by Landlord or Tenant against the other with respect to any matter arising out of or in connection with this Lease and/or Tenant's use and occupancy of the Premises.

18.17 Authority to Bind. The individuals signing this Lease on behalf of Landlord and Tenant represent and warrant that they are empowered and duly authorized to bind Landlord or Tenant, as the case may be, to this Lease according to its terms.

18.18 Only Landlord/Tenant Relationship. Landlord and Tenant agree that neither any provision of this Lease nor any act of the parties shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

18.19 Attorney's Fees. If on account of any breach or default by any party hereto in its obligations to any other party hereto, it shall become necessary for the non-defaulting party to employ an attorney to enforce or defend any of its rights or remedies hereunder, the defaulting party agrees to pay the non-defaulting party its reasonable attorneys' fees, whether or not suit is instituted in connection therewith.

18.20 Time of Essence. Time is of the essence of each of the provisions of this Lease.

18.21 Counterparts. This Lease may be executed in counterparts, each of which shall be deemed an original but all of which counterparts collectively shall constitute one Lease. Signatures may be electronic and exchanged by e-mail or mail by mail to the party's physical address set forth in the Notice Section of this Agreement. Each party hereto shall be bound by its own signature and shall accept the signature of the other parties hereto.

18.22 No Presumption Against Drafter. Landlord and Tenant understand, agree, and acknowledge that: (i) this Lease has been freely negotiated by both parties; and (ii) that, in the event of any controversy, dispute, or contest over the meaning, interpretation, validity, or enforceability of this Lease, or any of its terms or conditions, there shall be no inference, presumption, or conclusion drawn whatsoever against either party by virtue of that party having drafted this Lease or any portion thereof

18.23 Governing Law. This Lease shall be construed, governed and enforced in accordance with the laws of the state in which the Premises are located.

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IN WITNESS WHEREOF, the parties hereto have executed this Lease under seal as of the day and year first above written.

LANDLORD:

_____

By:_____
Name:_____
Its: _____

TENANT:

DRD MANAGEMENT, INC.
a Tennessee corporation

Signed by:
By: Anthony Kilgore
40611D5838F44B9...
Name: Anthony Kilgore
Its: CEO

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IN WITNESS WHEREOF, the parties hereto have executed this Lease under seal as of the day and year first above written.

LANDLORD:

Rupal Shah 10/10/25

By: Owner

Name: Rupal Shah

Its: _____

TENANT:

_____

By: _____

Name:

Its:

Audit Envelope ID: E0F3B0E9-01BD-C232-E7A1-0D0598C8F9C-80F2-EC6B8C6FC4BB
DocuSign Envelope ID: C232CA1C-0598-8F9C-80F2-EC6B8C6FC4BB

FIRST AMENDMENT TO LEASE

This First Amendment to Lease (this "**Amendment**") is dated to be effective as of 04/21/26, 2026 (the "**Effective Date**"), by and between RUPAL SHAH, an individual ("**Landlord**"), and DRD MANAGEMENT, INC., a Missouri corporation ("**Tenant**").

Landlord and Tenant entered into that certain Lease Agreement dated October 22, 2025 (the "**Original Lease**", with the Original Lease and this Lease collectively referred to as the "**Lease**"), covering that certain premises consisting of approximately 2,250 rentable square feet (the "**Original Premises**") and located at 11729 Chapman Hwy, Seymour, TN 37865 (the "**Building**"), as more particularly described in the Lease; and

Landlord and Tenant now desire to, among other things, amend the Lease to expand the Premises.

The parties therefore agree as follows:

1. Expansion; Rent.

(a) Beginning on the Expansion Commencement Date (defined below), the Original Premises shall increase to include Suite B of the Building containing approximately 750 rentable square feet and shown in Exhibit A attached hereto (the "**Expansion Premises**", with the Original Premises and the Expansion Premises collectively referred to as the "**Premises**"). As used herein, the term "**Expansion Commencement Date**" shall mean May 1, 2026. Landlord agrees to deliver the Expansion Premises to Tenant on or before the Expansion Commencement Date vacant, broom-clean, and in good condition, repair, and working order.

(b) Notwithstanding anything in the Original Lease to the contrary, commencing on the Expansion Commencement Date and continuing through the expiration of the Term, the monthly installments of Rent payable for the Premises are as follows:

Primary Term	**Monthly Rent**	**Monthly Rent Less Brokerage Commission (see Section 18.7 of Original Lease)**
May 1, 2026 – October 31, 2026	$4,637.50	$4,339.97
November 1, 2026 – October 31, 2027	$4,776.63	$4,479.10
November 1, 2027 – October 31, 2028	$4,919.92	
November 1, 2028 – October 31, 2029	$5,067.52	
November 1, 2029 – September 30, 2030	$5,219.55	
October, 2030*	$1,420.96*	
First Renewal Term (if applicable)	**Monthly Rent**	
November 1, 2030 – October 31, 2031	$5,376.13	
November 1, 2031 – October 31, 2032	$5,537.42	
November 1, 2032 – October 31, 2033	$5,703.54	
November 1, 2033 – October 31, 2034	$5,874.65	
November 1, 2034 – October 31, 2035	$6,050.89	
Second Renewal Term (if applicable)	**Monthly Rent**	
November 1, 2035 – October 31, 2036	$6,232.41	
November 1, 2036 – October 31, 2037	$6,419.38	
November 1, 2037 – October 31, 2038	$6,611.97	
November 1, 2038 – October 31, 2039	$6,810.33	
November 1, 2039 – October 31, 2040	$7,014.63	

*Landlord and Tenant acknowledge and agree that Tenant previously paid the total sum of $7,173.59 in Prepaid Rent, and in accordance with the terms of the Original Lease, Tenant therefore had no obligation to pay Rent for the month of January 2026 due to a partial application of Prepaid Rent. Accordingly, with consideration to the

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addition of the Expansion Premises and increased Rent as a result, the remaining Prepaid Rent ($3,798.59) shall be applied to Tenant's Rent obligations for the month of October, 2030, and such application is evidenced in the rent chart above.

(c) Notwithstanding the foregoing or anything contained in this Amendment, from the Effective Date to the Expansion Commencement Date, Tenant will continue to pay Rent pursuant to the applicable terms and conditions of the Lease for the Original Premises.

(d) Landlord and Tenant acknowledge and agree that Landlord currently holds a security deposit in the amount of $3,375.00 under the Original Lease. Tenant shall within seven (7) business days after the Effective Date deposit with Landlord an additional security deposit in the amount of $1,262.50 so that the total Security Deposit under the Lease will equal $4,637.50. Such Security Deposit will be governed by the terms of the Original Lease, including Section 3.2.

(e) Landlord and Tenant stipulate that from and after the Expansion Commencement Date, (i) except as otherwise provided for in this Amendment (i.e. where a distinction is made between the Original Premises and the Expansion Premises), any and all references in the Lease to the "Premises" shall mean and be deemed to include, and shall apply equally to, the Original Premises and the Expansion Premises; and (ii) the Premises (as such term is amended herein) shall contain a total of approximately 3,000 rentable square feet.

2. Real Estate Brokers. Landlord and Tenant each represent and warrant to the other that they have not dealt with any broker or agent in connection with this Amendment other than James Rainer of Newmark ("**Tenant's Broker**"), whose commission will be equal to 3% of the total gross rent for the initial Term applicable to the Expansion Premises only, an amount equal to $2,185.75 ("**Expansion Brokerage Commission**"). The Expansion Brokerage Commission shall be paid directly by Tenant to Tenant's Broker pursuant to a separate commission agreement. Landlord and Tenant shall each defend, indemnify and hold the other harmless from all damages, judgments, liabilities and expenses (including attorneys' fees) arising from any claims or demands of any broker, agent or finder with whom the indemnifying party has dealt with for any commission or fee alleged to be due in connection with the transactions contemplated in the Lease and this Amendment, other than those alleged by Tenant's Broker.

3. Miscellaneous. Landlord and Tenant represent each to the other that it has full right and authority to enter into this Amendment. All other terms and conditions of the Original Lease, except as specifically amended or modified by this Amendment, shall remain in effect and unchanged. All terms used herein having initial capital letters and not otherwise herein defined shall have the meaning ascribed to such terms in the Original Lease. If any conflict exists between the provisions in this Amendment and the Original Lease, then this Amendment controls. The Lease, including this Amendment, constitutes the entire agreement of the Landlord and Tenant with respect to the subject matter of the Lease, and contains all of the covenants and agreements of Landlord and Tenant with respect thereto. The recitals set forth above are true and correct and are hereby incorporated herein by this reference. Landlord and Tenant each acknowledge that no representations, inducements, promises or agreements, oral or written, have been made by Landlord or Tenant, or anyone acting on behalf of Landlord or Tenant, which are not contained herein, and any prior agreements, promises, negotiations, or representations not expressly set forth in the Lease are of no effect. The Lease, including this Amendment, may not be altered, changed, or amended except by an instrument in writing signed by both parties hereto. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. The execution of this Amendment may be effected by electronic signatures or by copies transmitted by electronic mail in .pdf or similar electronic copy format (including by facsimile, pdf or any electronic signature complying with the Electronic Signatures in Global and National Commerce Act, e.g., www.docusign.com), all of which shall be treated as originals; provided, however, that the party receiving a document with an electronic signature may, by written notice to the other, require the prompt delivery of an original signature to evidence and confirm the delivery of the electronic signature. The parties each intend to be bound by its respective electronic transmitted signature.

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DocuSign Envelope ID: C232EA1C-0598-8F9C-80F2-EC6B8C6FC4BB

This Amendment is dated to be effective as of the Effective Date.

TENANT:

DRD MANAGEMENT, INC.
a Missouri corporation

Signed by:
By: Anthony Kilgore
40611D5838F44B9...
Name: Anthony Kilgore
Title: CEO

LANDLORD:

RUPAL SHAH
an individual

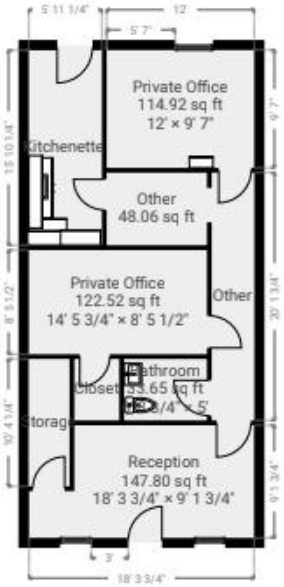
AuthentiSIGN
By: Rupal Shah 04/21/26
Name: Rupal Shah
Title: Owner

Audit Trail: E0376D53-01D3-C232-EA1C-0598-8F9C-80F2-EC6B8C6FC4BB
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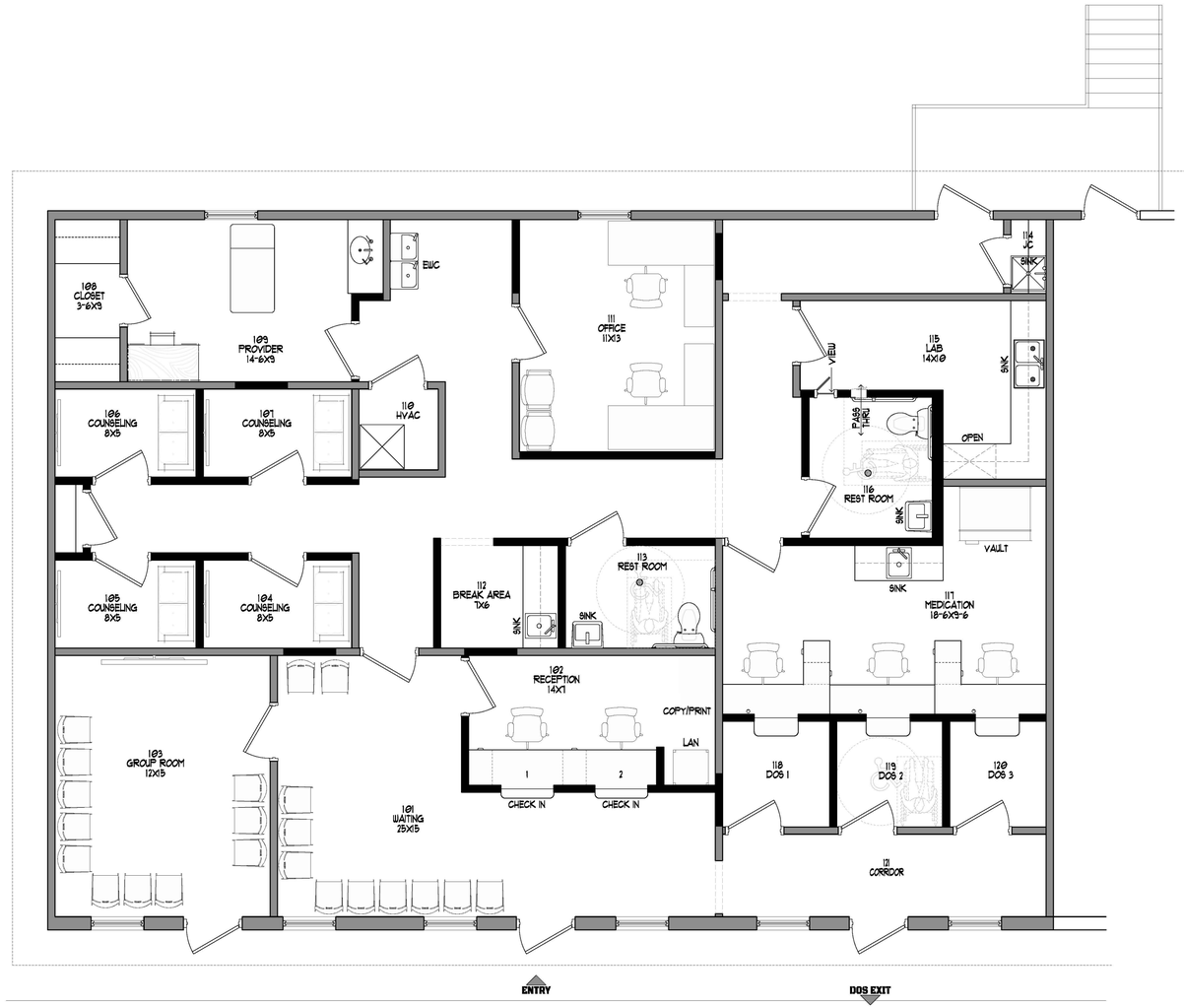
EXHIBIT A

EXPANSION PREMISES

TOTAL AREA: 824.76 sq ft · LIVING AREA: 824.76 sq ft · ROOMS: 9



Attachment 10A



2.1.1 1/4"=1' **FLOOR PLAN**

a1010
676 Marshall Avenue Suite 101
Memphis, Tennessee 38103
www.arch1010.com

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ALL RIGHTS RESERVED

THIS DRAWING IS A PRELIMINARY DESIGN DOCUMENT AND MAY NOT CONTAIN ALL NEEDED INFORMATION FOR PRICING AND/OR CONSTRUCTION. THE ARCHITECT IS NOT RESPONSIBLE FOR INSUFFICIENT INFORMATION. THIS DRAWING IS NOT FOR PERMIT.

