

State of Tennessee Health Services and Development Agency

Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243 **www.tn.gov/hsda** Phone: 615-741-2364 Fax: 615-741-9884

AGENDA

Cordell Hull State Office Building Senate Hearing Room I 425 5th Avenue North Nashville, TN

Wednesday, June 26, 2019 8:30 a.m. CST

- I. CALL TO ORDER
- II. ROLL CALL 8 present: Gaither, Korth, Patric, Brown, Taylor, Alsup, Ridgway, and Scarboro.
- III. DIRECTOR'S ANNOUNCEMENTS
- IV. APRIL 24, 2019 MINUTES APPROVAL
- V. STATE HEALTH PLAN UPDATE

Jeff Ockerman, Director of Health Planning, Tennessee Department of Health

VI. CONSENT CALENDAR

APPROVED

Motion: Ridgway 2nd: Korth (8-0-0)

A. Prime Imaging, Chattanooga (Hamilton County), TN - CN1904-014

For the relocation of an existing PET/CT less than one mile from 2205 McCallie Avenue, Chattanooga (Hamilton County) to 1301 McCallie Avenue, Chattanooga (Hamilton County), TN. The estimated project cost is \$1,139,076.

VII. CERTIFICATE OF NEED APPLICATIONS

Mr. Ridgway Recused

Approved

Motion: Mr. Taylor 2nd: Dr. Patric (7-0-0)

A. Premier Covenant ASTC, LLC, Knoxville (Knox County), TN - CN1903-003

The establishment of an ambulatory surgical treatment center (ASTC) located at 6408 Papermill Drive, Knoxville (Knox County), TN 37919. The ASTC will include three operating rooms. The three operating rooms subject to this application are currently operated as part of the professional practice of Premier Surgical Associates as two operating rooms and one procedure room. The applicant is jointly owned by Premier Surgical Associates, PLLC (60%) and Covenant Health (40%). The estimated project cost is \$6,390,24

OPPOSITION

Approved	B. Livingston Regional Hospital, Livingston (Overton County), TN -CN1903-005
Motion: Dr. Patric 2 nd : Mr. Ridgway (8-0-0)	The expansion of the hospital's existing ten (10) bed geri-psychiatric unit to sixteen (16) beds located at 315 Oak Street, Livingston (Overton County), TN. The applicant plans to convert four rehabilitation and two medical-surgical beds to geriatric psychiatric beds so there will be no change in the total number of hospital's 114 licensed beds. The applicant is owned by LifePoint Holdings 2, LLC. The estimated project cost is \$2,801,013.75.
Ms. Brown Recused	C. BriovaRx Infusion Services, Memphis (Shelby County), TN - CN1903-006
Approved Motion: Dr. Patric 2 nd : Mr. Taylor (7-0-0)	For the expansion of its scope of infusion pharmaceuticals from only immune globulin (IVIG) pharmaceuticals as approved in CN1702-009A to all infusion pharmaceuticals dispensed by BriovaRX pharmacies. The applicant is owned by BriovaRX Infusion Services 305, LLC, a Delaware Corporation located at 15529 College Blvd, Lenexa, Kansas and is ultimately related to ownership by United Health Group, Inc. The project involves no change to the applicant's existing home office located at 6410 Poplar Ave, Suite 850, Memphis, TN 38119 or to its 40 county MID-TN existing/licensed service area approved in CN1702-009A. The estimated project cost is \$74,000.00.
Mr. Taylor Recused Approved	D. Knoxville Rehabilitation Hospital, LLC, Knoxville (Knox County), TN - CN1903-007
Motion: Mr. Ridgway 2 nd : Dr. Patric (7-0-0)	For the establishment of a 68,000 SF newly constructed 57-bed freestanding inpatient rehabilitation hospital at an unaddressed site at Middlebrook Pike and Old Weisgarber Road, Knoxville (Knox County), TN 37909. The estimated project cost is \$44,901,762.
Mr. Ridgway, Mr. Korth, and Ms. Brown Recused	E. Tenn SM, LLC dba Providence Surgery Center, Mt. Juliet (Wilson County), TN - CN1903-008
DEFERRED (August 28 th Hearing)	For the relocation of an existing ambulatory surgical treatment center (ASTC) from 5002 Crossing Circle, Suite 110, Mt. Juliet (Wilson County), TN approximately one mile to the southwest corner of the Belinda Pkwy and Providence Trail Mt. Juliet (Wilson County), TN. An additional procedure room will be added to the two existing operating rooms and procedure room. The applicant is owned by Tenn SM, LLC. The estimated project cost is \$8,082,908.
Mr. Ridgway, and Mr. Patric Recused	F. Southeastern Surgical, LLC, Chattanooga (Hamilton County), TN - CN1903-009
Approved Motion: Mr. Alsup 2 nd : Mr. Gaither Nay: Mr. Taylor (5-1-0)	For the establishment of an ambulatory surgical treatment center (ASTC) limited to the provision of spine, orthopedic, and pain management outpatient surgery services with three operating rooms and no procedure rooms located at 1119 Riverfront Parkway, Chattanooga (Hamilton County), TN. The applicant is owned by Southeastern Surgical, LLC. The estimated project cost is \$6,297,704.77.
	Opposition

