LETTER OF INTENT



State of Tennessee Health Facilities Commission

502 Deaderick Street, Andrew Jackson Building, 9th Floor, Nashville, TN 37243

www.tn.gov/hsda Phone: 615-741-2364 hsda.staff@tn.gov

LETTER OF INTENT

The Publication of Intent is to be published in The Scott County News which is a newspaper of general circulation in Scott County, Tennessee, on or before 06/15/2024 for one day.

This is to provide official notice to the Health Facilities Commission and all interested parties, in accordance with T.C.A. §68-11-1601 et seq., and the Rules of the Health Facilities Commission, that Mountain People's Health Councils, a/an Community Health Center owned by Mountain People's Health Councils, Inc. with an ownership type of Corporation (For Profit) and to be managed by itself intends to file an application for a Certificate of Need for Initiation of Magnetic Resonance Imaging (MRI) services. The address of the project will be 462 Industrial Lane, Oneida, Scott County, Tennessee, 37841. The estimated project cost will be \$3,599,415.

The anticipated date of filing the application is 06/28/2024

The contact person for this project is Attorney Travis Swearingen who may be reached at Butler Snow LLP - 150 Third Ave S, Suite 1600, Nashville, Tennessee, 37201 – Contact No. 615-651-6734.

Signature of Contact	Date	Contact's Email Address		
Travis Swearingen	06/03/2024	Travis.Swearingen@butlersnow.com		

The Letter of Intent must be received between the first and the fifteenth day of the month. If the last day for filing is a Saturday, Sunday, or State Holiday, filing must occur on the next business day. Applicants seeking simultaneous review must publish between the sixteenth day and the last day of the month of publication by the original applicant.

The published Letter of Intent must contain the following statement pursuant to T.C.A. §68-11-1607 (c)(1). (A) Any healthcare institution wishing to oppose a Certificate of Need application must file a written notice with the Health Facilities Commission no later than fifteen (15) days before the regularly scheduled Health Facilities Commission meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application may file a written objection with the Health Facilities Commission at or prior to the consideration of the application by the Commission, or may appear in person to express opposition. Written notice of opposition may be sent to: Health Facilities Commission, Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243 or email at hsda.staff@tn.gov.



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PUBLICATION OF INTENT

The following shall be published in the "Legal Notices" section of the newspaper in a space no smaller than two (2) columns by two (2) inches.

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Facilities Commission and all interested parties, in accordance with T.C.A. §68-11-1601 et seq., and the Rules of the Health Facilities Commission, that Mountain People's Health Councils, a/an Community Health Center owned by Mountain People's Health Councils, Inc. with an ownership type of Corporation (For Profit) and to be managed by itself intends to file an application for a Certificate of Need for Initiation of Magnetic Resonance Imaging (MRI) services. The address of the project will be 462 Industrial Lane, Oneida, Scott County, Tennessee, 37841. The estimated project cost will be \$3,599,415.

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CRITERIA AND STANDARDS

Attachment 1N –Criteria and Standards for Initiation of MRI Services

Attachment 1N – Criteria and Standards for Initiation of MRI Services State Health Plan

Criteria #1. Utilization Standards for Non-Specialty MRI Units:

a. An applicant proposing a new non-Specialty stationary MRI service should project a minimum of at least 2160 MRI procedures in the first year of service, building to a minimum of 2520 procedures per year by the second year of service, and building to a minimum of 2880 procedures per year by the third year of service and for every year thereafter.

Response:

Facility	Facility Type	Projected First Three Years (Non-Specialty Stationary MRI)	Annual # of Procedures	# MRI Units	MRI Unit Type	Procedures per MRI	Utilization Threshold per MRI Unit	% of Threshold Met
Mountain People's Health Councils	PO	Year 1 (2026)	2,141	1	Fixed	2,141	2,160	99%
Mountain People's Health Councils	PO	Year 2 (2027)	2,183	1	Fixed	2,183	2,520	87%
Mountain People's Health Councils	РО	Year 3 (2028)	2,227	1	Fixed	2,227	2,880	77%

The projected first three-year utilization data was created using basic Health Planning assumptions. In order to project the data listed above, MPHC made the following three assumptions: (1) 2% annual growth; (2) 100% of the MRI services needed in Morgan County and Fentress County would be outsourced because there are no local services available in either county; and (3) MPHC would gain 20% of the outsourced scans from both Morgan County and Fentress County.

Although the projected utilization does not meet the threshold for non-specialty MRI Units in its second and third years of operation, this project is still needed because it will provide the only available MRI service in the primary service area of Scott County. The project's MRI utilization is projected to increase 2% per year during its first three years of operation. As the only MRI service provider in the primary service area, this project is projected to provide 5.1 MRI procedures/day in Year 1, 6.0/day in Year 2, and 6.1/day in Year 3.

b. Providers proposing a new non-Specialty mobile MRI service should project a minimum of at least 360 mobile MRI procedures in the first year of service per day of operation per week, building to an annual minimum of 420 procedures per day of operation per week by the second year of service, and building to a minimum of 480 procedures per day of operation per week by the third year of service and for every year thereafter.

Response: Not applicable to a stationary MRI.

c. An exception to the standard number of procedures may occur as new or improved technology and equipment or new diagnostic applications for MRI units are developed. An applicant must demonstrate that the proposed unit offers a unique and necessary technology for the provision of health care services in the Service Area.

Response: Not applicable to a stationary MRI.

d. Mobile MRI units shall not be subject to the need standard in paragraph 1 b if fewer than 150 days of service per year are provided at a given location. However, the applicant must demonstrate that existing services in the applicant's Service Area are not adequate and/or that there are special circumstances that require these additional services.

