

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*

JUNE 2016

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.....D. Lynn Johnson
Vice-Chair.....James Wright
Executive Director.....Melanie Hill
General Counsel.....James 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 or Main Office....615/532-6530 or 800-535-9725

CALENDAR

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

2016

- Monday, July 4- Independence Day
- Monday, September 5- Labor Day
- Friday, November 11- Veteran's Day
- Thursday, November 24- Thanksgiving Day
- Friday, November 25- Day after Thanksgiving
- Monday, December 26, Day after Christmas

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.**

2016 REVIEW CYCLE

| <u>2016 Cycle Month</u> | <u>Publication Dates— Letter of Intent</u> | <u>Application Due Date</u> | <u>HSDA Meeting Dates</u> | <u>*End of Appeal Period</u> |
|--------------------------------|---|------------------------------------|----------------------------------|-------------------------------------|
| February | 02/10/2016-02/10/2016 | 5 days after LOI published | 05/25/2016 | 06/9/2016 |
| March | 03/01/2016-03/10/2016 | * | 06/22/2016 | 07/7/2016 |
| April | 04/01/2016-04/10/2016 | * | 07/27/2016 | 08/11/2016 |
| May | 05/01/2016-05/10/2016 | * | 08/24/2016 | 09/08/2016 |
| June | 06/01/2016-06/10/2016 | * | 09/28/2016 | 10/13/2016 |
| July | 07/01/2016-07/10/2016 | * | 10/26/2016 | 11/10/2016 |
| August | 08/01/2016-08/10/2016 | * | 11/16/2016 | 12/1/2016 |

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 BASIS 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, SERVICES 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, NINTH FLOOR, 502 DEADERICK STREET, NASHVILLE, TN 37243. TELEPHONE NO.: 615/741-2364.

HEALTH SERVICES AND DEVELOPMENT AGENCY MEETINGS

THSDA Meetings are scheduled to be held at
8:30 a.m. CDT/CST
At the following location:

JUNE-DECEMBER

Legislative Plaza
Room 12
Sixth Avenue North & Union Street
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. The parties are encouraged to provide 15 copies. 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 MAY MEETING

Children's Hospital at Erlanger and Erlanger East Hospital
1755 Gunbarrel Road
Chattanooga (Hamilton County), TN 37403
CN1601-002
Contact Person: Joseph Winick
Phone: 423-778-7274

APPROVED

The initiation of a 10 bed Level 3 Neonatal Intensive Care service, through the transfer of 10 medical/surgical beds from Erlanger Medical Center to Erlanger East Hospital located at 1755 Gunbarrel Road in Chattanooga (Hamilton County), TN, 37416 and reclassification of the 10 beds as Level III Neonatal Intensive Care beds. These beds will be built in 8,805 sf of new construction resulting in a project cost in excess of \$5M. If approved, the licensed bed complement of Erlanger East Hospital will increase from 113 to 123 total beds. The project does not contain the acquisition of major medical equipment or the initiation or discontinuance of any other health service. The estimated project cost is \$7,021,555. **DEFERRED FROM APRIL 2016 MEETING**

CAH Acquisition Company 11, LLC d/b/a (Lauderdale Community Hospital)
326 Asbury Avenue
Ripley (Lauderdale County), TN 38063
CN1601-004
Contact Person: Tammie Hardy
Phone: 731-221-2200

APPROVED

The construction and replacement of a 25 bed Critical Bed Access Hospital located at 326 Asbury Avenue, Ripley (Lauderdale County), TN 38063. The estimated project cost is \$20,262,987.

TriStar Centennial Medical Center
2300 Patterson Street
Nashville (Davidson County), TN 37203
CN1602-008
Contact Person: John Wellborn
Phone: 615-665-2022

APPROVED

To acquire an additional 1.5 Tesla MRI unit at a cost in excess of \$2 million. The project will also renovate existing space of the imaging department located on the 1st floor of the hospital inpatient tower. If approved, the proposed unit will be 1 of 4 MRI units operated under the hospital's license on the main hospital campus at 2300 Patterson Street, Nashville, TN, 37203. The estimated project cost is \$3,128,317.00.

Methodist Healthcare-Memphis Hospitals d/b/a Methodist University Hospital
1211-1265 Union Ave
Memphis (Shelby County), TN 38104
CN1602-009
Contact Person: Carol Weidenhoffer
Phone: 901-516-0679

APPROVED

Four year expiration.

Modification of a hospital requiring a capital expenditure greater than \$5 million and the addition of major medical equipment. The construction and renovation of approximately 470,000 square feet of space at Methodist University Hospital located at 1211-1265 Union Avenue in Memphis (Shelby County), TN 38104. The project involves the onsite replacement and modernization of the hospital campus including the construction of a new patient tower and an adjacent building to consolidate ambulatory services. The project will not increase or decrease the hospital's existing 617 licensed beds. Of the 617 licensed beds, 204 beds will be relocated to the new patient tower and 28 medical-surgical beds will be converted for use as critical beds. As a part of the project, the hospital will add an interoperative, GE Discovery 3.0 Tesla MRI unit (iMRI), an Elekta Versa Linear Accelerator unit and will relocate existing PET, CT and infusion equipment and services. The estimated project cost is \$280,000,000.

