

# AGENDA

## HEALTH SERVICES AND DEVELOPMENT AGENCY

Legislative Plaza  
 Room 12  
 Sixth Avenue North & Union Street  
 Nashville, TN

Wednesday, September 23, 2009

8:30 a.m. CDT

- I. CALL TO ORDER
- II. DIRECTOR’S ANNOUNCEMENTS
- III. STATE HEALTH PLAN UPDATE
  - A. Update: Eric Harkness, Planning & Research Coordinator, Division of Health Planning, Department of Finance & Administration
- IV. CONSENT CALENDAR

**APPROVED**

**Motion: Mr. Lammert**  
**2<sup>nd</sup>: Ms. Weaver**  
**6-0-0**

- A. NovaMed Surgery Center of Chattanooga, LLC, Chattanooga (Hamilton County), TN — CN0907-041  
 The relocation of an existing ambulatory surgical treatment center (ASTC) from 1801 Gunbarrel Road to 1949 Gunbarrel Road, Chattanooga (Hamilton County), TN 37421. No beds or acquisition of major medical equipment is involved.  
 \$ 1,071,225.00

V. CERTIFICATE OF NEED APPLICATIONS

**DENIED**

**Motion: Mr. Lammert**  
**2<sup>nd</sup>: Ms. Burns**  
**4-2-0**  
**[nay – Mr. Bishop; Mr. Koella]**

- A. Plaza Radiology, LLC d/b/a Cleveland Imaging, LLC, Cleveland (Bradley County), TN— CN0905-024  
 The acquisition of a magnetic resonance imaging (MRI) unit and the initiation of MRI services. Other than the MRI no other major medical equipment, initiation of services nor discontinuance of health services are requested.  
 \$ 1,571,965.00  
**Opposition:** Athens Regional Medical Center; SkyRidge Medical Center; Vista Radiology, P.C.; Stephen W. Jackson, M.D.; William Johnson, M.D.; Michael Rumble, M.D.; Janet Coombs, M.D.; Eston Wenger, M.D.  
**DEFERRED FROM THE AUGUST MEETING**

**DENIED**

**Motion: Mr. Lammert**  
**2<sup>nd</sup>: Ms. Weaver**  
**5-1-0**  
**[nay – Mr. Koella]**

- B. Knoxville Urology Clinic, P.C., Knoxville (Knox County), TN — CN0904-017  
 The establishment of an ambulatory surgical treatment center (ASTC) limited to radiation therapy, the initiation of megavoltage radiation therapy services, and the acquisition of a linear accelerator currently owned and operated by Baptist Hospital West. The proposed facility will provide radiation therapy services at Knoxville Urology Clinic, P.C.’s offices located on the Baptist Hospital West campus at 10820 Parkside Drive, Knoxville, TN, 37934, as part of a prostate cancer treatment and education center. No other health services will be initiated or discontinued and no inpatient beds or services will be affected. Other than the linear accelerator, no other major medical equipment will be acquired.  
 \$ 2,182,373.00  
**Opposition:** Joseph M. Dawson, CEO, Blount Memorial Hospital; Daniel D. Scaperoth, M.D.; William McDonald, M.D.; Joseph T. Meyer, M.D.; Covenant Health; Thompson Cancer Survival Center; American College of Radiation Oncology; Thompson Oncology Group; Mountain States Health Alliance; Wellmont Health Systems; Daniel M. Green, M.D.; Robert J. Bertoli, M.D.; University Urology, P.C.; Urology and Urological Surgery, P.C.; Vanderbilt University Medical Center; The University of Tennessee Medical Center; William K. Strike, M.D.; Erlanger Health System

