

HEALTH SERVICES AND DEVELOPMENT AGENCY

COMMUNIQUE

MONTHLY PUBLICATION OF
HEALTH SERVICES AND DEVELOPMENT AGENCY
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243
615.741.2364

FEBRUARY 2018

For Meeting verification/change or agenda information, please call the Agency Office or check our website at www.tn.gov/hsda

HEALTH SERVICES AND DEVELOPMENT AGENCY

Chair.....William Grandy
Vice-Chair.....Paul Korth
Executive Director.....Melanie Hill
General Counsel.....Jim Christoffersen

Tennessee Department of Health, Division of Policy, Planning and Assessment
615/741-1954

Tennessee Department of Mental Health and Substance Abuse Services, Planning,
Research & Forensics
615/532-6717

Tennessee Department of Intellectual and Development Disabilities,
Office of General Counsel 615/253-8731
Main Office 615/532-6530 or 800-535-9725

CALENDAR

**The Health Services and Development Agency will be closed on the following days:
2018**

Monday, February 19, President's Day
 Friday, March 30, Good Friday
 Monday, May 28, Memorial Day
 Wednesday, July 4, Independence Day
 Monday, September 3, Labor Day
 Monday, November 12, Veteran's Day
 Thursday, November 22 and Friday, November 23, Thanksgiving
 Monday, December 24 and Tuesday, December 25, Christmas
 Monday, December 31 and Tuesday, January 1, New Years

In the event that the last appropriate filing date falls on a Saturday, Sunday, or legal holiday, such filing should occur on the preceding business day.

***Appeal deadline is 15 days after meeting date.**

<u>2018 REVIEW CYCLE</u>				
<u>2018 Cycle</u> <u>Month</u>	<u>Publication Dates –</u> <u>Letter of Intent</u>	<u>Application Due Date</u>	<u>HSDA Meeting</u> <u>Dates</u>	<u>*End of Appeal</u> <u>Period</u>
January	01/01/2018-01/10/2018	5 days after LOI published	4/25/2018	5/10/2018
February	02/01/2018-02/10/2018	“	6/27/2018	7/12/2018
March	03/01/2018-03/10/2018	“	6/27/2018	7/12/2018
April	04/01/2018-04/10/2018	“	8/22/2018	9/13/2018
May	05/01/2018-05/10/2018	“	8/22/2018	9/13/2018
June	06/01/2018-06/10/2018	“	10/24/2018	11/08/2018
July	07/01/2018-07/10/2018	“	10/24/2018	11/08/2018
August	08/01/2018-08/10/2018	“	12/12/2018	12/27/2018
September	09/01/2018-09/10/2018	“	12/12/2018	12/27/2018
October	10/01/2018-10/10/2018	“	2/27/2019	3/14/2019
November	11/01/2018-11/10/2018	“	2/27/2019	3/14/2019
December	12/01/2018-12/10/2018	“	4/24/2019	5/9/2019

STATE OF TENNESSEE POLICY OF NON-DISCRIMINATION

PURSUANT TO THE STATE OF TENNESSEE'S POLICY OF NON-DISCRIMINATION, THE HEALTH SERVICES AND DEVELOPMENT AGENCY DOES NOT DISCRIMINATE ON THE BAISS OF RACE, SEX, RELIGION, COLOR, NATIONAL OR ETHNIC ORIGIN, AGE, DISABILITY OR MILITARY SERVICE IN ITS POLICIES OR IN THE ADMISSION OR ACCESS TO OR TREATMENT OR EMPLOYMENT IN, ITS PROGRAMS, SERIVCS OR ACTIVITIES.

EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY EEO/AA COORDINATOR OR OFFICER, HEALTH SERVICES AND DEVELOPMENT AGENCY, ANDREW JACKSON BUILDING, 9TH FLOOR, 502 DEADERICK STREET, NASHVILLE, TN 37243. TELEPHONE NO.: 615/741-2364. ADA INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY'S ADA COORDINATOR: JAMES CHRISTOFFERSEN, HEALTH SERVICES AND DEVELOPMENT AGENCY, ANDREW JACKSON BUILDING, 9TH FLOOR, 502 DEADERICK STREET, NASHVILLE, TN 37243. TELEPHONE NO.: 615/741-2364.