Approved

Motion: Mr. Taylor 2nd: Mr. Alsup (8-0-0)

G. Dowell Springs Behavioral Health, LLC, Knoxville (Knox County), TN - CN1903-010

For the establishment of a 90 bed mental health hospital (56 adult psychiatric beds, 24 geriatric psychiatric beds, and 10 adolescent beds) located at the intersection of Old Weisgarber Road and Dowell Springs Boulevard, Knoxville (Knox County), TN. The applicant is owned by Acadia Knoxville JV Holdings, LLC. The estimated project cost is \$33,257,000.

Ms. Brown, and Mr. Ridgway Recused

H. Tennessee Orthopedic Alliance, Hendersonville (Sumner County), TN- CN1903-011

Approved

Motion: Dr. Patric 2nd: Mr. Taylor (6-0-0)

To initiate MRI services and acquire MRI equipment limited to the patients of Tennessee Orthopedic Alliance at its practice medical office building under construction at 501 Saundersville Road, Hendersonville (Sumner County), TN. The applicant is owned by Tennessee Orthopedic Alliance, P.A. The estimated project cost is \$3,212,467.

VIII. GENERAL COUNSEL REPORT

Motion made by Mr. Taylor:

30 day extension to appear at August 28th Hearing. Must pay any applicable extension fees. No vote on extension request.

2nd: Alsup (8-0-0)

A. Blount Memorial Hospital, Inc., Maryville (Blount County), TN – CN1603-011A

Unanimously approved on 6/22/2016 for the establishment of a 14 treatment room single story newly constructed 17,250 square foot hospital satellite Emergency Department (ED) to be located on 7.18 acres at 2410 Highway 411 South, Maryville, (Blount County), TN 37801. The proposed satellite ED service will be operated as a department of Blount Memorial Hospital.

 Request for a 20 month extension of the expiration date, from 8/1/2019 to 4/1/2021

APPROVED

Motion: Mr. Taylor 2nd: Mr. Patric (8-0-0)

B. Health Center of Hermitage, Hermitage (Davidson County), TN – CN1404-011AE

Unanimously approved on 6/24/2014 for the relocation of the 90 bed nursing home approved but unimplemented Certificate of Need, CN1306-022A, to a new site in the same county, approximately 5 miles from its original approved location in Nashville. The project was not subject to the 125 bed Nursing Home Bed Pool.

A 24 month extension was unanimously approved on 12/14/2016.

• Request for a 36 month extension of the expiration date, from 8/1/2019 to 8/1/2022.

C. Contested Case Update

IX. REQUEST FOR AGENCY REVIEW

Mr. Ridgway Recused

Agency declined to exercise review of the Initial Order issued by ALJ

Motion: Mr. Patric 2nd: Mr. Taylor (7-0-0)

A. Baptist Memorial Hospital (Shelby County), TN - CN1705-018DA Docket No.: 25.00-144364J

Request by Methodist Healthcare and Saint Francis Hospital-Bartlett, Inc. to review the Administrative Law Judge's Initial Order approving the establishment of a freestanding emergency department near the intersection of I-40 and Airline Road in Arlington. The review would occur at a future meeting if the Agency grants the request.

- X. ANNUAL CONTINUING NEED/QUALITY MEASURES REPORT UPDATE
- XI. OTHER BUSINESS
- XII. ADJOURNMENT