Response: Not applicable to a stationary MRI.

e. Hybrid MRI Units. The HSDA may evaluate a CON application for an MRI "hybrid" Unit (an MRI Unit that is combined/utilized with another medical equipment such as a megavoltage radiation therapy unit or a positron emission tomography unit) based on the primary purposes of the Unit.

Response: Not applicable to a stationary MRI.

Criteria #2. Access to MRI Units:

Response: The project will comply. The primary service area for the project is Scott County. The secondary service area is comprised of three other counties to the east, south, and west of it: Campbell, Morgan, and Fentress Counties. In the primary service area, the project will provide the only available MRI service in Scott County. In the secondary service area, the project will also provide the closest, and most accessible, location for the majority of residents in Morgan County and Fentress County seeking MRI services. Additionally, with only one available MRI provider service in the secondary service area, the project will provide a more convenient choice for residents in the western part of Campbell County. The project will be located just over 15 miles from the Campbell County border, 20 miles from the Fentress County border, and just over 20 miles from the Morgan County Border.

Criteria #3. Economic Efficiencies:

Response: This project will be owned and operated by Mountain People's Health Councils, an existing community health center, located adjacent to the proposed site. As part of MPHC's initiation of MRI services, MPHC will also implement a comprehensive diagnostic imaging center. Once complete, the MRI service will have full access to these additional imaging services. Additionally, and as described more fully in Question 9C, as a non-hospital based Federally Qualified Health Center (FQHC) this proposed MRI service, and subsequent diagnostic imaging services, will have gross charges that are well below the only other MRI service provider in the service area and many others around the state. Because of MPHC's classification as an FQHC, the project will provide much more affordable services than the only other option in the service area. It will also be accessible to Medicare and to all area MCO's. Because of this, the initiation of MRI services at an already existing community health center provides a much more economically efficient approach than the creation of a new ODC.

Criteria #4. Need Standard for Non-Specialty MRI Units (Stationary):

Response:

Facility	Facility Type	Year (Most Recent Reported)	Annual # of Procedures	# MRI Units	MRI Unit Type	Procedures per MRI	Utilization Threshold per MRI Unit	% of Threshold Met
LaFollette Medical Center	HOSP	2022	982	1	Non-Specialty Stationary	982	2,880	34%

Although the current utilization in the service area does not satisfy the specific need standards for non-specialty MRI Units, this project is still needed because there are currently no MRI service providers in the primary service area. This project will provide the only available MRI service in Scott County. Patients currently living in Scott County must travel over forty (40) miles to a hospital-based MRI service provider in LaFollette, Campbell County, Tennessee in order to receive basic MRI services. For example, in 2022, Scott County patients averaged 4.3 MRI procedures per day. But each of these 1,576 patients from the primary service area who needed MRI services were forced to travel to providers outside of the patient's county of residence. Additionally, a state-of-the-art non-hospital-based MRI service provider in Scott County will not only provide the first available MRI service in the primary service area, but it will also present a more cost-effective choice for patients. Under the ownership of a FQHC, this proposed MRI service will have gross charges that are well below the only other MRI service provider in the service area and many others around the state. It will also be accessible to Medicare and to area MCO's.

Likewise, this project will also provide the closest and most affordable MRI service for most of the secondary service area. Neither Fentress County nor Morgan County have local MRI services available to its patients. And in 2022, Fentress County and Morgan County had 1,584 and 1395 patients, respectively, seek MRI services. But because neither county has an available MRI service, each of these patients were forced to travel to providers outside of their county. This project will ensure that residents in these counties have a closer and more affordable option in their neighboring county. Similarly, although Campbell County has a hospital-based MRI service provider within the county, only 20.34% of its 3,505 residents that sought MRI services in 2022 were treated within the county. Thus,

the data shows that patients within the service area that are in need of MRI services are wanting alternative options. The evidence is clear that the proposed service needs a cheaper and more convenient MRI service provider that will be available to its residents.

Criteria #5. Need Standards for Specialty MRI Units:

Not applicable – this project will be a specialty MRI unit.

Criteria #6. Separate Inventories for Specialty MRI Units and non-Specialty MRI Units:

Not applicable – The HFC Registry's reports do not show that any breast, extremity, or multi-position MRI units are located in this project's service area. The only MRI unit in the service area is a fixed unit.

Criteria #7. Patient Safety and Quality of Care:

a. The United States Food and Drug Administration (FDA) must certify the proposed MRI Unit for clinical use.

Response: The applicant commits to obtaining certification from the FDA.

b. The applicant should demonstrate that the proposed MRI Procedures will be offered in a physical environment that conforms to applicable federal standards, manufacturer's specifications, and licensing agencies' requirements.

<u>Response</u>: Like its adjacent community health center, the location, installation, and operation of this project will conform to all applicable Federal, State, and local requirements and to the manufacturer's specifications. Full compliance will be maintained under the applicant's ownership.

c. The applicant should demonstrate how emergencies within the MRI Unit facility will be managed in conformity with accepted medical practice.

Response: The MRI staff will be trained in emergency response. During MRI service hours, there will be at least one physician or physician extender either on the premises or at the community health center located adjacent to the proposed site. The MRI

area will maintain appropriate equipment, medications, and supplies. For patients requiring emergency admission to a hospital, the project will have a transfer agreement with Scott County Community Hospital, d/b/a Big South Fork Medical Center.

d. The applicant should establish protocols that assure that all MRI Procedures performed are medically necessary and will not unnecessarily duplicate other services.

<u>Response</u>: All non-emergency MRI orders (except for Medicare) must obtain precertification approval from the patient's insurance provider before the MRI service is performed. The applicant will also perform retrospective reviews of MRI necessity as part of its quality review program.

e. An applicant proposing to acquire any MRI Unit or institute any MRI service, <u>including</u> Dedicated Breast and Extremity MRI Units, shall demonstrate that it meets or is prepared to meet the staffing recommendations and requirements set forth by the American College of Radiology, including staff education and training programs.