Revisions

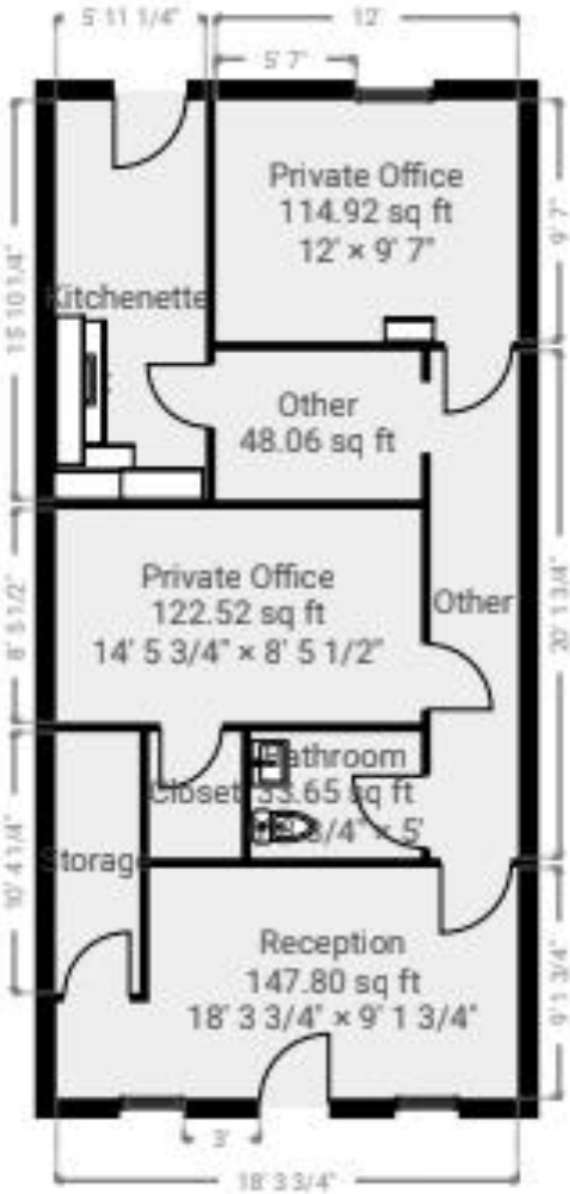
BHG behavioral health group
11729 CHAPMAN HIGHWAY • SEYMOUR TN 37865

DESIGN 4 10 NOV 2025

BY: C NOONER
REF: DM
PROJ: 25023
DATE: 2025-1021

A2.1
1
FLOOR PLAN

Additional Suite



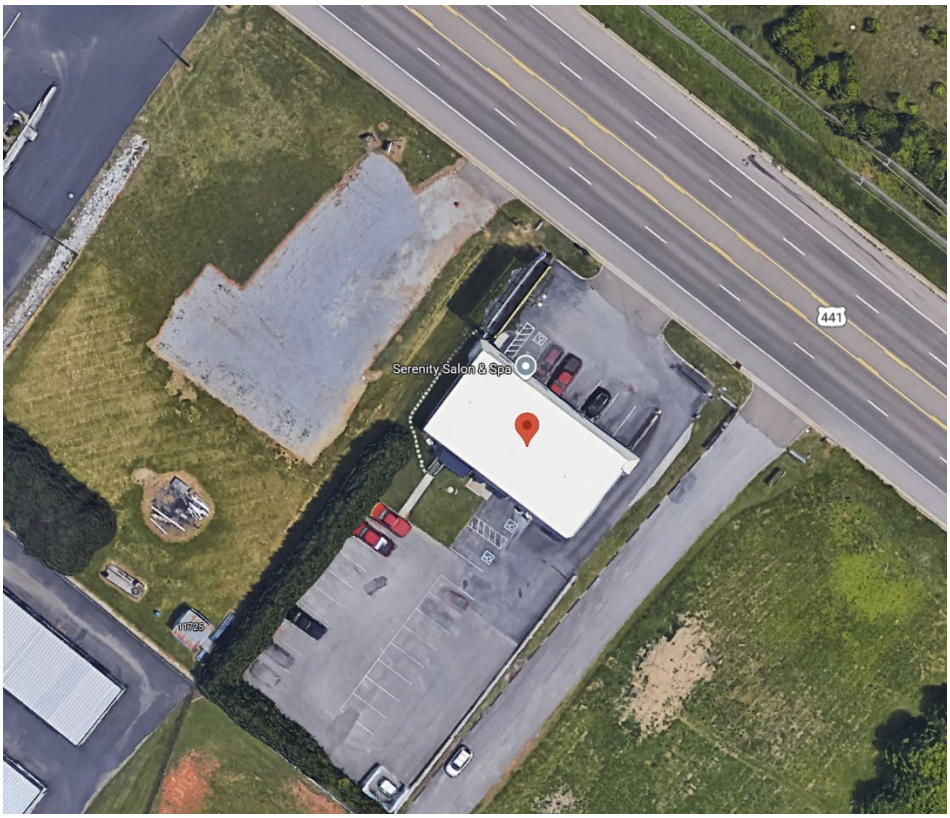
Attachment 12A

12A. Plot Plan

Unless relating to home care organization, briefly describe the following and attach the requested documentation on a letter size sheet of white paper, legibly labeling all requested information. It **must** include:

- Size of site (in acres);
- Location of structure on the site;
- Location of the proposed construction/renovation; and
- Names of streets, roads, or highways that cross or border the site.

RESPONSE: The proposed BHG Seymour MU will be located at 11729 Chapman Highway, Seymour, Sevier County, TN 37865. As shown below, the structure is situated on the north portion of the property, with adequate space for patient parking and safe traffic flow to the north. The proposed renovation and interior build-out will occur entirely within the existing building footprint. No exterior expansion or structural additions are planned.



Source: Google Maps

The property is bordered by Chapman Highway (State Route 71, US 441) to the north. This roadway provides direct, convenient access for patients traveling within Seymour County and surrounding areas. As stated in the letter from James Ranier in Attachment 12A, 11729 Chapman Highway is zoned C-2, and outpatient patient substance abuse treatment via medication and counseling is permitted by right under C-2 zoning. This determination confirms

that the proposed MU is an allowable use at 11729 Chapman Highway without the need for a special exception or rezoning.

Tennessee Property Assessment Data - Parcel Details Report - https://assessment.cot.tn.gov/

Sevier (078)

Tax Year 2026 | Reappraisal 2026

Jan 1 Owner
SHAH RUPAL & ASHVIN
1705 ROYAL CHASE CT
SEVIERVILLE TN 37862

Current Owner

CHAPMAN HWY 11729

Ctrl Map:	Group:	Parcel:	PI:	SI:
057C	B	005.00		000

Value Information

Land Market Value:	$245,000
Improvement Value:	$289,700
Total Market Appraisal:	$534,700
Assessment Percentage:	40%
Assessment:	$213,880

Subdivision Data

Subdivision:
NEWELL STATION

Plat Book:	Plat Page:	Block:	Lot:
29	81		5

Additional Information

SEYMOUR PROFESSIONAL BLDG

General Information

Class: 08 - Commercial
City #:
Special Service District 1: 000
District: 09
Number of Buildings: 1
Utilities - Water/Sewer: 11 - INDIVIDUAL / INDIVIDUAL
Utilities - Gas/Gas Type: 01 - PUBLIC - NATURAL GAS
City:
Special Service District 2: 000
Neighborhood: C01
Number of Mobile Homes: 0
Utilities - Electricity: 01 - PUBLIC
Zoning: C-2

Outbuildings & Yard Items

Building #	Type	Description	Area/Units
1	WDK - WOOD DECK	6X14	84
1	ASP - ASPHALT PAVING		2,400

Sale Information

Long Sale Information list on subsequent pages

Land Information

Deed Acres: 0.54 **Calculated Acres:** 0 **Total Land Units:** 0.54

Land Code	Soil Class	Units
11 - COM RURAL		0.54

Commercial Building #: 1

Improvement Type:
30 - OFFICE
Quality:
0+ - BELOW AVERAGE +
Foundation:
02 - CONTINUOUS FOOTING
Roof Framing:
01 - SHED
Cabinet/Millwork:
03 - AVERAGE
Interior Finish:
07 - DRYWALL
Bath Tiles:
00 - NONE
Shape:
01 - RECTANGLE
Heat and AC:
07 - HVAC SPLIT
Building Sketch



Actual Year Built:
1999
Business Living Area:
6000
Floor System:
04 - WOOD W/ SUB FLOOR
Roof Cover/Deck:
03 - COMPOSITION SHINGLE
Floor Finish:
11 - CARPET COMBINATION
Paint/Decor:
03 - AVERAGE
Electrical:
03 - AVERAGE
Structural Frame:
00 - NONE
Plumbing Fixtures:
10

Interior/Exterior Areas

Type	Square Feet	Exterior Wall
30 - OFFICE	3,000	04 - SIDING AVERAGE
BMF - Basement finished - N/A	3,000	12 - BRICK/WOOD

Commercial Features

Type	Units

Sale Information

Sale Date	Price	Book	Page	Vacant/Improved	Type Instrument	Qualification
9/18/2023	$920,000	6391	292	I - IMPROVED	WD - WARRANTY DEED	R - PERSONAL PROPERTY
6/27/2006	$375,000	2562	374	I - IMPROVED	WD - WARRANTY DEED	A - ACCEPTED
2/5/2004	$0	1898	457		-	-
11/20/2001	$0	1331	227		-	-
10/26/2000	$0	1131	235		-	-
3/12/1998	$67,500	621	641	V - VACANT	WD - WARRANTY DEED	N - NON-ARM'S LENGTH
12/2/1996	$0	586	303		-	-

To Whom it May Concern,

Per the Oak Ridge Zoning Ordinance, Behavioral Health Group's use is allowed under the current C-2 zoning for 11729 Chapman Hwy in Seymour, TN. This was verified via e-mail with Gary Brackins who is on the Citizen Advisory Board in the Planning Department and contact for zoning questions.

Per Mr. Brackins, 11729 Champman Hwy is zoned C-2 and outpatient patient substance abuse treatment via medication and counseling is permitted by right under C-2 zoning.

Sincerely



James Rainer
Director

555 Perkins Extended, Suite 410
Memphis, TN 38117
t 901-761-1717
f 901-761-1716
nmrk.com

NEWMARK

Attachment 13A

BHG
behavioral health group

Tony Kilgore
Chief Executive Officer

August 10, 2026

Representative Fred Atchley
425 Rep. John Lewis Way N. Suite 640 Cordell Hull Bldg.
Nashville, TN 37243
RE: BHG Seymour Medication Unit

Dear Mr. Atchley,

In accordance with Tennessee Code Annotated §68-11-1607(c)(9)(A), this letter is to notify you that DRD Management, Inc. d/b/a BHG Knoxville Citico Treatment Center has filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on July 31, 2026, for the establishment of a nonresidential substitution-based treatment center for opiate addition. The proposed address of this establishment is 11729 Chapman Hwy, Seymour, TN 37865. Attached is a copy of the Letter of Intent filed with HSDA.

If you have any questions, please contact me or my assistant, Melissa Baker at 844-535-7291 or by email at melissa.baker2@bhgrecovery.com.

Sincerely,

Tony Kilgore
Chief Executive Officer

State of Tennessee
Health Facilities Commission

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

www.tn.gov/hsda Phone: 615-741-2364 hsda.staff@tn.gov

LETTER OF INTENT

The Publication of Intent is to be published in The Knoxville News Sentinel which is a newspaper of general circulation in Sevier County, Tennessee, Tennessee, on or before 07/15/2026 for one day.

This is to provide official notice to the Health Facilities Commission and all interested parties, in accordance with T.C.A. §68-11-1601 et seq., and the Rules of the Health Facilities Commission, that DRD Management, Inc., a/an Nonresidential Substitution Based Treatment Center of Opiate Addiction owned by DRD Management, Inc. with an ownership type of Corporation (For Profit) and to be managed by itself intends to file an application for a Certificate of Need for establishment of a non-residential substitution based opioid treatment center and the initiation of opiate addiction treatment services in Sevier County. The facility will be licensed as a Nonresidential Substitution-Based Treatment Center for Opiate Addiction by the Tennessee Department of Mental Health and Substance Abuse Services. The address of the project will be 11729 Chapman Hwy, Seymour, Sevier County, Tennessee, 37865. The estimated project cost will be $726,260.

The anticipated date of filing the application is 07/31/2026

The contact person for this project is Ms. Darcy Schaeffer who may be reached at Research and Planning Consultants - 6300 La Calma Drive, Suite 170, Austin, Texas, 78752 – Contact No. 512-371-8011.

Darcy Schaeffer	07/15/2026	dschaeffer@rpcconsulting.com
Signature of Contact	**Date**	**Contact's Email Address**

The Letter of Intent must be received between the first and the fifteenth day of the month. If the last day for filing is a Saturday, Sunday, or State Holiday, filing must occur on the next business day. Applicants seeking simultaneous review must publish between the sixteenth day and the last day of the month of publication by the original applicant.

The published Letter of Intent must contain the following statement pursuant to T.C.A. §68-11-1607 (c)(1). (A) Any healthcare institution wishing to oppose a Certificate of Need application must file a written notice with the Health Facilities Commission no later than fifteen (15) days before the regularly scheduled Health Facilities Commission meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application may file a written objection with the Health Facilities Commission at or

prior to the consideration of the application by the Commission, or may appear in person to express opposition. Written notice of opposition may be sent to: Health Facilities Commission, Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243 or email at hsda.staff@tn.gov .

BHG
behavioral health group

Tony Kilgore
Chief Executive Officer

August 6, 2026

Mayor Larry Waters
Sevier County Courthouse
125 Court Avenue, Suite 201E Sevierville, TN 37862
RE: BHG Seymour Medication Unit

Dear Mayor Waters,

In accordance with Tennessee Code Annotated §68-11-1607(c)(9)(A), this letter is to notify you that DRD Management, Inc. d/b/a BHG Knoxville Citico Treatment Center has filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on July 31, 2026, for the establishment of a nonresidential substitution-based treatment center for opiate addition. The proposed address of this establishment is 11729 Chapman Hwy, Seymour, TN 37865. Attached is a copy of the Letter of Intent filed with HSDA.

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Sincerely,

Tony Kilgore
Chief Executive Officer

State of Tennessee
Health Facilities Commission

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

HFC **www.tn.gov/hsda** Phone: 615-741-2364 hsda.staff@tn.gov

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Signature of Contact	**Date**	**Contact's Email Address**

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BHG
behavioral health group

Tony Kilgore
Chief Executive Officer

August 10, 2026

Representative Jessie Seal
425 Rep. John Lewis Way N. Suite 748 Cordell Hull Bldg.
Nashville, TN 37243
RE: BHG Seymour Medication Unit

Dear Mr. Seal,

In accordance with Tennessee Code Annotated §68-11-1607(c)(9)(A), this letter is to notify you that DRD Management, Inc. d/b/a BHG Knoxville Citico Treatment Center has filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on July 31, 2026, for the establishment of a nonresidential substitution-based treatment center for opiate addition. The proposed address of this establishment is 11729 Chapman Hwy, Seymour, TN 37865. Attached is a copy of the Letter of Intent filed with HSDA.

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Sincerely,

Tony Kilgore
Chief Executive Officer

State of Tennessee
Health Facilities Commission

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

HFC

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The contact person for this project is Ms. Darcy Schaeffer who may be reached at Research and Planning Consultants - 6300 La Calma Drive, Suite 170, Austin, Texas, 78752 – Contact No. 512-371-8011.

Darcy Schaeffer	07/15/2026	dschaeffer@rpcconsulting.com
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BHG Recovery
501 Spring Valley Road
Suite 600 EAST
Dallas, TX 75244
ATTN: Melissa Baker



Representative Fred
425 Rep. John Lewis
Suite 640 Cordell-Ha
Nashville, TN 372
RE: BHG Seymour

BHG
behavioral health group

Tony Kilgore
Chief Executive Officer

August 10, 2026

Representative Fred Atchley
425 Rep. John Lewis Way N. Suite 640 Cordell Hull Bldg.
Nashville, TN 37243
RE: BHG Seymour Medication Unit

Dear Mr. Atchley,

In accordance with Tennessee Code Annotated §68-11-1607(c)(9)(A), this letter is to notify you that ORO Management, Inc. d/b/a BHG Knoxville Citico Treatment Center has filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on July 31, 2026, for the establishment of a non-residential substitution-based treatment center for opiate addition. The proposed address of this establishment is 11729 Chapman Hwy, Seymour, TN 37865. Attached is a copy of the Letter of Intent filed with HSDA.

If you have any questions, please contact me or my assistant, Melissa Baker at 844-535-7291 or by email at melissa.baker2@bhgrecovery.com.

Sincerely,

Tony Kilgore
Chief Executive Officer

BHG Recovery
5001 Spring Valley Road
Suite 600 EAST
Dallas, TX 75244
ATTN: Melissa Baker



Representative Jesse Seal
425 Rep John Lewis Way N.
Suite 748 Lordell Hull Bldg
Nashville, TN. 37243
RE: BHG Seymour Medication

BHG
behavioral health group

Tony Kilgore
Chief Executive Officer

August 10, 2026

Representative Jesse Seal
425 Rep. John Lewis Way N. Suite 748 Cordell Hull Bldg.
Nashville, TN 37243
RE: BHG Seymour Medication Unit

Dear Mr. Seal,

In accordance with Tennessee Code Annotated §68-11-1607(c)(3)(A), this letter is to notify you that DRD Management, Inc. d/b/a BHG Knoxville Clinic Treatment Center has filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on July 31, 2026, for the establishment of a nonresidential substitution-based treatment center for opiate addiction. The proposed address of this establishment is 11719 Chapman Hwy, Seymour, TN 37865. Attached is a copy of the Letter of Intent filed with HSDA.