**DENIED**

**Motion:** Mr. Lammert  
**2<sup>nd</sup>:** Ms. Weaver  
**5-1-0**  
[nay – Mr. Koella]

- C. Tennessee Urology Associates, PLLC, Knoxville (Knox County), TN – CN0904-018  
The establishment of an ambulatory surgical treatment center (ASTC) limited to radiation therapy, the initiation of megavoltage radiation therapy services, and the acquisition of a linear accelerator currently owned and operated by Baptist Hospital West. The proposed facility will provide radiation therapy services at Tennessee Urology Associates, PLLC’s offices located on the Baptist Hospital West campus at 10820 Parkside Drive, Knoxville, TN, 37934, as part of a prostate cancer treatment and education center. No other health services will be initiated or discontinued and no inpatient beds or services will be affected. Other than the linear accelerator, no other major medical equipment will be acquired.  
\$ 2,505,625.00  
**Opposition:** Joseph M. Dawson, CEO, Blount Memorial Hospital; Daniel D. Scaperoth, M.D.; William McDonald, M.D.; Joseph T. Meyer, M.D.; Covenant Health; Thompson Cancer Survival Center; American College of Radiation Oncology; Thompson Oncology Group; Mountain States Health Alliance; Wellmont Health Systems; Daniel M. Green, M.D.; Robert J. Bertoli, M.D.; University Urology, P.C.; Urology and Urological Surgery, P.C.; Vanderbilt University Medical Center; The University of Tennessee Medical Center; William K. Strike, M.D.; Erlanger Health System

**APPROVED**

**Motion:** Mr. Lammert  
**2<sup>nd</sup>:** Ms. Weaver  
**6-0-0**

- D. Hospice of Chattanooga, Inc., Cleveland (Bradley County), TN – CN0906-026  
The establishment of a sixteen (16) bed residential hospice facility to be located on approximately 50 acres of vacant land. The estimated total space required for the proposed facility is 16,740 square feet. The service area includes Bledsoe, Bradley, Grundy, Hamilton, Marion, McMinn, Meigs, Polk, Rhea and Sequatchie Counties in Tennessee and multiple counties in Georgia. Hospice of Chattanooga, Inc. is currently licensed to provide hospice services in these counties.  
\$ 6,501,172.00

**APPROVED**

**Motion:** Mr. Lammert  
**2<sup>nd</sup>:** Ms. Burns  
**6-0-0**

- E. Hospice of Chattanooga, Inc., Chattanooga (Hamilton County), TN – CN0906-025  
The establishment of a sixteen (16) bed residential hospice facility located on the campus of The Health Center at Standifer Place. The estimated total space required for the proposed facility is 9,003 square feet. The service area includes Bledsoe, Bradley, Grundy, Hamilton, Marion, McMinn, Meigs, Polk, Rhea and Sequatchie Counties in Tennessee and multiple counties in Georgia. Hospice of Chattanooga, Inc. is currently licensed to provide hospice services in these counties.  
\$ 2,197,040.00

**APPROVED**

**Motion:** Mr. Lammert  
**2<sup>nd</sup>:** Mr. Bishop  
**5-1-0**  
[nay – Mr. Gaither]

- F. Jamestown Regional Medical Center, Jamestown (Fentress County), TN – CN0906-027  
The establishment of a ten (10) bed geriatric psychiatric program and the initiation of psychiatric services. Ten (10) existing medical/surgical beds will be converted to geriatric psychiatric beds. The number of licensed beds will not change. No other services will be initiated or discontinued and no major medical equipment is requested. This project will require approximately 5,300 square feet of space to be renovated.  
\$ 314,135.00  
**Opposition:** White County Community Hospital; Livingston Regional Hospital; Cumberland River Hospital

**DEFERRED TO THE NOVEMBER MEETING**

- G. Dayton Medical Investors, LLC d/b/a Life Care Center of Rhea County, Dayton (Rhea County), TN – CN0906-028  
The relocation and replacement of an eighty-nine (89) bed nursing home from 7824 Rhea County Hwy., Dayton, (Rhea County), TN 37321, to an unaddressed site on Manufacturers Road, Dayton, (Rhea County), TN. The applicant seeks the addition of thirty (30)\* Medicare skilled beds, thus increasing the total of beds from 89 to 119. The facility will be certified for both Medicare and Medicaid. No other services will be initiated or discontinued, and no major medical equipment is requested.  
\* These beds will be subject to the Nursing Home Bed Pool for 2008-2009  
\$ 14,065,577.00  
**Opposition:** Spring City Care and Rehab; Laurelbrook Sanitarium  
**DEFERRED TO THE NOVEMBER MEETING**

**APPROVED**

**Motion:** Ms. Weaver  
**2<sup>nd</sup>:** Mr. Bishop  
**6-0-0**

- H. Highland Park Medical Investors, LLC dba Life Care Center of Stones River, Antioch (Davidson County), TN – CN0906-029  
The relocation of previously approved Certificate of Need, CN0706-047A for the construction of a replacement nursing home facility containing 124 beds. The present site is located adjacent to 5710 Knob Road, Nashville (Davidson County), TN. An address has not been assigned to the new site. The site is on Murfreesboro Road and occupies the space between LaVergne Couchville Pike and Hickory Woods Drive, Antioch (Davidson County), TN. No other services will be initiated or discontinued and no major medical equipment is requested. The number of licensed beds will not change. The facility will be certified for both Medicare and Medicaid participation.