<u>Response:</u> The applicant commits to meeting the staffing recommendations and requirements set forth by the American College of Radiology, including staff education and training programs.

f. All applicants shall commit to obtain accreditation from the Joint Commission, the American College of Radiology, or a comparable accreditation authority for MRI within two years following operation of the proposed MRI Unit.

<u>Response:</u> The applicant commits to applying for accreditation with the American College of Radiology within two (2) years of the initiation of the service.

g. All applicants should seek and document emergency transfer agreements with local area hospitals, as appropriate. An applicant's arrangements with its physician medical director must specify that said physician be an active member of the subject transfer agreement hospital medical staff.

<u>Response:</u> MPHC has protocols for dealing with patient emergencies. For patients requiring emergency admission/transport to a hospital, the project will have a transfer agreement with Scott County Community Hospital, d/b/a Big South Fork Medical Center.

Criteria #8: The applicant should provide assurances that it will submit data in a timely fashion as requested by the HSDA to maintain the HSDA Equipment Registry.

Response: The applicant agrees that it will submit data in a timely fashion as requested by the HSDA to maintain the HSDA Equipment Registry.

Criteria #9.a.: Special Considerations:

a. Who is offering the service in a medically underserved area as designated by the United States Health Resources and Services Administration.

Response: Special consideration should be given to this project because the United States Health Resources and Services Administration (HRSA) designated each county in the service area as a medically underserved area. In order to qualify for designation as a medically underserved area, the county's Index of Medical Underservice Score (IMU) score must be less than or equal to 62.0. According to HRSA, the IMU for the primary service area of Scott County is 57.0. Meanwhile, the IMU for each county in the secondary service area is well below 62.0. Campbell County received a score of 58.3, Fentress County's score is 57.5, and Morgan County's score is 55.8. As evidenced by these IMU's, the counties that make up the service area clearly qualify as underserved medical areas. Because of this designation, this project deserves special consideration.

b. Who is a "safety net hospital" or a "children's hospital" as defined by the Bureau of TennCare Essential Access Hospital payment program; or

Response: Not applicable to this project.

c. Who provides a written commitment of intention to contract with at least one TennCare MCO and, if providing adult services, to participate in the Medicare program; or

<u>Response</u>: The applicant participates in both Medicare and area MCO's in the service area. This project will also participate in all of those.

d. Who is proposing to use the MR1 unit for patients that typically require longer preparation and scanning times (e.g., pediatric, special needs, sedated, and contrast agent use patients). The applicant shall provide in its application information supporting the additional time required per scan and the impact on the need standard.

<u>Response:</u> Not applicable – the applicant is not claiming this special consideration.

ORIGINAL APPLICATION



State of Tennessee Health Facilities Commission

502 Deaderick Street, Andrew Jackson Building, 9th Floor, Nashville, TN 37243

Phone: 615-741-2364

www.tn.gov/hsda

hsda.staff@tn.gov

CERTIFICATE OF NEED APPLICATION

1A. Name of Facility, Agency, or Inst	<u>itution</u>	
Mountain People's Health Councils		
Name		
462 Industrial Lane		Scott County
Street or Route		County
Oneida	Tennessee	37841
City	State	Zip
https://www.mphci.com/		
Website Address		
Publication of Intent. 2A. Contact Person Available for Res	sponses to Questions	
Travis Swearingen		Attorney
Name		Title
Butler Snow LLP		Travis.Swearingen@butlersnow.com
Company Name		Email Address
150 Third Ave S, Suite 1600		
Street or Route		
Nashville	Tennessee	37201
City	State	Zip
Legal Counsel		615-651-6734
Association with Owner		Phone Number
3A. Proof of Publication Attach the full page of newspaper in which publication affidavit from the newspaper that the state of the sta		
Date LOI was Submitted: 06/03/24 Date LOI was Published: 06/06/24		

6A. Name of Owner of the Facility, Agency, or Institution

Mountain People's Health Councils, Inc.

Physician's Practice Office

Name

Other

Other -

Hospital -

470 Industrial LN		423-286-4141
Street or Route		Phone Number
Oneida	Tennessee	37841
City	State	Zip
7A. Type of Ownership of Control (C	Check One)	
☐ Sole Proprietorship		
☐ Partnership		
☐ Limited Partnership		
Corporation (For Profit)		
☐ Corporation (Not-for-Profit)		
☐ Government (State of TN or Politica	ll Subdivision)	
☐ Joint Venture		
☐ Limited Liability Company		
☐ Other (Specify)		
Describe the existing or proposed ownership Explain the corporate structure and the man applicable, identify the members of the owne	nner in which all entities of the ownership	structure relate to the applicant. As
5% ownership (direct or indirect) interest.		
RESPONSE: Mountain People's Health Courboard of directors made up of members of the individuals: Board Chairman Rick Keeton, Vi Rose Sexton, Jacob Billingsley, and Tracey S 8A. Name of Management/Operating	e communities it serves. The Board of Directo ice Chairman Bill Dunlap, Treasurer Linda La tansberry.	rs is comprised of the following
Name		
Street or Route		County
City	State	Zip
Website Address		

9A. <u>Legal Interest in the Site</u>

a copy of the fully executed final contract. (Attachment 8A)

For new facilities or existing facilities without a current management agreement, attach a copy of a draft management agreement that at least includes the anticipated scope of management services to be provided, the anticipated term of the agreement, and the anticipated management fee payment schedule. For facilities with existing management agreements, attach

Check the appropriate box and submit the following documentation. (Attachment 9A)

The legal interest described below must be valid on the date of the Agency consideration of the Certificate of Need application.