If you have any questions, please contact me or my assistant, Melissa Baker at 844-535-7291 or by email at melissa.baker1@bhgrecovery.com.

Sincerely,

Tony Kilgore
Chief Executive Officer

BHG Recovery | 5001 Spring Valley Road | Suite 600 East | Dallas, TX 75244 | 844-535-7291

Recovery
Spring Valley Rd.
600 EAST
TX 75244
Melissa Baker

CERTIFIED MAIL

9589 0710 5270 1837 7090 71

9589 0710 5270 1837 7090 71

U.S. Postal Service
CERTIFIED MAIL® RECEIPT

OFFICIAL USE

Mayor Larry Waters
Sevier County Courthouse
125 Court Avenue Suite 201E
Sevierville, TN 37862
RE: BHG Seymour Medicat

BHG
behavioral health group

Tony Kilgore
Chief Executive Officer

August 6, 2026

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If you have any questions, please contact me or my assistant, Melissa Baker at 844-535-7291 or by email at melissa.baker2@bhgrecovery.com.

Sincerely,

Tony Kilgore
Chief Executive Officer

BHG Recovery | 5001 Spring Valley Road | Suite 600 East | Dallas, TX 75244 | 844-535-7291

UNITED STATES POSTAL SERVICE.

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DALLAS, TX 75240-9998
www.usps.com

08/06/2026 05:27 PM

TRACKING NUMBERS
9589 0710 5270 1837 7090 71
9589 0710 5270 1837 7090 57
9589 0710 5270 1837 7090 95

TRACK STATUS OF ITEMS WITH THIS CODE
(UP TO 25 ITEMS)

TRACK STATUS BY TEXT MESSAGE
Send tracking number to 28777 (USPS)
Standard message and data rates may apply

TRACK STATUS ONLINE
Visit https://www.usps.com/tracking
Text and e-mail alerts available

PURCHASE DETAILS

Product	Qty	Unit Price	Price
First-Class Mail® Large Envelope Baton Rouge, LA 70896 Weight: 0 lb 4.40 oz Estimated Delivery Date Mon 08/10/2026	1		$2.85
Certified Mail®			$5.55
Return Receipt			$4.65
Mails Rate Quote			-$13.05
Total			$0.00
First-Class Mail® Large Envelope Sevierville, TN 37862 Weight: 0 lb 1.30 oz Estimated Delivery Date Tue 08/11/2026	1		$1.98
Certified Mail® Tracking #: 9589 0710 5270 1837 7090 71			$5.55
Return Receipt Tracking #: 9590 9402 9471 5069 6220 07			$4.65
Total			$12.18
First-Class Mail® Large Envelope Nashville, TN 37243 Weight: 0 lb 1.30 oz Estimated Delivery Date Mon 08/10/2026	1		$1.98
Certified Mail® Tracking #: 9589 0710 5270 1837 7090 57			$5.55
Return Receipt Tracking #: 9590 9402 9471 5069 6220 14			$4.65
Total			$12.18
First-Class Mail® Large Envelope Nashville, TN 37243 Weight: 0 lb 1.30 oz Estimated Delivery Date Mon 08/10/2026	1		$1.98
Certified Mail® Tracking #: 9589 0710 5270 1837 7090 95			$5.55
Return Receipt Tracking #			$4.65







Attachment 1E

To Whom it May Concern,

Based on my experience from building out over 50+ locations as a construction manager for Behavioral Health Group ("BHG"), I believe the expected construction cost for 11729 Chapman Hwy in Seymour, TN to be in the $80-100 psf range. An estimated breakdown of the total project costs is shown below.

Seymour TN Expected Construction Budget

Project Square Footage 3.000

Description	Per Sf	Price
Architectural & Engineering	$1.78	$5,340.00
Permit & Mobilization	$1.11	$3,330.00
General Conditions	$6.67	$20,010.00
Demolition & Prep	$2.25	$6,750.00
Plumbing	$22.22	$66,660.00
Electrical	$15.56	$46,680.00
HVAC	$10.00	$30,000.00
Drywall & Framing	$12.00	$36,000.00
Interior Doors & Hardware	$5.00	$15,000.00
Flooring	$14.00	$42,000.00
Paint	$8.00	$24,000.00
Drop Ceiling	$2.22	$6,660.00
Sub Total	$100.81	$302,430.00
GC Fee & P&O	10%	$30,243.00
Construction Total	$110.89	$332,673.00
Construction Management	6%	$19,960.38
Project Total		$352,633.38

Sincerely



James Rainer
Director

555 Perkins Extended, Suite 410
Memphis, TN 38117
t 901-761-1717
f 901-761-1716
nmrk.com

NEWMARK

WELLS FARGO

Commercial Banking
14241 Dallas Pkwy, Suite 1300
Dallas, TX 75254

wellsfargo.com

July 28, 2026

D.R.D. Management, Inc.
5001 Spring Valley Rd, Suite 600E
Dallas, TX 75244

Dear John Whisler:

This letter indicates that the Customer named above has requested a verification of the following deposit accounts with Wells Fargo Bank, N.A.

Row	Account Number *(Last 4-digits)*	Account Name	Date Opened	Current Balance *(see Note 1 below)*	Average Balance Last 12 Months *(see Note 2 below)*
1	**7078**	**D.R.D. Management, Inc.**	**12/17/2015**	**$4,525,127.78**	**$3,300,892.70**
2					
3					
4					
5					

Note 1: The Current Balance is the opening available balance as of the date of this letter, but such balance does not include any uncollected items and/or amounts that have not yet been posted to such account as of the date hereof.

Note 2: The Average Balance Last 12 months is the average amount of money you had in your account over the past year, calculated by adding up the closing balance of each day within that 12-month period and dividing by the number of days in that time frame.

Important Disclosures

The recipient of this information hereby acknowledges that Wells Fargo ("we", "us") does not represent or warrant that the information provided herein is complete or accurate, and any errors or omissions in the information shall not be a basis for a claim against us. This information may not disclose the entire relationship the Customer maintains with us.

This information is subject to change at any time without notice. We are not obligated to notify the recipient of any change in this information, or if any deposit account relationship referenced herein is, or is in the process of being, modified, terminated, or cancelled, unless we are required to do so by law or under the terms of the applicable deposit account agreement.

This letter does not constitute a guaranty of future balances or credit support of any nature, nor do we accept any duty, responsibility, liability or obligation that may arise from providing this letter, including any reliance upon the information or for any loss or damage that may result.

If you have any questions about the information provided or need additional information, please contact the bank's customer as the bank has not been authorized to provide you with any additional information.

Thank you. We appreciate your business.

Wells Fargo Bank, N.A.

Kim Baber

© 2025 Wells Fargo Bank, N.A.
594822 (Rev 13 - 04/2025)

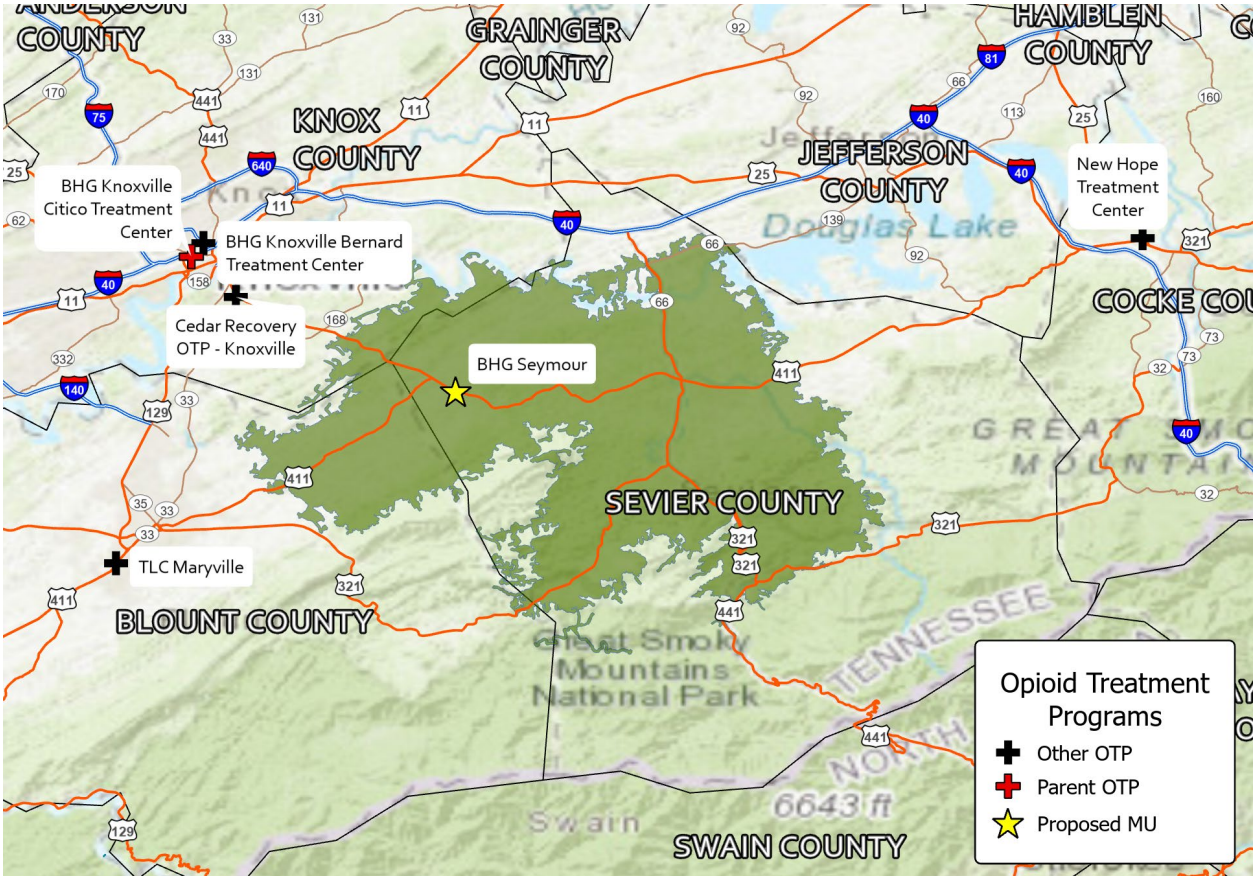
Attachment 2N

2N. Identify the proposed service area and provide justification for its reasonable ness. Submit a county level map for the Tennessee portion and counties boarding the state of the service area using the supplemental map, clearly marked, and shaded to reflect the service area as it relates to meeting the requirements for CON criteria and standards that may apply to the project. Please include a discussion of the inclusion of counties in the border states, if applicable. (Attachment 2N)

RESPONSE:

Sevier County is the proposed service area for BHG Seymour. The service area was determined by conducting a 45-minute drive-time analysis in ArcGIS from the proposed Seymour site. This drive-time threshold reflects BHG's operational experience, which shows that OTP patients typically travel up to 45 minutes to access MAT services. As shown in the map below, the 45-minute drive-time area encompasses virtually all the populated portions of Sevier County. The areas of Sevier County not accessible within 45 minutes are the mountainous terrain of Great Smoky Mountains National Park in the southern portion of the county—a largely uninhabited area with limited roadway access. Using ArcGIS, the applicant determined that 70,327 Sevier County residents—about 72 percent of the county's total population—live within the 45-minute drive-time area. The geographic boundaries of Sevier County therefore serve as a natural and logical service-area boundary.

45-Minute Drive Time from Proposed Seymour Site



The reasonableness of Sevier County as a service area is further supported by the following factors:

Sevier County currently has no OTP within its borders. Residents seeking methadone-based MAT must travel to facilities in Knox County to the west, Blount County to the southwest, or Cocke County to the east—all requiring a minimum drive of 37 minutes from the county's center of population.[1] The proposed BHG Seymour MU would be just 18 minutes from the Sevier County center of population, cutting the drive to the nearest OTP by more than half for most county residents.

Tennessee Department of Mental Health & Substance Abuse Services (TDMHSAS) utilization data confirm that demand for OTP services already exists within Sevier County. In 2025, 280 unduplicated Sevier County residents received OTP services, all at facilities located outside the county. This demonstrates that Sevier County residents are willing to travel for OTP care, but the distance barrier is likely suppressing overall utilization—statewide OTP utilization grew 12 percent between 2023 and 2025, while Sevier County utilization declined slightly over the same period.

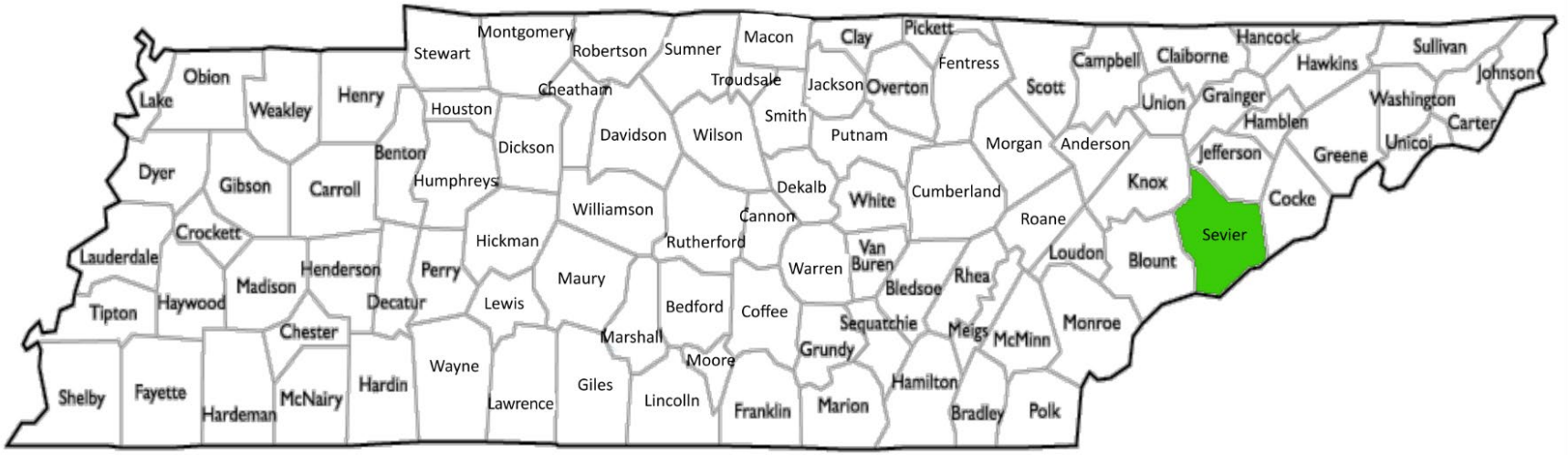
According to the Tennessee CON Need Formula, an estimated 1,288 Sevier County residents with OUD are not currently receiving OTP services, qualifying Sevier County as a high-need county under the Tennessee CON Standards and Criteria. The applicant's OTP penetration rate analysis in Attachment 1N further estimates that an additional 205 Sevier County residents could reasonably be expected to seek OTP services if a local facility were available.

BHG conservatively projects that all patients served during the MU's first two years of operation will originate from Sevier County, satisfying the Tennessee CON Standards and Criteria requirement that at least 90 percent of projected patients reside within a 60-minute drive of the proposed facility. Sevier County is entirely within a 60-mile radius of the proposed site, and about 97 percent of the county's population lives within a 60-minute drive-time area.

The proposed service area does not include counties in any bordering state. While a 180-minute drive-time analysis identified OTP facilities in Kentucky, Georgia, Alabama, and North Carolina within the broader regional context, no out-of-state counties are included in the proposed service area, and BHG does not project serving patients from outside Tennessee during the first two years of operation. Accordingly, no discussion of border state counties is required.

[1] As determined by the US Census Bureau, "Centers of Population: Mean Centers of Population by County," https://www.census.gov/geographies/reference-files/time-series/geo/centers-population.html.

