



State of Tennessee
Health Services and Development Agency

Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
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AGENDA

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

Wednesday, April 25, 2018
8:30 a.m. CDT

- I. CALL TO ORDER
- II. ROLL CALL – **10 present:** **Ridgway, Scarboro, Jordan, Gaither, Korth, Mills, Taylor, Patric, Harding, Grandy.**
- III. DIRECTOR'S ANNOUNCEMENTS
- IV. APPROVAL OF MINUTES **Motion to approve—Dr. Patric, 2nd—Ms. Harding, Unanimous voice vote (10-0-0)**
- V. STATE HEALTH PLAN UPDATE
 - A. Update: Elizabeth Jones, Assistant Director of Health Planning, Department of Health
- VI. CONSENT CALENDAR

APPROVED
Motion: Mr. Mills
2nd: Dr. Patric
(10-0-0)

- A. Open Arms Care Corporation d/b/a Shelby County #4, Cordova (Shelby County), TN — CN1801-004
The relocation and replacement of an 8-bed ICF/IID home from 5380 Benjestown Road, Memphis (Shelby County), TN to a lot consisting of two parcels, for a total of approximately 3 acres, a portion of which currently has an address of 8949 Macon Road, Cordova (Shelby County), TN 38127. The 3 acre parcel is described as Parcels 091019 00010 and 091019 00011 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.

APPROVED
Motion: Mr.
Ridgway 2nd: Ms.
Harding
(10-0-0)

- B. Open Arms Care Corporation d/b/a Shelby County #6, Cordova (Shelby County), TN — CN1802-007
The relocation and replacement of an 8-bed ICF/IID home from 4254 Raleigh Millington Road, Memphis (Shelby County), TN to an unaddressed 1.9 acre parcel near the northeast corner of the intersection of Pisgah Road and Latting Road, Cordova (Shelby County), TN 38016. The 1.9 acre lot site is the eastern portion of the property described as Parcel D0209 00179 in the records of the Shelby County Tax Assessor. The applicant is owned by Open Arms Care Corporation. The estimated project cost is \$3,370,000.

APPROVED
Motion: Dr. Patric
2nd: Mr. Taylor
(10-0-0)

C. Open Arms Care Corporation d/b/a Shelby County #5, Cordova (Shelby County), TN – CN1802-008
The relocation of an 8 licensed bed ICF/IID home from 4240 Raleigh Millington Road, Memphis (Shelby County), TN to an unaddressed 1.9 acre parcel near the northeast corner of the intersection of Pisgah Road and Latting Road, Cordova, TN 38016. The 1.9 acre lot site is the western portion of the property described as Parcel D0209 00179 (16.3 acres) in the records of the Shelby County Tax Assessor. The applicant is owned by Open Arms Care Corporation. The estimated project cost is \$3,370,000.

APPROVED
Motion: Ms.
Harding
2nd: Dr. Patric
(10-0-0)

D. Open Arms Care Corporation d/b/a Shelby County #8, Memphis (Shelby County), TN - CN1802-009
The relocation and replacement of an 8-bed ICF/IID home from 4707 Allendale Drive to an unaddressed 1.2 acre parcel lot between parcels with street addresses of 7751 Reese Road and 7781 Reese Road, Memphis (Shelby County), TN 38133. The 1.2 acre lot is the eastern lot of a 2.4 acre parcel described as Parcels 095400 00624 and 095400 00625 in the records of the Shelby County Tax Assessor. The applicant is owned by Open Arms Care Corporation. The estimated project cost is \$3,370,000.

APPROVED
Motion: Mr. Taylor
2nd: Mr. Ridgway
(10-0-0)

E. Open Arms Care Corporation d/b/a Shelby County #7, Memphis (Shelby County), TN - CN1802-010
The relocation and replacement of an 8-bed ICF/IID home from 4695 Allendale Drive to an unaddressed 1.2 acre parcel lot between parcels with street addresses of 7751 Reese Road and 7781 Reese Road, Memphis (Shelby County), TN 38133. The 1.2 acre lot is the western lot of a 2.4 acre parcel described as Parcels 095400 00624 and 095400 00625 in the records of the Shelby County Tax Assessor. The applicant is owned by Open Arms Care Corporation. The estimated project cost is \$3,370,000.

VII. CERTIFICATE OF NEED APPLICATIONS

**APPROVED w/
additional 6
months granted**
Motion: Dr. Patric
2nd: Mr. Taylor
(10-0-0)

A. Christian Care Center of Bolivar, f/k/a Pleasant View Health Care Center, Bolivar (Hardeman County), TN - CN1712-036
The relocation of Christian Care Center of Bolivar and the construction of a 67-bed replacement nursing home with all beds being dually certified for Medicare and Medicaid. The current facility, which is in an inactive status, is located at 214 North Water Street, Bolivar (Hardeman County), TN and the location of the proposed replacement facility is an undeveloped site on State Highway 64 at the intersection of Lucy Black Road in or near the city limits of Bolivar (Hardeman County), TN. The applicant is owned by Christian Care Center of Bolivar, LLC. The estimated project cost is \$9,702,271.11.

