

Tennessee CON Report March 31, 2014

I. March 2014–Tennessee Certificate of Need Meeting

At the March meeting of the Tennessee Health Services Development Agency, Jeff Ockerman announced that the draft home health standards are out for comment and he expects to receive comments back in early April. As noted in our publication of the February Tennessee CON Report, after the comment period, the draft home health standards will be sent for a public hearing and then finalized. The draft nursing home standards are still being reviewed and revised by the Agency before being released for public comment.

The agency approved the following applications during the March meeting.

A. Consent Agenda

Select Specialty Hospital–North Knoxville, Powell (Knox County), Tennessee (CN1312-047): The relocation of 33 long-term acute-care beds from 900 East Oak Hill Ave., 4th Floor, Knoxville, Tennessee, to leased space at North Knoxville Medical Center, Physicians Plaza B, 1st Floor, Knoxville, Tennessee. The proposed location is a medical office building on the campus of Tennova Healthcare-North Knoxville Medical Center. The estimated project cost is \$13,910,744.

B. Certificate of Need Review

- 1. Shelby County Health Corporation d/b/a Regional One Health f/k/a The Regional Medical Center at Memphis, LLC, Memphis (Shelby County), Tennessee (CN1311-044): The establishment of a 20* skilled-bed nursing unit to be licensed as nursing home beds and operated as a department of The MED. All beds will be certified for both Medicare and Medicaid. The estimated project cost is \$300,000. **These beds are subject to the 2013-14 Nursing Home Bed Pool.*
- 2. Rolling Hills Hospital, LLC d/b/a Rolling Hills Hospital, Franklin (Williamson County), Tennessee (CN1312-051): The addition of 40 psychiatric beds to the existing 80 beds, for a total of 120 psychiatric beds. The estimated project cost is \$9,796,910.

C. General Counsel's Report

United Regional Medical Center, Manchester (Coffee County), Tennessee (CN0707-060A): Request for a three-year extension of the expiration date from April 11, 2014, to April 11, 2017. This project was approved on December 12, 2007, for the relocation and replacement of an existing fifty-four-bed hospital. The estimated project cost is \$37,845,000.



The following application was deferred.

Certificate of Need Review

Crestwyn Behavioral Health, Germantown (Shelby County), Tennessee (CN1310-040): The establishment of a 60-bed mental health psychiatric hospital to be constructed on an unaddressed tract of land on the east side of Crestwyn Hills Drive, Germantown, with 15 beds for psychiatric care of adolescents, 30 beds for adults of all ages, and 15 beds for adult chemical dependency care. The estimated project cost is \$26,875,862. The application was deferred to the April meeting.

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

II. Certificate of Need Program Report-Filings Since February 2014 Meeting

A. Letters of Intent

Starr Regional Medical Center–Etowah, Etowah (McMinn County), Tennessee (CN1403-00): The addition of four geropsychiatric beds to its existing 10-bed inpatient geropsychiatric unit for a total of 14 beds. Upon approval, the hospital will close four general hospital beds. The 190 consolidated beds of Athens (118 beds) and Etowah (72 beds) will not change. The estimated project cost is \$1,283,000. This letter of intent is void.

B. Applications for CON

- 1. Wharton Nursing Home, Pleasant Hill (Cumberland County), Tennessee (CN1403-006): The relocation of 31 nursing home beds to an adjacent building on the campus of Uplands Village, a continuing care retirement community (CCRC). There will be a total of 62 nursing home beds to be operated in the two buildings under Wharton Nursing Home's current license. The estimated project cost is \$5,100,000.
- 2. Dyersburg Regional Medical Center, Dyersburg (Dyer County), Tennessee (CN1403-007): The expansion of its cardiac catheterization services currently limited to diagnostic procedures to include interventional therapeutic cardiac catheterization procedures and the initiation of cardiac catheterization services. The estimated project cost is \$367,763.
- **3.** West Tennessee Imaging, Memphis (Shelby County), Tennessee (CN1403-008): The establishment of an outpatient diagnostic center (ODC), acquisition of magnetic resonance imaging (MRI) equipment, and initiation of MRI services by relocating an existing ODC from 5130 Stage Road to 7600 Wolf River Boulevard in 8,258 square feet of new construction. The estimated project cost is \$10,123,989.



III. Projects Deemed Complete for Review at April 2014 Meeting

A. Certificate of Need Review

- 1. Crestwyn Behavioral Health, Germantown (Shelby County), Tennessee (CN1310-040): The establishment of a 60-bed mental health psychiatric hospital to be constructed on an unaddressed tract of land on the east side of Crestwyn Hills Drive, Germantown, with 15 beds for psychiatric care of adolescents, 30 beds for adults of all ages, and 15 beds for adult chemical dependency care. The estimated project cost is \$26,875,862.
- 2. Ave Maria Home, Bartlett (Shelby County), Tennessee (CN1312-048): The replacement of 35 of the current 75 skilled nursing beds at 2805 Charles Bryan Road, Bartlett, Tennessee, and the addition of 30* Medicare-certified skilled nursing beds (three 10-bed Green House Homes) at 2840 Charles Bryan Road, Bartlett, Tennessee, adjacent to its current campus. If approved, the facility will have a total of 105 beds. The estimated project cost is \$7,999,960. *These beds are subject to the 2013-2014 Nursing Home Bed Pool.
- **3.** SBH-Kingsport, LLC, Kingsport (Sullivan County), Tennessee (CN1312-050): The establishment of a new inpatient psychiatric hospital and initiation of inpatient psychiatric hospital services with 72 new, licensed psychiatric beds (18 adult beds, 16 geriatric beds, 28 child and adolescent beds, and 10 chemical dependency beds). The estimated project cost is \$11,717,915.
- 4. Saint Thomas Midtown Hospital, Nashville (Davidson County), Tennessee (CN1401-001): The renovation of surgical suites, patient care areas, and support space for the realignment and consolidation of total joint replacement services in 94,337 square feet of space and without new construction. The number of licensed beds will not change, and the estimated project cost is \$25,832,609.
- **5. East Tennessee Children's Hospital, Knoxville (Knox County), Tennessee (CN1401-002):** The renovation and expansion of the neonatal intensive care unit, the neonatal abstinence syndrome unit, perioperative services, and specialty clinic located on the hospital's campus. There will be no change in the number or complement of licensed beds, no services initiated, and no major medical equipment purchased. The estimated project cost is \$75,302,000.