BHG Seymour Proposed Service Area



Attachment 3N

3N-A. Describe the demographics of the population to be served by the proposal.

3N-B. Provide the following data for each county in the service area:

- Using current and projected population data from the Department of Health. (www.tn.gov/health/health-program-areas/statistics/health-data/population.html);
- the most recent enrollee data from the Division of TennCare (https://www.tn.gov/tenncare/information-statistics/enrollment-data.html),
- and US Census Bureau demographic information (https://www.census.gov/quickfacts/fact/table/US/PST045219).

RESPONSE: The population to be served by the proposed BHG Seymour MU consists of adults age 18 and older living in Sevier County, Tennessee. Demographic characteristics of the service-area population are summarized in the table below.

Demographic Variable/ Geographic Area	Department of Health/Health Statistics							Census Bureau				TennCare	
	Total Population- Current Year 2026	Total Population - Projected Year 2030	Total Population-% Change	*Target Population 18+ - Current Year 2026	Target Population 18+ - Projected Year 2030	Target Population - % Change	Target Population Projected Year as % of Total	Median Age	Median Household Income	Persons Below Poverty Level (%)	Persons Below Poverty Level	TennCare Enrollees	TennCare Enrollees as % of Total
Sevier County	101,680	104,174	2.4%	81,674	83,635	2.3%	80.3%	43.5	$62,581	13.2%	13,422	18,599	18.3%
State of TN Total	7,300,003	7,513,757	2.8%	5,722,447	5,891,161	2.9%	78.4%	39.1	$69,595	13.5%	985,500	1,361,893	18.7%

**Target Population is population that this project will primarily serve—adults 18 years and older. Projected Year (2030) is four years from current year (2026). Population data is from the Boyd Center for Business and Economic Research, University of Tennessee, Knoxville, https://tnsdc.utk.edu/estimates-and-projections/boyd-center-population-projections/.*

Because the Boyd Center data are available only in five-year age cohorts, the 18+ adult population was estimated by summing all cohorts aged 20 and older and adding two-fifths of the 15–19 cohort to capture the 18- and 19-year-old portion of that group, assuming a uniform distribution of ages within the five-year band.

Demographic Variable/ Geographic Area	Department of Health/Health Statistics							Census Bureau				TennCare	
	Total Population- Current Year 2026	Total Population - Projected Year 2030	Total Population-% Change	*Target Population 18+ - Current Year 2026	Target Population 18+ - Projected Year 2030	Target Population - % Change	Target Population Projected Year as % of Total	Median Age	Median Household Income	Persons Below Poverty Level (%)	Persons Below Poverty Level	TennCare Enrollees	TennCare Enrollees as % of Total

Median age is from the U.S. Census Bureau 2024 American Community Survey 1-Year Estimates, Table B01002, https://data.census.gov/table/ACSDT1Y2024.B01002?q=B01002:+Median+Age+by+Sex.
Median household income and persons below poverty level are from U.S. Census Bureau QuickFacts, accessed July 17, 2026, https://www.census.gov/quickfacts/fact/table/TN,seviercountytennessee,US/PST045225.
TennCare Enrollment data is for May 2026, https://www.tn.gov/tenncare/information-statistics/enrollment-data.html.

Sevier County's current population is projected to grow 2.4 percent to 104,174 by 2030. Adults aged 18 and older, the primary target population for OTP services, represent 80.3 percent of the county's total population. This adult population is projected to grow to 83,635 by 2030—a 2.3 percent increase consistent with the county's overall growth trajectory.

Sevier County's median age of 43.5 years is meaningfully higher than the statewide median of 39.1, reflecting a relatively older population. Older adults are more likely to face mobility limitations, fixed incomes, and chronic health conditions that make frequent travel for medical services more burdensome—characteristics that reinforce the importance of locating OTP services within the county rather than requiring residents to travel to adjacent counties for daily treatment.

The county's median household income of $62,581 is about 10 percent below the statewide median of $69,595, and 13.2 percent of Sevier County residents live below the federal poverty level, comparable to the statewide poverty rate of 13.5 percent. These economic indicators reflect meaningful financial constraints among a substantial share of the county's population, limiting residents' ability to absorb the transportation costs and lost work time associated with daily travel to an OTP in a neighboring county.

TennCare enrollment data indicate that 18,599 Sevier County residents—18.3 percent of the county's total population—are enrolled in TennCare, consistent with the statewide enrollment rate of 18.7 percent. This substantial Medicaid population underscores the need for an OTP that accepts TennCare and can deliver cost-effective, evidence-based MAT services close to where enrollees live. The

proposed BHG Seymour MU will accept TennCare and maintain low out-of-pocket costs, ensuring that the county's low-income and publicly insured residents are not excluded from accessing methadone-based treatment due to financial barriers.

Taken together, these demographic characteristics—a growing, older-than-average population, below-average household income, persistent poverty, and a large TennCare-enrolled population—describe a service area with both significant and growing need for accessible OTP services and a population that is particularly vulnerable to the access barriers created by the current absence of any OTP in Sevier County.

6N. Provide applicable utilization and/or occupancy statistics for your institution services for each of the past three years and the project annual utilization for each of the two years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology must include detailed calculations or documentation from referral sources, and identification of all assumptions.

RESPONSE:

This proposal is for a new site of care in Seymour, Sevier County, Tennessee. As such, there is no historical utilization or occupancy statistics for the proposed project MU.

However, in the interest of providing complete information, the table below shows three years of historical utilization at BHG Knoxville Citico and Bernard for patients living in Sevier County, the proposed service area for the BHG Seymour MU. As discussed below, BHG Seymour expects its initial patients will be residents of Seymour County who shift from BHG's existing Knoxville OTP clinics to the proposed Seymour location, which will offer care closer to home.

Service Area Patients Served by BHG Knoxville Clinics from 2023 to 2025

OTP Facility Name	Patient County	2023	2024	2025	Total	% Change 2023-2025
BHG - Knoxville Bernard	Sevier	98	85	85	268	-13%
BHG - Knoxville Citico	Sevier	70	70	77	217	10%
Total		**168**	**155**	**162**	**485**	**-4%**

Source: TDMHSAS, Count of Patients in Treatment by County, Data as of January 1, 2025, to December 31, 2025, Report printed by Erica Hurst on May 19, 2026. This report shows patients who were in treatment one or more days of the specified date range. This report masks exact counts when fewer than six patients were served in a county. For conservative estimation purposes, values reported as "less than six" were assumed

Projection Methodology

BHG Seymour's utilization projections are based on two primary inputs: (1) 2025 patient-origin data from BHG Knoxville Bernard and BHG Knoxville Citico identifying Sevier County residents currently traveling to Knoxville for treatment, and (2) BHG's historical experience operating new OTP locations in Tennessee and nationwide. Below, the applicant has outlined the steps used to project patients at BHG Seymour in the initial years of operations.

Step 1: Patient Transfers from Existing BHG Knoxville OTPs

First, the applicant identified the number of current BHG patients residing in Sevier County who would benefit from transferring to the proposed Seymour MU due to its closer proximity to their homes. In 2025, BHG Knoxville Bernard and BHG Knoxville Citico, both located near downtown Knoxville, together served 162 Sevier County residents: 85 at Bernard and 77 at Citico. Based on BHG's experience, this application projects that about 70 percent of these patients—113 individuals—will elect to receive MAT at the proposed Seymour MU during its first year of operation. BHG believes a 70 percent transfer rate is reasonable. Most patients will prefer a closer option for medication administration, while some will prefer to remain at their existing Knoxville location due to established counseling relationships, employment location, or personal

preference. These 113 transferred patients form the baseline census for BHG Seymour's first year of operation.

Step 2: New Patient Admissions

The second step involved projecting new patient admissions driven by improved geographic access to OTP services in Sevier County. As documented in the need analysis, an estimated 1,288 Sevier County residents with OUD are not currently receiving OTP services—a significant untreated population that BHG expects will seek care once a local option becomes available. BHG Seymour expects to serve only transferred patients during its first month of operation while staff establish clinical workflows and operational processes. Beginning in Month 2, BHG projects admitting about three new patients per month—two beginning methadone treatment and one beginning buprenorphine treatment—throughout the first two years of operation. This intake rate reflects BHG's conservative expectations for new program growth and is consistent with BHG's experience opening new OTP locations in Tennessee. This monthly intake rate yields 33 new patient admissions during the remainder of Year 1 (Months 2 through 12) and 36 additional new patients during Year 2, as program awareness grows and referrals are received from healthcare providers, behavioral health providers, and community partners.

Step 3: Projected Census

Combining transferred patients and new admissions produces a projected Year 1 census of 146 patients (113 transferred + 33 new) and a projected Year 2 census of 182 patients (113 transferred + 33 Year 1 new + 36 Year 2 new). All projected patients are expected to reside in Sevier County, consistent with BHG's conservative assumption that the MU will draw exclusively from its immediate service area during its first two years of operation. The Year 2 census of 182 patients represents fewer than 15 percent of the 1,288 Sevier County residents with OUD who are not currently receiving OTP services, confirming that BHG's projections are well within the bounds of the estimated need and that the proposed MU will not materially redistribute patients from other OTP providers serving the region.

Projected Patients at BHG Seymour, Years 1 and 2

Area	Shifted Patients YR 1	Additional Patients	Total YR 1	Additional Patients Year 2	Total YR 2
Sevier County	113	33	146	36	**182**

BHG Knoxville Citico
Licenses and Accreditation

PO BOX 100306 | COLUMBIA, SC 29202 | PALMETTOGBA.COM/JJB | ISO 9001

A/B MAC JURISDICTION J
Alabama, Georgia and Tennessee

June 17, 2024

ZACK RAGSDALE
4810B SPICEWOOD SPRINGS RD
AUSTIN TX 75759

DCN: 24151065000239

Dear Provider,

Palmetto GBA has approved your revalidation application.

Medicare Enrollment Information

Legal Business Name (LBN):	DRD MANAGEMENT INC
Doing Business As (DBA):	BHG KNOXVILLE CITICO TREATMENT CENTER
Provider Type:	Multi-Specialty Clinic
Provider NPI:	1366601775
Provider PTAN:	2203
PTAN Effective Date:	May 29, 2019

Changed Information:
Management Personnel Section 6 Deletions: Derek Walsh As Managing Employee
Contact Person Addition: Jay Higham
Delegated Official Deletion: Derek Walsh
Electronic Funds Transfer (EFT) - Our Finance Department will complete the final steps to change your EFT banking information. Please expect a minimum of two weeks from the date of this letter for completion. You may contact (855) 696-0705 with questions specific to EFT.
Other: Added Medical Record Correspondence Address 5001 Sppring Valley Road Ste 600 East Dallas, TX 75244

Your PTAN is the authentication element for all inquiries to customer service representatives

(CSRs), written inquiry units, and the interactive voice response (IVR) system.

Enroll, make changes or view your existing enrollment information by logging into PECOS at https://pecos.cms.hhs.gov.

Submit updates and changes to your enrollment information within the timeframes specified at 42 CFR §424.516. For more information on the reporting requirements, go to Medicare Learning Network Article SE1617.

Find additional Medicare program information, including billing, fee schedules, and Medicare policies and regulations at www.palmettogba.com or https://www.cms.gov.

Palmetto GBA is pleased to offer secure and fast access to your Medicare information through **Palmetto GBA eServices**. Through eServices you can securely submit forms, documents and payments; receive print material/letters electronically via eDelivery; view beneficiary eligibility, claims status, online remittances and financial information and much more. Please visit our website at www.palmettogba.com to get started.

Right to Submit a Reconsideration Request:

You may request a reconsideration of this determination. This is an independent review conducted by a person not involved in the initial determination. To facilitate the processing of your reconsideration request, please utilize and include the attached coversheet with your submission.

Reconsideration requests must:

- Be received in writing within 65 calendar days of the date of this letter and mailed or emailed to the address below.
- State the issues or findings of fact with which you disagree and the reasons for disagreement.
- Be signed by the provider or supplier, an authorized or delegated official that has been reported within your Medicare enrollment record, or an authorized representative.
    - If the authorized representative is an attorney, the attorney's statement that he or she has the authority to represent the provider or supplier is sufficient to accept this individual as the representative.
    - If the authorized representative is not an attorney, the individual provider, supplier, or authorized or delegated official must file written notice of the appointment of its representative with the submission of the reconsideration request.
    - Authorized or delegated officials for groups cannot sign and submit a reconsideration request on behalf of a reassigned provider/supplier without the provider/supplier submitting a signed statement authorizing that individual from the group to act on his/her behalf.

Providers and suppliers may:

- Submit additional information with the reconsideration that may have a bearing on the decision. However, if you have additional information that you would like a Hearing Officer to consider during the reconsideration or, if necessary, an Administrative Law Judge (ALJ) to consider during a hearing, you must submit that information with your request for reconsideration. This is your only opportunity to submit information during the administrative appeals process unless an ALJ allows additional information to be submitted.
- Include an email address if you want to receive correspondence regarding your appeal via email.

If a reconsideration is not requested, CMS deems this a waiver of all rights to further administrative review. More information regarding appeal rights can be found at 42 C.F.R. Part 498.

The reconsideration request should be sent to:

Palmetto GBA
Part B Provider Enrollment (AG-310)
P.O. Box 100306
Columbia, SC 29202-3306

Or emailed to:

JJAppealRequest@PalmettoGBA.com

For questions concerning this letter, contact our Provider Contact Center at (877) 567-7271 between the hours of 8:00 AM and 4:30PM.

We're looking for ways to improve your experience during the provider enrollment process. Please take a few minutes to share your thoughts with us. https://bit.ly/3DCyXl1

Sincerely,

Crystal Brabham

Crystal Brabham
Provider Enrollment Analyst
Palmetto GBA

PLEASE INCLUDE THIS COMPLETED FORM WITH THE SUBMISSION OF YOUR CORRECTIVE ACTION PLAN AND/OR RECONSIDERATION REQUEST

Improperly submitted requests may be dismissed

Provider/Supplier Name: _____

Provider/Supplier Address:_____

Document Control Number (DCN):_____

National Provider Identifier (NPI):_____PTAN: _____

Provider/Supplier Email Address:_____

Provider/Supplier Fax Number:_____

Medicare Administrative Contractor: Palmetto GBA_____

This appeal submission is based on a(n): ☐ **Denial** ☐ **Revocation** ☐ **Effective Date**

I am submitting a -

☐ **Reconsideration Request** - *A reconsideration request is an opportunity for a provider/supplier to furnish evidence that demonstrates that there was an error made at the time of the initial determination affecting participation in the Medicare Program.*

When submitting a reconsideration request, it must:

1. State the issues, or the findings of fact with which you disagree, and the reasons for disagreement.
2. Be submitted within 65 days from the date of the initial determination;
3. Be submitted in the form of a letter that is signed and dated by the individual provider/supplier, the authorized or delegated official, or a legal representative.
4. If a legal representative is an attorney, the reconsideration request must also contain a statement that the attorney has the authority to act on behalf of the provider/supplier. If the legal representative is not an attorney, the reconsideration request must contain written notice of the appointment of the non-attorney as legal representative signed by the provider, supplier, or authorized/delegated official.

A decision will be issued within 90 days of receipt of the reconsideration request.

Please mail or email this form, the CAP or reconsideration request letter (signed and dated by the valid submitter), the initial determination letter, and all supporting documentation applicable to the appeal to the following address:

Palmetto GBA
Part B Provider Enrollment (AG-310)

P.O. Box 100306
Columbia, SC 29202-3306

Or

JJAppealRequest@Palmettogba.com

From: Provider.Registration@tn.gov
To: Bernestine.Irvin@bhgrecovery.com; Zack Ragsdale
Subject: TennCare Revalidation Approved
Date: Thursday, July 13, 2023 1:22:59 PM

Legal Name: DRD Management, Inc.
Provider NPI: 1366601775
Specialty: N/A
Issue Date: 07-13-2023
Revalidation Due Date: 07-13-2026

Thank you for completing the revalidation of your TennCare/Medicaid ID. You application has been approved.

Thank you for your continued participation in the TennCare/Medicaid program and for serving the healthcare needs of TennCare/Medicaid enrollees.

