

April 19, 2016

I. March 2016—Tennessee Certificate of Need Meeting

At the March meeting of the Tennessee Health Services and Development Agency, Elizabeth Johnson announced that the standards for Psychiatric Inpatient Services and Neonatal Intensive Care Unit Services have been finalized and that the first draft of standards for Free-Standing Emergency Departments should be sent out shortly.

The agency approved the following applications during the March meeting.

A. Consent Agenda

- 1. D&S Residential Services, LP, Greeneville (Greene County), TN CN1512-059: The establishment of a four-bed ICF/IID home for individuals with intellectual disabilities at 1010 Old Stage Road, Greeneville (Greene County), Tennessee 37745. The estimated project cost is \$1,015,451.
- 2. D&S Residential Services, LP, Afton (Greene County), TN CN1512-060: The establishment of a four-bed ICF/IID home for individuals with intellectual disabilities at 2609 Erwin Highway, Afton (Greene County), Tennessee 37616. The estimated project cost is \$874,858.
- 3. D&S Residential Services, LP, Afton (Greene County), TN CN1512-061: The establishment of a four-bed ICF/IID home for individuals with intellectual disabilities at 2619 Erwin Highway, Afton (Greene County), Tennessee 37616. The estimated project cost is \$874,858.
- 4. Open Arms Corporation d/b/a Knox County #1 Bishops Bridge (Northeast), Knoxville (Knox County), TN CN1512-062: The establishment of a four-bed ICF/IID home for individuals with intellectual disabilities on an unaddressed lot of approximately 0.25 acres, in the northeast quadrant of a parcel of land currently addressed as 1817 Bishops Bridge Road in Knoxville (Knox County), Tennessee 37922. The estimated project cost is \$1,370,000.
- 5. Open Arms Corporation d/b/a Knox County #2 Bishops Bridge (Northwest), Knoxville (Knox County), TN CN1512-063: The establishment of a four-bed ICF/IID home for individuals with intellectual disabilities on an unaddressed lot of approximately 0.25 acres, in the northwest quadrant of a parcel of land currently addressed as 1817 Bishops Bridge Road in Knoxville (Knox County), Tennessee 37922. The estimated project cost is \$1,370,000.



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- 6. Open Arms Care Corporation d/b/a Knox County #4 South Northshore Drive (Northwest), Knoxville (Knox County), TN CN1512-064: The establishment of a four-bed ICF/IID home for individuals with intellectual disabilities on a 0.95-acre lot on the northwest half of a 1.91-acre parcel currently addressed as 12629 South Northshore Drive in Knoxville (Knox County), Tennessee, 37922. The estimated project cost is \$1,370,000.
- 7. Open Arms Care Corporation d/b/a Knox County #3 South Northshore Drive (Southeast), Knoxville (Knox County), TN CN1512-065: The establishment of a fourbed ICF/IID home for individuals with intellectual disabilities on a 0.95-acre lot on the southeast half of a 1.91-acre parcel currently addressed as 12629 South Northshore Drive in Knoxville (Knox County), Tennessee 37922. The estimated project cost is \$1,370,000.

B. Certificate of Need Review

- 1. Alere Women's and Children's Health, Memphis (Shelby County), TN CN1512-056: The addition of 16 counties to existing seven-county licensed service area. The proposed additional counties include the following: Benton, Carroll, Chester, Crockett, Decatur, Dyer, Gibson, Hardin, Henderson, Henry, Lake, McNairy, Obion, Perry, Wayne and Weakley Counties. The project will not change the parent office of the applicant in Memphis, Tennessee, nor will it change the provision of services exclusively limited to the care of high-risk obstetrical patients with antepartum and postpartum needs. The estimated project cost is \$79,000.
- 2. Alere Women's and Children's Health, Chattanooga (Hamilton County), TN CN1512-057: The addition of 23 counties to existing 13-county licensed service area. The proposed additional counties include the following: Anderson, Blount, Campbell, Carter, Claiborne, Cocke, Grainger, Greene, Hamblen, Hancock, Hawkins, Jefferson, Johnson, Knox, Loudon, Morgan, Roane, Scott, Sevier, Sullivan, Unicoi, Union and Washington Counties. The project will not change the parent office of the applicant in Chattanooga, Tennessee, nor will it change the provision of services exclusively limited to the care of high-risk obstetrical patients with antepartum and postpartum needs. The estimated project cost is \$80,600.

C. General Counsel's Report

1. Tennova Healthcare – Jamestown Fentress General Hospital, f/k/a Jamestown Regional Medical Center, Jamestown (Fentress County), TN – CN1211-055A: The project received an extension of the deadline from April 1, 2016 to April 1, 2017 to review the efficacy of



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the project following changes in the local market, Medicare reimbursement and staffing. The project was approved on February 27, 2013 to establish swing bed services. The estimated project cost was \$30,677.

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

II. Certificate of Need Program Report—Filings as of April 10, 2016

A. Letters of Intent

- 1. Upper Cumberland Orthopedic Surgery d/b/a Tier 1 Orthopedics, Cookeville (Putnam County), TN CN1604-000: 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.
- 2. NHC Healthcare, Cookeville (Putnam County), TN CN1605-000: Addition of ten (10) new Medicare certified SNF nursing home beds. The estimated project cost is \$4,806,490.

B. Applications for Certificate of Need

- 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. Middle Tennessee Imaging, LLC d/b/a Premier Radiology, Cookeville (Putnam County), TN CN1603-013: Establishment of outpatient diagnostics center including renovations of 1,072 of medical office space to house one (1) fixed MRI to replace mobile MRI now at the site four (4) days per week. The estimated project cost is \$941,648.

III. Projects Deemed Complete for Review at April 2016 Meeting

A. Consent Agenda

- 1. Michael Dunn Center, Rockwood (Roane County), TN CN1602-006: Establishment of a 4-bed ICF/IID home to facilitate the relocation of four individuals exiting Greene Valley Developmental Center. The estimated project cost is \$1,586,065.
- 2. Vanderbilt University Medical Center, Nashville (Davidson County), TN CN 1602-010: Relocation and renovation of clinical research center on the main campus. The estimated project cost is \$10,579,159.

B. Certificate of Need Review



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- 1. Crossroads Treatment Centers, Johnson City (Washington County) TN CN1511-048: Establishment of a non-residential substitution based treatment center for opiate addiction to be located at an address to be assigned on Princeton Road. The estimated project cost is \$1,830,770. This application has been withdrawn.
- 2. Children's Hospital at Erlanger and Erlanger East Hospital, Chattanooga (Hamilton County), TN CN1601-002: Initiation of 10-bed NICU and transfer of 10 medical surgical beds from Erlanger Medical Center to Erlanger East and to reclassify NICU beds. The estimated project cost is \$7,021,555. This application has been deferred to the May meeting of the agency.
- **3.** NHC HealthCare Kingsport, LLC, Kingsport (Sullivan County), TN CN1601-003: The addition of 8 Medicare-certified Skilled Nursing beds to existing 52-bed nursing home. The estimated project cost is \$109,800.