HEALTH SERVICES AND DEVELOPMENT AGENCY MEETINGS

THSDA Meeting is scheduled to be held at
8:30 a.m. CDT/CST
At the following Location:

February 28, 2018

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

April 25, 2018 (Tentative)

Cordell Hull State Office Building
House Hearing Room II
425 5th Avenue North
Nashville, TN

***Meeting locations are subject to change**

****All meetings of the Health Services and Development Agency are posted on the Agency's website at
www.tn.gov/hsda**

EXECUTIVE DIRECTOR'S ANNOUNCEMENTS:

PLEASE NOTE

In order that the Agency members may have sufficient time to review the meeting packet, please submit all support, rebuttal and comments for matters on the Agency's agenda no later than noon (Central Time) on the thirteenth day before the meeting at which that matter will be heard. In accordance with T.C.A., Section 68-11-1609(g)(1), any health care institution wishing to oppose a Certificate of Need application must file a written objection with the Agency and serve a copy on the applicant no later than fifteen days before the agency meeting at which time the application is originally scheduled.



RESULTS OF APPLICATIONS HEARD AT DECEMBER MEETING

*Methodist Healthcare-Memphis Hospitals
dba Methodist North Hospital
3960 New Covington Pike
Memphis (Shelby Co), TN 38128
CN1709-029
Contact Person: Carol Weidenhoffer
Phone: 901-516-0679

APPROVED

The relocation of a 34-bed adult psychiatric inpatient unit from the Methodist University Hospital campus at 1265 Union Avenue in Memphis (Shelby County), TN 38104 to the Methodist North Hospital campus located at 3960 New Covington Pike, Memphis (Shelby County), TN 38128. The applicant is owned by Methodist Le Bonheur Healthcare which has a single license for all five of its Shelby County hospitals; its total licensed bed complement of 1,593 beds will not change. The estimated project cost is \$2,295,000.

Celina Health & Rehabilitation Center
120 Pitcock Lane
Celina (Clay County), TN 38551
CN1708-024
Contact Person: Graham Baker
Phone: 615-370-3380

APPROVED

The addition of 12 dually certified beds to Celina Health and Rehabilitation Center's existing 66 bed nursing home. These beds are subject to the 125 Nursing Home Bed Pool for 2017-2018. Approximately 3,473 square feet of new construction will be added to house the additional beds plus therapy and staff work areas. The applicant is owned by Integrity Healthcare of Celina, LLC. The estimated project cost is \$1,199,000.

Regional MED Extended Care Hospital
890 Madison Avenue, 4th Floor
Memphis (Shelby Co), TN 38103
CN1708-025
Contact Person: Graham Baker
Phone: 615-370-3380

APPROVED

The addition of six long term care hospital (LTCH) beds to Regional One Extended Care Hospital's existing 24-bed LTCH. Regional One Extended Care Hospital is located on the fourth floor of Regional One Hospital at 890 Madison Avenue, Memphis (Shelby County), TN 38103. The applicant is owned by Shelby County Health Care Corporation. The estimated project cost is \$2,215,000.00.

Pavilion-THS, LLC
1406 Medical Center Drive
Lebanon (Wilson Co), TN 37087
CN1708-026
Contact Person: Hal Bone
Phone: 615-453-9912

APPROVED

The addition of 20 dually certified nursing home beds to The Pavilion Senior Living Rehabilitation and Long Term Care at Lebanon's existing 60-bed nursing home. These beds are subject to the 125 Nursing Home Bed Pool for 2017-2018. Approximately 8,340 square feet of new construction will be added to house the additional beds. It will also include companion living areas, a nursing area, and an assisted bathing area. The facility is owned by Pavilion – THS, LLC which is owned by Total Healthcare Systems, LLC. The estimated project cost is \$1,151,755.

Erlanger Sequatchie Valley Regional Hospital- Dunlap
17399 Rankin Avenue
Dunlap, (Sequatchie Co) TN 37327
CN1709-027
Contact Person: Joseph Winick
Phone: 423-778-7274

APPROVED

The relocation and construction of a critical access hospital (CAH) consisting of 25 beds to replace the CAH currently located at 71 Wheelertown Avenue in Pikeville (Bledsoe County), TN 37367. It will be relocated to 17399 Rankin Avenue in Dunlap (Sequatchie County), TN 37327. The applicant is owned by the Chattanooga-Hamilton County Hospital Authority d/b/a Erlanger Health System. The estimated project cost is \$32,653,836.

