

GENERAL COUNSEL'S REPORT COVER PAGE

May 25, 2016

- A. Hendersonville Medical Center, Hendersonville (Sumner County), TN – CN1302-002

Request for an 18 month extension from August 1, 2016 to January 1, 2018

The project was previously approved June 26, 2013, by a 5-3 vote: Johnson, Byrd, Wright, Hodge and Jordan voting yes; Gaither, Haik and Mills voting no.

The construction of a new 4th floor of medical/surgical beds and the initiation of neonatal intensive care services in a new 6-bed level II-B neonatal nursery on the main campus of Hendersonville Medical Center located in Hendersonville (Sumner County), TN. The hospital currently holds a single consolidated license for 148 general hospital beds, of which 110 are at its main Hendersonville campus and 38 are at its satellite campus at 105 Redbud Drive, Portland (Sumner County), TN. The project will relocate 13 beds from the satellite campus to the main campus, resulting in 123 licensed beds at the Hendersonville campus and 25 licensed beds at the Portland satellite campus. The estimated project cost is \$32,255,000. The project was opposed by Baptist Hospital and Marta Papp, M.D., Neonatologist.

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The applicant describes the CON as being “mostly implemented,” as follows:

1. New OB department (14 LDRPs) began operation Jan 19, 2016.
2. NICU (6 new beds) began operation Jan 26, 2016.
3. Renovation of second-floor space vacated by OB is expected to be completed in late May 2016.
4. Renovation of the third floor will start by January 2017.

Applicant states the reason for the delayed timetable for completion is that the project was re-phased in order to reduce interruptions to ongoing operations.



Jerry W. Taylor
jtaylor@burr.com
Direct Dial: (615) 724-3247

511 Union Street
Suite 2300
Nashville, Tennessee 37219

Office (615) 724-3200
Fax (615) 724-3290
Toll-free (866) 489-8542

BURR.COM

April 18, 2016

James B. Christoffersen
General Counsel
Tennessee Health Services and Development Agency
502 Deaderick Street, 9th Floor
Andrew Jackson Building
Nashville, TN 37243-0200

Re: Hendersonville Medical Center
CN1302-002A

Dear Jim:

This is to request an extension of the expiration date of the above referenced CON from the current expiration date of August 1, 2016 to January 1, 2018. The crux of the certificate of need approval--the construction of a new ground-level addition and establishment of a six bed NICU-- has been implemented as of January 19, 2016. The remaining activity which was included within the parameters of the certificate of need is the extensive renovation of the second and third floors of the hospital.

The construction timeline for completion of the second floor renovations is approximately January 2017, and the renovations of the third floor are expected to be completed in the fourth quarter of 2017. The renovations of the second and third floors involve no additional beds or new services.

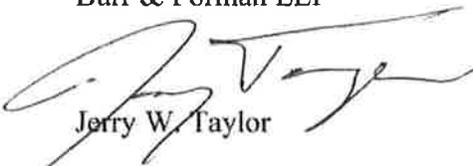
The reason for the delayed timetable for completion is that the project was re-phased in order to reduce interruptions to ongoing operations, which has been complicated by high utilization and capacity constraints.

Please place this request on the agenda for the May 25, 2016 meeting. Representatives of Hendersonville Medical Center will be in attendance to answer questions and further explain this request if necessary. The maximum application fee has been paid on this project, and thus no additional fee for the extension is due. Thank you for your assistance.

James B. Christoffersen
April 18, 2016
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Sincerely yours,

Burr & Forman LLP



Jerry W. Taylor



State of Tennessee
Health Services and Development Agency

Frost Building, 3rd Floor, 161 Rosa L. Parks Boulevard, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364/Fax: 615-741-9884

July 24, 2013

John L. Wellborn
Development Support Group
4219 Hillsboro Road, Suite 203
Nashville, TN 37215

RE: Hendersonville Medical Center - CN1302-002A

Dear Mr. Wellborn:

As referenced in our recent letter, please find enclosed your Certificate of Need for the above-referenced application that was approved at the June 26, 2013, meeting of the Tennessee Health Services and Development Agency.

The Health Services and Development Agency Rules require that an Annual Progress Report be submitted each year and a Final Project Report form is to be submitted within ninety (90) days after completion of a project which shall include completion date, final costs, and other relevant information in regards to the project, pursuant to Public Acts 2002, Chapter No. 780, § 16-11-1609(d). Also required is the registration of certain medical equipment pursuant to Tennessee Code Annotated § 68-11-1607(i), which states "*The owners of the following types of equipment shall register such equipment with the health services and development agency: computerized axial tomographers, lithotripters, magnetic resonance imagers, linear accelerators and positron emission tomography.*" "*The survey shall include but not limited to the identification of the equipment and utilization data according to source of payment.*"

The aforementioned forms can be found on the Agency's website at www.tennessee.gov/HSDA. Should you have any questions or require further information regarding this Certificate, please do not hesitate to contact this office.

Sincerely,

Melanie M. Hill
Executive Director

MMH/mab

cc: Dan Henderson, Division of Health Statistics, Office of Policy, Planning & Assessment
Ann R. Reed, Health Care Facilities - Licensure
Bill Harmon, Director of Engineering, Health Care Facilities

STATE OF TENNESSEE
Health Services and Development Agency



Certificate of Need No. CN1302-002A is hereby granted under the provisions of T.C.A. § 68-11-1601, *et seq.*, and rules and regulations issued thereunder by this Agency.

To: Hendersonville Hospital Corporation
355 New Shackle Island Road
Hendersonville, TN 37075

For: Hendersonville Medical Center

This Certificate is issued for: The construction of a new 4th floor of medical/surgical beds and the initiation of neonatal intensive care services in a new 6-bed level II-B neonatal nursery on the main campus of Hendersonville Medical Center located in Hendersonville (Sumner County), TN. The hospital currently holds a single consolidated license for 148 general hospital beds, of which 110 are at its main Hendersonville campus and 38 are at its satellite campus at 105 Redbud Drive, Portland (Sumner County), TN. The project will relocate 13 beds from the satellite campus to the main campus, resulting in 123 licensed beds at the Hendersonville campus and 25 licensed beds at the Portland satellite campus.

On the premises located at: 355 New Shackle Island Road
Hendersonville (Sumner County), TN 37075

For an estimated project cost of: \$32,255,000.00

The Expiration Date for this Certificate of Need is

August 1, 2016

or upon completion of the action for which the Certificate of Need was granted, whichever occurs first. After the expiration date, this Certificate of Need is null and void.

Date Approved: June 26, 2013

D. Lynn Johnson
Chairman

Date Issued: July 24, 2013

Melanie Mitchell
Executive Director