✓	Ownership (Applicant or applicant's parent company/owner) – Attach a copy of the title/deed.
	Lease (Applicant or applicant's parent company/owner) – Attach a fully executed lease that includes the terms of the lease and the actual lease expense.
	Option to Purchase - Attach a fully executed Option that includes the anticipated purchase price.
	Option to Lease - Attach a fully executed Option that includes the anticipated terms of the Option and anticipated lease expense.
	Letter of Intent, or other document showing a commitment to lease the property - attach reference document
	Other (Specify)

RESPONSE: The project will be owned, operated, and managed by Mountain People's Health Councils, Inc. See Attachment 9A for a copy of the Deed.

10A. Floor Plan

If the facility has multiple floors, submit one page per floor. If more than one page is needed, label each page. (Attachment 10A)

- Patient care rooms (Private or Semi-private)
- Ancillary areas
- Other (Specify)

RESPONSE: See Attachment 10A.

11A. Public Transportation Route

Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients. (Attachment 11A)

RESPONSE: The project will be located on Industrial Lane, which is immediately off of US HWY 27, the main north-south highway through Scott County, the primary service area for this project. The project is also near the intersection of Industrial Lane and W 3rd Ave, which is one of the primary east-west highways through Scott County. Additionally, the project will be located just over 15 miles from the Campbell County border, 20 miles from the Fentress County border, and just over 20 miles from the Morgan County Border. Campbell County residents will have access to the project site by way of US HWY 297 and 27 which run right through Oneida. Likewise, residents in both Morgan County and Fentress County can also use US HWY 27 to arrive at the project site. Public transportation is available through the East Tennessee Human Resource Agency which provides transportation in and around the service area. The East Tennessee Human Resource Agency operates transport vehicles and provides personal assistance to transported patients. However, the applicant expects that almost all patients will arrive by private vehicle.

12A. Plot Plan

Unless relating to home care organization, briefly describe the following and attach the requested documentation on a letter size sheet of white paper, legibly labeling all requested information. It **must** include:

• Size of site (in acres);

- Location of structure on the site;
- Location of the proposed construction/renovation; and
- Names of streets, roads, or highways that cross or border the site.

(Attachment 12A)

RESPONSE: See Attachment 12A for the plot plan. The project will be attached to the Community Health Center located at 460 Industrial LN in Oneida. The project space will be owned by Mountain People's Health Council's Inc.

13A. Notification Requirements

• TCA §68-11-1607(c)(9)(B) states that " If an application involves a healthcare facility in which a county of municipality is the lessor of the facility or real property on which it sits, then within ten (10) days of filing the application, the applicant shall notify the chief executive officer of the county or municipality of the filing, by certific mail, return receipt requested." Failure to provide the notifications described above within the required statutor timeframe will result in the voiding of the CON application.
☐ Notification Attached (Provide signed USPS green-certified mail receipt card for each official notified.)
☐ Notification in process, attached at a later date
☐ Notification not in process, contact HFC Staff
✓ Not Applicable
• TCA §68-11-1607(c)(9)(A) states that " Within ten (10) days of the filing of an application for a nonresidential substitution based treatment center for opiate addiction with the agency, the applicant shall send a notice to the count mayor of the county in which the facility is proposed to be located, the state representative and senator representing the house district and senate district in which the facility is proposed to be located, and to the mayor of the municipality, the facility is proposed to be located within the corporate boundaries of the municipality, by certified mail, return receipt requested, informing such officials that an application for a nonresidential substitution based treatment center for opiate addiction has been filed with the agency by the applicant.
☐ Notification Attached (Provide signed USPS green-certified mail receipt card for each official notified.)
☐ Notification in process, attached at a later date
☐ Notification not in process, contact HFC Staff
□ Not Applicable

EXECUTIVE SUMMARY

1E. Overview

Please provide an overview not to exceed **ONE PAGE** (for 1E only) in total explaining each item point below.

• Description: Address the establishment of a health care institution, initiation of health services, and/or bed complement changes.

RESPONSE:

The applicant proposes to initiate Magnetic Resonance Imaging (MRI) services as part of a comprehensive diagnostic imaging center that will be connected to and operated as a part of the applicant's existing community health center in Oneida, Scott County, Tennessee. The project's primary service area of Scott County currently lacks any MRI services and residents of the County must travel over forty (40) miles today in order to receive this service.

Please note that MPHC anticipates that the majority of individuals utilizing the proposed imaging modalities will be existing patients of the MPHC practice. As such, MPHC does not intend to seek licensure as an ODC.

• Ownership structure

RESPONSE: The applicant is Mountain People's Health Councils, Inc. (referred to as "MPHC" in this application). MPHC is a community owned health center with locations in Winfield, Huntsville, Elgin, and Oneida. These clinics offer a wide range of services. These services include primary care for adult and pediatrics, behavioral health for adults and schools, diabetes management, treatment, and care for all ages, case management programs for all ages, alcohol and drug assessments, DOT physicals, school physicals, and dental care for all ages. Additionally, MPHC's other clinics are all located in Scott County, Tennessee. The name and addresses of the other clinics are listed below: Area Health Center -- 3826 Norma Road, Huntsville, Scott County, Tennessee 37756 Huntsville Primary Care -- 2974 Baker Highway, Huntsville, Scott County, Tennessee 37756 Highland Health Center -- 715 Highway, Elgin, Scott County, Tennessee 37852 Winfield Medical Center -- 25677 Scott Highway, Winfield, Scott County, Tennessee 37892 MPHC Pediatric and Dental Clinic -- 474 Industrial Lane, Oneida, Scott County, Tennessee 37841

• Service Area

RESPONSE: The primary service area for the project is Scott County. The secondary service area is comprised of three other counties to the east, south, and west: Campbell, Morgan, and Fentress Counties.

