



State of Tennessee


Health Facilities Commission

502 Deaderick Street, 9th Floor, Nashville, TN 37243

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Phone: 615-741-2364

MEMORANDUM

TO: Health Facilities Commission and Interested Parties
FROM: Logan Grant, Executive Director 
DATE: February 10, 2023
RE: Rulemaking

After conversations with stakeholders, I recommend that the Commission authorize staff to initiate the rulemaking process for the following proposed new Consumer Advantage standards.

The purpose of this revision is not to expand the rules beyond the legislative intent, but to better articulate what the intent was.

Rule 0720-11-.01 (3) The effects attributed to competition or duplication would be positive for the consumers.

The following factors shall be considered by board members to determine overall consumer advantage or disadvantage, and no single factor shall be dispositive of all others

- (a) Whether the proposed project would increase access to high quality, cost-effective healthcare services;
- (b) Whether the proposed project would reduce the cost of care to patients;
- (c) Whether the proposed project would reduce the cost of care to employers and their employees, when there is a self-insured employer;
- (d) Whether the proposed project would increase access to care for enrollees in TennCare, Medicare and other federal and state reimbursement programs; and access to charity care;
- (e) Whether the applicant commits to maintaining an actual payor mix that is comparable to the payor mix projected in its CON application, particularly as it relates to Medicare, TennCare/Medicaid, Charity Care, and the Medically Indigent;
- (f) Whether the proposed project would provide access to care for enrollees in other insurance plans that are not accepted by existing providers of the services proposed;
- (g) The availability and accessibility of human resources required by the proposal, including those required by existing providers; and
- (h) Whether the proposed project is likely to reduce services at an existing provider within the service area, particularly lower margin services such as emergency services and obstetrical services.