\$ 18,953,630.00

**APPROVED**  
Motion: Mr.  
Lammert  
2<sup>nd</sup>: Ms. Weaver  
6-0-0

- I. Nashville Medical Investors, LLC dba Life Care Center of Old Hickory, Old Hickory (Davidson County), TN – CN0906-030  
The relocation and replacement of a 159 bed nursing home (Life Care Center of Nashville) presently located at 701 Porter Road, Nashville (Davidson County), TN 37206. The new site is located at 1250 Robinson Road, Old Hickory (Davidson County), TN 37138. No other services will be initiated or discontinued, and no major medical equipment is requested. The number of licensed beds will not change. The facility will be certified for both Medicare and Medicaid participation.  
\$ 21,735,446.00

**DEFERRED  
TO THE  
NOVEMBER  
MEETING**

- J. Surgery Center of Lebanon, Lebanon (Wilson County), TN – CN0906-036  
The establishment of an ambulatory surgical treatment center (ASTC) and the initiation of ambulatory surgery services with three (3) operating rooms, and one (1) procedure room.  
\$ 4,376,825.00  
**Opposition:** University Medical Center; Lebanon Surgical Center  
**DEFERRED TO THE NOVEMBER MEETING**

## VI. GENERAL COUNSEL'S REPORT

**DEFERRED  
TO THE  
OCTOBER  
MEETING**

- A. West Tennessee Cancer Center of Hardin County, Savannah (Hardin County), TN – CN0706-048  
Request for an eighteen (18) month extension of the expiration date from December 1, 2009 to May 1, 2011 and modification to eliminate the ambulatory surgical treatment center (ASTC) licensure request as the Department of Health licensing rules no longer require an ASTC license for a radiation therapy facility, and Jackson-Madison can operate the facility as an outpatient department of the hospital. This project was approved at the September 26, 2007 meeting for the establishment of a single specialty ambulatory surgical treatment center (ASTC) limited to radiation therapy services; the initiation of linear accelerator services; and the relocation of linear accelerator equipment located at Jackson-Madison County General Hospital to a space to be built by (and adjacent to) Hardin Medical Center. The project cost is \$3,880,460.00.

**APPROVED**  
Motion: Ms.  
Weaver  
2<sup>nd</sup>: Mr. Bishop  
4-1-1  
[nay – Mr.  
Gaither;  
abstained- Mr.  
Lammert]

- B. Best Nurses, Inc., Memphis (Shelby County), TN – CN0705-041A  
Request to remove the limitation of private duty nursing from the Certificate of Need (CON), so that the home health agency can seek Medicare certification. This project was approved on October 24, 2007 with a project cost of \$27,600.00. The private duty nursing limitation was placed on the CON as part of the motion. The applicant applied to establish and initiate a home health agency to provide outpatient care to homebound patients in Shelby, Fayette and Tipton counties.

**APPROVED**  
Motion: Mr.  
Lammert  
2<sup>nd</sup>: Ms. Burns  
6-0-0

- C. Cyberknife of Chattanooga, Chattanooga (Hamilton County), TN – CN0901-003A  
Request to transfer ownership to Erlanger Health System, and for the Certificate of Need to reflect that services provided are for hospital services. Erlanger will continue to contract with Cyberknife of Chattanooga, LLC to supply CyberKnife services, as well as management and other services. This project was approved on April 22, 2009 for the establishment of an ambulatory surgical treatment center (ASTC) limited to the provision of radiation therapy services, and the initiation of linear accelerator services. This project is a joint venture entity with two members: Chattanooga Hamilton County Hospital Authority d/b/a Erlanger Health System (51% owner) and Community Care, Inc. (49% owner). The expiration date is June 1, 2011 and the project cost is \$7,308,209.00.

- D. Contested Case Update

VII. OTHER BUSINESS

VIII. MINUTES

IX. ADJOURNMENT