(Continued on the Next Page)

RESULTS OF APPLICATIONS HEARD AT MAY MEETING

GENERAL COUNSEL'S REPORT

Hendersonville Medical Center
355 New Shackle Island Road
Hendersonville (Sumner County), TN 37075
CN1302-002
Contact Person: John L. Wellborn
Phone: 615-665-2022

APPROVED

Request for an 18 month extension from August 1, 2016 to January 1, 2018

The project was previously approved June 22, 2013, by a 5-3 vote.

The construction of a new 4th floor of medical/surgical beds and the initiation of neonatal intensive care services in a new 6-bed level II-B neonatal nursery on the main campus of Hendersonville Medical Center located in Hendersonville (Sumner County), TN. The hospital currently holds a single consolidated licensed for 148 general hospital beds, of which 110 are at its main Hendersonville campus and 38 are at its satellite campus at 105 Redbud Drive, Portland (Sumner County), TN. The project will relocate 13 beds from the satellite campus to the main campus, resulting in 123 licensed beds at the Hendersonville campus and 25 licensed beds at the Portland satellite campus. The estimated project cost is \$32,255,000. The project was opposed by Baptist Hospital and Marta Papp, M.D., Neonatologist.

APPLICATIONS TO BE HEARD AT JUNE MEETING

Blount Memorial Hospital
2410 Highway 411 South
Maryville (Blount County), TN 37801
CN1603-011
Contact Person: Jane Nelson
Phone: 865-981-2310

The establishment of a 14 treatment room 17,250 GSF free standing Emergency Department to be located at 2410 Highway 411 South, Maryville (Blount County), Tennessee 37801. The proposed facility will be operated under the license of Blount Memorial Hospital, Inc., and include ancillary services including but not limited to medical lab, CT, X-Ray and ultra-sound. The project cost is \$7,887,351.

GENERAL COUNSEL'S REPORT

The Farms at Bailey Station Skilled Nursing Facility
Unaddressed site on Crooked Creek Road off Houston Levee Road
Collierville (Shelby County), TN 38017
CN1303-008A
Contact Person: Jerry W. Taylor, Esq.
Phone: 615-782-2228

Request for an 23 month extension from August 1, 2016 to July 1, 2018.

The project was previously approved June 26, 2013, by a 10-0 vote.

The establishment of a skilled nursing facility consisting of thirty (30)* Medicare certified skilled nursing beds to be part of a continuing care retirement community (CCRC). The estimated project cost is \$7,301,961.

*These beds are subject to the 2012-2013 Nursing Home Bed Pool.

The Farms at Bailey Station
Unaddressed site on Crooked Creek Road
off Houston Levee Road
Collierville (Shelby County), TN 38017
CN1311-045A
Contact Person: Jerry W. Taylor, Esq.
Phone: 615-782-2228

Request for an 15 month extension from April 1, 2017 to July 1, 2018.

The project was previously approved February 26, 2014, by a 7-0 vote.

The addition of thirty (30)* Medicare-certified skilled beds to be part of the thirty (30) Bed SNF approved by CN1303-008A for a total of 60 SNF beds. The estimated project cost is \$6,306,575.00.

*These beds are subject to the 2013-2014 Nursing Home Bed Pool.

The Residence at Alive Hospice--Murfreeseboro
Unaddressed Lot 13, between Williams Drive
and Carl Adams Drive
Murfreeseboro (Rutherford County), TN 37129
CN1408-037A
Contact Person: Jerry W. Taylor, Esq.
Phone: 615-782-2228

Request for an 12 month extension from January 1, 2017 to January 1, 2018.

The project was previously approved November 19, 2014, by a 8-0 vote.

The establishment of a ten (10) bed residential hospice in Murfreeseboro (Rutherford County). The facility will be located at unaddressed Lot 13, which lies between Williams Drive and Carl Adams Drive, and is bounded by DCI Dialysis Clinic and by the Murfreeseboro Medical Clinic/Surgicenter property at the intersection of Carl Adams Drive and Garrison Drive. The facility will be licensed separately as a residential hospice but will operate under the existing provider number of Alive Hospice, Inc., a licensed and Medicare-certified home care organization providing hospice care. The estimated project cost is \$10,888,816.00.

APPLICATIONS TO BE HEARD AT JUNE MEETING

**REVIEW OF INITIAL ORDER GRANTING
CON**

SBH-Kingsport, LLC
Unaddressed site at the end of Executive Park Boulevard
and East Stone Drive
Kingsport (Sullivan County), TN 37660
CN1312-050D
Contact Person: Mike Garone, Director of Development
Phone: 901-969-3100

The establishment of a 72 bed mental health hospital and initiation of inpatient psychiatric and substance abuse services, 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 ages 55+, and 10 adult chemical dependency beds. It would accept voluntary and involuntary admissions.