Erlanger Sequatchie Valley Regional Hospital- Pikeville
533 US Highway 127 Bypass
Pikeville, (Bledsoe Co) TN 37367
CN1709-028
Contact Person: Joseph Winick
Phone: 423-778-7274

APPROVED

The construction of a satellite emergency department of Erlanger Sequatchie Valley Regional Hospital. The satellite emergency department will replace Erlanger Bledsoe Hospital- provider based emergency department located at 16931 Rankin Avenue, Dunlap (Sequatchie County), TN 37327 and will be relocated to 553 US Highway 127 Bypass, Pikeville (Bledsoe County), TN 37367. The applicant is owned by the Chattanooga-Hamilton County

Hospital Authority d/b/a Erlanger Health System. The estimated project cost is \$4,388,484.00.

GENERAL COUNSEL'S REPORT

Monroe Carell Jr. Children's Hospital at Vanderbilt (VUMC)
Nashville, (Davidson County), TN 37232
CN0710-075AE
Contact Person: Dan Elrod
Phone: 615-744-8526

APPROVED

Unanimously approved for the construction of a new building immediately adjacent and connected to the existing MCJCH. The new building is designed to house 90 additional pediatric acute critical care beds, 36 neonatal intensive care beds (16 relocated from Vanderbilt University Hospital {VUH}), an expanded obstetrical service including 36 relocated postpartum beds (all relocated from VUH), 12 new antepartum beds, 16 labor and delivery suites (12 relocated from VUH), 2 relocated operating rooms from VUH plus one additional obstetrical operating suite dedicated to fetal surgery. Five pediatric operating rooms are proposed on the third floor which will also contain 5 additional shelled operating rooms. The existing MCJCH contains 621,420 gross square feet. The proposed construction contains 372,140 gross square feet. Overall the new building will house 190 beds, 85 of which are relocated from VUH, for a total licensed bed increase of 105 beds.

The applicant provided project updates to Agency members on June 23, 2010 and June 23, 2011 and Agency members determined that no modifications were needed.

On January 22, 2014, the Agency granted a four year extension from March 1, 2014 to March 1, 2018 and a modification to downsize the project from 372,140 SF to 210,000 SF and from \$248,326,286 to \$120,000,000.

Request for a 32 month extension, from 3/1/2018 to 11/1/2020.

SBH-Kingsport, LLC
Kingsport (Sullivan County), TN
CN1312-050DA
Contact Person: Bill West
Phone: 615-726-5561

APPROVED

Approved by an Initial Order on 2/8/2016, which the Agency affirmed by a 5-4 vote as a Final Order on 6/22/2016, for the establishment of a new 72 bed free standing mental health hospital and initiation of inpatient psychiatric and substance abuse services. The mental health hospital will consist of 28 inpatient beds for psychiatric care for children ages 5-17, 18 inpatient beds for adult psychiatric care for adults ages 18-64, 16 inpatient beds for geropsychiatric care for ages 55+, and 10 adult chemical dependency beds. The project will accept voluntary and/or involuntary admissions.

Request for a increase in project cost from \$11,691,609 to \$15,855,835.

University of Tennessee Medical Center
Knoxville (Knox County), TN
CN1409-042A
Contact Person: Jerry Taylor
Phone: 615-726-1200

APPROVED

Unanimously approved on 12/17/2014 to expand and renovate the neonatal intensive care unit (NICU), to add a new 16 bed intensive care unit (ICU), and to add a new 28 bed medical/surgical unit by renovating and converting existing physician outpatient clinic space. The project will increase the hospital's licensed bed complement from 581 to 625 beds for a net increase of 44 beds. The project includes approximately 28,694 square feet of renovation and 26,608 square feet of new construction. The project does not involve the initiation of new health care services. The estimated project cost is \$26,292,001. The applicant expected the 28 Med/Surg beds to open in the 1st quarter of 2016 and the 16 ICU beds to open in the 3rd quarter of

2017.

Request for an 18 month extension, from 2/1/2018 to 8/1/2019.