If you have questions regarding this re-validation effort, please contact our TennCare Provider Services Call Center at 1-800-852-2683, between the hours of 8:00 am and 3:30 pm (CT) Monday through Friday.

Regards,

TennCare Provider Services

Zack Ragsdale

From: Provider.Registration@tn.gov
Sent: Thursday, February 13, 2020 6:11 AM
To: Bernestine.Irvin@bhgrecovery.com; Zack Ragsdale
Subject: Welcome TennCare Provider

STATE OF TENNESSEE
DIVISION OF TENNCARE
310 Great Circle Road
NASHVILLE, TENNESSEE 37243

02/13/2020

Legal Name: DRD Management, Inc.
Type 2 NPI: 1366601775
Group Medicaid #: Q055328
Specialty : N/A
Effective Date: 12/01/2018

Primary Contact: Bernestine Irvin
5001 Spring Valley Drive
Dallas, TX, 75244

Dear Provider:

Thank you for your interest in the Tennessee TennCare / Medicaid program. Your Tennessee Medicaid ID is Q055328. Your effective date for participation is 12/01/2018.

A valid TennCare/Medicaid ID number is required to:

1. Get prescriptions covered by the TennCare Pharmacy Benefit for TennCare members.
2. Submit Medicare/Medicaid "cross-over" claims to TennCare for consideration of Medicare copays and deductibles for our members with Medicare as a primary carrier.
3. Contract with any TennCare Managed Care Organization in order to provide medically necessary services to TennCare members.
4. Receive payments from TennCare's EHR Incentive Program..

Medical providers please visit http://tn.gov/tenncare/topic/providers-managed-care-organizations for Managed Care Organization contact information.

Dental providers please visit http://tn.gov/tenncare/topic/providers-dental-services for Dental Benefits Manager contact information.

Primary Practice Location:

BHG Knoxville Citico Treatment Center
412 Citico Street
Knoxville, TN 37921

Please log in to the TennCare Provider Registration Portal to maintain your provider file.

https://pdms.tenncare.tn.gov/

If you have questions **or any of the above information is incorrect**, regarding your Tennessee Medicaid ID, please contact TennCare at 1-800-852-2683 or email at Provider.Registration@tn.gov.

Sincerely,

TennCare Provider Services

DEA REGISTRATION NUMBER	THIS REGISTRATION EXPIRES	FEE PAID
RD0310350 ZD0310350	06-30-2027	$296

SCHEDULES	BUSINESS ACTIVITY	ISSUE DATE
2,3	MAINT & DETOX	06-17-2026

DRD MANAGEMENT, INC.
DBA-BHG KNOXVILLE CITICO TREATMENT CENTER
412 CITICO ST
KNOXVILLE, TN 379215811

CONTROLLED SUBSTANCE REGISTRATION CERTIFICATE
UNITED STATES DEPARTMENT OF JUSTICE
DRUG ENFORCEMENT ADMINISTRATION
WASHINGTON D.C. 20537

Sections 304 and 1008 (21 USC 824 and 958) of the Controlled Substances Act of 1970, as amended, provide that the Attorney General may revoke or suspend a registration to manufacture, distribute, dispense, import or export a controlled substance.

THIS CERTIFICATE IS NOT TRANSFERABLE ON CHANGE OF OWNERSHIP, CONTROL, LOCATION, OR BUSINESS ACTIVITY, AND IT IS NOT VALID AFTER THE EXPIRATION DATE.

CONTROLLED SUBSTANCE REGISTRATION CERTIFICATE
UNITED STATES DEPARTMENT OF JUSTICE
DRUG ENFORCEMENT ADMINISTRATION
WASHINGTON D.C. 20537

DEA REGISTRATION NUMBER	THIS REGISTRATION EXPIRES	FEE PAID
RD0310350 ZD0310350	06-30-2027	$296

SCHEDULES	BUSINESS ACTIVITY	ISSUE DATE
2,3	MAINT & DETOX	06-17-2026

DRD MANAGEMENT, INC.
DBA-BHG KNOXVILLE CITICO TREATMENT CENTER
412 CITICO ST
KNOXVILLE, TN 379215811

Sections 304 and 1008 (21 USC 824 and 958) of the Controlled Substances Act of 1970, as amended, provide that the Attorney General may revoke or suspend a registration to manufacture, distribute, dispense, import or export a controlled substance.

THIS CERTIFICATE IS NOT TRANSFERABLE ON CHANGE OF OWNERSHIP, CONTROL, LOCATION, OR BUSINESS ACTIVITY, AND IT IS NOT VALID AFTER THE EXPIRATION DATE.

Form DEA-223 (9/2016)

DEA REGISTRATION NUMBER	THIS REGISTRATION EXPIRES	FEE PAID
RD0310350 ZD0310350	06-30-2027	$296

SCHEDULES	BUSINESS ACTIVITY	ISSUE DATE
2,3	MAINT & DETOX	06-17-2026

DRD MANAGEMENT, INC.
DBA-BHG KNOXVILLE CITICO TREATMENT CENTER
412 CITICO ST
KNOXVILLE, TN 379215811

CONTROLLED SUBSTANCE/REGULATED CHEMICAL
REGISTRATION CERTIFICATE
UNITED STATES DEPARTMENT OF JUSTICE
DRUG ENFORCEMENT ADMINISTRATION
WASHINGTON D.C. 20537

Sections 304 and 1008 (21 USC 824 and 958) of the Controlled Substances Act of 1970, as amended, provide that the Attorney General may revoke or suspend a registration to manufacture, distribute, dispense, import or export a controlled substance.

THIS CERTIFICATE IS NOT TRANSFERABLE ON CHANGE OF OWNERSHIP, CONTROL, LOCATION, OR BUSINESS ACTIVITY, AND IT IS NOT VALID AFTER THE EXPIRATION DATE.

Form DEA-223/511 (9/2016)

REPORT

CHANGES

PROMPTLY

REQUESTING MODIFICATIONS TO YOUR
REGISTRATION CERTIFICATE

To request a change to your registered name, address, the drug schedule or the drug codes you handle, please

1. visit our web site at **deadiversion.usdoj.gov** - or
2. call our customer Service Center at **1-(800) 882-9539** - or
3. submit your change(s) in writing to:

Drug Enforcement Administration
P.O. Box 2639
Springfield, VA 22152-2639

See Title 21 Code of Federal Regulations, Section 1301.51 for complete instructions.

You have been registered to handle the following chemical/drug codes:

OPIOID TREATMENT PROGRAM CERTIFICATION

Substance Abuse and Mental Health Services Administration
Center for Substance Abuse Treatment
Rockville, MD 20857

OTP NUMBER
TN-10031-M

EXPIRATION DATE
8/31/2028

DRD Management, Inc
DBA: BHG Knoxville Citico Treatment Center
412 Citico Street
Knoxville, TN 37921

This certificate is issued under authority of 42 CFR § 8.11 (21 U.S.C. 823(g)(1))

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Substance Abuse and Mental Health Services Administration
Center for Substance Abuse Treatment
www.samhsa.gov

Karran Phillips M.D., M.Sc.

Karran Phillips, M.D, M.Sc.
Acting Director
Center for Substance Abuse Treatment
Substance Abuse and Mental Health Services Administration

THIS CERTIFICATE IS NOT TRANSFERABLE ON CHANGE OF OWNERSHIP, CONTROL, LOCATION, BUSINESS ACTIVITY OR VALID AFTER EXPIRATION DATE

STATE OF TENNESSEE
DEPARTMENT OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES

LICENSE

THE DEPARTMENT OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES GRANTS THIS FULL LICENSE IN ACCORDANCE WITH TENNESSEE CODE ANNOTATED TITLE 33, CHAPTER 2, PART 4 TO:

DRD MANAGEMENT, INC.

(Name of Licensee)

TO OPERATE A FACILITY OR SERVICE IDENTIFIED AND LOCATED AS FOLLOWS FOR THE PROVISION OF MENTAL HEALTH, PERSONAL SUPPORT, OR ALCOHOL AND DRUG ABUSE SERVICES:

BHG Knoxville Citico Treatment Center

(Name of Facility or Service as Known to the Public)

412 Citico Street, Knoxville, TN 37921

(Street Address or Location, City or Town)

THE LICENSEE HAS DEMONSTRATED COMPLIANCE WITH T.C.A. TITLE 33, CHAPTER 2, PART 4 AND WITH RULES OF THE DEPARTMENT OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES

THIS LICENSE AUTHORIZES SERVICE PROVISION APPLICABLE TO THE LICENSURE CHAPTER(S) AND LIFE SAFETY OCCUPANCY CLASSIFICATIONS BELOW.

License Chapter	Accessible to mobile, non-ambulatory individuals	Approved for persons w hearing loss	Approved for persons w vision loss	Capacity
0940-05-43 Alcohol and Drug Non-Residential Rehabilitation Treatment Facilities	Y	N	N	n/a
0940-05-42 Non-Residential Opioid Treatment Program Facilities	Y	N	N	n/a

Waiver(s): 0940-5-4.09(2)(c)

July 01, 2026	June 30, 2027	L000000040559
Effective Date	Date License Expires	License Number

Commissioner of Mental Health and Substance Abuse Services

THIS LICENSE IS NON-TRANSFERABLE AND NON-ASSIGNABLE.
POST THIS LICENSE IN A CONSPICUOUS PLACE.

40559

Site ID: 1544

September 16, 2025

Anthony Kilgore
CEO
DRD Management Inc.
412 Citico Street,
Knoxville, TN 37921

Joint Commission ID #: 394684
Program: Behavioral Health Care and Human Services
Accreditation Activity: 60-day Evidence of Standards Compliance
Accreditation Activity Completed : 9/15/2025

Dear Mr. Kilgore:

I am pleased to share The Joint Commission's accreditation decision of Accredited for all services surveyed following your recent survey. For all services surveyed under the applicable manuals below, you have been **ACCREDITED.**

- **Comprehensive Accreditation Manual for Behavioral Health Care and Human Services**

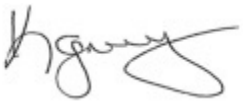
This accreditation award represents your commitment to upholding the highest standards of healthcare quality and safety for your patients, workforce and community. We share that commitment and value the collaboration between our organizations so that all people experience the safest, highest quality, best value healthcare across all settings.

This accreditation cycle is effective beginning August 2, 2025 and is customarily valid for up to 36 months, although, The Joint Commission may, in certain situations, shorten the duration of the cycle.

Knowing the power of the Gold Seal in inspiring confidence and trust in your community, we provide resources so that you can promote your accreditation decision. You can find information and tips in the “Publicity Kit” link located on your secure extranet site, The Joint Commission Connect.

To recognize your commitment and achievement to quality, The Joint Commission will update your accreditation decision on the Find Accredited Organizations page of our website. Congratulations on your accomplishment.

Sincerely,



Ken Grubbs, DNP, MBA, RN
Executive Vice President and Chief Nursing Officer
Division of Accreditation and Certification Operations

SEVIER COUNTY
TENNESSEE

Bryan McCarter, County Mayor

Sevier County Mayor Larry Waters, in office until September 1, received the attached letter dated August 6, 2026. The current County Mayor Bryan McCarter has also received a copy of the letter.

Ashley Gusk, Exec. Asst.

Name and Title

September 29, 2026

125 Court Ave, Sevierville, TN 37862 | (865) 453-6136
SevierCountyTN.gov

BHG
behavioral health group

Tony Kilgore
Chief Executive Officer

August 6, 2026

Mayor Larry Waters
Sevier County Courthouse
125 Court Avenue, Suite 201E Sevierville, TN 37862
RE: BHG Seymour Medication Unit

Dear Mayor Waters,

In accordance with Tennessee Code Annotated §68-11-1607(c)(9)(A), this letter is to notify you that DRD Management, Inc. d/b/a BHG Knoxville Citico Treatment Center has filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on July 31, 2026, for the establishment of a nonresidential substitution-based treatment center for opiate addition. The proposed address of this establishment is 11729 Chapman Hwy, Seymour, TN 37865. Attached is a copy of the Letter of Intent filed with HSDA.

If you have any questions, please contact me or my assistant, Melissa Baker at 844-535-7291 or by email at melissa.baker2@bhgrecovery.com.

Sincerely,

Tony Kilgore
Chief Executive Officer

State of Tennessee
Health Facilities Commission

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

www.tn.gov/hsda Phone: 615-741-2364 hsda.staff@tn.gov

LETTER OF INTENT

The Publication of Intent is to be published in The Knoxville News Sentinel which is a newspaper of general circulation in Sevier County, Tennessee, Tennessee, on or before 07/15/2026 for one day.

This is to provide official notice to the Health Facilities Commission and all interested parties, in accordance with T.C.A. §68-11-1601 et seq., and the Rules of the Health Facilities Commission, that DRD Management, Inc., a/an Nonresidential Substitution Based Treatment Center of Opiate Addiction owned by DRD Management, Inc. with an ownership type of Corporation (For Profit) and to be managed by itself intends to file an application for a Certificate of Need for establishment of a non-residential substitution based opioid treatment center and the initiation of opiate addiction treatment services in Sevier County. The facility will be licensed as a Nonresidential Substitution-Based Treatment Center for Opiate Addiction by the Tennessee Department of Mental Health and Substance Abuse Services. The address of the project will be 11729 Chapman Hwy, Seymour, Sevier County, Tennessee, 37865. The estimated project cost will be $726,260.

The anticipated date of filing the application is 07/31/2026

The contact person for this project is Ms. Darcy Schaeffer who may be reached at Research and Planning Consultants - 6300 La Calma Drive, Suite 170, Austin, Texas, 78752 – Contact No. 512-371-8011.

Darcy Schaeffer	07/15/2026	dschaeffer@rpcconsulting.com
Signature of Contact	**Date**	**Contact's Email Address**

The Letter of Intent must be received between the first and the fifteenth day of the month. If the last day for filing is a Saturday, Sunday, or State Holiday, filing must occur on the next business day. Applicants seeking simultaneous review must publish between the sixteenth day and the last day of the month of publication by the original applicant.

The published Letter of Intent must contain the following statement pursuant to T.C.A. §68-11-1607 (c)(1). (A) Any healthcare institution wishing to oppose a Certificate of Need application must file a written notice with the Health Facilities Commission no later than fifteen (15) days before the regularly scheduled Health Facilities Commission meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application may file a written objection with the Health Facilities Commission at or

prior to the consideration of the application by the Commission, or may appear in person to express opposition. Written notice of opposition may be sent to: Health Facilities Commission, Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243 or email at hsda.staff@tn.gov .

JESSIE SEAL
STATE SENATOR

425 REP. JOHN LEWIS WAY NORTH
SUITE 748
NASHVILLE, TN 37243
(615) 741-2061

SEN.JESSIE.SEAL@capitol.tn.gov

Senate Chamber
State of Tennessee

8TH SENATORIAL DISTRICT
CLAIBORNE, GRAINGER, HANCOCK,
JEFFERSON, UNION AND PART OF
SEVIER COUNTIES

September 30, 2026

Senator Seal received the attached letter dated August 10, 2026, although it was erroneously addressed to Representative Seal.

Joseph Kmeyer
Legislative Assistant
September 30, 2026

BHG
behavioral health group

Tony Kilgore
Chief Executive Officer

August 10, 2026

Representative Jessie Seal
425 Rep. John Lewis Way N. Suite 748 Cordell Hull Bldg.
Nashville, TN 37243
RE: BHG Seymour Medication Unit

Dear Mr. Seal,

In accordance with Tennessee Code Annotated §68-11-1607(c)(9)(A), this letter is to notify you that DRD Management, Inc. d/b/a BHG Knoxville Citico Treatment Center has filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on July 31, 2026, for the establishment of a nonresidential substitution-based treatment center for opiate addition. The proposed address of this establishment is 11729 Chapman Hwy, Seymour, TN 37865. Attached is a copy of the Letter of Intent filed with HSDA.

If you have any questions, please contact me or my assistant, Melissa Baker at 844-535-7291 or by email at melissa.baker2@bhgrecovery.com.

Sincerely,

Tony Kilgore
Chief Executive Officer

State of Tennessee
Health Facilities Commission

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

www.tn.gov/hsda Phone: 615-741-2364 hsda.staff@tn.gov

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The anticipated date of filing the application is 07/31/2026

The contact person for this project is Ms. Darcy Schaeffer who may be reached at Research and Planning Consultants - 6300 La Calma Drive, Suite 170, Austin, Texas, 78752 – Contact No. 512-371-8011.