**Granted additional 6 month to complete project*

**Mr. Taylor
recused.**

APPROVED
Motion: Ms.
Jordan
2nd: Ms. Harding
(9-0-0)

B. NHC Healthcare, Farragut, Farragut (Knox County), TN - CN1712-037
The addition of 6 Medicare certified skilled nursing home beds to the existing 100-bed nursing home. All 106 beds will be Medicare skilled beds. The facility is located at 120 Cavett Hill Lane, Farragut (Knox County), TN. The applicant is owned by NHC Healthcare/Farragut, LLC. The estimated project cost is \$140,000.

*Mr. Taylor
recused.*

APPROVED
Motion: Dr. Patric
2nd: Mr. Ridgway
(9-0-0)

- C. Metro Knoxville HMA, LLC d/b/a Tennova Healthcare-North Knoxville Medical Center, Powell (Knox County),TN - CN1801-001
The addition of interventional cardiac procedures to its current single diagnostic cardiac catheterization lab. Tennova Healthcare-North Knoxville Medical Center is located at 7565 Dannaher Drive, Powell, (Knox County), Tennessee. The applicant is owned by Tennova Healthcare. The estimated project cost is \$227,225.

*Dr. Patric
recused.*

APPROVED
Motion: Mr. Mills
2nd: Ms. Jordan
(9-0-0)

- D. Memorial North Park d/b/a CHI Memorial Hospital Hixson, Hixson (Hamilton County),TN - CN1801-002
The acquisition of one fixed linear accelerator to be located at 2015 Hamill Road, Hixson (Hamilton County), TN. The project involves renovation of approximately 1,301 square feet and new construction of approximately 3,431 square feet including the construction of a linear accelerator vault. CHI Memorial Hospital-Hixson is a satellite facility of CHI Memorial Hospital-Chattanooga. If approved, CHI Memorial Hospital-Chattanooga will decommission one of three existing linear accelerators. The applicant is owned by Catholic Health Initiatives (CHI). The estimated project cost is \$8,468,323.

*Mr. Ridgway
recused.*

APPROVED
Motion: Ms.
Jordan
2nd: Ms. Harding
(9-0-0)

- E. Regional MED Extended Care Hospital, LLC d/b/a Regional One Health Extended Care Hospital, Memphis (Shelby County),TN - CN1801-003
The addition of 24 long-term care hospital (LTCH) beds to Regional One Extended Care Hospital, 890 Madison Avenue, Memphis, (Shelby County), TN. If approved, the LTCH will contain 54 licensed beds. The facility currently has 24 licensed beds and 6 CON approved but unimplemented beds. The applicant is owned by the Shelby County Health Care Corporation. The estimated project cost is \$8,729,910.

APPROVED
Motion: Mr.
Ridgway
2nd: Mr. Korth
(10-0-0)

- F. Unity Psychiatric Services Clarksville, LLC, Memphis (Shelby County),TN -CN1801-005
The construction of a 48-bed mental health hospital for adults ages 18-64 located at 930 Professional Park Drive, Clarksville (Montgomery County), TN. The proposed adult mental health hospital will be attached to the existing 26-bed Behavioral Healthcare Center at Clarksville, a mental health hospital specializing in geriatric care. Both facilities are owned by American Health Centers, Inc. but will be separately licensed by the Tennessee Department of Mental Health and Substance Abuse Services. The estimated project cost is \$12,746,500.

VIII. GENERAL COUNSEL'S REPORT

APPROVED
Additional
month granted
Motion: Ms.
Jordan
2nd: Mr. Mills
(10-0-0)

- G. Ave Maria Home, Bartlett (Shelby County), TN – CN1312-048AEE

- Request for a two month extension from June 1, 2018 to August 1, 2018

The project was approved on April 23, 2014 for the replacement of 35 of the existing 75 nursing home beds and the addition of 25 new Medicare skilled beds to be housed in 6 newly constructed Green House Homes at 2805 and 2840 Charles Bryan Road in Bartlett. The 25 new beds were subject to the 2013-2014 Nursing Home Bed Pool. All beds were to be dually certified. The estimated project cost was \$7,999,960.00.

- February 24, 2016- 18 month extension granted extending the expiration date from June 1, 2016 to December 1, 2017 and increase in project cost to \$9,300,000.00
- August 23, 2017-Six month extension granted by the Executive Director pursuant to

the Delegation of Authority policy extending the expiration date from December 1, 2017 to June 1, 2018. As of May 2017, three of the five 12-bed homes had walls and roofs in place and framing was due to start on the other two the following week.