THE APPEAL IS BEING HEARD AT JUNE MEETING.

NO MEETING

(

APPLICATIONS TO BE HEARD AT THE AUGUST MEETING

Erlanger Behavioral Health
Intersection of North Holtzclaw and Citico Ave
Chattanooga (Hamilton County), TN 37403
CN1603-012
Contact Person: Joseph Winick
Phone: 423-778-7274

To establish an eighty-eight (88) bed mental health hospital located at an unaddressed site at the intersection of North Holtzclaw Avenue and Citico Avenue, Chattanooga, (Hamilton County), TN 37404. The estimated project cost is \$25,112,600.

NHC Healthcare, Cookeville
815 South Walnut Avenue
Cookeville (Putnam County), TN 38501
CN1604-014
Contact Person: Bruce Duncan
Phone: 615-890-2020

The addition of 10 newly constructed Medicare certified SNF nursing home beds and the renovation of 12 existing patient rooms located at NHC HealthCare Cookeville, 815 South Walnut Avenue, Cookeville (Putnam County), TN. The estimated project cost is \$4,806,490.

Upper Cumberland Orthopedic Surgery d/b/a Tier 1 Orthopedics
335 West Spring Street
Cookeville (Putnam County), TN 38501
CN1604-015
Contact Person: Jerry Taylor
Phone: 615-724-3247

For the acquisition of a Magnetic Resonance Imaging (MRI) unit and initiation of MRI services limited to patients of Tier 1 Orthopedics. The proposed MRI will be located in a freestanding building located at 335 West Spring Street, Cookeville (Putnam County), Tennessee. The estimated project cost is \$1,486,578.29.

Life Bridges Inc.
3745 Adkisson Drive
Cleveland (Bradley County), TN 37364
CN1605-017
Contact Person: Allen Nope
Phone: 423-421-5993

The relocation of a 6 licensed bed ICF/IID home from 2601 Bower Lane, Cleveland (Bradley County), TN to 3745 Adkisson Drive, Cleveland (Bradley County), TN. The estimated project cost is \$622,065.

Tennessee Orthopedics, P.C.
101 Physicians Way
Lebanon (Wilson County), TN 37090
CN1605-019
Contact Person: Christi Griffin, Esq.
Phone: 615-668-0462

The establishment of multi-specialty ambulatory surgical treatment center (ASTC) to be located in leased space at 101 Physicians Way, Lebanon (Wilson County), TN 37090. The ASTC will include three operating rooms and one procedure room. The estimated project cost is \$2,726,676.

East Tennessee Healthcare Holdings, Inc.
203 Gray Commons Circle
Johnson City (Washington County), TN 37615
CN1605-021
Contact Person: Allison Rogers
Phone: 423-302-3378

The establishment of a non-residential substitution based treatment center for opiate addiction to be located at 203 Gray Commons Circle Johnson City (Washington County), TN 37615. The estimated project cost is \$1,747,777.

NOTES

[Empty rectangular box for notes]

APPEALS OF AGENCY DECISIONS

| <u>FACILITY</u> | <u>DOCKET #</u> | <u>DESCRIPTION</u> | <u>MEETING DATE</u> |
|--|------------------------|------------------------------|----------------------------|
| Gateway Medical Center Satellite Emergency Department at Sango Sango Montgomery County CN1507-027A | 25.00-134597J | Appeal of Approval of CON | 10/28/2015 |
| HCA Health Services of Tennessee, Inc. d/b/a TriStar Southern Hills Medical Center Emergency Department at I-65 Brentwood, Williamson County CN1412-050D | 25.00-130740J | Appeal of Denial of CON | 3/25/2015 |
| NorthCrest Medical Center Clarksville Montgomery County CN1507-028D | 25.00-134597J | Appeal of Denial of CON | 10/28/2015 |
| SBH-Kingsport, LLC Kingsport, Sullivan County CN1312-050D | 25.00-126908J | Appeal of Denial of CON | 6/25/2014 |
| TriStar Southern Hills Surgery Center Nashville, Davidson County CN1411-047A | 25.00-131649J | Appeal of Approval of CON | 5/27/2015 |
| Tri-Cities Holdings LLC d/b/a Trex Treatment Center Johnson City, Washington County CN1303-005D | 25.00-122076J | Appeal of Denial of CON | 6/26/2013 |

HEALTH SERVICES AND DEVELOPMENT AGENCY MEMBERS

D. Lynn Johnson
(Consumer, Speaker of the House)

James L. Wright
(Nursing Home)

Charlotte C. Burns
(Hospital)

William J. Grandy
(Consumer, Lieutenant Governor)

Robert Doolittle
(Consumer, Governor)

Martin D. Fleming, M.D.
(Physician)

Thom Mills
(Home Care)

Corey Ridgway
(Ambulatory Surgical Treatment Centers)

Keith Gaither, Designee
for Director of TennCare
Darin J. Gordon

Jaclyn Harding, Designee
for Comptroller
Justin Wilson

Lisa Jordan, Designee
for Commerce & Insurance Commissioner
Julie Mix McPeak