

I. February and April 2017—Tennessee Certificate of Need Meetings

The agency **approved** the following applications during the February and April meetings.

A. Consent Agenda

- 1. Walgreens Infusion and Respiratory Services, LLC d/b/a Vanderbilt HC/Walgreens IV & RT Services, Nashville (Davidson County), TN - CN 1612-040.** Relocation of principal office of 500 Wilson Pike Circle, Suite 115, Brentwood, TN, to 624 Grassmere Park Drive, Suite 22, Nashville, TN. The estimated project cost is \$3,867,636.
- 2. Good Samaritan Society – Fairfield Glade, Crossville (Cumberland County), TN – CN-1702-006.** Addition of 30 Medicare and TennCare dually certified beds to existing 30-bed nursing home facility for a total of 60 beds. These beds are subject to the 125 Nursing Home Bed Pool for 2016-2017. The estimated project cost is \$6,741,682.

B. Certificate of Need Review

- 1. Ivy Hall Nursing Home, Elizabethton (Carter County), TN – CN1610-034.** The addition of one skilled nursing bed to the existing licensed 100-bed Ivy Hall Nursing Home located at 301 South Watauga Avenue, Elizabethton. The estimated project cost is \$37,500.
- 2. TriStar Maury Regional Behavioral Healthcare, Columbia (Maury County), TN - CN1610-036.** The establishment of a 60-bed mental health hospital for adolescents and adult patients located on the east side of North Campbell Boulevard, in the southeast quadrant of its intersection with Old Williamsport Pike, Columbia. The bed distribution will be 42 adult psychiatric beds and 18 adolescent psychiatric beds. The estimated project cost is \$24,033,431.
- 3. Woodridge of West Tennessee, Inc. Jackson (Madison County), TN - CN1610-037.** The addition of 16 child/adolescent inpatient psychiatric beds to an existing 16 licensed bed geriatric inpatient mental health hospital located at 49 Old Hickory Boulevard, Jackson. The estimated project cost is \$1,335,250.
- 4. Eye Surgery Center of Knoxville, LLC, Powell (Knox County), TN - CN1611-038.** The establishment of a single specialty ophthalmic ambulatory

surgical treatment center at an unaddressed site on the south side of Dannaher Drive, Powell. The proposed ambulatory surgical treatment center (ASTC) will have two operating rooms and one laser procedure room. The estimated project cost is \$1,850,000.

3. **Parkridge West Hospital, Jasper (Marion County), TN - CN1611-039.** The conversion of eight licensed medical surgical beds to eight adult psychiatric beds (for patients ages 18+) located at 1000 Highway 28, Jasper. If approved, the total Parkridge West Hospital adult psychiatric inpatient bed total will increase from 20 to 28. The estimated project cost is \$2,184,808.
4. **Tennessee Nursing Services of Morristown, Inc. d/b/a SunCrest Home Health, Jefferson City (Jefferson County), TN – CN 1612-042.** Relocation from Claiborne County to Jefferson County. The estimated project cost is \$306,432.
5. **Tristar Skyline Medical Center, Nashville (Davidson County), TN – CN1612-041.** Relocation of 31 medical/surgical beds from satellite campus to main campus. The estimated project cost is \$30,038,000. (Approved on the condition that applicant delicense 31 beds from its Madison campus).
6. **Watauga Orthopaedics, PLC, Kingsport (Sullivan County), TN – CN1701-001.** Initiation of MRI services for adult and pediatric patients. The estimated project cost is \$914,439.
7. **Starr Regional Medical Center – Etowah, Etowah (McMinn County), TN – CN1701-002.** Expansion of existing geriatric psychiatric unit from 14 to 18 beds in conjunction with closure of four general acute care beds. The estimated cost of this project is \$621,351.
8. **Middle Tennessee Imaging, LLC d/b/a Premier Radiology, Murfreesboro (Rutherford County), TN – CN1701-003).** Establishment of a new outpatient diagnostic center with the initiation of MRI and CT services at 2723 New Salem Highway. The estimated cost is \$2,626,335.

C. General Counsel's Report

1. **Wharton Nursing Home, Pleasant Hill (Cumberland County), TN – CN1403-006.** Request for cost-overrun of 29.3 percent. The project had been

approved for an estimated project cost of \$5,100,000. The final project cost was \$6,593,529. This application was approved on June 25, 2014.

