



**State of Tennessee**  
**Health Services and Development Agency**

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## AGENDA

Legislative Plaza  
Room 12  
Sixth Avenue North & Union Street  
Nashville, TN

Wednesday, December 14, 2016  
8:30 a.m. CST

- I. CALL TO ORDER
- II. ROLL CALL – **9 present: Jordan, Gaither, Taylor, Korth, Mills, Harding, Fleming, Grandy, Doolittle**
- III. DIRECTOR'S ANNOUNCEMENTS
- IV. APPROVAL OF MINUTES **Motion to approve—Ms. Jordan, 2<sup>nd</sup>—Mr. Korth, Unanimous voice vote (9-0-0)**
- V. STATE HEALTH PLAN UPDATE
  - A. Update: Elizabeth Jones, Assistant Director of Health Planning, Department of Health
- VI. CONSENT CALENDAR

**APPROVED**  
Motion: Mr.  
Grandy  
2<sup>nd</sup>:Ms. Harding  
(9-0-0)

- A. Johnson City Medical Center MRI Project, Johnson City (Washington County), TN – CN1610-035  
The addition of a 1.5 Tesla Magnetic Resonance Imaging (MRI) scanner, to be located at 400 N. State of Franklin Road, Johnson City, TN . This project will not involve any other service for which a Certificate of Need is required. The estimated project cost is \$2,023,108.

VII. CERTIFICATE OF NEED APPLICATIONS

**Dr. Fleming**  
**recused.**  
**Motion to**  
**DENY**  
**CARRIED**  
Motion: Mr.  
Grandy  
2<sup>nd</sup>:Ms. Jordan  
(8-0-0)

- A. Compass Intervention Center, Memphis (Shelby County), TN – CN1606-025  
The establishment of a 48 bed inpatient mental health hospital for children and adolescents up to age 18 located at 7900 Lowrance Road, Memphis (Shelby County), TN 38125. The estimated project cost is \$12,152,661. **OPPOSITION:** Saint Francis Hospital, Crestwyn Behavioral Health and Baptist Memorial Hospital-Memphis. **DEFERRED FROM OCTOBER MEETING.**

**APPROVED**

Motion: Ms. Jordan  
2<sup>nd</sup>: Mr. Mills  
(9-0-0)

- B. Unicoi County Memorial Hospital, Erwin (Unicoi County), TN — CN1608-030  
The relocation and replacement of Unicoi County Memorial Hospital with a 41,500 square foot 10-bed acute care replacement facility that will include an emergency department with 10 treatment rooms at an unaddressed site on Temple Road, Erwin (Unicoi County), TN. The estimated project cost is \$19,999,141.

*Mr. Korth  
recused.*

**APPROVED**

Motion: Mr. Mills  
2<sup>nd</sup>: Mr. Grandy  
(8-0-0)

- C. TN SM, LLC. d/b/a Providence Surgery Center, Mt. Juliet (Wilson County), TN — CN1608-031  
The conversion of an existing ambulatory surgical treatment center (ASTC), which is limited to orthopedic and pain procedures, to a multi-specialty ASTC located at 5002 Crossing Circle, Suite 110, Mount Juliet, (Wilson County), TN 37122. The ASTC will include two operating rooms and one procedure room that will be re-designated as part of the proposed multi-specialty ASTC. The estimated project cost is \$235,387.

CONDITION:2  
OR/1 PR.

**Mr. Grandy  
departed the  
meeting.**

- D. LP Johnson City, LLC, Johnson City (Washington County), TN — CN1609-032  
The replacement of 47-bed nursing home per TCA § 68-11-1627 which permits one or more currently licensed nursing homes to be replaced with one single licensed nursing home. The new 47-bed facility will be located on the campus of what was formerly Northside Hospital which is now closed in Johnson City (Washington County), Tennessee. The facility will be created by relocating and replacing two Mountain State Health Alliance Nursing Homes—the 34-bed Princeton Transitional Care and the 13-bed Franklin Transitional Care, with the new 47-bed facility. Princeton Transitional Care is located within Johnson City Medical Center at 400 North State of Franklin Road and Franklin Transitional Care holds an inactive license at that same site. The estimated project cost is \$8,571,736.

