

Tennessee CON Report May 31, 2015

I. May 2015—Tennessee Certificate of Need Meeting

At the May meeting of the Tennessee Health Services and Development Agency, Jeff Ockerman announced that the 2014 State Health Plan is still pending signature by the Governor. In addition, the draft proposals for inpatient psychiatric services were sent out for comment, and the standards for neonatal intensive care services will be reviewed next.

The agency approved the following applications during the May meeting.

A. Certificate of Need Review

- 1. Southern Hills Surgery Center, Brentwood (Williamson County), Tennessee (CN1411-047): The relocation of an existing ambulatory surgical treatment center from 260 Wallace Road in Nashville to an unaddressed site at the northeast corner of the intersection at Old Hickory Boulevard and American General in Brentwood. The estimated project cost is \$17,357,832.
- 2. Scott Hamilton Proton Center, Franklin (Williamson County), Tennessee (CN1502-004): The establishment of a proton therapy center for cancer patients, the acquisition of proton therapy equipment and related components, and the initiation of outpatient proton therapy services at an unaddressed site located on the east side of Carothers Parkway between its intersection with Physician's Way and Williamson Medical Center in Franklin, Tennessee. The estimated project cost is \$109,057,664.
- 3. Chattanooga-Hamilton County Hospital d/b/a Erlanger East Hospital, Chattanooga (Hamilton County), Tennessee (CN1502-005): The modernization of the 2004 certificate of need (CN0504-047AE), which is currently in process, by upgrading the cardiac catheterization laboratory to perform interventional cardiac procedures from Erlanger East Hospital. The estimated project cost is \$303,000.
- 4. Trustpoint Hospital, LLC, Murfreesboro (Rutherford County), Tennessee (CN1502-006): The addition of 33 beds such that the bed complements will change as follows: adult psychiatric will increase from 31 to 59 beds, geriatric psychiatric will change from 28 to 36 beds, medical detoxification beds will increase from 10 to 18 beds, and physical rehabilitation will decrease from 27 to 16 beds. There will be a total bed increase from 96 to 129 beds. All bed increases will occur within existing space and will be licensed as hospital beds. The estimated project cost is \$935,000.

B. General Counsel's Report



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- 1. Chattanooga-Hamilton County Hospital Authority d/b/a Erlanger Medical Center, Chattanooga (Hamilton County), Tennessee (CN1207-034A): The request for a 2-year extension of the expiration date from November 1, 2015, to November 1, 2017. The CON was unanimously approved in October 2012 for the renovation, upgrade and modernization of adult operating rooms to include the addition of 4 new operating rooms. The estimated project cost was \$21,725,467.
- 2. McKendree Village, Hermitage (Davidson County), Tennessee (CN1202-010AE): The request for a 16-month extension of the expiration date from August 1, 2015, to December 31, 2016. This will be the second extension of the expiration date. Both this project and McKendree Village (CN1303-007A) were undertaken as a single construction project. The project was originally approved in May 2012 with an estimated project cost of \$1,303,000.
- 3. McKendree Village, Hermitage (Davidson County), Tennessee (CN1303-007A): The request for a 16-month extension of the expiration date from August 1, 2015, to December 31, 2016. Both this project and McKendree Village (CN1202-10A) were undertaken as a single construction project. This is a first extension request. The project was originally approved in June 2013 with an estimated project cost of \$3,808,150.
- 4. Tennessee Orthopedic Alliance, P.A., Nashville (Davidson County), Tennessee (CN1302-004A): The request for a 1-year extension of the expiration date from August 1, 2015, to August 1, 2016, and a change in the address on the certificate from 3000 Charlotte Avenue to 6 City Boulevard. This is a change in the address, but not a change of site. This is a first extension request. The project was originally approved in May 2013 with an estimated project cost of \$2,418,133.
- 5. Collins Chapel Health and Rehabilitation Center, Memphis (Shelby County), Tennessee (CN1202-011A): The request for an 18-month extension of the expiration date from August 1, 2015, to February 1, 2017. This will be the second extension of the expiration date. The project was originally approved in June 2012 with an estimated project cost of \$1,626,331.

The next agency meeting will be held on June 24 at 8:30 a.m.

