

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*

MAY 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, May 30- Memorial Day
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

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>
January	01/01/2016-01/10/2016	*	04/27/2016	05/12/2016
February	02/10/2016-02/10/2016	*	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

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 locations:

MAY-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 APRIL MEETING

*Michael Dunn Center
763 Clymersville Road
Rockwood (Roane County), TN 37854
CN1602-006
Contact Person: Mike McElhinney
Phone: 865-376-3416

**CONSENT CALENDAR
APPROVED**

The establishment of a four bed ICF/IID home for individuals with Intellectual Disabilities (ICF/IID) located at 763 Clymersville Road, in Rockwood (Roane County), Tennessee 37854. The estimated project cost is \$1,586,065.

*Vanderbilt University Hospital
1211 Medical Center Drive
Nashville (Davidson County), TN
CN1602--010
Contact Person: Ginna Felts
Phone: 615-936-6005

**CONSENT CALENDAR
APPROVED**

Modification of a hospital requiring a capital expenditure greater than \$5 million. The relocation of the Clinical Research Center (CRC) from the 3rd floor of Medical Center North to the 2nd floor of the Round Wing also in Medical Center North. The proposed new space will house 5 relocated inpatient medical/surgical licensed beds and 6 exam and outpatient rooms. Ancillary and administrative space will be added to support these programs. The estimated project cost is \$10,579,159.00.

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

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 TO MAY 2016 MEETING**

Crossroads Treatment Centers
Unaddressed site between Susannah Street and Wesley Street
Johnson City (Washington County), TN 37604
CN1511-048
Contact Person: Kim Looney, Esq.
Phone: 615-850-8722

The establishment of a non-residential substitution based treatment center for opiate addiction to be located at an address to be assigned on Princeton Road, Johnson City (Washington County), TN 37601. The estimated project cost is \$1,830,770. **DEFERRED FROM FEBRUARY 2016 MEETING
WITHDRAWN**

NHC HealthCare Kingsport, LLC
2300 Pavilion Drive
Kingsport (Sullivan County), TN 37660-4622
CN1601-003
Contact Person: Bruce Duncan
Phone: 615-890-2020

APPROVED

The addition of 8 new Medicare only certified SNF nursing home beds to the existing 52-Medicare only nursing home bed complement of NHC, Kingsport located at 2300 Pavilion Drive in Kingsport (Sullivan County), TN, 37660. The project includes minor renovation to accommodate the additional 8 beds. If approved, the total licensed bed complement will increase to 60 Medicare certified SNF beds. The estimated project cost is \$109,800. These 8 additional beds are subject to the 2015-2016 125 Nursing Home Bed Pool.

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RESULTS OF APPLICATIONS HEARD AT APRIL MEETING

GENERAL COUNSEL'S REPORT

Wellmont Bristol Regional Medical Center
1 Medical Park Blvd
Bristol (Sullivan County), TN 37620
CN0005-34AM
Contact Person: Gregory Neal
Phone: 423-844-4205

APPROVED

*Open Arms Care Corporation requests, for each of the following certificates of need, that the project cost(s) be increased by greater than 10%. There will be no additional construction costs; however, changes in the financing structure necessitate a higher estimated project cost.

Open Arms Care Corporation d/b/a Greeneville # 1
Chuckey Pike
Unaddressed Street Lot
Greeneville (Greene County), TN 37743
CN1511-050A
Contact Person: Michael Brent, Esq.
Phone: 615-252-2361

APPROVED

Open Arms Care Corporation d/b/a Hamilton County #2
Gamble Road
7817 Gamble Road
Georgetown (Hamilton County), TN 37336
CN1511-051A
Contact Person: Michael Brent, Esq.
Phone: 615-252-2361

APPROVED

Open Arms Corporation d/b/a Greeneville # 3
East Church Street
Unaddressed on East Church Street
Greeneville (Greene County), TN 37743
CN1511-052A
Contact Person: Michael Brent, Esq.
Phone: 615-252-2361

APPROVED

Open Arms Care Corporation d/b/a Hamilton County # 1
Gamble Road
7817 Gamble Road
Georgetown (Hamilton County), TN 37336
CN1511-053A
Contact Person: Michael Brent, Esq.
Phone: 615-252-2361

APPROVED

Request is to expand mobile PET service from 2 to 3 days per week.

- CN0005-034A permitted the initiation of mobile PET services 1 day per week.
- A modification was unanimously approved on October 26, 2005 to expand from 1 to 2 days per week.

The establishment of a four bed ICF/IID home for individuals with Intellectual Disabilities (ICF/IID) located on an unaddressed site on a 2.72 acre lot on the east side of Chuckey Pike in Greeneville (Greene County), Tennessee, 37641. The estimated project cost is \$1,370,000.

