

### I. June 2016—Tennessee Certificate of Need Meeting

#### **INCREASE IN CON FILING FEES**

At the June meeting of the Tennessee Health Services and Development Agency, the agency adopted rules that increased application fees substantially. Effective July 1, 2016, the initial examination filing fee is \$5.75 per \$1,000 of the estimated capital expenditure with a minimum filing fee of \$15,000 and a maximum of \$95,000. Previously, the filing fee was \$2.25 per \$1,000, with a minimum fee of \$3,000 and a maximum fee of \$45,000.

The agency approved the following applications during the June meeting.

#### **A. Certificate of Need Review**

- 1. Blount Memorial Hospital, Maryville (Blount County), TN – CN 1603-011:**  
The establishment of a freestanding emergency department of Blount Memorial Hospital. The estimated project cost is \$7,887,351.

#### **B. General Counsel's Report**

- 1. The Farms at Bailey Station Skilled Nursing Facility, Collierville (Shelby County) TN – CN1303-008A:** Request for an 18-month extension from August 1, 2016, to January 1, 2018. The project was previously approved June 26, 2013, for the establishment of a 30-bed skilled nursing facility for a continuing care retirement community. The estimated project cost was \$7,301,961.
- 2. The Farms at Bailey Station, Collierville (Shelby County), TN – CN1311-045A:** Request for a 15-month extension from April 1, 2017, to July 1, 2018. The project was previously approved February 26, 2014, for the addition of 30 Medicare-certified skilled nursing beds to a skilled nursing facility. The estimated project cost was \$6,306,575.
- 3. The Residence at Alive Hospice Murfreesboro, Murfreesboro (Rutherford County), TN – CN 1408-037A:** Request for a 12-month extension from January 1, 2017, to January 1, 2018. The project was previously approved November 19, 2014, for the establishment of a 10-bed residential hospice. The estimated project cost was \$10,888,816.

### II. May 2016—Tennessee Certificate of Need Meeting

The agency approved the following applications during the May meeting.

### A. Certificate of Need Review

1. **CAH Acquisition Company 11, LLC d/b/a Lauderdale Community Hospital, Ripley (Lauderdale County), TN - CN1601-004:** Replace 33-year-old facility with new updated facility of 46,851 square feet. The estimated project cost is \$20,262,987.
2. **TriStar Centennial Medical Center, Nashville (Davidson County), TN - CN1602-008:** Acquisition of an additional MRI Unit and renovation of imaging department. The estimated project cost is \$3,128,317.
3. **Methodist University Hospital, Memphis (Shelby County), TN - CN1602-009:** Construction of 470,000-square-foot space including a new patient tower and adjacent building to consolidate ambulatory services. The estimated project cost is \$280,000,000.
4. **Children's Hospital at Erlanger and Erlanger East Hospital, 1755 Gunbarrel Road, Chattanooga (Hamilton County), TN - CN1601-002:** Initiation of a ten (10) bed Level III Neonatal Intensive Care service, through the transfer of ten (10) medical/surgical beds from Erlanger Medial Center to Erlanger East Hospital and reclassification of the ten (10) beds as Level III Neonatal Intensive Care beds. These beds will be built in 8,805 square feet of new construction. If approved, the licensed bed complement of Erlanger East Hospital will increase from 113 to 123 beds. The project does not contain the acquisition of major medical equipment or the initiation or discontinuation of any other health service. The estimated project cost is \$7,021,555. This application was deferred from the April 2016 meeting.

### B. General Counsel's Report

1. **Hendersonville Medical Center, Hendersonville (Sumner County) TN – CN1302-002A:** Request for an 18-month extension from August 1, 2016, to January 1, 2018. The project was previously approved June 26, 2013, for the construction of a new floor of medical/surgical beds and the initiation of neonatal intensive care services. The estimated project cost was \$32,255,000.

The next agency meeting will be held on August 24, 2016. The agency will not meet in July.

### III. Certificate of Need Program Report—Filings for May, June and July 2016

### A. Letters of Intent

- 1. Tender Love Care, Memphis (Shelby County), TN - CN1605-000:** Establish a home health agency for Shelby and Tipton Counties. The estimated project cost is \$245,000. This letter of intent is void.
- 2. AxelaCare Health Solutions, LLC, Memphis, (Shelby County), TN - CN1606-022:** To establish a home health agency to be exclusively limited to providing home infusion globulin pharmaceuticals. The estimated project cost is \$69,628.
- 3. Maxim Healthcare Services, Inc., Brentwood, (Williamson County), TN - CN1606-023:** Relocation from 2416 21<sup>st</sup> Ave South, Nashville, TN 37212 to 115 East Park Drive, Suite 200, Brentwood, TN 37027. The estimated project cost is \$3,194,640.
- 4. Trustpoint Hospital, LLC, Murfreesboro, (Rutherford County), TN - CN1606-024:** Addition of 88 hospital beds: 52 adult psychiatric beds, 8 physical rehabilitation beds, 14 child psychiatric beds and 14 adolescent psychiatric beds. The estimated project cost is \$60,000,000.
- 5. Collins Chapel Health & Rehabilitation Center, Memphis, (Shelby County), TN - CN1606-000:** The addition of 12 Medicare skilled nursing facility beds. The estimated project cost is \$2,451,000.
- 6. Compass Intervention Center, Memphis, (Shelby County), TN - CN1606-000:** The establishment of a residential children's psychiatric hospital. The estimated project cost is \$12,152,661.

### IV. Projects Deemed Complete for Review at August 2016 Meeting

#### A. Certificate of Need Review

- 1. Erlanger Behavioral Health, Chattanooga (Hamilton County), TN - CN1603-012:** Construction of a new 88-bed psychiatric hospital to include services for inpatients, outpatients and substance abuse. Transferring twelve (12) geriatric psychiatric beds from Erlanger North Hospital to new Erlanger Behavioral Health Campus. The estimated project cost is \$25,112,600.

- 2. NHC Healthcare, Cookeville (Putnam County), TN - CN1604-014:** Addition of ten (10) new Medicare-certified SNF nursing home beds. The estimated project cost is \$4,806,490.
- 3. Upper Cumberland Orthopedic Surgery d/b/a Tier 1 Orthopedics, Cookeville (Putnam County), TN - CN1604-015:** Acquisition of an MRI and the initiation of MRI services limited to the patients of Tier 1. The estimated project cost is \$1,500,000.
- 4. Life Bridges Inc., Cleveland (Bradley County), TN – CN1605-017:** Relocation of a six-bed ICF/IID home from 2601 Bower Lane to 3745 Adkisson Drive Cleveland, TN. The estimated project cost is \$585,000.
- 5. Tennessee Orthopedics, P.C., Lebanon (Wilson County), TN – CN1605-019:** To establish a multi-specialty ambulatory surgical treatment center with three operating rooms and one procedure room. The estimated project cost is \$2,726,676.
- 6. East Tennessee Healthcare Holdings, Inc., Johnson City (Washington County), TN – CN1605-021:** To establish a non-residential substitution based opioid treatment center. The estimated project cost is \$1,747,777.
- 7. Maxim Healthcare Services, Inc., Brentwood, (Williamson County), TN - CN1606-023:** Relocation from 2416 21<sup>st</sup> Ave South, Nashville, TN 37212 to 115 East Park Drive, Suite 200, Brentwood, TN 37027. The estimated project cost is \$3,194,640. This application will be heard on the Consent Calendar.