**APPROVED**

Motion: Mr. Taylor  
2<sup>nd</sup>: Ms. Jordan  
(8-0-0)

- E. Life Options of West Tennessee, Inc., Brighton (Tipton County), TN — CN1609-033  
The establishment of a new 30 bed nursing home that will consist of three (3) ten bed buildings located at an unaddressed site located at the south end of Grandview Drive, Brighton (Tipton County), TN. The estimated project cost is \$7,685,534.

**Mr. Grandy  
returned to  
the meeting.**

**APPROVED**

Motion: Mr. Taylor  
2<sup>nd</sup>: Mr. Grandy  
(9-0-0)

VIII. GENERAL COUNSEL’S REPORT

**APPROVED**

Motion: Mr. Grandy  
2<sup>nd</sup>: Mr. Taylor  
(9-0-0)

- A. The Health Center of Hermitage, Hermitage (Davidson County), TN — CN1404-011A  
  
Request for 24 month extension, from August 1, 2017 to August 1, 2019, because of delays encountered by the project being put on hold pending the

resolution of discrepancies between the life safety codes of CMS and the State of Tennessee on similar NHC projects. The resolution of life safety codes issues took considerable time.

Unanimously approved on the June 25, 2014 Consent Calendar for the change of site/relocation for an approved but unimplemented certificate of need (CN1306-022A) for a 90\* bed Medicare-certified nursing home to a new site containing approximately 14.02 acres at 4214 Central Pike in Hermitage. The estimated project cost is \$19,241,697.00.

Steps have been taken toward completion of the project, including site acquisition, approval of zoning changes, site engineering, the expenditure of \$1.8 million, and other actions.

**Mr. Gaither  
departed the  
meeting.**

**APPROVED**  
Motion: Mr.  
Korth  
2<sup>nd</sup>: Ms. Jordan  
(8-0-0)

**Approved for 12  
month  
extension.**

- B. Collins Chapel Health & Rehabilitation Center, Memphis (Shelby County), TN-CN1202-011A

Request for a six month extension of the expiration date from February 1, 2017 to August 1, 2017.

Unanimously approved on June 27, 2012 for the establishment of a nursing home with 28 Medicare dually-certified skilled beds, to be located at 409 Ayers St., Memphis, TN 38105.

12 month extension, due to financing issues, from August 1, 2014 to August 1, 2015, was unanimously approved on February 26, 2014.

18 month extension, due to financing issues, from August 1, 2015 to February 1, 2017, was unanimously approved on May 27, 2015.

Construction commenced in July 2016, with completion anticipated for April 2017, per the applicant.

- C. Report to Agency Members

The Village at Germantown Skilled Nursing Facility, Germantown (Shelby County), TN – CN1310-039AEE

Request for a 2 month extension, from December 1, 2016 to January 31, 2017, has been granted by the Agency's Executive Director, per the Agency's 6/22/16 policy discussion regarding delegation of authority per TCA 68- 11-1606(d), because:

- CN1310-039AE would have expired prior to the Agency's December 2016 meeting.
- The project has been substantially completed; the Tennessee Department of Health has granted occupancy on phase 3 of 4, effective November 22, 2016.
- Remaining renovation work is expected to be completed prior to the end of January 2017.

Unanimously approved on January 22, 2014 for the addition of 20 Medicare-certified skilled beds to its existing 30 Medicare skilled bed nursing home.

D. Contested Case Update

IX. STAFF REQUEST FOR AGENCY GUIDANCE

**DEFERRED  
TO  
FEBRUARY  
2017  
MEETING.**

- A. Life House Hospice, Inc. Cookeville (Putnam County), TN – CN1405-016  
Life House Hospice, Inc. Cookeville (Putnam County), TN – CN1406-023

The above applications (the first being an Emergency CON application) requested the establishment of a home care organization to provide hospice services in Putnam County, Tennessee in conjunction with the existing Life House Residential Hospice located at 570 State Street, Cookeville, Tennessee. The emergency certificate of need and follow-up certificate of need were requested because Life House, a licensed residential hospice, had to cease all residential/inpatient operations due to its inability to become Medicare-certified because CMS will not certify a stand-alone residential hospice.

Agency staff seeks guidance whether to initiate a contested case pursuant to T. C. A. § 68-11-1619 for the revocation of these certificates of need.  
**DEFERRED TO FEBRUARY 2017 MEETING.**

X. OTHER BUSINESS

- A. QUALITY MEASURES TIMEFRAME  
B. PRIVATE DUTY HOME HEALTH UPDATE

XI. ADJOURNMENT