

# HEALTH SERVICES AND DEVELOPMENT AGENCY

## MINUTES

June 23, 2021

### AGENCY MEMBERS PRESENT

R.G. Rick Chinn, Vice-Chair  
Thomas Alsup  
Laura Beth Brown  
Paul Korth  
Todd Taylor  
Dr. Kenneth Patric  
Corey Ridgway  
Jaclyn Harding, Designee for Comptroller  
Keith Gaither, Designee for TennCare

### AGENCY MEMBERS ABSENT

Douglas Scarboro, Chairman  
Lisa Jordan, Designee for Department of Commerce and Insurance

### AGENCY STAFF PRESENT

Logan Grant, Executive Director  
Jim Christoffersen, General Counsel  
Lowavia Eden-Hoback, Office and Resource Manager  
Phillip Earhart, Deputy Director  
Alecia Craighead, Information and Data Analyst  
Thomas Pitt, HSD Examiner  
Katie Thomas, Executive Administrative Assistant

### COURT REPORTER

April Daniel

### GUESTS PRESENT

Graham Baker  
Camille Barkalow  
Melody Beaty  
John L. Bell  
Elissia Bignall  
Mike Brent  
Dere Brown  
Gordon Ferguson  
Bryce Fitzgerald  
Johnathan Freider  
Warren Gooch  
Bruce Hartman  
Renee Hawk  
Jimmy Jobe

Nathan Lubin  
Megan McGill  
Brett Miller  
Robert Miller  
G. Britt Mioton  
Jeff Nelson  
Alisha Patel  
Kristan Perkins  
Steve Ross  
Patricia Sherman  
Susan Stinnett  
Travis Swearingen  
Jerry Taylor  
Will Taylor  
Byron Trauger  
John Wellborn  
Bill West  
John Wesley Williamson

### **CALL TO ORDER:**

The meeting was called to order at 9:00 a.m. by Mr. Chinn with the following members present: Gaither, Patric, Korth, Brown, Harding, Taylor, and Chinn. A quorum was established with seven members being present. Ridgway and Alsup joined after roll call.

### **DIRECTOR'S ANNOUNCEMENTS**

- Logan Grant made a presentation on Public Chapter 557.
- Mr. Grant introduced the new staff of the agency.
- The next meeting in August 2021 will be in the Cordell Hull State Office Building, Nashville, TN.

### **APPROVAL OF MINUTES**

Mr. Chinn presented the April 28, 2021 minutes for approval.  
The motion CARRIED [8-0-0] unanimously by voice vote. **APPROVED**

### **CERTIFICATE OF NEED APPLICATIONS**

Four certificate of need applications were considered under TCA § 68-11-1609(b) which notes the conditions that must be met in order to grant a certificate of need—when the action proposed in the application is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, will provide health care that meets appropriate quality standards, and will contribute to the orderly development of adequate and effective health care facilities or services.

Phillip Earhart introduced each of the four applications under consideration with all four being approved.

**Hospice of Hope – Tennessee, LLC, Cordova (Shelby County), TN – CN2102-007**

Request: The establishment of an 18-bed residential hospice facility that will include end of life Jewish traditions and customs. The proposed residential hospice facility will be located within leased space of Memphis Jewish Home and Rehab Center, a 160-bed licensed nursing home located at 36 Bazeberry Road, Cordova (Shelby County), TN 38018. The estimated project cost is \$1,927,640.

Dr. Patric moved to approve the application with Mr. Korth providing the second.

**Factual and Legal Basis for Approval:**

**Need** – Currently it does not technically meet the utilization threshold, but that data is at least two years old. And despite the average, there are times when it may be difficult to get some patients in. Also, this current hospice proposal meets the needs, the cultural and spiritual needs, of the group of people and Jewish people within the Memphis area, which represents a large – the largest population group of people in Tennessee.

**Economic Feasibility** – This will be paid for with cash reserves by the mother company.

**Healthcare that Meets Appropriate Quality Standards** – They will seek all the appropriate licensure certification and have already begun in that process.

**Contribution to the Orderly Development of Healthcare** – There is no opposition. Also, this particular CON meets the agreement, which was included in a CON approved by us previously with regards to a home hospice program and indeed fits well with the home program for continuity of care, including, especially, attending to the spiritual and cultural needs of the particular clientele. And finally, this particular hospice program will be also dedicated to the care of indigent patients.

**Eight members voted to approve the application— Ridgway, Gaither, Patric, Korth, Brown, Harding, Taylor, Chinn. The motion CARRIED [8-0-0].**

*Mr. Alsup arrived after the vote.*

**St. Thomas Rutherford Hospital, Murfreesboro (Rutherford County), TN – CN2103-009**

***Mr. Ridgway, Ms. Brown, and Ms. Harding recused.***

Request: The establishment of an Open Heart Surgery service at its main hospital campus located at 1700 Medical Center Parkway, Murfreesboro (Rutherford County), TN 37129. The proposed service area consists of Bedford, Cannon, Coffee, Rutherford, and Warren Counties. The applicant is owned by Ascension. The estimated project cost is \$5,617,996.

Dr. Patric moved to approve the application with Mr. Taylor providing the second.

**Factual and Legal Basis for Approval:**

**Need** – The current statutory need seem to be met.

**Economic Feasibility** – This will be paid for with reserves from the mothership.

**Healthcare that Meets Appropriate Quality Standards** – They will seek licensure certification accreditation, including from the Society of Thoracic Surgeons. And this will be an extension of their Davidson County program, so it's not likely that they won't be approved on all of those.

