



I. May 2014—Tennessee Certificate of Need Meeting

At the May meeting of the Tennessee Health Services Development Agency, Jeff Ockerman announced that the request for public comments to the proposed draft nursing home standards will be sent out on June 9, 2014. Similarly, the request for public comments to the proposed home health agency standards will be sent out on June 16, 2014. There will be a three-week comment period for each of the proposed standards.

The agency approved the following applications during the May meeting.

A. Emergency Certificate of Need Review

Life House Hospice, Inc., Cookeville (Putnam County), Tennessee (CN1405-016): Emergency certificate of need request for the establishment of a home care organization to provide hospice services in Putnam County in connection with the existing Life House Residential Hospice located at 570 State Street, Cookeville, Tennessee. The emergency certificate of need is requested because Life House, a licensed residential hospice, had to cease all residential/inpatient operations due to its inability to become Medicare-certified. The Centers for Medicare and Medicaid Services (CMS) will not certify a stand-alone residential hospice.

B. Certificate of Need Review

- 1. TriStar Summit Medical Center, Hermitage (Davidson County), Tennessee (CN1402-004):** The conversion of existing space to add eight inpatient medical/surgical beds on the seventh floor of its facility, which will increase the hospital bed complement from 188 to 196. The estimated project cost is \$1,812,402.
- 2. Southern Tennessee Regional Health System f/k/a Southern Tennessee Medical Center, Winchester (Franklin County), Tennessee (CN1402-005):** The initiation of mobile positron emission tomography (PET) scanning services at the hospital's main campus to provide services to patients one half-day every week. The estimated project cost is \$834,135.

C. General Counsel's Report

- 1. Morristown-Hamblen Hospital, Morristown (Hamblen County), Tennessee (CN1009-040A):** Request for a six-month extension of the expiration date from August 1, 2014, to February 1, 2015. The project was unanimously approved on December 15, 2010, for the acquisition of a stationary PET/computerized tomography (CT) unit to replace and upgrade the existing mobile PET/CT equipment with an expiration date of February 1,



2014. A six-month extension was approved on December 18, 2013, which extended the expiration date to August 1, 2014. The estimated project cost is \$4,695,707.

2. **Memphis Gastroenterology Endoscopy Center East, Germantown (Shelby County), Tennessee (CN0406-059A):** Request for modification of a condition due to a merger of one of the physician groups authorized to use the facility. The condition currently limits the ambulatory surgical treatment center (ASTC) to the patients of Memphis Gastroenterology Group, P.C. (MGG) and UT Medical Group. The modification is requested due to the merger of MGG and Gastroenterology Center of the Mid-South, P.C. d/b/a Gastro One (GO), which will be effective July 1, 2014. Under the terms of the merger, the assets and liabilities of MGG related to the facility will be transferred to a wholly-owned subsidiary of GO. The modified condition would read “Limited to the endoscopy patients of Gastroenterology Center of the Mid-South, P.C. d/b/a Gastro One and UT Medical Group.” The original project was approved by a unanimous vote on August 25, 2004, with a project cost of \$4,794,559.

The next agency meeting will be held on June 25 at 8:30 a.m.

II. Certificate of Need Program Report—Filings Since April 2014 Meeting

A. Letters of Intent

1. **SunCrest Home Health, Tazewell (Knox County), Tennessee:** The addition of the following counties to the agency’s existing service area: Knox, Blount, and Sevier. The agency is currently licensed to provide services in Campbell, Claiborne, Cocke, Grainger, Greene, Hamblen, Hancock, Hawkins, Jefferson, Sullivan, and Union Counties. The estimated project cost is \$50,000. This letter of intent is void.
2. **TriStar Skyline Medical Center, Nashville (Davidson County), Tennessee:** The renovation and addition of 10 medical-surgical and intensive care beds at the hospital’s main campus. If approved, the hospital will delicense 10 beds at its satellite campus. The total 385-bed complement will remain unchanged, and the estimated project cost is \$4,000,000. This letter of intent was withdrawn.

B. Applications for Certificate of Need

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. **Lakeway Regional Hospital, Morristown (Hamblen County), Tennessee (CN1405-013):** The discontinuation of obstetrical services. The hospital's 16 obstetric beds will be redistributed to general medical-surgical beds and the 135-licensed-bed complement will remain unchanged. The estimated project cost is \$33,000.
3. **BHG Jackson Treatment Center, Jackson (Madison County), Tennessee (CN1405-014):** The relocation of the existing facility, which is licensed to provide comprehensive adult outpatient treatment for opioid addiction, from 1869 Highway 45 Bypass, Suite 5, to 58 Carriage House Drive, Suites A and B, in Jackson, Tennessee. The estimated project cost is \$1,274,050.
4. **Maxim Healthcare Services, Johnson City (Washington County), Tennessee (CN1405-015):** The establishment of a home health agency 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 \$464,000.

III. Projects Deemed Complete for Review at June 2014 Meeting

A. Consent Agenda

The Health Center of Hermitage, Hermitage (Davidson County), Tennessee (CN1404-011): The relocation of 90 beds (as approved by CN1306-022A) from the original site at Bell Road, Woodland Point Drive, and Couchville Pike to approximately 14.02 acres at 4214 Central Pike in Hermitage, Tennessee. The relocated beds will be Medicare-certified and the estimated project cost is \$19,241,697.

B. Certificate of Need Review

1. **Wharton Nursing Home, Pleasant Hill (Cumberland County), Tennessee (CN1403-006):** The relocation of 31* of 62 existing, dually certified nursing home beds to an adjacent building on the campus of Uplands Village, a continuing care retirement community (CCRC). If approved, 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. **These beds are not subject to the 2013-2014 Nursing Home Bed Pool.*
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



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imaging (MRI) equipment, and initiation of MRI services by relocating Outpatient Diagnostic Center of Memphis, an existing ODC with MRI services, from 5130 Stage Road to 7600 Wolf River Boulevard in 8,258 square feet of new construction. The proposed ODC will be managed by Outpatient Imaging Affiliates, LLC (OIA), the current operator of Outpatient Diagnostic Center of Memphis. If approved, upon the licensing of the proposed ODC, OIA will relinquish the license for Outpatient Diagnostic Center of Memphis and cease MRI services at that location. The estimated project cost is \$10,123,989.