Existing similar service providers

RESPONSE: The only MRI service provider located in the four-county service area is a hospital-based provider over forty (40) miles away from the project site at LaFollette Medical Center in LaFollette, Campbell County, Tennessee. LaFollette Medical Center reported operating one (1) MRI unit in 2022. Not only is the hospital-based unit at LaFollette Medical Center not geographically convenient to residents of Scott County, but as a hospital based unit, MRI scans at LaFollette Medical Center cost substantially more than what will be charged by the applicant.

Project Cost

RESPONSE: The estimated project cost is \$3,599,415.

Staffing

RESPONSE: The applicant projects that one nonclinical FTE and two clinical FTEs will be required to staff and operate the proposed MRI service. The non-clinical position will be a receptionist, and the clinical position will be MRI Techs.

2E. Rationale for Approval

A Certificate of Need can only be granted when a project is necessary to provide needed health care in the area to be served, will provide health care that meets appropriate quality standards, and the effects attributed to competition or duplication would be positive for consumers

Provide a brief description not to exceed ONE PAGE (for 2E only) of how the project meets the criteria necessary for granting a CON using the data and information points provided in criteria sections that follow.

• Need

RESPONSE: Several factors justify approval of this application. First, there are no available MRI services currently provided in the proposed primary service area of Scott County. Indeed, the closest MRI service for patients in Scott County is LaFollette Medical Center, a hospital-based MRI service provider approximately forty miles away in neighboring Campbell County. Similarly, residents in the secondary service area also have limited options for an MRI. Residents in Fentress County must travel 35-40 miles to Crossville (Cumberland Medical Center). Residents of Morgan County must travel 35-40 miles to Crossville or 30-35 miles to Oak Ridge (Methodist Medical Center). The closest option for an outpatient MRI is in Knoxville, Tennessee – a two hour drive for many residents of the service area. This project will provide a needed option for residents of the service area who currently lack a readily accessible choice for MRI services. Second, as a hospital-based provider, the lone MRI service available in the service area offers high-cost services. The average cost of one MRI procedure at LaFollette Medical Center between 2020 and 2022 was \$5,419.03. Conversely, this project, as part of a FQHC, will provide much more affordable treatments for its patients at a much more convenient location.

Quality Standards

RESPONSE: The quality of care provided by the proposed MRI service will be assured by the quality of radiologists retained by MPCH, with their extensive depth of clinical training, and by MPCH's longstanding commitment to high quality care. The proposed MRI service will require two nonclinical FTEs and five clinical FTEs. However, as part of an existing community health center, patients will have full access to a wide range of physicians, radiologists, nurse practitioners, physician assistants, and social workers, along with other high-quality staff and administration at MPHC. Furthermore, the applicant will become accredited with the American College of Radiology within two (2) years of the initiation of the service.

Consumer Advantage

° Choice

RESPONSE: The project will provide the only available MRI service in the primary service area of Scott County. Additionally, it will provide a more convenient choice for residents in the adjoining counties of Morgan and Fentress to receive such services. Without an MRI service available in Morgan County or Fentress County, consumers are forced to travel into neighboring counties and to hospital-based MRI providers to receive necessary services. Similarly, there is currently only one option available for residents living in Campbell County that are in need of MRI services. Because this lone provider is hospital-based, patients in need of MRI services can only access these services through the hospital. However, as a non-hospital-based MRI service provider, this project will provide patients with a choice to avoid the high costs of a hospital-based provider while remaining closer to their homes. Thus, this project will allow patients in Campbell County living near the Scott County border, who otherwise would have to travel to the central part of the county, a much more accessible location to access this service.

• Improved access/availability to health care service(s)

RESPONSE: Adding an additional MPHC service to the service area will improve access to state-of-the-art diagnostic care. The project will ensure that Scott County will now provide MRI services to its service area patients. The location of the project will be connected to an already existing community health center owned and

operated by MPHC that will be fully developed with access to premier diagnostic imaging technology. Likewise, this project will ensure that residents in Morgan County and Fentress County will have access to MRI services closer to their home. Instead of these residents having to travel long distances into Campbell County or neighboring counties, such as Anderson County, this project will provide for more cost effective MRI services much closer to their homes.

Affordability

RESPONSE: As described in more detail in response to Question 9C, this proposed MRI service will have gross charges that are well below the only other MRI service provider in the service area and many others around the state. As a non-hospital based MRI service provider that will be owned and operated by a FQHC, the project will provide a much more affordable service than the only other option in the service area. It will also be accessible to Medicare and to area MCO's.

3E. Consent Calendar Justification

- ☐ Letter to Executive Director Requesting Consent Calendar (Attach Rationale that includes addressing the 3 criteria)
- Consent Calender NOT Requested

If Consent Calendar is requested, please attach the rationale for an expedited review in terms of Need, Quality Standards, and Consumer Advantage as a written communication to the Agency's Executive Director at the time the application is filed.