The establishment of a four bed ICF/IID home for individuals with Intellectual Disabilities (ICF/IID) located on an unaddressed 1.5 acre site on the southwest quadrant of a 15.5 acre parcel (Parcel 061 045) currently being addressed as 7817 Gamble Road in Georgetown (Hamilton County), Tennessee 37336, approximately 0.1 mile east of the intersection of Gamble Road and Tennessee Highway 58. The estimated project cost is \$1,370,000.

The establishment of a four bed ICF/IID home for individuals with Intellectual Disabilities (ICF/IID) located on an unaddressed site on a 1.37 acre lot on the east quadrant of a 2.74 acre parcel on East Church Street in Greeneville (Greene County), Tennessee, 37743. The estimated project cost is \$1,370,000.

The establishment of a four bed ICF/IID home for individuals with Intellectual Disabilities (ICF/IID) located on an unaddressed 1.5 acre site on the southeast quadrant of a 15.5 acre parcel (Parcel 061 045) currently being addressed as 7817 Gamble Road in Georgetown (Hamilton County), Tennessee 37336, approximately 0.1 mile east of the intersection of Gamble Road and Tennessee Highway 58. The estimated project cost is \$1,370,000.

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RESULTS OF APPLICATIONS HEARD AT APRIL MEETING

Open Arms Care Corporation d/b/a Greenville # 2
East Church Street
Unaddressed on East Church Street
Greenville (Greene County), TN 37743
CN1511-054A
Contact Person: Michael Brent, Esq
Phone: 615-252-2361

APPROVED

The establishment of a four bed ICF/IID home for individuals with Intellectual Disabilities (ICF/IID) located on an unaddressed site on a 1.37 acre lot on the west quadrant of a 2.74 acre parcel on East Church Street in Greenville (Greene County), Tennessee, 37743. The estimated project cost is \$1,370,000.

Open Arms Corporation d/b/a Knox County #1 Bishops Bridge (Northeast)
1817 Bishops Bridge Road
Knoxville (Knox County), TN 37922
CN1512-062A
Contact Person: Michael Brent, Esq.
Phone: 615-252-2361

APPROVED

To establish a four bed ICF/IID home for individuals with Intellectual Disabilities (ICF/IID) located on an unaddressed lot approximately 0.25 acres, in the northeast quadrant of a parcel of land which is 7.2 acres, currently being addressed as 1817 Bishops Bridge Road in Knoxville (Knox County), Tennessee 37922. The estimated project cost is \$1,370,000.

Open Arms Corporation d/b/a Knox County #2 Bishops Bridge (Northwest)
1817 Bishops Bridge Road
Knoxville (Knox County), TN 37922
CN1512-063A
Contact Person: Michael Brent, Esq.
Phone: 615-252-2361

APPROVED

To establish a four bed ICF/IID home for individuals with Intellectual Disabilities (ICF/IID) located on an unaddressed lot approximately 0.25 acres, in the northwest quadrant of a parcel of land which is 7.2 acres, currently being addressed as 1817 Bishops Bridge Road in Knoxville (Knox County), Tennessee 37922. The estimated project cost is \$1,370,000.

Open Arms Care Corporation d/b/a Knox County #4 South Northshore Drive (Northwest)
12629 South Northshore Drive
Knoxville (Knox County), TN 37922
CN1512-064A
Contact Person: Michael Brent, Esq.
Phone: 615-252-2361

APPROVED

To establish a four bed ICF/IID home for individuals with Intellectual Disabilities (ICF/IID) located on a 0.95 acre lot on the northwest half of a 1.91 acre parcel whose current address is 12629 South Northshore Drive in Knoxville (Knox County), Tennessee, 37922. The estimated project cost is \$1,370,000.

Open Arms Care Corporation d/b/a Knox County #3 South Northshore Drive (Southeast)
12629 South NorthShore Drive
Knoxville (Knox County), TN 37922
CN1512-065A
Contact Person: Michael Brent, Esq.
Phone: 615-252-2361

APPROVED

To establish a four bed ICF/IID home for individuals with Intellectual Disabilities (ICF/IID) located on a 0.95 acre lot on the southeast half of a 1.91 acre parcel whose current address is 12629 South Northshore Drive in Knoxville (Knox County), Tennessee 37922. The estimated project cost is \$1,370,000.

APPLICATIONS TO BE HEARD AT THE 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

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

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
CN1602-008
Contact Person: John Wellborn
Phone: 615-665-2022

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

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.

APPLICATIONS TO BE HEARD AT THE 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

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 license 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 THE 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.

APPLICATIONS TO BE HEARD AT THE JULY 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.

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APPEALS OF AGENCY DECISIONS

<u>FACILITY</u>	<u>DOCKET #</u>	<u>DESCRIPTION</u>	<u>MEETING DATE</u>
TriStar Centennial Medical Center Nashville, Davidson County CN1407-032A	25.00-128905J	Appeal of Approval of CON	10/22//2014
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