

# HEALTH SERVICES AND DEVELOPMENT AGENCY

## COMMUNIQUE

BI-MONTHLY PUBLICATION OF  
HEALTH SERVICES AND DEVELOPMENT AGENCY  
*Andrew Jackson Building, 9<sup>th</sup> Floor*  
*502 Deaderick Street*  
*Nashville, TN 37243*  
*615.741.2364*

### February 2019

For Meeting verification/change or agenda information, please call the Agency Office or check our website at [www.tn.gov/hsda](http://www.tn.gov/hsda)

#### HEALTH SERVICES AND DEVELOPMENT AGENCY

**Chair.....Douglas Scarboro**  
**Vice-Chair.....Kenneth Patric, M.D.**  
**Executive Director.....Logan Grant**  
**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, Division of  
Hospital Services  
615/253-7311

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:  
2019**

Friday, April 19 - Good Friday  
 Monday, May 27 - Memorial Day  
 Thursday, July 4 - Independence Day  
 Monday, September 2 - Labor Day  
 Monday, November 11 - Veteran's Day  
 Thursday, November 28 and Friday, November 29 - Thanksgiving  
 Tuesday, December 24 and Wednesday, December 25 - Christmas  
 Tuesday, December 31 and Wednesday, 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.**

<b><u>2019 REVIEW CYCLE</u></b>				
<b><u>2019 Cycle</u></b> <b><u>Month</u></b>	<b><u>Publication Dates –</u></b> <b><u>Letter of Intent</u></b>	<b><u>Application Due Date</u></b>	<b><u>HSDA Meeting</u></b> <b><u>Dates</u></b>	<b><u>*End of Appeal</u></b> <b><u>Period</u></b>
January	01/01/2019-01/10/2019	5 days after LOI published	4/24/2019	5/9/2019
February	02/01/2019-02/10/2019	“	6/26/2019	7/11/2019
March	03/01/2019-03/10/2019	“	6/26/2019	7/11/2019
April	04/01/2019-04/10/2019	“	8/28/2019	9/12/2019
May	05/01/2019-05/10/2019	“	8/28/2019	9/12/2019
June	06/01/2019-06/10/2019	“	10/23/2019	11/07/2019
July	07/01/2019-07/10/2019	“	10/23/2019	11/07/2019
August	08/01/2019-08/10/2019	“	12/11/2019	12/26/2019
September	09/01/2019-09/10/2019	“	12/11/2019	12/26/2019
October	10/01/2019-10/10/2019	“	2/26/2020	3/12/2020
November	11/01/2019-11/10/2019	“	2/26/2020	3/12/2020
December	12/01/2019-12/10/2019	“	4/22/2020	5/7/2020

### **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 BIAS 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, 9<sup>TH</sup> 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, 9<sup>TH</sup> 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 27, 2019**

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

**April 24, 2019**

TBA  
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](http://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

\*West Cancer Center  
7945 Wolf River Blvd.  
Germantown (Shelby County), TN 38138  
CN1808-038  
Contact Person: Kim Looney  
Phone: 615-850-8722

**APPROVED**

The initiation of linear accelerator and PET/CT services at 7945 Wolf River Boulevard, Germantown (Shelby County), TN 38138. The West Cancer Center is currently a collaboration between Methodist Le Bonheur Healthcare (Methodist), the University of Tennessee Health Science Center (UT), and the West Clinic. The medical equipment subject to this application are two linear accelerators and one PET/CT scanner that are presently used for cancer diagnosis and treatment for West Cancer Center patients. The business relationship between the three parties will end effective January 1, 2019. The applicant plans to purchase the existing site and medical equipment from Methodist Le Bonheur Healthcare, thereby becoming the sole owner, and continuing its use as part of the West Cancer Center. If approved, the medical equipment owned by Methodist will be transferred to the West Clinic. The estimated project cost is \$12,017,055.02.