Parkridge West Hospital
Jasper (Marion County), TN
CN1611-039A
Contact Person: Jerry Taylor
Phone: 615-726-1200

APPROVED

Unanimously approved on 2/22/2017 to increase inpatient psychiatric services by converting 8 of the hospital's existing 50 licensed unstaffed general medical/surgical beds to adult (18+) psychiatric beds, thus increasing the adult psychiatric unit from 20 to 28 licensed beds. The project has been completed.

Request for increase in project cost from \$2,160,808 to \$2,932,627.

Bartlett ASC, LLC
Bartlett (Shelby County), TN
CN1605-020
Contact Person: Kim Looney
Phone: 615-850-8722

APPROVED

Unanimously approved on 10/26/2016 for the establishment of a multi-specialty ambulatory surgical treatment center (ASTC) to include two operating rooms, one procedure room, and an unequipped operating room for future growth. The ASTC will be managed by USP Tennessee, Inc., whom it was anticipated would have a majority ownership interest. A Change of Ownership is requested, to permit the flexibility of offering up to 70% ownership interest to physicians who will perform surgeries at the ASTC.

East Tennessee Children's Hospital
Knoxville (Knox County), TN
CN1401-002A
Contact Person: Kim Looney
Phone: 615-850-8722

APPROVED

Unanimously approved on 4/23/2014 for the renovation and expansion of the hospital's existing Neonatal Abstinence Syndrome Unit, Neonatal Intensive Care Unit (NICU), Preoperative Services, and Specialty Clinic. The licensed beds will not be affected, and no services will be initiated. Request for a 4 month extension, from 6/1/2018 to 10/1/2018

Collins Chapel Health & Rehabilitation Center
Memphis (Shelby County), TN
CN1202-011AEEE
Contact Person: Bill West
Phone: 615-726-5561

APPROVED

Unanimously approved on 6/1/2012 for the establishment of a 28 bed skilled nursing facility in which all beds will be dually certified for Medicare and Medicaid.

2/26/14-One year extension granted from August 1, 2014 to August 1, 2015 due to the need for an architectural redesign of plans.

5/27/15-18 extension granted due to the delay in financing approval from August 1, 2015 to February 1, 2017.

12/14/16-12 month extension granted from February 1, 2017 to February 1, 2018 because the applicant was finally under construction and expected to be complete in June 2017. The applicant had only asked for 6 months but the Agency granted 12 in order to be sure that all TDH inspections could be completed.

Request for a 1 year extension, from 2/1/2018 to 2/1/2019

APPLICATIONS TO BE HEARD AT FEBRUARY MEETING

*Campbell Clinic Surgery Center
Unaddressed site on south side of Wolf River Blvd.
Germantown (Shelby County), TN 38138
CN1712-038
Contact Person: John Wellborn
Phone: 615-665-2022

The relocation of Campbell Clinic Surgery Center currently located at 1410 Brierbrook Road, Germantown (Shelby County), TN to a new facility to be located at an unaddressed site on the south side of Wolf River Boulevard, 525 feet east of its intersection with Germantown Road, Germantown (Shelby County), TN. If approved, this application will replace the applicant's unimplemented CON (CN1208-040A) which was approved to expand the present facility at its current location from 4 operating rooms and 1 procedure room to 8 operating rooms and 2 procedure rooms. The applicant is owned by Campbell Clinic Surgery Center, LLC. The estimated project cost is \$21,485,200.

DeLozier Surgery Center
209 23rd Avenue North
Nashville (Davidson County), TN 37203
CN1711-032
Contact Person: Brian White
Phone: 615-369-6336

The conversion of an existing single specialty ambulatory surgical treatment center (ASTC) to a multi-specialty ASTC which is currently limited to plastic surgery procedures. The ASTC is located at 209 23rd Avenue North, Nashville (Davidson County), TN 37203. The applicant is owned by DeLozier Surgery Center, LLC. The estimated project cost is \$50,000.

NHC Healthcare Johnson City
3209 Bristol Highway
Johnson City (Washington County), TN 37601
CN1711-033
Contact Person: Bruce Duncan
Phone: 615-890-2020

The addition of 7 Medicare-certified skilled nursing facility (SNF) beds to NHC Healthcare Johnson City, a 160-bed dually certified nursing home at 3209 Bristol Highway, Johnson City (Washington County) TN. If approved, all 167 beds will be dually certified. The applicant is owned by NHC Healthcare Johnson City, LLC. The estimated project cost is \$474,000.