4E. PROJECT COST CHART

A.	Construction and equipment acquired by purchase	:	
	1. Architectural and Engineering Fees		\$140,969
	2. Legal, Administrative (Excluding CON Filing Consultant Fees	Fee),	\$50,000
	3. Acquisition of Site		\$12,250
	4. Preparation of Site		\$197,241
	5. Total Construction Costs		\$1,818,740
	6. Contingency Fund		\$0
	7. Fixed Equipment (Not included in Construction Cont	tract)	\$1,344,799
	8. Moveable Equipment (List all equipment over \$50,0 separate attachments)	000 as	\$0
	9. Other (Specify): Furnishings		\$27,335
В.	Acquisition by gift, donation, or lease:		фО
	1. Facility (inclusive of building and land)		\$0
	2. Building only		\$0
	3. Land only		\$0
	4. Equipment (Specify):		\$0
	5. Other (Specify):		\$0
C.	Financing Costs and Fees:		
	1. Interim Financing		\$0
	2. Underwriting Costs		\$0
	3. Reserve for One Year's Debt Service		\$0
	4. Other (Specify):		\$0
D.	Estimated Project Cost (A+B+C)		\$3,591,334
E.	CON Filing Fee		\$8,081
F.	Total Estimated Project Cost (D+E)	TOTAL	\$3,599,415

GENERAL CRITERIA FOR CERTIFICATE OF NEED

In accordance with TCA §68-11-1609(b), "no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, will provide health care that meets appropriate quality standards, and the effect attributed to completion or duplication would be positive for consumers." In making determinations, the Agency uses as guidelines the goals, objectives, criteria, and standards adopted to guide the agency in issuing certificates of need. Until the agency adopts its own criteria and standards by rule, those in the state health plan apply.

Additional criteria for review are prescribed in Chapter 11 of the Agency Rules, Tennessee Rules and Regulations 01730-11.

The following questions are listed according to the three criteria: (1) Need, (2) the effects attributed to competition or duplication would be positive for consumers (Consumer Advantage), and (3) Quality Standards.

NEED

The responses to this section of the application will help determine whether the project will provide needed health care facilities or services in the area to be served.

1N. Provide responses as an attachment to the applicable criteria and standards for the type of institution or service requested. A word version and pdf version for each reviewable type of institution or service are located at the following website. https://www.tn.gov/hsda/hsda-criteria-and-standards.html (Attachment 1N)

RESPONSE:

See Attachment 1N for responses to the State Health Plan's criteria and standards for MRI Services.

2N. Identify the proposed service area and provide justification for its reasonable ness. Submit a county level map for the Tennessee portion and counties boarding the state of the service area using the supplemental map, clearly marked, and shaded to reflect the service area as it relates to meeting the requirements for CON criteria and standards that may apply to the project. Please include a discussion of the inclusion of counties in the border states, if applicable. (Attachment 2N)

RESPONSE:

See Attachment 2N for the required map designating the primary service area of Scott County and the three county secondary service area, as required by the Health Facilities Commission. The primary service area consists of Scott County. And the secondary service area consists of Morgan County, Campbell County, and Fentress County. The service area was identified by analyzing the patient origin of MPHC's existing community health center, while noting the lack of currently available access to MRI service providers in the service area.

Complete the following utilization tables for each county in the service area, if applicable.

PROJECTED UTILIZATION

Unit Type: ☐ Proceed	lures □ Cases ☑ Patients □ Other	
Service Area Counties	Projected Utilization Recent Year 1 (Year = 2026)	% of Total
Campbell	298	13.92%
Morgan	237	11.07%
Other not primary/secondary county	133	6.21%
Scott	1,204	56.24%
Fentress	269	12.56%
Total	2,141	100%

3N. A. Describe the demographics of the population to be served by the proposal.

RESPONSE:

From CY2024 to CY2028, the population of the primary service area (Scott County only) is projected to see minimal growth. However, the targeted adult population will see a slight increase of 0.5% from 2024 to 2028. The primary service area has a slightly older population and a significantly lower median household income than the rest of the state. It has a higher percentage of persons living in poverty, and a higher percentage of TennCare enrollment.

The secondary service area's targeted population is projected to slightly increase 0.77%. The secondary service area has approximately 24% lower median household income than Tennessee. It also has a higher percentage of persons living in poverty, and a slightly higher percent of TennCare enrollment.

- **B.** Provide the following data for each county in the service area:
 - Using current and projected population data from the Department of Health. (www.tn.gov/health/health-program-areas/statistics/health-data/population.html);
 - the most recent enrollee data from the Division of TennCare (https://www.tn.gov/tenncare/information-statistics/enrollment-data.html),
 - and US Census Bureau demographic information (https://www.census.gov/quickfacts/fact/table/US/PST045219).

RESPONSE:

See Attachment 3N-B for this demographic table.

4N. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly those who are uninsured or underinsured, the elderly, women, racial and ethnic minorities, TennCare or Medicaid recipients, and low income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.

RESPONSE:

As a medically underserved area, as designated by the HRSA, the applicant will ensure that these groups will have multiple options for insurance coverage at the proposed MRI service. The applicant is contracted with Medicare and with the three largest TennCare MCO's. Additionally, as a Federally Qualified Health Center, MPCH qualifies for enhanced reimbursement from Medicare and Medicaid, as well as other benefits that help reduce costs for its patients. In particular, MPCH offers a Medical and Preventative Care Affordability Program which is a sliding fee scale for people who are uninsured or underinsured and have incomes at or below 200% of the federal provider level. This sliding fee scale - which is based on the patient's family size and income - results in a significantly reduced cost for many patients who face barriers to care as a result of deductibles and co-pays.

5N. Describe the existing and approved but unimplemented services of similar healthcare providers in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. List each provider and its utilization and/or occupancy individually. Inpatient bed projects must include the following data: Admissions or discharges, patient days. Average length of stay, and occupancy. Other projects should use the most appropriate measures, e.g. cases, procedures, visits, admissions, etc. This does not apply to projects that are solely relocating a service.

RESPONSE:

See Attachment 5N for a table of reported utilization from LaFollette Medical Center, the lone MRI service provider in the combined service area, for the three years of CY2020 through CY2022.

6N. Provide applicable utilization and/or occupancy statistics for your institution services for each of the past three years and the project annual utilization for each of the two years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology must include detailed calculations or documentation from referral sources, and identification of all assumptions.