Urologic Surgery Center  
Unaddressed location near Pellissippi Parkway and  
Dutchtown Road  
Knoxville (Knox County), TN 37932  
CN1807-029  
Contact Person: William West  
Phone: 615-726-5561

The establishment of a single specialty ASTC with 2 operating rooms and 5 procedure rooms limited to urological cases and procedures by medical physician employees of Tennessee Urology Associates, PLLC d/b/a Tennessee Urology Associates. The ASTC will be located at an unaddressed site on Global Way in the Century Park office district in Knoxville (Knox County), TN. The applicant is owned by Urology Surgical Center of Knoxville, LLC which is owned by Tennessee Urology Associates. The estimated project cost is \$12,076,243.

**WITHDRAWN**

New Hope Treatment Center  
135 Fox and Hound Way  
Newport (Cocke County), TN 37821  
CN1807-034  
Contact Person: Kim Looney  
Phone: 615-850-8722

The establishment of a non-residential based treatment center for opiate addiction to be located at 135 Fox and Hound Way, Newport (Cocke County), TN. The estimated project cost is \$554,000.

**APPROVED**

Mid-South Imaging Center  
Unaddressed site at the intersection of  
Exeter Rd. and Oil Well Rd.  
Jackson (Madison County), TN 37219  
CN1808-036  
Contact Person: Jerry W. Taylor  
Phone: 615-724-3247

The establishment of an Outpatient Diagnostic Center (ODC), initiation of MRI services, and acquisition of a new fixed 1.5 Tesla MRI unit in a 15,000 SF building to be constructed at an unaddressed site on the east side of Exeter Road, approximately 250 feet south of its intersection with Oil Well Road, Jackson (Madison County), TN. The proposed ODC will also offer MRI, CT, ultrasound, and X-ray, including fluoroscopy. The estimated project cost is \$8,680,632.73.

**DENIED**

NHC Healthcare, Kingsport  
2300 Pavilion Dr.  
Kingsport (Sullivan County), TN 37660  
CN1808-041  
Contact Person: Dere R. Brown  
Phone: 615-890-2020

The addition of 30 Medicare certified skilled nursing beds to an existing 60 bed nursing home at 2300 Pavilion Drive, Kingsport (Sullivan County), TN. The estimated project cost is \$3,516,102.

**APPROVED**

Goshen Hospice and Palliative Care LLC  
3949 Whitebrook Drive  
Memphis (Shelby County), TN 38118  
CN1808-042  
Contact Person: Michael D. Brent  
Phone: 615-252-2361

The establishment of a home care organization and initiation of hospice services. The hospice's principal office will be at 3949 Whitebrook Drive, Memphis, (Shelby County), TN. The estimated project cost is \$210,000.

**APPROVED**

Memphis Comprehensive Treatment Center  
3960 Knight Arnold Road, Suite 117  
Memphis (Shelby County), TN 38118  
CN1808-043  
Contact Person: John Wellborn  
Phone: 615-665-2022

**DENIED**

Reeves Eye Surgery Center  
2328 Knob Creek Road, Suite 500  
Johnson City (Washington County), TN 37604  
CN1808-044  
Contact Person: John Wellborn  
Phone: 615-665-2022

**APPROVED**

The establishment of a non-residential substitution based treatment center for opiate addiction to be located at 3960 Knight Arnold Road, Suite 117, Memphis (Shelby County), TN 38118. The estimated project cost is \$1,012,949.

The conversion of an ambulatory surgical treatment center (ASTC) limited to ophthalmology and pain management to a multi-specialty ASTC. The ASTC is located at 2328 Knob Creek Road, Suite 500, Johnson City (Washington County), TN. The estimated project cost is \$100,000.

## **APPLICATIONS TO BE HEARD AT FEBRUARY MEETING**

\*West Surgery Center  
7945 Wolf River Blvd.  
Germantown (Shelby County), TN 38138  
CN1809-040  
Contact Person: Kim Harvey Looney, Esq.  
Phone: 615-850-8722

The establishment of a multi-specialty ASTC with four operating rooms and one procedure room. at 7945 Wolf River Road, Germantown (Shelby County), TN 38138. The West Surgery Center was a collaboration between Methodist Le Bonheur Healthcare (Methodist), the University of Tennessee Health Science Center (UT), and the West Clinic. The business relationship between the three parties ended effective January 1, 2019. Since the surgery services currently provided are billed as an outpatient hospital department of Methodist, it is necessary for the West Surgery Center to apply as an ASTC for outpatient surgery as a result of the change in ownership. The applicant is owned by The West Clinic, P.C. The estimated project cost is \$6,198,422.16.

