

Tennessee CON Report

April 25, 2014

I. April 2014—Tennessee Certificate of Need Meeting

At the April meeting of the Tennessee Health Services Development Agency, Jeff Ockerman announced that the public comments to the draft home health agency standards have been reviewed and another draft of the standards will be sent out for additional comment. After the second round of commentary, the agency anticipates that it will finalize the home health agency standards by mid-May. In addition, the agency will be sending out the hospice questionnaire which will, among other objectives, elicit information regarding the county threshold level in particular.

The agency approved the following applications during the April meeting.

A. Certificate of Need Review

- 1. Crestwyn Behavioral Health, Germantown (Shelby County), Tennessee (CN1310-040): The establishment of a 60-bed mental health psychiatric hospital to be constructed on an unaddressed tract of land on the east side of Crestwyn Hills Drive, Germantown, with 15 beds for psychiatric care of adolescents, 30 beds for adults of all ages, and 15 beds for adult chemical-dependency care. The estimated project cost is \$26,875,862.
- 2. Ave Maria Home, Bartlett (Shelby County), Tennessee (CN1312-048): The replacement of 35 of the current 75 skilled-nursing beds at 2805 Charles Bryan Road, Bartlett, Tennessee, and the addition of 25* Medicare-certified skilled-nursing beds (three 10-bed Green House Homes) at 2840 Charles Bryan Road, Bartlett, Tennessee, adjacent to its current campus. If approved, the facility will have a total of 100 beds. The estimated project cost is \$7,999,960. *These beds are subject to the 2013-2014 Nursing Home Bed Pool. Although the applicant initially requested the addition of 30 beds, only 25 beds remained in the Bed Pool.
- 3. Saint Thomas Midtown Hospital, Nashville (Davidson County), Tennessee (CN1401-001): The renovation of surgical suites, patient care areas, and support space for the realignment and consolidation of total joint replacement services in 94,337 square feet of space and without new construction. The number of licensed beds will not change, and the estimated project cost is \$25,832,609.
- 4. East Tennessee Children's Hospital, Knoxville (Knox County), Tennessee (CN1401-002): The renovation and expansion of the neonatal intensive care unit, the neonatal abstinence syndrome unit, perioperative services, and specialty clinic located on the hospital's campus. There will be no change in the number or complement of licensed beds, no services initiated, and no major medical equipment purchased. The estimated project cost is \$75,302,000.



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The following application was deferred until the June meeting.

Certificate of Need Review

SBH-Kingsport, LLC, Kingsport (Sullivan County), Tennessee (CN1312-050): The establishment of a new inpatient psychiatric hospital and initiation of inpatient psychiatric hospital services with 72 new, licensed psychiatric beds (18 adult beds, 16 geriatric beds, 28 child and adolescent beds, and 10 chemical-dependency beds). The estimated project cost is \$11,717,915.

The next agency meeting will be held on May 28 at 8:30 a.m.

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

A. Letters of Intent

BHG Jackson Treatment Center, Jackson (Madison County), Tennessee: The relocation of an adult non-residential substitution-based treatment center for opiate addiction formerly known as Jackson Professional Associates from 1869 Highway 45 Bypass, Suite 5, to 58 Carriage House Drive, Suites A and B, in Jackson to be used exclusively for adult outpatient services. This letter of intent is void.

B. Applications for CON

- 1. Starr Regional Medical Center—Etowah, Etowah (McMinn County), Tennessee (CN1404-009): The addition of four geropsychiatric beds to its existing 10-bed inpatient geropsychiatric unit for a total of 14 beds. Upon approval, the hospital will delicense four acute-care hospital beds. The 190 consolidated beds of Athens (118 beds) and Etowah (72 beds) will not change. The estimated project cost is \$1,282,050.
- 2. 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.
- 3. 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.



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4. Christian Care Center of Bristol, Bristol (Sullivan County), Tennessee (CN1404-012): The construction of a replacement facility for the relocation of a 120-bed nursing home currently located at 261 North Street to 2830 Highway 394 in Bristol, Tennessee. The facility will be managed pursuant to a management and services agreement with Care Centers Managing Consulting, Inc. No additional beds are requested. The estimated project cost is \$11,953,747.

III. Projects Deemed Complete for Review at May 2014 Meeting

A. 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 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.