RESPONSE:

Historical utilization is not applicable because MPCH is not an existing MRI provider. The existing patient base for MPHC and the projected utilization for the unit's first two years of operation is shown in the Attached 6N.R. This project will provide these patients with a more convenient, more accessible, and more affordable MRI service in Oneida. The proposed service's first two years of operation, CY2026 and CY2027, are projected to provide 5.9 and 6.0 procedures per day, respectively.

7N. Complete the chart below by entering information for each applicable outstanding CON by applicant or share common ownership; and describe the current progress and status of each applicable outstanding CON and how the project relates to the applicant, and the percentage of ownership that is shared with the applicant's owners.

RESPONSE:

Not applicable.	The applicant has	no outstanding	unimpiementea (certificates of Need.	

CONSUMER ADVANTAGE ATTRIBUTED TO COMPETITION

The responses to this section of the application helps determine whether the effects attributed to competition or duplication would be positive for consumers within the service area.

1C. List all transfer agreements relevant to the proposed project.

RESPONSE: MPHC has established protocols for dealing with an MRI patient emergency. Not only will this project be attached to a community health center, but a transfer agreement is in place with Scott County Community Hospital, d/b/a Big South Fork Medical Center.

- 2C. List all commercial private insurance plans contracted or plan to be contracted by the applicant.

 ✓ Aetna Health Insurance Company

 ✓ Ambetter of Tennessee Ambetter

 ✓ Blue Cross Blue Shield of Tennessee

 ✓ Blue Cross Blue Shield of Tennessee Network S

 ✓ Blue Cross Blue Shiled of Tennessee Network P

 ✓ BlueAdvantage
 - Bright HealthCareCigna PPO
 - ☐ Cigna Local Plus☐ Cigna HMO Nashville Network
 - ☑ Cigna HMO Tennessee Select
 - ☐ Cigna HMO Nashville HMO
 - ☑ Cigna HMO Tennessee POS
 - ☑ Cigna HMO Tennessee Network
 - Golden Rule Insurance Company
 - HealthSpring Life and Health Insurance Company, Inc.
 - ✓ Humana Health Plan, Inc.
 - Humana Insurance Company
 - ☐ John Hancock Life & Health Insurance Company
 - ☐ Omaha Health Insurance Company
 - ☐ Omaha Supplemental Insurance Company
 - ✓ State Farm Health Insurance Company
 - United Healthcare UHC
 - UnitedHealthcare Community Plan East Tennessee

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	☐ UnitedHealthcare Community Plan West Tennessee
	✓ WellCare Health Insurance of Tennessee, Inc.
	✓ Others
	RESPONSE: WellPoint (Amerigroup/TennCare), WellCare of Kentucky, Anthem of Kentucky, Aetna Better Health of Kentucky, and Humana Medicaid of Kentucky.
3C.	Describe the effects of competition and/or duplication of the proposal on the health care system, including the impact upon consumer charges and consumer choice of services.
	RESPONSE:
	The project does not duplicate MRI capacity. There is currently no MRI service available in the primary service area. The closest MRI service for residents in Scott County is over forty miles away in a separate county. The project will be utilized mostly by patients in and around Scott County. However, the project will attract patients from three neighboring counties as well: Campbell, Morgan, and Fentress. Neither Fentress nor Morgan have existing MRI service providers within the county. And although Campbell County has a lone hospital-based MRI service provider, this project will attract residents from the western portion of the county that are closer to the project site than the existing provider. As part of a Federally Qualified Health Center, the project will offer lower charges to its patients than the closest existing MRI service providers. Therefore, it will be a non-duplicative service.
4C.	Discuss the availability of and accessibility to human resources required by the proposal, including clinical leadership and adequate professional staff, as per the State of Tennessee licensing requirements, CMS, and/or accrediting agencies requirements, such as the Joint Commission and Commission on Accreditation of Rehabilitation Facilities.
	RESPONSE:
	The project requires only one additional non-clinical FTE and two clinical FTEs. Patients will continue to have access to the community health center that will be connected to the newly constructed imaging space. The staff and the operation of the MRI will comply with all applicable requirements of licensure and shall seek accreditation with the American College of Radiology.
5C.	Document the category of license/certification that is applicable to the project and why. These include, without limitation, regulations concerning clinical leadership, physician supervision, quality assurance policies and programs, utilization review policies and programs, record keeping, clinical staffing requirements, and staff education.
	RESPONSE:

 $\hfill\Box$ United Healthcare Community Plan Middle Tennessee

PROJECTED DATA CHART

☑ Project Only☐ Total Facility

Give information for the two (2) years following the completion of this proposal.

			Year 1	Year 2
			2026	2027
A.	Utilization Data			
	Specify Unit of Measure Patients		2141	2183
B.	Revenue from Services to Patients			
	1. Inpatient Services		\$0.00	\$0.00
	2. Outpatient Services		\$2,079,620.00	\$2,120,416.00
	3. Emergency Services		\$0.00	\$0.00
	4. Other Operating Revenue (Specify)		\$0.00	\$0.00
		Gross Operating Revenue	\$2,079,620.00	\$2,120,416.00
C.	Deductions from Gross Operating Revenue			
	1. Contractual Adjustments		\$790,267.00	\$805,770.00
	2. Provision for Charity Care		\$0.00	\$0.00
	3. Provisions for Bad Debt		\$0.00	\$0.00
		Total Deductions	\$790,267.00	\$805,770.00
NE	T OPERATING REVENUE		\$1,289,353.00	\$1,314,646.00

7C. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge using information from the Historical and Projected Data Charts of the proposed project.