Methodist Healthcare-Memphis Hospitals dba Methodist Le Bonheur Germantown Hospital  
7655 Poplar Avenue  
Germantown, (Shelby County), TN 38138  
CN1810-045  
Contact Person: John Wellborn  
Phone: 615-665-2022

The change of location of a linear accelerator that was approved but not implemented under CN1602-009A. The applicant proposes to change the previously approved location of the linear accelerator from Methodist University Hospital, located at 1211-1265 Union Avenue, Memphis, TN 38104 to a medical office building located on the Methodist Hospital Germantown campus located at 7655 Poplar Avenue Germantown (Shelby County), TN 38138. The applicant is owned by Methodist Le Bonheur Healthcare. The estimated project cost is \$17,038,068.

**OPPOSED**

Saint Thomas West Hospital  
4220 Harding Pike  
Nashville, (Davidson County), TN 37205  
CN1811-046  
Contact Person: Blake Estes  
Phone: 615-284-4581

The initiation of adult liver transplant services at 4220 Harding Pike, Nashville (Davidson County), TN 37205. The applicant is owned by Saint Thomas Health, which is ultimately owned by Ascension. The estimated project cost is \$940,000.

**OPPOSED**

\*Tennessee Home Health  
2650 Executive Park NW, Suite 3  
Cleveland (Bradley County), TN 37312  
CN1811-048  
Contact Person: Kim Harvey Looney, Esq.  
Phone: 615-850-8722

The relocation of its principal office from 7625 Hamilton Park Drive, Suite 16, Chattanooga (Hamilton County), to an existing branch office at 2650 Executive Park NW, Suite 3 Cleveland (Bradley County). Tennessee Home Health is licensed to serve Bledsoe, Bradley, Grundy, Hamilton, McMinn, Marion, Meigs, Polk, Rhea, and Sequatchie Counties. No counties are being added or deleted due to this project. If approved, the current parent office will close after the move to Cleveland. The applicant is owned by LHCG LXII, LLC. Tennessee Health Care Group, LLC is the sole member of LHCG LXII, LLC. LHC Group, Inc. is the sole member and manager of Tennessee Health Care Group, LLC. LHC Group, Inc. is a publicly traded corporation listed on the NASDAQ under ticker "LHCG". The estimated project cost is \$60,000.

TriStar Horizon Medical Center  
111 Highway 70 East  
Dickson, (Dickson County), TN 37055  
CN1812-049  
Contact Person: Brian Smotherman  
Phone: 615-326-2530

The initiation of mobile positron emission tomography (PET) services up to 2 days per week. The mobile PET service will be located at the TriStar Natchez Campus at 107 Natchez Park Drive, Dickson (Dickson County). The applicant is owned by Central Tennessee Hospital Corporation. Through subsidiaries, the Applicant's owner is indirectly owned by HCA Healthcare, Inc. The estimated project cost is \$502,448.

\*Metro Knoxville HMA, LLC, dba Tennova Healthcare,  
North Knoxville Medical Center  
7447 Andersonville Pike  
Knoxville (Knox County), TN 37938  
CN1812-051  
Contact Person: Clyde Wood  
Phone: 865-859-1205

The relocation of 18 of the 30 licensed inpatient rehabilitation beds located at 900 E. Oak Hill Avenue, Knoxville (Knox County), TN to a new site at 7447 Andersonville Pike, Knoxville (Knox County), TN 37938. If approved, the 18 inpatient rehabilitation beds will be relocated 5.2 miles from the main North Knoxville Medical Center campus and will operate as a satellite department of North Knoxville Medical Center. The applicant is owned by Metro Knoxville HMA, LLC d/b/a Tennova Healthcare. The estimated project cost is \$1,923,825.

