

MEMORANDUM

TO: Health Services and Development Agency

FROM: Jim Christoffersen, General Counsel

**RE: Horizon Health & Rehabilitation Center's
Request for Agency Determination
Whether a CON is Required To Expand to Adjacent Property**

DATE: October 6, 2016

Horizon Health & Rehabilitation Center has requested an Agency determination as to whether a certificate of need [CON] is required to expand its operations to adjacent property.

Procedure:

Agency Rule provides that an Agency determination represents a formal opinion of The Agency. Agency determinations are initially analyzed and drafted by staff, and presented to the full Agency during a regularly scheduled Agency meeting. The Agency may then adopt, reject, or modify staff's recommendation. Tenn. Rules & Regs. 0720-8-.03(4).

Staff Recommendation:

HSDA Staff recommends that the Agency determine that a CON is not required to expand CON-authorized activities to a parcel of property adjacent to the CON approved parcel of property, unless the CON has express limitations that would prohibit the expansion at issue.

A "certificate of need" means a permit granted by the health services and development agency to any person for the establishment or modification of a health care institution, facility, or covered health service, at a designated location.¹ Both the Agency and its staff have issued determinations that a parcel of property adjacent to the CON approved parcel of property may be considered part of the same designated location.

¹ T.C.A. § 68-11-1602(2)