Darcy Schaeffer	07/15/2026	dschaeffer@rpcconsulting.com
Signature of Contact	**Date**	**Contact's Email Address**

The Letter of Intent must be received between the first and the fifteenth day of the month. If the last day for filing is a Saturday, Sunday, or State Holiday, filing must occur on the next business day. Applicants seeking simultaneous review must publish between the sixteenth day and the last day of the month of publication by the original applicant.

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prior to the consideration of the application by the Commission, or may appear in person to express opposition. Written notice of opposition may be sent to: Health Facilities Commission, Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243 or email at hsda.staff@tn.gov .

STATE REPRESENTATIVE
ELECT
FRED A. ATCHLEY

12th LEGISLATIVE DISTRICT
part of SEVIER COUNTY

ASSISTANT FLOOR LEADER

House of Representatives
State of Tennessee

SUITE 640, CORDELL HULL BUILDING
425 Rep. John Lewis Way N
NASHVILLE, TENNESSEE 37243-0105
(615) 741-5981

E-MAIL:
rep.fred.atchley@capitol.tn.gov

NASHVILLE

Representative Fred A. Atchley received the attached letter dated August 10, 2026

Jan Wright
Executive Legislative Assistant
September 29, 2026

BHG
behavioral health group

Tony Kilgore
Chief Executive Officer

August 10, 2026

Representative Fred Atchley
425 Rep. John Lewis Way N. Suite 640 Cordell Hull Bldg.
Nashville, TN 37243
RE: BHG Seymour Medication Unit

Dear Mr. Atchley,

In accordance with Tennessee Code Annotated §68-11-1607(c)(9)(A), this letter is to notify you that DRD Management, Inc. d/b/a BHG Knoxville Citico Treatment Center has filed a Certificate of Need with the Tennessee Health Services and Development Agency ("HSDA") on July 31, 2026, for the establishment of a nonresidential substitution-based treatment center for opiate addition. The proposed address of this establishment is 11729 Chapman Hwy, Seymour, TN 37865. Attached is a copy of the Letter of Intent filed with HSDA.

If you have any questions, please contact me or my assistant, Melissa Baker at 844-535-7291 or by email at melissa.baker2@bhgrecovery.com.

Sincerely,

Tony Kilgore
Chief Executive Officer

State of Tennessee
Health Facilities Commission

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

www.tn.gov/hsda Phone: 615-741-2364 hsda.staff@tn.gov

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Darcy Schaeffer	07/15/2026	dschaeffer@rpcconsulting.com
Signature of Contact	**Date**	**Contact's Email Address**

The Letter of Intent must be received between the first and the fifteenth day of the month. If the last day for filing is a Saturday, Sunday, or State Holiday, filing must occur on the next business day. Applicants seeking simultaneous review must publish between the sixteenth day and the last day of the month of publication by the original applicant.

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prior to the consideration of the application by the Commission, or may appear in person to express opposition. Written notice of opposition may be sent to: Health Facilities Commission, Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243 or email at hsda.staff@tn.gov .

Project Name : DRD Management, Inc.

Supplemental Round Name : 1 **Due Date :** 8/11/2026
Certificate No. : CN2607-016 **Submitted Date :** 8/4/2026

1. **11A. Public Transportation Route**

What is the expected volume of patients arriving by vehicle vs public transit?

Response : Seymour does not have a robust public transportation system. Therefore, it is anticipated that the vast majority of patients will arrive by private vehicles.

2. **13A. Notification Requirements**

Please provide a copy of the signed USPS green-certified receipt card for each official notified per statute.

Response : Please see Attachment 13A for copies of the letters sent to Sevier County officials.

The USPS Certified Mail tracking numbers are:

- 9589071052701837709057
- 9589071052701837709071
- 9589071052701837709095

3. **1E. Overview**

It is noted that the facility will need to be licensed as a standalone OTP. TDMHSAS doesn't appear to have a special category for MUs. Please discuss how comprehensive OTP services will be maintained at satellite location. What are the key differences in services, staffing, use of telehealth, minimum program requirements for patients, to be provided at the home office vs the Seymour location?

Please explain the differences in the patient experience of receiving care at the Seymour facility vs either of the Knoxville based facilities.

Response : The proposed MU will provide the full array of services that are provided at a standalone OTP. This includes counseling, dosing and evaluation by providers, in accordance with all state and Federal requirements and the patient’s treatment plan. The Seymour MU will have all required staff to provide these services on-site. The facility will be appropriately staffed by licensed and certified team members during all hours the program is open and serving recipients. Where permissible by state regulation, service delivery can be augmented by offering remote engagement via audio/visual technology that meets all privacy requirements. The availability of both in-person service delivery and

telehealth/telecounseling services will ensure each patient has access to the care they need in the least restrictive environment.

42 CFR 8.2 describes medication units to mean “an entity that is established as part of, but geographically separate from, an OTP from which appropriately licensed OTP practitioners, contractors working on behalf of the OTP, or community pharmacists may dispense or administer MOUD, collect samples for drug testing or analysis, or provide other OTP services. Medication units can be a brick-and-mortar location or mobile unit.”

BHG has chosen to establish the Seymour facility as a medication unit operating under BHG Knoxville Citico rather than as a new standalone OTP because the MU model allows expanded access to OTP services to be delivered more quickly and efficiently. Because the MU operates as an extension of the parent OTP, BHG Knoxville Citico’s existing payor contracts apply directly to the Seymour site without requiring new contracting negotiations. Similarly, the MU operates under BHG Knoxville Citico's existing Joint Commission accreditation, eliminating the lengthy accreditation process that would be required for a new standalone OTP. This structure ensures that Sevier County patients receive the same high-quality, fully accredited care available at the Knoxville facilities, while significantly reducing the time and administrative burden required to bring services to the community.

In the current regulatory environment, which permits the delivery of the full array of comprehensive services in the MU, there will be no difference in the patient care experience. The same cadre of services accessed at the primary program will be available in the MU. The most meaningful practical difference for Sevier County patients will be geographic: rather than traveling 37 to 50 minutes each way to a Knoxville OTP — often through heavy traffic congestion in and around downtown Knoxville during early morning dosing hours — patients will be able to access the same high-quality MAT services just 18 minutes from the Sevier County population center along Chapman Highway.

4. **2E. Rationale for Approval**

How many patients are currently traveling to the Knoxville OTP are residents of the northwestern portion of Sevier County? Does the applicant expect a broader patient based from the central and eastern areas of the county?

What are the distances from the proposed site to the two BHG OTPs in Knoxville?

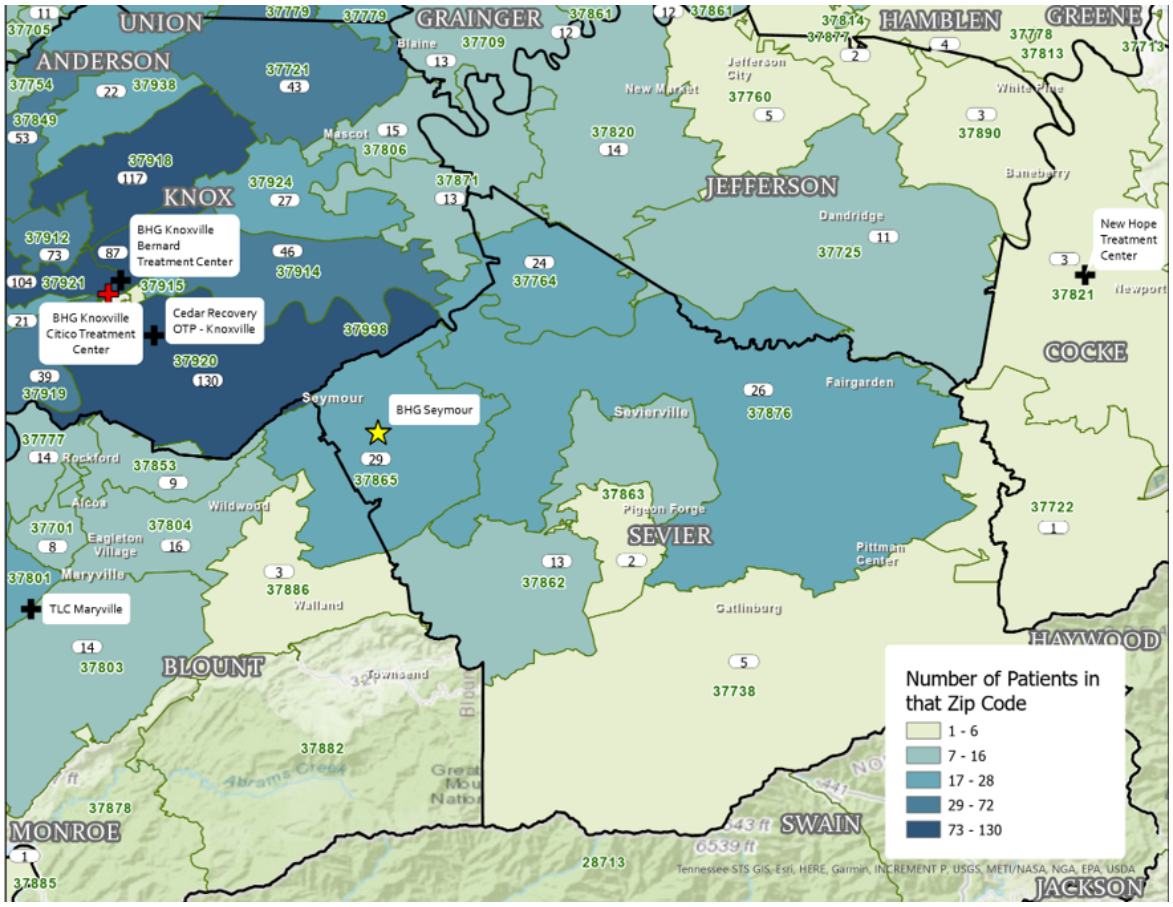
Response : The ZIP codes in the northern and northwestern portion of the county account for the largest share of Sevier County patients currently traveling to the Knoxville facilities. As shown in the table below, 92 current BHG Knoxville patients reside across four northwestern Sevier County ZIP codes. BHG also currently draws patients from more outlying portions of the county. For all Sevier County residents, the proposed Seymour MU will improve geographic access to services. As the program develops, BHG expects

to draw patients from beyond its existing patient base, including patients throughout the county.

BHG Knoxville Bernard and Citico Patients in Sevier County ZIP Codes

Zip Code	Portion of Sevier County	Number of BHG Knoxville Patients
37865	Northwest	29
37764	Northwest	24
37862	North	13
37876	Northwest and Central	26
Subtotal Northwest Area		**92**
37863	Central	2
37738	Southern	5
Total Sevier County ZIPs		**99**

The map below shows current BHG Knoxville Citico and BHG Knoxville Bernard patients by ZIP code within Sevier County, as of August 3, 2026. Each zip code’s patient count is shown in a white bubble. BHG expects to continue serving patients throughout Sevier County. BHG's application defines Sevier County as its service area, based on existing patient population, improvements in access for Sevier County residents and demographic characteristics of the area. BHG expects that new patients will originate from throughout Sevier County, reflecting an expectation of broad county-wide uptake over time.



The Seymour facility is 14.5 miles and 30 minutes away from BHG Knoxville Citico and 13.9 miles and 30 minutes away from BHG Knoxville Bernard.[1]

[1] Based on the quickest route via Google Maps, assuming a 7:00 A.M. departure on a Tuesday.

5. **2E. Rationale for Approval**

Please explain the limits of operating MUs under a single OTP license?

What are the differences in staffing ratios, requirements for intake and evaluation, drug testing, take home medication, clinical oversight, frequency or visits, counseling, etc.?

How many MUs can be established under a single licensed OTP?

What are the proximity requirements?

Response : Please explain the limits of operating MUs under a single OTP license?

From the patient perspective, there are no limitations to what the MU can provide. The full array of services that are provided at the host OTP (BHG Citico) will be provided at the MU, including dosing, counseling, and practitioner visits. The MU will be fully staffed to meet the needs of its patients and will share clinical leadership and oversight with the BHG Citico OTP.

What are the differences in staffing ratios, requirements for intake and evaluation, drug testing, take home medication, clinical oversight, frequency or visits, counseling, etc.?

There are no operational differences between operating a MU and an OTP. Each treatment environment will require the same staffing levels (some could be remote as clinically appropriate aligned with regulatory requirements). Patient engagement levels and frequency will be the same in both facilities; there will be no difference in patient experience. The MU is accredited by the Joint Commission following the identical behavioral health standards applied to the OTP setting.

How many MUs can be established under a single licensed OTP?

42 CFR part 8 and the Rules of the Tennessee Department of Mental Health and Substance Abuse Services chapter 0940-05-42 do not place any restrictions on the number of allowed MU.

What are the proximity requirements?

There are no specific proximity requirements. While 42 CFR § 8.2 requires that a medication unit be "geographically separate" from the parent OTP, the regulation does not define a minimum distance or specify what constitutes geographic separation.

6. **2E. Rationale for Approval**

It is noted that federal requirements allow for flexibility in the scope of onsite services offered at an MU site. What administrative / operational savings are expected to be experienced with the specific model proposed for this project vs a standalone OTP? Please outline how the MU model will avoid duplicate costs - outline all of the key differences compared to operational costs at the two separately licensed Knoxville OTPs.

What experience does BHG have in operating MUs in TN and nationally?

What are the key functions that will still require attendance at the Knoxville facilities?

Response : It is noted that federal requirements allow for flexibility in the scope of onsite services offered at an MU site. What administrative / operational savings are expected to be experienced with the specific model proposed for this project vs a standalone OTP? Please outline how the MU model will avoid duplicate costs - outline all of the key differences compared to operational costs at the two separately licensed Knoxville OTPs.

The MU model generates administrative and operational savings compared to establishing a standalone OTP by eliminating the need to duplicate the infrastructure that already exists at BHG Knoxville Citico. The primary ways in which the MU will avoid duplicated costs include:

Accreditation: The Seymour MU will operate under BHG Knoxville Citico's existing Joint Commission accreditation, avoiding the substantial time and cost associated with an independent accreditation survey, ongoing accreditation fees, and the administrative burden of maintaining a separate accreditation program. Shared accreditation will allow the Seymour MU to open more quickly improving access to care and bringing the first OTP to Sevier County more quickly than could be done with a standalone OTP.

Payor Contracting**:** The MU will operate under BHG Knoxville Citico's existing payor contracts, eliminating the need for new contracting negotiations, credentialing, and the revenue delays associated with establishing new payor relationships for a standalone OTP.

Clinical Leadership and Medical Oversight**:** The supervising provider and Program Manager will be shared with BHG Knoxville Citico, avoiding the cost of recruiting, hiring, and compensating a dedicated full-time medical director and program director for a new standalone facility.

Collectively, these efficiencies allow BHG to bring comprehensive MAT services to Sevier County at a significantly lower cost and on a faster timeline than would be possible through the establishment of a new standalone OTP.

What experience does BHG have in operating MUs in TN and nationally?

BHG has not previously operated a MU in TN. However, BHG currently operates medication units operating under an existing OTP in other states where permitted by regulation. BHG is currently implementing both brick-and-mortar and mobile units in other states.

What are the key functions that will still require attendance at the Knoxville facilities?

The Seymour MU will offer the full array of services on-site. There are no functions that will require a patient to be seen at the Knoxville facility.

In-person services will be scheduled and provided by program staff/providers. Telehealth and telecounseling services will augment service delivery but will not replace required and clinically appropriate in-person services.

7. **4N. Special Needs of Service Area**

What are the typical age ranges for OTP patients in Knoxville? Are they similar to those patients coming in from Sevier County?

Please discuss the specific challenges around transportation for this patient base and how this project will support greater patient access.

Response : Question: What are the typical age ranges for OTP patients in Knoxville? Are they similar to those patients coming in from Sevier County?

BHG does not have data immediately available that breaks down patient age ranges by county of residence. However, based on BHG's operational experience across its Tennessee locations, age distribution does not vary significantly from county to county. BHG expects the age profile of Sevier County patients to be similar to those of the entire Knoxville OTP patient population.