The agency reviewed the following staff request for guidance that was deferred at the December 2016 meeting:

1. Life House Hospice, Inc. Cookeville (Putnam County), TN – CN1405-016 and 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, TN, in conjunction with the existing Life House Residential Hospice located at 570 State Street, Cookeville, TN. 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 had intended to seek guidance on whether to initiate a contested case T. C. A. § 68-11-1619 for the revocation of the certificates of need. However, a representative of the current owner, Hospice of Chattanooga, appeared before the TDH Board for Licensing Health Care Facilities (BLHCF) on February 8, 2017, to request that both the residential hospice and hospice licenses be placed in a one-year inactive status so the owner could pursue resuming residential hospice services. The BLHCF granted the inactive status until the February 2018 meeting. Since no services are being provided and the owner is not actively trying to sell the hospice license, it was determined that no action is necessary at this time.

The agency **denied** the following applications during the February and April meetings.

1. Premier Health Care LLC, Bartlett (Shelby County), TN – CN1608-027. The establishment of a home care organization and the initiation of home health services. The proposed service area will consist of Fayette, Haywood, Madison, Shelby, and Tipton Counties. The principal office will be located at 2855 Stage Village Cove, Suite 5, Bartlett. The estimated project cost is \$50,000.

2. Saint Francis Hospital Bartlett, Arlington (Shelby County), TN – CN1701-004. The establishment of a freestanding emergency department with 12 treatment rooms at southeast corner of I-40 and Airline Road. The estimated cost of this project is \$12,857,628. (Simultaneous review with Baptist Memorial Hospital CN1701-005).

3. Baptist Memorial Hospital, Memphis (Shelby County), TN – CN1701-005. The establishment of a freestanding emergency department with 10 treatment rooms north of the intersection of Interstate 40 and Airline Road. The estimated cost of this project is \$9,993,779. (Simultaneous review with Saint Francis Hospital CN1701-004).

4. Lebanon Surgery Center, Lebanon (Wilson County), TN – CN-1702-007. Establishment of a multi-specialty ambulatory surgical treatment center (ASTC) to be located in an existing building on the southwest corner of the campus of Tennova Healthcare-Lebanon located at 1411 Baddour Parkway. The ASTC will include four operating rooms and one procedure room. The estimated project cost is \$2,494,000.

The next agency meeting will be held on June 28 at 8:30 a.m.

II. Certificate of Need Program Report — Recent Filings

A. Letters of Intent – April 2017

1. Baptist Memorial Hospital (Shelby County), TN – CN1705-000. Construction and establishment of a satellite emergency department located at the intersection of I-40 and Airline Road, Arlington, to be operated under the license of Baptist Memorial Hospital. The proposed new facility will have eight treatment rooms including various supportive services such as CT, X-ray, and ultrasound. The estimated project cost is \$10,016,611.

2. Vanderbilt University Medical Center (Davidson County), TN – CN1705-000. Acquisition of an MRI for pediatric services. The estimated project cost is \$3,054,052.65.

3. Perimeter Surgery Center (Putnam County), TN – CN1705-000. Relocation and addition of two operating rooms and one patient room.

B. Applications for Certificates of Need – April and May 2017

1. UCH Vascular Access ASC, LLC, Memphis (Shelby County), TN - CN 1704-013. Establishment of a single-specialty ambulatory surgical treatment center. The estimated project cost is \$2,144,000.

2. Horizon Surgery Center (Tipton County), TN – CN1705-014. The establishment of an ambulatory surgery treatment center limited to endoscopy. The estimated project cost is \$1,085,000.

3. Behavioral Health of Rocky Top (Anderson County), TN – CN1705-015. The establishment and initiation of services for an 18-bed geriatric psychiatric facility. The estimated project cost is \$1,185,000.

C. Projects Deemed Complete for Review at June 2017 Meeting

1. AxelaCare Health Solutions – East Tennessee, Memphis (Shelby County), TN – CN1702-008. Addition of 34 East Tennessee counties to home care organization limited to home infusion of immune globulin pharmaceuticals. The estimated project cost is \$70,000.

2. AxelaCare Health Solutions – Middle Tennessee, Memphis (Shelby County), TN – CN1702-009. Addition of 40 Middle Tennessee counties to home care organization limited to home infusion of immune globulin pharmaceuticals. The estimated project cost is \$70,000.

3. Knoxville Exe Surgery Center, LLC d/b/a Tennessee Valley Eye Center, Knoxville (Knox County), TN – CN1702-010. Replacement of ambulatory surgical treatment center and expansion from four to six operating rooms. The estimated project cost is \$7,063,651.

4. Woodridge Behavioral Care, LLC, Jackson (Madison County), TN - CN 1703-011. Addition of 16 geriatric inpatient psychiatric beds. The estimated project cost is \$787,190.

5. Franklin PET Scan Center, Franklin (Williamson County), TN – CN1703-012. Initiation of Positron Emission Tomography (PET) service. The estimated project cost is \$3,828,653.