Staff recommends approval because the project is nearing completion, and the time requested is necessary for implementation of the CON.

**Agency granted additional month to ensure project was complete. Three month extension from June 1, 2018 to September 1, 2018*

APPROVED
Motion: Mr. Mills
2nd: Ms. Harding
(10-0-0)

- A. Trustpoint Hospital, LLC, Murfreesboro (Rutherford County), TN – CN1502-006A
- Request for a one year extension from July 1, 2018 to July 1, 2019 to run concurrently with CN1606-024A.

CN1502-006A was approved on May 27, 2015 for the addition of 33 licensed beds, with total beds increasing from 96 to 129 beds. All bed increases occurred within existing space with no new construction involved. Phase 1 was implemented before the facility underwent a change of ownership and certificate of need application CN1606-24A was filed.

CN1606-24A approved on October 26, 2016, added 88 beds in new construction increasing total beds from 129 to 217.

Trustpoint was approved as a 60-bed hospital in CN0610-089AE. The facility has previously added beds under CN1207-031A (16) and also under the 10-bed exemption process twice in 2013 and 2014.

Staff recommends approval of the 12 month extension request so the projects can run concurrently.

APPROVED
Motion: Mr.
Ridgway
2nd: Ms. Jordan
(10-0-0)

- B. The Farms at Bailey Station SNF, Collierville (Shelby County), TN – CN1303-008AE
- Request for a 24 month extension from July 1, 2018 to July 1, 2020 and increase in project cost from \$7,285,568 to \$13,276,833.

The project was approved on June 26, 2013 with an extended expiration date of three years for the establishment of a skilled nursing facility consisting of 30 Medicare certified skilled nursing beds to be part of a continuing care retirement community. These beds were subject to the 2012-2013 Nursing Home Bed Pool. A 23-month extension was granted on June 22, 2016 extending the expiration date from August 1, 2016 to July 1, 2018.

This project is part of The Farms at Bailey Station, a massive continuing care retirement community (CCRC), which will include independent living, garden homes, memory care, assisted living and a 60-bed skilled nursing home upon completion.

Staff recommends approval because the owners have invested \$13 million toward the development of the CCRC of which this project is a part. Groundbreaking for the skilled nursing facility is expected to occur in mid-May, 2018.

APPROVED

Motion: Ms. Harding
2nd: Mr. Taylor
(10-0-0)

- A. The Farms at Bailey Station SNF, Collierville (Shelby County), TN – CN1311-045AE
- Request for a 24 month extension from July 1, 2018 to July 1, 2020 and an increase in project cost from \$6,292,417 to \$10,896,514.

The project was approved on February 26, 2014 with an extended expiration date of three years for the addition of 30 Medicare-certified skilled beds in addition to the 30 Bed SNF approved by CN1303-008A, for a total of 60 SNF beds. These beds were subject to the 2013-2014 Nursing Home Bed Pool. A 15-month extension was granted on June 22, 2016 extending the expiration date from April 1, 2017 to July 1, 2018.

This project is part of The Farms at Bailey Station, a massive CCRC, which will include independent living, garden homes, memory care, assisted living and a 60-bed skilled nursing home upon completion.

Staff recommends approval because the owners have invested \$13 million toward the development of the CCCRC of which this project is a part. Groundbreaking for the skilled nursing facility is expected to occur in mid-May, 2018.

APPROVED

Motion: Mr. Mills
2nd: Ms. Jordan
(10-0-0)

- B. Stones River Manor, Murfreesboro (Rutherford County), TN – CN1506-026AEE
- Request for a 2 month extension, from 5/1/2018 to 7/1/2018

The project was approved on 9/23/2015 for the establishment of a 30 bed Medicare-certified skilled nursing home located at 205 Haynes Drive, with an estimated total cost of \$2,729,126.75.

A six month extension was granted by the Executive Director on August 17, 2017 pursuant to the Agency's Delegation of Authority policy extending the expiration date from November 1, 2017 to May 1, 2018. The project was 80% complete at the time.

Approval is recommended by Agency staff because construction is complete and awaiting Tennessee Department of Health occupancy approval.

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- C. Contested Case Update
F. Legislative Update

IX.

APPROVED

Motion: Mr. Ridgway
2nd: Dr. Patric
(10-0-0)

AGENCY DETERMINATION

- A. Meadowbrook Health and Rehabilitation Center, Inc.
An Agency determination was issued that a Certificate of Need *would be required* to replace a licensed skilled nursing facility on a parcel across a public road because it would be both a change of location and the replacement of existing or certified facilities providing health care services and health care institutions under T.C.A. § 68-11-1607(a)(5).

X.

OTHER BUSINESS

XI.

ADJOURNMENT