The table below shows the age distribution of current patients across the two BHG Knoxville OTPs. The patient population skews toward middle-aged adults, with patients aged 30 to 59 accounting for approximately 80 percent of the combined census.

BHG Knoxville OTPs Patients by Age Group

Age Group	Number of Patients	Percentage of Total
18-21	2	0.1%
22-29	43	2.5%
30-39	313	18.0%
40-49	677	39.0%
50-59	394	22.7%
60-69	242	13.9%
70+	65	3.7%
Total:	1,736	

BHG's treatment protocols are individualized based on each patient's clinical needs and are not determined solely by age. BHG has extensive experience treating patients of all ages 18 and older across its Tennessee locations and will bring that expertise to the proposed BHG Seymour MU.

Please discuss the specific challenges around transportation for this patient base and how this project will support greater patient access.

As noted on page 11 of Attachment 1N, travel time is a significant factor affecting treatment access and long-term compliance for healthcare service that require travel multiple times per week. As shown in these supplemental responses, BHG Citico and BHG Bernard are treating patients throughout Sevier County who must currently travel into Knoxville for care. The proposed MU will provide a BHG treatment location closer to home for Sevier County residents, thereby reducing their travel burdens. The proposed MU will offer the full array of OTP services, and will provide a new option for Sevier County residents who would benefit from OTP services who are currently not receiving care. As demonstrated in Attachment 1N, Sevier County qualifies as a “High Need” county under the HFC’s need formula.

The Tennessee Department of Health’s Office of Strategic Initiatives published a 2025 County Data Package for Sevier County which demonstrated that only 3.9% of the Sevier County population did not have access to a car. For those residents without access to a car, East Tennessee Human Resource Agency provides transportation services for East Tennessee, including scheduled rides at a nominal fee.

8. **3C. Effects of Competition and/or Duplication**

Does BHG operate any other MUs in TN?

Does BHG operate any of the OBOTs in the area?

Has the applicant received referrals from Sevier County OBOTs for the higher level of care?

Response :

9. **4C. Accessibility to Human Resources**

Which OTPs is Dr. Nordstrom serving as Chief Medical Officer currently?

Response : Dr. Nordstrom serves as Chief Medical Officer for BHG's entire organization, providing enterprise-level clinical leadership and oversight across all BHG locations nationwide. At the facility level, Dr. Rikki Pleasants serves as the Medical Director for both BHG Knoxville Citico and BHG Knoxville Bernard and will serve in the same capacity for the proposed BHG Seymour MU.

10. **5C. License/Certification**

Has the applicant confirmed that the new standalone OTP state license will allow for a reduced level of services or administrative presence?

Will physician and nurse practitioner oversight be provided onsite or remotely?

What are the key differences between this facility and the Citico OTP? Why is it beneficial to operate as an MU rather than a standalone OTP if a nearly full scope of OTP services will be provided onsite?

Please discuss the proposed scope of telehealth services use by the new facility?

Will laboratory services be handled onsite?

Is an OBOT being licensed separately at the same location?

Response : **Has the applicant confirmed that the new standalone OTP state license will allow for a reduced level of services or administrative presence?**

There is no reduction in the level of patient services or administrative access.

Will physician and nurse practitioner oversight be provided onsite or remotely?

Medical Services will be provided both onsite and remotely. A provider will be available on-site to provide the required physical examination, and all other regulatory requirements for provider visits.

Dr. Rikki Pleasants is the Medical Director for both Citico and Bernard and will be the Medical Director at the MU in Seymour.

What are the key differences between this facility and the Citico OTP? Why is it beneficial to operate as an MU rather than a standalone OTP if a nearly full scope of OTP services will be provided onsite?

The primary differences between the BHG Seymour MU and BHG Knoxville Citico are geographic placement and scale, not scope of clinical services. The Seymour MU will offer the same comprehensive MAT services available at Citico, including medication dispensing, counseling, drug screening, care coordination, and telehealth-enabled provider visits, delivered closer to where Sevier County patients live.

Operating as a MU rather than a standalone OTP provides significant benefits for both patients and the organization. A new standalone OTP typically operates under a provisional SAMHSA certificate for six to twelve months before receiving full Joint Commission accreditation, and must negotiate new payor contracts before insured patients can access covered services, both of which delay patient access to care. As a MU, BHG Seymour is accredited on opening day under BHG Knoxville Citico's existing Joint Commission accreditation and operates immediately under existing Medicare, TennCare, and commercial payor contracts, with no coverage gap or contracting delay. Patients can begin receiving fully covered, fully accredited treatment from the first day of operation.

For the organization, the MU model eliminates the duplicative accreditation, contracting, credentialing, and compliance infrastructure costs associated with a standalone OTP, allowing BHG to bring services to Sevier County more quickly and at lower cost.

Please discuss the proposed scope of telehealth services use by the new facility?

Services will be delivered on-site and via technology following regulation when these services are needed to support access and continuity of care.

Will laboratory services be handled onsite?

Appropriate staff will collect urine and blood samples in the MU. There will be a CLIA waiver permitting specimen processing for send out to an external lab and conducting on-site “point of care” testing.

Is an OBOT being licensed separately at the same location?

The proposed facility will be licensed as a standalone OTP, and as a certified OTP, BHG Seymour will be authorized to dispense and administer both methadone and buprenorphine to patients as clinically appropriate. No separate OBOT license is required for buprenorphine provided within the OTP setting. BHG is not currently seeking licensure for an OBOT at the same location.

11. **8C. Proposed Charges**

How many visits per patient are projected on average?

Response : Visit frequency will be determined by patient time in treatment, medical and behavioral stability, and regulatory requirements. The patient experience will not be different in the MU. Charges are not dependent on how many times a patient visits the OTP for dosage, counseling or other services.

12. **10C. Project Only Payor Mix**

Is the projected payor mix consistent with payor mix in Knoxville and statewide? Specifically, the high percentage of Commercially insured patients (60.2%)?

Does the applicant receive grant funding through TDMHSAS or other governmental program for uninsured patients? If so, where is that included in the payor mix chart?

Response : Yes, the projected payor mix is consistent with payor mix in Knoxville and statewide.

The applicant does receive grant funding through the State Opioid Response (SOR) program, a federally funded grant administered by TDMHSAS to expand access to OUD treatment for uninsured and underinsured patients. SOR funding covers the vast majority of treatment costs for eligible patients, who are required to contribute approximately 25 percent of methadone treatment costs and must meet an income threshold of 125 percent of the federal poverty level. BHG has participated in the SOR program for six years across its Tennessee locations. In the projected payor mix table, SOR grant patients are captured within the "Other" category, which also includes VA-covered patients.

13. **7Q. Legal Judgements**

Please address the following settled December 2021. https://bhgdatasettlement.com/

Response : Following the December 2021 data incident, which involved unauthorized access through a third-party vendor connection, Behavioral Health Group took several steps to address the matter and strengthen its information security program. Those efforts included evaluating the circumstances of the incident, enhancing security safeguards for third-party access, strengthening authentication and access controls, improving monitoring and response capabilities, and continuing to assess our controls against recognized cybersecurity

practices and frameworks. Since implementing these enhancements following the 2021 incident, BHG has not experienced another reportable data breach. BHG remains committed to maintaining appropriate administrative, technical, and physical safeguards designed to protect information and reduce the risk of similar incidents in the future.

14. **8Q. Staffing**

What is the contractual position for?

Response : The contractual position is for a licensed provider who will provide medical oversight, prescribing authority, and clinical supervision for the BHG Seymour MU. This provider will be shared with BHG Knoxville Citico, serving both the parent OTP and the Seymour MU consistent with federal medication unit regulations.

15. **1N. Criteria and Standards**

Are the two existing BHG Knoxville OTPs operated under separate licenses? Why was the Citico location chosen to serve as the primary federally registered facility rather than the Bernard site?

To what extent are contractors or community pharmacists going to be used to support operations of the new facility?

Please explain how this facility will be registered federally if it is operating under a unique state license?

Will continued TJC accreditation require review of the new facility? Does TJC accreditation specifically accommodate the MU designation changes through its process?

Response : **Question: Are the two existing BHG Knoxville OTPs operated under separate licenses?**

Yes, the two existing BHG Knoxville OTPs operate under separate licenses. BHG Knoxville Bernard holds TDMHSAS License No. L000000040558, and BHG Knoxville Citico holds TDMHSAS License No. L000000040559.

Why was the Citico location chosen to serve as the primary federally registered facility rather than the Bernard site?

BHG Citico is geographically closer to the complex that includes BHG's central intake building where many of BHG's clinical staff are based.

To what extent are contractors or community pharmacists going to be used to support operations of the new facility?

Contractors or community pharmacists will not be required for the MU. If the facility gains licensure for OBOT services, those patients will receive prescriptions that would be filled at a pharmacy the patient chooses.

Please explain how this facility will be registered federally if it is operating under a unique state license?

A separate standalone DEA registration will be required. SAMHSA will certify the facility as a MU associated with the "home" or primary clinic.

Will continued TJC accreditation require review of the new facility? Does TJC accreditation specifically accommodate the MU designation changes through its process?

TJC can require an on-site inspection, but accreditation is extended to the MU immediately. The decision to inspect the facility will be made by TJC likely guided by where the primary clinic is in their triennial accreditation process.

16. **1N. Criteria and Standards**

Attachment 1N, Page 24

Please identify the specific geographic population center being used for Sevier County with Google Maps as the distances and drive times confirmed by staff appear to be different than some of those listed by the applicant:

BHG Seymour - 17.1 mil / 30 min

Cedar Knoxville - 27.9 miles / 49 min

New Hope - 23.4 mil / 37 min

BHG Citico - 34.8 mil / 49 min

BHG Bernard - 34.96 mil / 49 min

TLC Maryville - 34.3 mil / 1 hr

Overmountain - 90.1 mil / 1 hr 36 min

Response :

The applicant calculated all drive distances and travel times from the U.S. Census Bureau's 2020 Center of Population for Sevier County (Latitude 35.864247°, Longitude -83.582490°).[1] The U.S. Census Bureau describes the center of population as the location that would balance a map "if every person had equal weight."[2] In other words, it represents the average location where a population lives.

The applicant selected the Sevier County center of population because it provides a standardized, objective, and population-weighted origin point for comparing travel times to opioid treatment programs. Unlike the county seat or another single community, the population center more accurately reflects where Sevier County residents actually live. This approach is particularly appropriate in Sevier County, where much of the county consists of the sparsely populated Great Smoky Mountains National Park.

Accordingly, the drive times and distances presented in the application were calculated from the Sevier County population center using Google Maps (departing at 7:00 a.m. on a Tuesday via the quickest available route). The applicant believes this methodology provides a consistent and representative basis for comparing travel times between the proposed BHG Seymour Medication Unit and existing OTPs.

[1] U.S. Census Bureau, 2020 Centers of Population by County, available at https://www.census.gov/geographies/reference-files/time-series/geo/centers-population.html.

[2] U.S. Census Bureau, 2020 Center of Population Press Kit, available at https://www.census.gov/newsroom/press-kits/2021/2020-center-of-population.html.

17. **1N. Criteria and Standards**

Attachment 1N, Criteria 8, Community Linkage Plan

Please detail any partnerships/relationships with Sevier County Sheriff's office and other treatment providers and community-based programs located specifically in Sevier County?

Please identify partnerships already in place and any that will be pursued. Are there specific programs that the applicant projects will support referrals to the new facility based on its experience in Knoxville?

Response : Please detail any partnerships/relationships with Sevier County Sheriff's office and other treatment providers and community-based programs located specifically in Sevier County?

BHG has robust relationships with local law enforcement and nonprofit organizations in the areas it serves. BHG has good relationships with the Knoxville Police Department and other local law enforcement agencies and will establish these in other markets.

Please identify partnerships already in place and any that will be pursued. Are there specific programs that the applicant projects will support referrals to the new facility based on its experience in Knoxville?

BHG has established referral relationships throughout East Tennessee that will support the successful implementation of the proposed Seymour MU. The existing Regional Outreach Manager (ROM), who currently oversees outreach for the Knoxville market, will also oversee outreach and business development for Sevier County. Drawing on BHG's existing relationships and experience in the region, the ROM will establish referral pathways with hospitals, emergency departments, primary care providers, behavioral health providers, law enforcement agencies, courts, recovery organizations, and peer support programs serving Sevier County. BHG also plans to designate a Regional Outreach Manager to work directly with the Tennessee Department of Correction on a statewide basis. This role will support referral development and continuity of care for justice-involved individuals, including those returning to the Sevier County service area.

BHG also maintains statewide partnerships that will support referrals to the proposed MU, including relationships with the Tennessee Department of Correction, Tennova Healthcare, and University of Tennessee Medical Center. Because both Tennova and the University of Tennessee maintain a significant healthcare presence in Sevier County through affiliated hospitals, emergency departments, physician practices, and specialty clinics, these existing relationships provide a strong foundation for expanding referrals to the Seymour MU.

Based on BHG's experience operating OTPs throughout Tennessee, the applicant also expects referrals from hospitals, emergency departments, physicians, the criminal justice system, and community recovery organizations, with referral volumes increasing as providers become familiar with the availability of local MAT services in Sevier County.

18. **1N. Criteria and Standards**

Attachment 1N, Criteria 6, Licensure and Quality Considerations

Please explain more about what it will take to be compliant with TDMHSAS licensure rules given the lack of MU designation in state rules.

Response : The MU will follow the same set of state, federal, and accreditation requirements as BHG Citico.

19. **2N. Service Area**

Is this the largest population center in Sevier Co? Why has the applicant targeted Seymour and not Sevierville, Gatlinburg or Pigeon Forge? Are the applicant's historical patients at the Knoxville facilities residents of northwestern Sevier County more than other areas?

Response : Is this the largest population center in Sevier Co?

Seymour is not an incorporated municipality, but rather a Census Designated Place (CDP) identified by the U.S. Census Bureau and is a principal population center in Sevier County. Sevierville is the largest incorporated city in Sevier County by population, followed by Pigeon Forge and Gatlinburg. The table below shows the population and estimated drive time to the proposed BHG Seymour MU for the principal population centers in Sevier County. The proposed Seymour MU will improve geographic access for all of BHG's Sevier County patients who are currently travelling to Knoxville for care.

Population Center	2024 Population	Drive Time to BHG Seymour
Seymour	16,216	6 mins
Sevierville	18,397	17 mins
Pigeon Forge	6,375	26 mins
Gatlinburg	3,663	40 mins

Source: U.S. Census Bureau, 2024 American Community Survey 5-Year Estimates, Drive times departing from +35.864247,-083.582490 at 7:00 a.m. on a Tuesday via the quickest available route per Google Maps.

