

Tennessee CON Report

July 31, 2014

I. July 2014—Tennessee Certificate of Need Meeting

At the July meeting of the Tennessee Health Services Development Agency, Jeff Ockerman announced that the agency is compiling and reviewing comments to the proposed home health and nursing home standards, which they plan to complete in a couple of weeks. Depending upon the nature of the comments, the agency may circulate another draft of the standards for additional comments or the proposed standards may be set for a public hearing. During the meeting, the agency also re-elected Lynn Johnson as Chair and elected Robert Doolittle as Vice-Chair of the agency board.

The agency approved the following applications during the July meeting.

A. Certificate of Need Review

- 1. Dyersburg Regional Medical Center, Dyersburg (Dyer County), Tennessee (CN1403-007): The expansion of 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.
- 2. Starr Regional Medical Center—Etowah, Etowah (McMinn County), Tennessee (CN1404-009): 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 delicense four acute-care hospital beds. The 190 consolidated beds of Athens (118 beds) and Etowah (72 beds) will not change. The estimated project cost is \$1,282,050.
- 3. Christian Care Center of Bristol, Bristol (Sullivan County), Tennessee (CN1404-012): The construction of a replacement facility for the relocation of a 120-bed* nursing home currently located at 261 North Street to 2830 Highway 394 in Bristol, Tennessee. The facility will be managed pursuant to a management and services agreement with Care Centers Managing Consulting, Inc. No additional beds are requested. The estimated project cost is \$11,953,747. *These beds are not subject to the 2013-2014 Nursing Home Bed Pool.

B. General Counsel's Report

1. Baptist Plaza Surgicare, Nashville (Davidson County), Tennessee (CN1307-029A): Request for modification of the previously approved certificate of need to: (1) move the project within the campus of Saint Thomas Midtown Hospital; (2) decrease the project cost; and (3) slightly increase the square footage. The project was approved on October 23, 2013, for the relocation and replacement of the existing multi-specialty ambulatory surgical treatment center (ASTC), which includes nine operating rooms and 1 procedure room,



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from the basement of the Medical Plaza 1 building to a new medical building to be constructed across the street from the existing ASTC on the corner of Church Street and 20th Avenue. The certificate of need will expire on December 1, 2015. The estimated project cost is \$29,836,377.

2. Overton County Nursing Home, Livingston (Overton County), Tennessee (CN1204-017A): Request for a six-month extension to the expiration date from September 1, 2014, to March 1, 2015. The project was approved on July 25, 2012, for the modification by new construction and renovation of the existing 160-bed nursing home. The estimated project cost is \$6,344,844.

The next agency meeting will be held on August 27 at 8:30 a.m.

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

A. Applications for Certificate of Need

- 1. Implanted Pump Management, Knoxville (Knox County), Tennessee (CN1407-027): The establishment of a home care organization and initiation of home health services limited to intrathecal pump services to be provided within all 95 counties in the state from one office located at 200 Prosperity Place #102, Knoxville, Tennessee. The estimated project cost is \$8,100.
- 2. Valley Open MRI, PC, Kimball (Marion County), Tennessee (CN1407-028): The establishment of an outpatient diagnostic center (ODC) and the initiation of magnetic resonance imaging (MRI) services at an estimated project cost of \$2,162,079.
- 3. Watauga Recovery Center Johnson City, P.C., Johnson City (Washington County), Tennessee (CN1407-029): The establishment of a non-residential substitution-based treatment center for opiate addiction offering methadone and buprenphine to treat and prevent withdrawal symptoms. The estimated project cost is \$249,000.
- 4. River Park Hospital, LLC, McMinnville (Warren County), Tennessee (CN1407-030): The initiation of geriatric psychiatric services through the conversion of 10 existing general hospital beds to geriatric psychiatric beds by renovation of approximately 5,066 square feet of existing space on the third floor. No new beds or major medical equipment are requested. The estimated project cost is \$1,199,250.
- 5. Good Samaritan Society Fairfield Glade, Crossville (Cumberland County), Tennessee (CN1407-031): The addition of 30 Medicare skilled nursing beds* to its existing 30-bed facility for a total of 60 beds at an estimated project cost of \$6,535,167. *These beds are subject to the 2014-2015 Nursing Home Bed Pool.



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6. TriStar Centennial Medical Center, Nashville (Davidson County), Tennessee (CN1407-032): The renovation of the emergency department to develop a joint replacement center of excellence that will include 10 additional operating rooms and the increase in the hospital's bed complement by 29 beds, from 657 to 686 beds. The project also includes a computed tomography (CT) scanner for the emergency department. The estimated project cost is \$96,192,007.

III. Projects Deemed Complete for Review at August 2014 Meeting

A. Consent Agenda

1. Alexian Village Health and Rehabilitation Center, Signal Mountain (Hamilton County), Tennessee (CN1406-026): The replacement of a 114-bed nursing home on the Alexian Village campus. The facility will move from 671 Alexian Way to 622 Alexian Way, Signal Mountain, Tennessee. There will be no change in the number of beds at the facility, no new services initiated, and no new services discontinued. The estimated project cost is \$22,718,154.

B. Certificate of Need Review

- 1. Hospice Alpha, Inc., Linden (Perry County), Tennessee (CN1404-010): The establishment of a hospice agency at 102 North Poplar Street in Linden, Tennessee, and the initiation of hospice services in the following counties: Benton, Chester, Decatur, Hardin, Henderson, Hickman, Humphreys, Lawrence, Lewis, McNairy, Perry, and Wayne. The estimated project cost is \$95,500.
- 2. BHG Jackson Treatment Center, Jackson (Madison County), Tennessee (CN1405-014): The relocation of BHG Jackson Treatment Center, a non-residential substitution-based treatment center for opiate addiction, from its current site at 1869 Highway 45 Bypass, Suite 5, to 58 Carriage House Drive, Suites A and B, in Jackson. The estimated project cost is \$1,274,050.
- 3. Lakeway Regional Hospital, Morristown (Hamblen County), Tennessee (CN1405-013): The discontinuation of obstetrical (OB) services. The 16 OB beds will be redistributed to general medical/surgical beds and the hospital's current 135 licensed bed complement will not change. The estimated project cost is \$33,000.
- 4. Maxim Healthcare Services, Johnson City (Washington County), Tennessee (CN1405-015): The establishment of a home care organization to provide services in Carter, Johnson, Sullivan, Unicoi, and Washington Counties with the parent office located at 208 Sunset Drive, Suite 503, in Johnson City, Tennessee. The estimated project cost is \$463,825.