Certificate of Need Program Report—Filings in May 2015

A. Applications for Certificate of Need

1. Premier Medical Group, PC, Clarksville (Montgomery County), Tennessee (CN1505-016): The relocation and replacement of a magnetic resonance imaging (MRI) unit from 2831 Wilma Rudolph Boulevard to 490 Dunlop Lane in Clarksville, Tennessee. The estimated project cost is \$4,051,123.



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- 2. Maury Regional Hospital d/b/a Maury Regional Medical Center, Columbia (Maury County), Tennessee (CN1505-017): The renovation of 28,000 square feet of space on the fifth floor of the West Tower and the consolidation of two critical care units presently located on the first and second floors of the hospital. There will be an increase in critical care beds.
- 3. Medical Care PLLC, Elizabethton (Carter County), Tennessee (CN1503-018): The initiation of magnetic resonance imaging (MRI) services by sharing existing MRI equipment located at Sycamore Shoals Hospital. The estimated project cost is \$1,605,550.71.
- 4. Lakeside Behavioral Health System, Memphis (Shelby County), Tennessee (CN1505-019): The construction of a new 48-bed geriatric building on existing property owned by the facility at an estimated project cost of \$9,372,707.
- 5. Summit Medical Center, Hermitage (Davidson County), Tennessee (CN1505-020): The renovation of existing patient floors to add 2 medical/surgical beds and 8 acute inpatient rehabilitation beds and to delicense 6 obstetrical beds by converting labor/delivery/recovery/postpartum beds to labor/delivery/recovery beds for a net increase of 4 beds. The estimated project cost is \$5,000,000.
- 6. Tennova Lafollette Health and Rehab, Lafollette (Campbell County), Tennessee (CN1505-021): The renovation and modification of 26,350 square feet of the 35,317-square-foot facility, consisting of aesthetic improvements. The estimated project cost is \$3,195,000.
- 7. Regional Hospital of Jackson, Jackson (Madison County), Tennessee (CN1505-022): The renovation of 9,294 square feet of space in existing surgical department, the addition of approximately 3,777 square feet and 2 operating rooms, increasing the total count to 8 operating rooms (including cystology room). The estimated project cost is \$8,900,000.

III. Projects Deemed Complete for Review at June 2015 Meeting

A. Consent Agenda

1. Cumberland Medical Center, Crossville (Cumberland County), Tennessee (CN1504-011): The construction, renovation, and expansion of an existing building to create a new Emergency Department (ED) on the current hospital campus located at 421 South Main Street, Crossville, Tennessee. The estimated project cost is \$6,369,682.

B. Certificate of Need Review

1. Parkridge Medical Center, Chattanooga (Hamilton County), Tennessee (CN1503-007): The renovation and expansion of several patient care and support departments, and the acquisition of an additional cardiac catheterization laboratory and a bone densitometry unit at



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its main campus. The project does not include the addition of major medical equipment, the initiation or discontinuation of any covered health care services, or any changes to the hospital's bed complement. The estimated project cost is \$61,459,477.

- 2. Methodist Healthcare-Memphis Hospitals d/b/a Methodist South Hospital, Memphis (Shelby County), Tennessee (CN1503-008): The renovation and expansion of the emergency department (ED) and related areas. The project involves approximately 12,800 square feet of new space and 9,950 square feet of renovated space. The project does not involve an increase of the hospital's ED rooms, the addition of inpatient beds, initiation of services, or addition of major medical equipment. The estimated project cost is \$8,741,872.
- 3. Turner Surgery Center, LLC, Nashville (Davidson County), Tennessee (CN1503-009): The establishment of a single specialty ambulatory surgical treatment center, limited to implantation of spinal neurostimulator devices and other pain management procedures and located at 28 White Bridge Road, Suite 210, Nashville, Tennessee. The estimated project cost is \$547,150.
- 4. Baptist Memorial Group, Inc. d/b/a Baptist Medical Group, Memphis (Shelby County), Tennessee (CN1503-010): The relocation and initiation of magnetic resonance imaging (MRI) services from Baptist Rehabilitation-Germantown to Baptist Medical Group. The estimated project cost is \$1,262,000.