*Open Arms Care Corporation d/b/a Shelby County #1 Old Brownsville (West)
Unaddressed site of the intersection of Old Brownsville Road Oak Road
Bartlett (Shelby County), TN 38002
CN1710-030
Contact Person: Michael D. Brent
Phone: 615-252-2361

The relocation of an 8 bed ICF/IID home from 1457 Greendale Avenue, Memphis (Shelby County), TN to an unaddressed site located on the southwest corner of the intersection of Old Brownsville Road and Oak Road, Bartlett (Shelby County), TN 38002. The proposed site is the west half of the parcel described as Parcel B0148 00061 in the records of the Shelby County Tax Assessor. The estimated project cost is \$3,370,000.

*Open Arms Care Corporation d/b/a Shelby County #2 Old Brownsville (East)
Unaddressed site of the intersection of Old Brownsville Road Oak Road
Bartlett (Shelby County), TN 38002
CN1710-031
Contact Person: Michael D. Brent
Phone: 615-252-2361

The relocation of an 8 bed ICF/IID home from 1445 Greendale Avenue, Memphis (Shelby County), TN to an unaddressed site located on the southwest corner of the intersection of Old Brownsville Road and Oak Road, Bartlett (Shelby County), TN 38002. The proposed site is the east half of the parcel described as Parcel B0148 00061 in the records of the Shelby County Tax Assessor. The estimated project cost is \$3,370,000.

*Open Arms Care Corporation d/b/a Shelby County #3
Unaddressed site of the intersection of Dexter Road and Dexter Lane
Cordova (Shelby County), TN 38002
CN1711-034
Contact Person: Michael D. Brent
Phone: 615-252-2361

The relocation of an 8 bed ICF/IID home from 5350 Benjestown Road, Memphis (Shelby County), TN to an unaddressed site located on an 8.2 acre parcel located on the southwest corner of the intersection of Dexter Road and Dexter Lane, Cordova (Shelby County), TN 38002. The proposed site is the south half of the parcel described as Parcel 096507 00307C in the records of the Shelby County Tax Assessor. The applicant is owned by Open Arms Care Corporation. The estimated project cost is \$5,130,000.

The Plastic Surgery Center of Brentwood
620 Church Street East
Brentwood (Davidson County), TN 37027
CN1711-035
Contact Person: Winn Elliot
Phone: 615-771-7718

The establishment of a single specialty ambulatory surgical treatment center (ASTC) limited to plastic surgery by physicians who are owners or employees of The Plastic Surgery Clinic, PLLC d/b/a Cool Springs Plastic Surgery. The ASTC will have two operating rooms and one procedure room and will be located at 620 Church Street East, Brentwood (Davidson County), TN. The applicant is owned by The Plastic Surgery Center of Brentwood, LLC. The estimated project cost is \$4,524,636.

APPEALS OF AGENCY DECISIONS

<u>FACILITY</u>	<u>DOCKET #</u>	<u>DESCRIPTION</u>	<u>MEETING DATE</u>
HCA Health Services of Tennessee Inc. d/b/a TriStar Southern Hills Medical Center Emergency Department at I-65 Brentwood (Williamson County), TN CN1412-050D	25.00-130740J	Appeal of Denial of CON	3/25/2015
Baptist Memorial Hospital Unnamed street address near the intersection of Interstate 40 and Airline Road in Arlington (Shelby County), TN CN1705-018	25.00-144364J	Appeal of Denial of CON	8/23/2017

HEALTH SERVICES AND DEVELOPMENT AGENCY

William J. Grandy
(Consumer, Lieutenant Governor)

Paul Korth, Vice- Chairman
(Hospital)

Thomas Alsup
(Consumer, Speaker of the House)

Douglas Scarboro
(Consumer, Governor)

Thom Mills
(Home Care)

Todd Taylor
(Nursing Home)

Kenneth Patric, M.D.
(Physician)

Corey Ridgway
(Ambulatory Surgical Treatment Centers)

Keith Gaither
Designee For Director of TennCare
Wendy Long, M.D.

Jaclyn Harding
Designee For Comptroller
Justin Wilson

Lisa Jordan
Designee for Commerce & Insurance
Commisisoner
Julie Mix McPeak