**Contribution to the Orderly Development of Healthcare** – There is no opposition and neither – a substantial in support, both the community support for the state and local government, community members, healthcare providers, and BlueCross-BlueShield of Tennessee with regards to coverage. This should increase, not only the availability for people in Rutherford County, but also expediency, which is often critical for these types of cases. Saint Thomas Rutherford is, in essence, an extension of a current well-established and respected system in Davidson County, and they will also be seeking additional cardiac surgeons. They will accept TennCare and substantial indigent care as well.

**Six members voted to approve the application— Gaither, Patric, Korth, Taylor, Alsup, Chinn. The motion CARRIED [6-o-o].**

**University of Tennessee Medical Center, Lenoir City (Loudon County), TN – CN2103-010**

***Mr. Taylor recused.***

Request: The initiation of linear accelerator services at a satellite facility already operated by the University of Tennessee Medical Center (UTMC) at 5779 Creekwood Park Boulevard, Lenoir City (Loudon County), Tennessee, 37772. The proposed service area consists of Loudon, McMinn, Monroe, and Roane Counties and 3 zip codes from West Knox County (37922, 37932, and 37934). The applicant is owned by University Health Systems, Inc. The estimated project cost is \$13,546,526

Mr. Ridgway moved for approval with Dr. Patric providing the second.

**Factual and Legal Basis for Approval:**

**Need** – This is clearly a move that will bring clinical therapies closer to Lenoir City and the surrounding area, and it will decompress the main campus which currently exceeds the utilization standards for these services. End of note, Cancer Institute has experienced 25 percent annual growth in 2015 through 2019, so clearly a need to enhance or expand facilities.

**Economic Feasibility** – This is a clearly profitable service line, and one that will have positive margins in year one of operation, and it will be funded through cash reserves at the University Health System.

**Healthcare that Meets Appropriate Quality Standards** – The applicant has committed to receiving the appropriate accreditations as well as licensure and so forth. But, most notably, this will be an extension expansion in an already well respected and quality minded cancer institute.

**Contribution to the Orderly Development of Healthcare** - There is no opposition to this application. And, as evidenced and mentioned earlier in the need element, this will bring care closer to the patient and provide more access to care.

**Eight members voted to approve the application—Ridgway, Gaither, Patric, Korth, Brown, Harding, Alsup, Chinn. The motion CARRIED [8-o-o].**

**Ramsey Way Surgery Center, Dickson (Dickson County), TN – CN2103-012**

***Mr. Ridgway and Ms. Harding recused.***

Request: The establishment of a single-specialty ambulatory surgical treatment center ("ASTC"), limited to ophthalmological surgical cases and procedures with one operating room and one procedure room. This project will be located at 10200 Ramsey Way, Dickson (Dickson County), Tennessee 37055. The proposed service area consists of Cheatham, Dickson, Hickman, Houston, and Humphreys Counties. The applicant is owned by Ramsey Way Surgery Center, LLC, which is wholly owned by Dr. Aaron J. Porter. The estimated project cost is \$2,196,892.

Dr. Patric moved for approval with Mr. Alsup providing the second.

**Factual and Legal Basis for Approval:**

**Need** – Although the analysis of the numbers per procedure room don't quite meet the state requirements, there is no other availability of an ASC like this in the service area; and, also, from a clinical standpoint, it's difficult to do the kinds of procedure they want to do without having a procedure room as well as an operating room. So, clinically, it doesn't make lot of sense not to have one with it. And it meets all the other requirements with regards to need, including the fact that there is no other similar type of ASC, including no ASC in the service area.

**Economic Feasibility** – This will be paid for with a combination of a loan and cash reserves.

**Healthcare that Meets Appropriate Quality Standards** – The requesting physicians are well trained, board certified, and they will seek the available licensure certification accreditation that they will need for reimbursement.

**Contribution to the Orderly Development of Healthcare** – There is no opposition, and the focused clientele that they will be looking at, which is mostly the age of 65 and older people, is actually growing in that area. So, with the expectation of that, they would be serving the community need. They will be accepting all the different carriers, as well as TennCare.

**Seven members voted to approve the application—Gaither, Patric, Korth, Brown, Taylor, Alsup, Chinn. The motion CARRIED [7-0-0].**

**Metro Knoxville HMA Holdings, LLC dba Tennova Healthcare North Knoxville Medical Center, Powell (Knox County), TN – CN2103-013**  
***(Withdrawn June 15, 2021)***

**General Counsel**

**Eye Care Surgery Center of Memphis, Memphis (Shelby County), TN – CN0307-045A**

Request to permit ophthalmologic procedures that require anesthesia.

Dr. Patric moved for approval with Mr. Ridgway providing the second.

Nine members voted to approve the application—Ridgway, Gaither, Patric, Korth, Brown, Harding, Taylor, Alsup, Chinn. The motion CARRIED [9-0-0].

Mr. Christoffersen provided a Contested Case Update.

ADJOURNMENT

There being no further business, the meeting adjourned.

A handwritten signature in black ink, appearing to read "Logan Grant", written in a cursive style.

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Logan Grant, Executive Director

HSDA Minutes provide a brief summary of agency actions. A detailed record of each meeting (recording and transcript) is available upon request by contacting the HSDA office.