

September 26, 2013

### I. September 2013—Tennessee Certificate of Need Meeting

During the September meeting of the Tennessee Health Services Development Agency, the board approved the following applications for certificate of need.

### A. General Counsel's Report

- 1. Shelby County Health Care Corporation d/b/a Regional Medical Center, Memphis (Shelby County), Tennessee (CN1208-037A). Request for modification by adding a 2<sup>nd</sup> operating room (OR) in the burn unit and building out a fourth OR that was originally planned to be shelled in until needed. If approved, the hospital will temporarily relocate the burn unit OR into the new fourth OR on the first floor of Turner Tower.
- 2. Memphis Long Term Care Specialty Hospital, Memphis (Shelby County), Tennessee (CN1210-052A). Request for the removal of the condition that it shall be limited to 24 beds, and that it shall not be permitted to add to the number of beds without applying for a new CON. As a hospital with less than 100 beds, this would enable it to add up to 10 beds every twelve months without seeking a CON for the additional beds.

The board denied the following application for certificate of need.

#### A. Certificate of Need Review

1. Community Hospices of America-Tennessee, LLC, d/b/a Hospice Compassus-The Highland Rim, Tullahoma (Coffee County), Tennessee (CN1306-020). The initiation of hospice services in Decatur, Hardin, Humpreys, Perry, and Wayne Counties. Hospice Compassus is currently licensed in Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury, and Moore Counties. The estimated project cost is \$63,000.

The following applications for certificate of need were deferred to the October meeting.

#### A. Certificate of Need Review

- 1. CSPM Surgery Center, Chattanooga (Hamilton County), Tennessee (CN1306-021). The establishment of a single specialty ASTC limited to pain management, with one operating room limited to patients of Center for Spine and Pain Medicine, P.C. at 7446 Shallowford Road, Suite 102, Chattanooga, Tennessee 37421 at an estimated project cost of \$683,350.
- 2. The Health Center of Hermitage, Nashville (Davidson County), Tennessee (CN1306-022). The relocation of 60 of the 150 nursing home beds approved but unimplemented from CN1107-024A and the addition of 30 new Medicare-certified skilled nursing home beds for



September 26, 2013

a total 90 Medicare-certified skilled bed nursing home. The estimated project cost is \$20,142,000.

### B. General Counsel's Report

- 1. The Health Center of Nashville, Nashville (Davidson County), Tennessee (CN1107-024AM). Request for an 18 month extension of the expiration date from November 1, 2014 to May 1, 2016 and the following project modifications pursuant to the approval of CN1306-022 which will relocate 60 of the 150 beds authorized by CN1107-024A:
  - Reduction of 60 beds from the 150 approved beds to 90 beds (all to be private rooms not 38 private, 41 companion suites, and 15 semi-private);
  - Decrease in project cost by \$2,381,950 from \$23,894,100 to \$21,512,150; and
  - Other changes related to the footprint of the facility including (a) reduction in overall square footage by 8,592 square feet to 77,408 square feet; (b) increase in therapy gym space by 2,500 square feet from 2,300 square feet to 4,800 square feet; (c) the addition of 3,400 square feet of shelled space for potential future growth.

The following application for certificate of need was withdrawn.

#### A. General Counsel's Report

1. Stones River Hospital, Woodbury (Cannon County), Tennessee (CN0012-122AE). Request for removal of condition that the beds be limited to the provision of geropsychiatric services and allow them to be used for adults.

The next agency meeting will be held on October 23, 2013, at 8:30 a.m.

#### II. Certificate of Need Program Report—Filings Since August 2013 Meeting

## A. Applications for CON

- 1. Love Ones, Memphis (Shelby County), Tennessee (CN1308-033). Establishment of a home care organization and the initiation of home health services in Shelby, Fayette, and Tipton Counties.
- 2. Vanderbilt University Hospitals, Nashville (Davidson County), Tennessee (CN1309-034). Expansion and renovation to the existing third floor operating suite by 4 ORs and by providing shell space for future expansion of 2 additional ORs. Costs include associated



September 26, 2013

equipment costs, but the project will not involve major medical equipment or a bed increase. The estimated project cost is \$7,535,709.

3. Woodridge of West Tennessee, LLC, Jackson (Madison County), Tennessee (CN1309-035). Establishment of a new sixteen bed geriatric psychiatric facility at an estimated project cost of \$913,000.

### III. Projects Deemed Complete for Review at October 2013 Meeting

### A. CON Applications Deemed Complete for CON Review

- 1. Community Hospices of America-Tennessee, LLC, d/b/a Hospice Compassus-The Highland Rim, Tullahoma (Coffee County), Tennessee (CN1307-023). The addition of Lincoln County to the service area of Hospice Compassus which is currently licensed in Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury, and Moore Counties. The estimated project cost is \$28,000.
- 2. Shannondale Rehabilitation Center, Knoxville (Knox County), Tennessee (CN1307-024). The establishment of a new 30-bed Medicare skilled nursing home to be known as Shannondale Rehabilitation Center. The facility will be located on the campus of Shannondale Continuing Care Retirement Community at 7510 and 7522 Middlebrook Pike in Knoxville, Tennessee. The estimated project cost is \$6,609,488. These beds are subject to the 2013-2014 Nursing Home Bed Pool.
- 3. NHC/Maury County Regional Transitional Care Center, Columbia (Maury County), Tennessee (CN1307-025). The establishment of a 112-bed Medicare skilled nursing home to be known as NHC/Maury Regional Transitional Care Center pursuant to T.C.A. § 68-11-1627 which permits the replacement of one or more currently licensed nursing homes with one single nursing home. The new facility will be created by relocating and replacing the 92-bed NHC Healthcare, Hillview and the 20-bed Maury Regional Hospital Skilled Nursing Unit to an 11 acre site at 5004 Trotwood Avenue in Columbia, Tennessee. The estimated project cost is \$18,161,672. These beds are not subject to the 2013-2014 Nursing Home Bed Pool.
- 4. Maury Regional Hospital d/b/a Maury Regional Medical Center, Columbia (Maury County), Tennessee (CN1307-026). The relocation of two linear accelerators and a mobile positron emission tomography (PET) scanner from the main Maury Regional Medical Center campus at 1224 Trotwood Avenue to Maury Regional Cancer Center at 808 South



September 26, 2013

James Campbell Boulevard with the replacement of one linear accelerator at the main hospital campus. The estimated project cost is \$7,742,231.

- 5. Chattanooga-Hamilton County Hospital Authority d/b/a Erlanger Medical Center, Chattanooga (Hamilton County), Tennessee (CN1307-027). The acquisition of a positron emission tomography/computed tomography (PET/CT) scanner and initiation of services at an estimated project cost of \$4,307,699.
- 6. Saint Thomas Midtown Hospital f/k/a Baptist Hospital, Nashville (Davidson County), Tennessee (CN1307-028). The modification of the hospital by replacing and relocating four ORs at an estimated project cost of \$11,499,496.
- 7. Baptist Plaza Surgicare, Nashville (Davidson County), Tennessee (CN1307-029). The relocation and replacement of the existing ambulatory surgical treatment center (ASTC) from 2011 Church Street, Medical Plaza I Lower Level, to the northeast corner of the intersection of Church Street and 20<sup>th</sup> Avenue North in Nashville. The facility will be constructed in approximately 28,500 square feet of rentable space in a new medical office building and will contain 9 ORs and 1 procedure room. The estimated project cost is \$29,836,377.