### **GENERAL COUNSEL TO BE HEARD AT FEBRUARY MEETING**

Henderson County Community Hospital, Lexington  
(Henderson County) – CN0405-046AM

Approved on 8/25/04 for the initiation of Magnetic Resonance Imaging (MRI) services 1 day per week

Modified on 8/27/08 to increase service to 3 days per week

- Request to increase services to five days per week

Humphreys County Nursing Home, Waverly  
(Humphreys County) – CN1511-049A

Approved on 2/23/16 for the relocation of a 66 bed Medicare/Medicaid certified skilled nursing facility and the addition of 25 Medicare/Medicaid certified beds

- Request for 2 month extension, from 4/1/19 to 6/1/19

Horizon Surgery Center, Atoka (Tipton County),  
– CN1705-014A

Unanimously approved on 8/23/2017 for the establishment of a single specialty ambulatory surgical treatment center (ASTC) limited to endoscopy

- Request for cost increase, from \$1,108,764 to \$1,325,272 and 24 month extension, from 10/1/2019 to 10/1/2021

Decatur County General Hospital, Parsons  
(Decatur County) – CN0803-015A

Unanimously approved on 6/25/2008 for initiation of mobile Magnetic Resonance Imaging (MRI) services one day per week

- Request for modification to expand service from one day per week to seven days per week and to go from a mobile to a fixed unit

Waynesboro Healthcare, LLC, Waynesboro  
(Wayne County) – CN1411-045AE

Unanimously approved on 2/25/2015 for the relocation and replacement of Wayne Care Nursing Home (46 beds) to Waynesboro Health and Rehabilitation Center (109 beds) - combining into a 155 bed dually certified nursing home as permitted by T.C.A. § 68-11-1627. The nursing home beds in this project are NOT subject to the 125 bed Nursing Home Bed Pool for the July 2014-2015 state fiscal year period.

24 month extension, from 4/1/2017 to 4/1/2019, was unanimously approved on 10/26/2016

- Request for modification to eliminate the construction component of the CON and reduce the project cost. Without the new construction, there is no room for the 46 beds at Waynesboro Health and Rehabilitation Center.- **REQUEST NOT WITHDRAWN**

- Request for 36 month extension, from 4/1/2019 to 4/1/2022 – **REQUEST WITHDRAWN**

**APPEALS OF AGENCY DECISIONS**

<u>FACILITY</u>	<u>DOCKET#</u>	<u>DESCRIPTION</u>	<u>MEETING DATE</u>
Baptist Memorial Hospital CN1705-018	25.00-144364J	Appeal of Denial of CON	8/23/2017 Contested Case heard August 2018
Premier Radiology CN #1803-014A	25.00-154055J	Appeal of Approval	6/27/18 meeting Contested Case to be heard 9/16/19
Northridge Surgery Center, LP CN1806-023A	25.00-155712J	Appeal of Approval	10/24/18
Eye Surgery Center of Lenoir City, LLC CN1807-033A	25.00-155713J	Appeal of Approval	10/24/18 Contested Case to be set 1/15/19
Mid South Imaging And Therapeutics CN1808-036D	25.00-157115J	Appeal of Denial of CON	12/12/18 Contested Case TBD

## HEALTH SERVICES AND DEVELOPMENT AGENCY

**Chair Douglas Scarboro**  
(Consumer, Governor)

**Vice-Chair Kenneth Patric, M.D.**  
(Physician)

**Thomas Alsup**  
(Consumer, Speaker of the House)

**Laura Beth Brown**  
(Home Care)

**Todd Taylor**  
(Nursing Home)

**Paul Korth**  
(Hospital)

**R.G. (Rick) Chinn**  
(Consumer, Lieutenant Governor)

**Corey Ridgway**  
(Ambulatory Surgical Treatment Centers)

**Keith Gaither, Designee**  
for Director of TennCare  
Gabe Roberts

**Jaclyn Harding, Designee**  
for Comptroller  
Justin Wilson

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