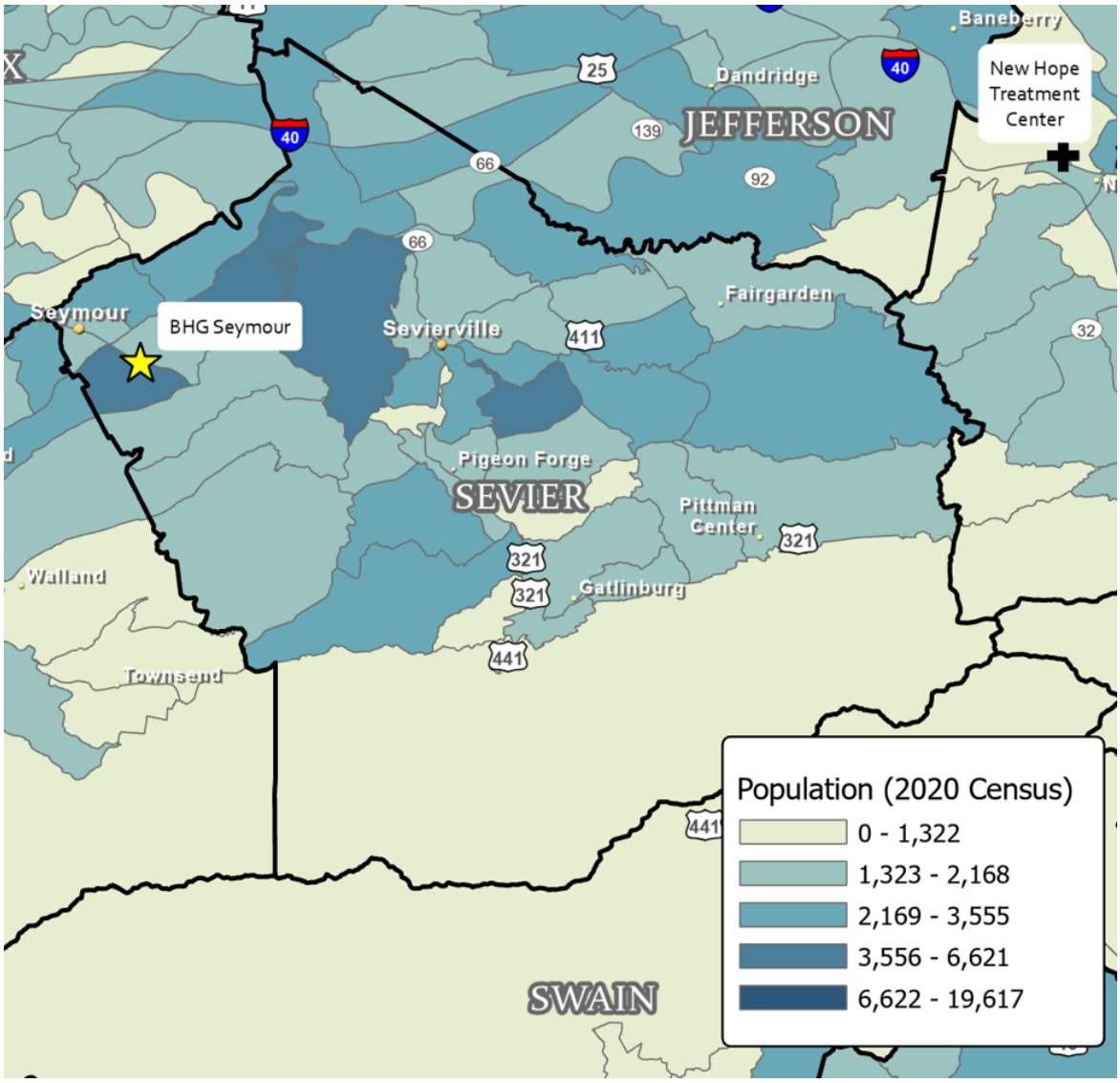
Why has the applicant targeted Seymour and not Sevierville, Gatlinburg or Pigeon Forge?

BHG chose Sevierville for its site due to its home city population (as discussed above), proximity to other heavily-populated areas of the county and based on the existing patient base of BHG patients for whom geographic access would be improved by having a medication unit in Seymour.

The map below shows 2020 residents by U.S. Census Block Groups, with darker shading representing higher population concentrations. The map clearly illustrates that many of the more populated areas of Sevier County are near BHG Seymour's proposed location. Pigeon Forge and Gatlinburg are in less densely populated areas of the county.

Please note, the U.S. Census Bureau only updates block group population data after each decennial Census, so 2020 is the most recent available year of data for this geographic level.

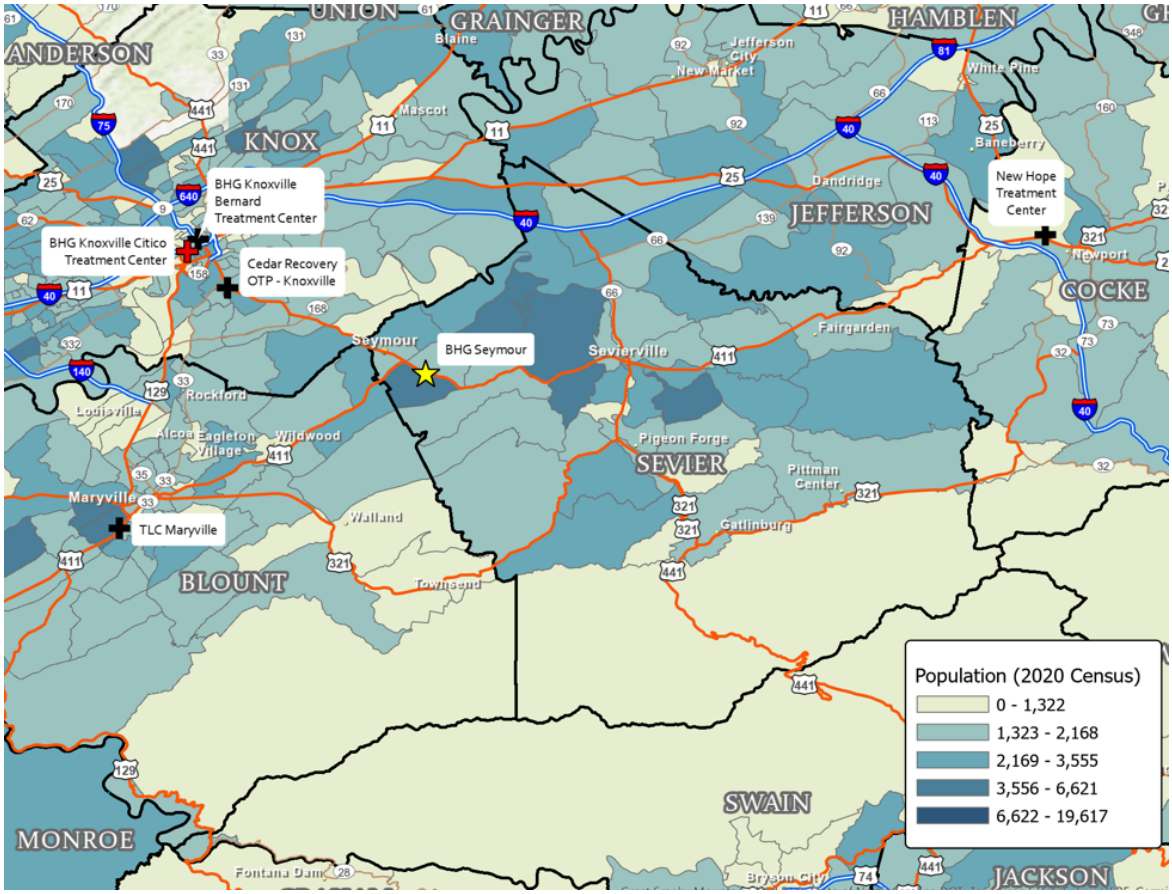
Sevier County 2020 Population by Census Block



While Sevierville is also near relatively densely populated areas, site selection was also based on area traffic patterns, patient origin data from BHG's existing Knoxville programs and site availability. While Sevierville is a large population center, zoning regulations significantly limit the locations where an OTP may legally operate, and Seymour offered more readily available real estate with zoning appropriate for OTP use than the alternatives.

As shown in the map below, the proposed site on Chapman Highway (US-441) connects Seymour to Sevierville and to Knoxville to the west, making it highly accessible for patients throughout northern and central Sevier County. The location is particularly well-suited for Sevier County residents who commute toward Knoxville for work, as it allows them to access daily dosing along their existing travel corridor without navigating downtown Knoxville's congested traffic. Patient origin data from the Knoxville BHG facilities further confirmed that northern and northwestern Sevier County — the areas proximate to the Seymour site — account for the highest concentration of current Sevier County patients, reinforcing Seymour as an optimal location for the proposed MU.

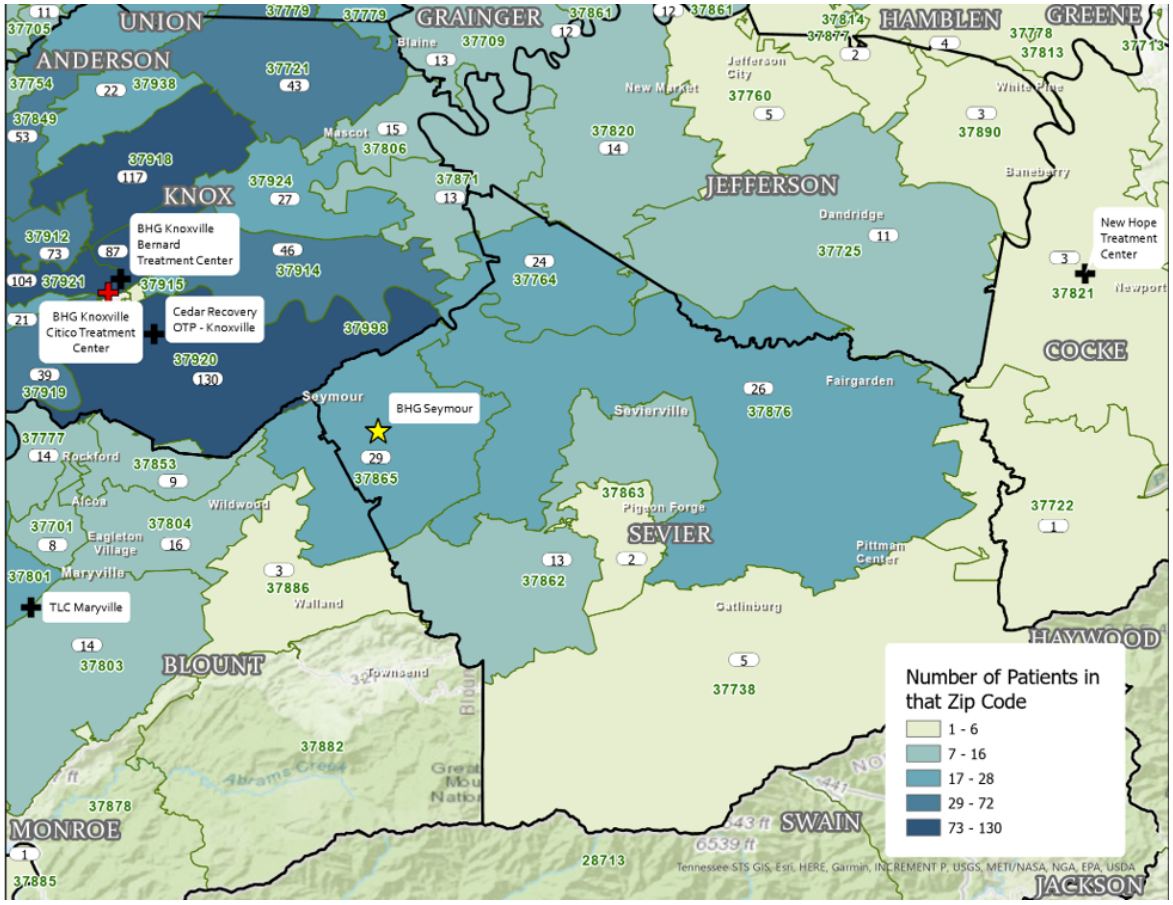
2020 Population by Census Block



Are the applicant's historical patients at the Knoxville facilities residents of northwestern Sevier County more than other areas?

Yes. The map below illustrates the distribution of current BHG Knoxville Bernard and Citico patients by ZIP code as of August 3, 2026, with the ZIP codes in northern and northwestern Sevier County reflecting the greatest patient concentrations.

BHG Bernard and Citico Current Patients by ZIP Code


UNION
GRAINGER
HAMBLEN
GREENE
ANDERSON
KNOX
JEFFERSON
COCKE
BLOUNT
SEVIER
HAYWOOD
MONROE
SWAIN
JACKSON
BHG Knoxville Bernard Treatment Center
Cedar Recovery OTP - Knoxville
BHG Knoxville Citico Treatment Center
BHG Seymour
TLC Maryville
New Hope Treatment Center
Seymour
Sevierville
Pigeon Forge
Gatlinburg
Pittman Center
Fairgarden
Dandridge
Jefferson City
Mascot
Rockford
Alcoa
Maryville
Eagleton Village
Wildwood
Walland
Townsend
Number of Patients in that Zip Code
1 - 6
7 - 16
17 - 28
29 - 72
73 - 130
Tennessee STS GIS, Esri, HERE, Garmin, INCREMENT P, USGS, METI/NASA, NGA, EPA, USDA

Project Name : DRD Management, Inc.

Supplemental Round Name : 2 **Due Date :** 8/12/2026
Certificate No. : CN2607-016 **Submitted Date :** 8/10/2026

1. **3C. Effects of Competition and/or Duplication**

Does BHG operate any other MUs in TN?

Does BHG operate any of the OBOTs in the area?

Has the applicant received referrals from Sevier County OBOTs for the higher level of care?

Response : Does BHG operate any other MUs in TN?

No.

Does BHG operate any of the OBOTs in the area?

BHG offers OBOT in the Knoxville area through our Wellness Ambulatory Care entity.

Has the applicant received referrals from Sevier County OBOTs for the higher level of care?

The applicant has not received referrals from Sevier County OBOTs.

2. **6N. Utilization and/or Occupancy Statistics**

How many visits per patient are projected on average?

Response : Visit frequency at an OTP is individualized and determined by each patient's clinical status, phase of treatment, drug screening results, and the Medical Director's discretion, rather than a single projected average. Required clinic visits range from daily attendance for patients in the early induction and stabilization phases to monthly attendance for the most clinically stable patients with maximum take-home privileges. The Medical Director creates all treatment plans and visit frequency in accordance with guidance from the Substance Abuse and Mental Health Services Administration (SAMHSA) and in accordance with all Rules of the Tennessee Department of Mental Health and Substance Abuse Services (TDMHSAS).

Specifically, under TDMHSAS take-home regulations (Rule 0940-05-42-.15), take-home doses of methadone or buprenorphine shall not exceed what is permitted by SAMHSA, except provided:

- Service recipients that provide an unfavorable drug screen but otherwise demonstrate treatment stability, as determined and documented by the program provider, shall receive not more than thirteen (13) take-homes at a time (i.e., presenting to the Facility once every other week) for a minimum of twenty-eight (28) days beginning the day the service recipient first receives the reduced number of take-homes;
- Service recipients that provide an unfavorable drug screen and demonstrate treatment instability, as determined and documented by the program provider, shall receive not more than four (4) take-homes per week (i.e., presenting to the clinic three (3) nonconsecutive days per week) for a minimum of twenty-eight (28) days beginning the day the service recipient first receives the reduced number of take-homes; or
- Service recipients that pose a high risk of diversion, including presenting an inappropriate amount of medication for a diversion control call-back, or otherwise demonstrating noncompliance with the service recipient's responsibilities of the Facility's diversion control plan, shall receive not more than four (4) take-homes per week (i.e., presenting to the clinic three (3) nonconsecutive days per week) for a minimum of twenty-eight (28) days beginning the day the service recipient first receives the reduced number of take-homes.

Based on current utilization at the BHG Knoxville OTPs, over 800 patients are required to attend at least weekly, and approximately 580 of those patients attend multiple times per week. BHG expects a similar distribution at the proposed Seymour MU, with newer patients presenting more frequently and longer-tenured, clinically stable patients presenting less often as take-home doses are granted based on clinical progress and demonstrated stability.

3. **13A. Notification Requirements**

The tracking numbers are noted. Please provide a copy of the signed USPS green-certified receipt card for each official notified per statute.

Response : The signed USPS green-certified receipt cards have not yet been received but will be provided to the HFC upon receipt.

Project Name : DRD Management, Inc.

Supplemental Round Name : 3 **Due Date :** 8/14/2026

Certificate No. : CN2607-016 **Submitted Date :** 8/14/2026

1. **13A. Notification Requirements**

Please provide a copy of the signed USPS green-certified receipt card for each official notified per statute.

Response : The green certified receipt cards have not yet been received. BHG has submitted documentation that the letters were sent and will submit the return receipt cards as soon as they are received.

Project Name : DRD Management, Inc.

Supplemental Round Name : 4 **Due Date :** 9/11/2026

Certificate No. : CN2607-016 **Submitted Date :** 9/1/2026

1. **13A. Notification Requirements**

Please provide a copy of the signed USPS green-certified receipt card for each official notified per statute.

Response : The green return receipt cards have not yet been returned.

Project Name : DRD Management, Inc.

Supplemental Round Name : 5
Due Date : 10/2/2026
Certificate No. : CN2607-016
Submitted Date : 9/15/2026

1. **13A. Notification Requirements**

Please provide a copy of the signed USPS green-certified receipt card for each official notified per statute.

Response : The applicant has uploaded letters from the relevant elected officials' offices verifying they received the required notifications. Those materials are in Additional Document 3 in the portal under the name "Letters from Elected Officials Acknowledging DRD Notification Letter."