Project Only Chart

	Previous Year to Most Recent Year	Most Recent Year	Year One	Year Two	% Change (Current Year to Year 2)
Gross Charge (Gross Operating Revenue/Utilization Data)	\$0.00	\$0.00	\$971.33	\$971.33	0.00
Deduction from Revenue (Total Deductions/Utilization Data)	\$0.00	\$0.00	\$369.11	\$369.11	0.00
Average Net Charge (Net Operating Revenue/Utilization Data)	\$0.00	\$0.00	\$602.22	\$602.22	0.00

8C. Provide the proposed charges for the project and discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the project and the impact on existing patient charges.

RESPONSE:

See response to Question 9C, immediately below.

9C. Compare the proposed project charges to those of similar facilities/services in the service area/adjoining services areas, or to proposed charges of recently approved Certificates of Need.

If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

RESPONSE:

See Attachment 9C for the latest available Registry data on average gross charges of the only existing MRI service provider in the service area. This project's average gross charge in its first two full years of operation is projected to be \$971.33. That is substantially lower than the lone existing MRI service provider's CY2022 charge of \$5,436.55. It should be noted that the project's average gross charge in its first two years is projected to be only 18% of the average CY2022 gross charge at the hospital-based MRI service in LaFollette. Such a significantly lower cost makes this project an important local option for patients seeking better cost effectiveness in their healthcare expenditures.

10C. Report the estimated gross operating revenue dollar amount and percentage of project gross operating revenue anticipated by payor classification for the first and second year of the project by completing the table below.

If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

Applicant's Projected Payor Mix Project Only Chart

	Year-2026		Year-2027	
Payor Source	Gross Operating Revenue	% of Total	Gross Operating Revenue	% of Total
Medicare/Medicare Managed Care	\$635,115.95	30.54	\$647,575.05	30.54
TennCare/Medicaid	\$670,677.45	32.25	\$683,834.16	32.25
Commercial/Other Managed Care	\$578,342.32	27.81	\$589,687.69	27.81
Self-Pay	\$64,884.14	3.12	\$66,156.98	3.12
Other(Specify)	\$130,600.14	6.28	\$133,162.12	6.28
Total	\$2,079,620.00	100%	\$2,120,416.00	100%
Charity Care	\$0.00		\$0.00	

^{*}Needs to match Gross Operating Revenue Year One and Year Two on Projected Data Chart

Discuss the project's participation in state and federal revenue programs, including a description of the extent to which Medicare, TennCare/Medicaid, and medically indigent patients will be served by the project.

RESPONSE: These groups will have multiple options for insurance coverage at the proposed MRI service. The applicant is contracted with Medicare and with the three largest TennCare MCO's. Additionally, as a Federally Qualified Health Center, MPCH offers a sliding fee scale for patients who fall below 200% of the Federal poverty level as discussed above.

QU A	ALITY STANDARDS
1Q.	Per PC 1043, Acts of 2016, any receiving a CON after July 1, 2016, must report annually using forms prescribed by the Agency concerning appropriate quality measures. Please attest that the applicant will submit an annual Quality Measure report when due.
	✓ Yes
	□ No
2Q.	The proposal shall provide health care that meets appropriate quality standards. Please address each of the following questions.
	• Does the applicant commit to maintaining the staffing comparable to the staffing chart presented in its CON application?
	Yes
	□ No

• Does the applicant commit to obtaining and maintaining all applicable state licenses in good 3tanding?

Yes

	No
	applicant commit to obtaining and maintaining TennCare and Medicare certification(s), if participation in such a are indicated in the application?
✓	Yes
	No

30. Please complete the chart below on accreditation, certification, and licensure plans. Note: if the applicant does not plan to participate in these type of assessments, explain why since quality healthcare must be demonstrated. **Status (Active or Will Provider Number or** Credential Agency **Certification Type** Apply) Licensure ☐ Health Facilities Commission/Licensure Division ☐ Intellectual & Developmental Disabilities ☐ Mental Health & Substance Abuse Services Certification Medicare Active 441823/3704397 ✓ TennCare/Medicaid Active 4448192/3704397 ☐ Other _ ACR - American College of Radiology Accreditation(s) Will Apply **4Q.** If checked "TennCare/Medicaid" box, please list all Managed Care Organization's currently or will be contracted. ■ AMERIGROUP COMMUNITY CARE- East Tennessee ☐ AMERIGROUP COMMUNITY CARE - Middle Tennessee ☐ AMERIGROUP COMMUNITY CARE - West Tennessee ■ BLUECARE - East Tennessee ☐ BLUECARE - Middle Tennessee ☐ BLUECARE - West Tennessee ■ UnitedHealthcare Community Plan - East Tennessee ☐ UnitedHealthcare Community Plan - Middle Tennessee ☐ UnitedHealthcare Community Plan - West Tennessee ▼ TENNCARE SELECT HIGH - All ▼ TENNCARE SELECT LOW - All □ PACE ☐ KBB under DIDD waiver Others Please Explain **RESPONSE:** BlueCross BlueShield of Tennessee, United Health Care, and WellPoint (Amerigroup/TennCare) **50.** Do you attest that you will submit a Quality Measure Report annually to verify the license, certification, and/or accreditation status of the applicant, if approved? Yes \sqcap No **6Q.** For an existing healthcare institution applying for a CON: • Has it maintained substantial compliance with applicable federal and state regulation for the three years prior to the CON application. In the event of non-compliance, the nature of non-compliance and corrective action should be discussed to include any of the following: suspension of admissions, civil monetary penalties, notice of 23-day or 90-day termination proceedings from Medicare/Medicaid/TennCare, revocation/denial of accreditation, or other similar actions and what measures the applicant has or will put into place to avoid similar findings in the future. Yes

No □ N/A	
• Has the entity been decertified within the prior three years? If yes, please explain in detail. (This pro apply if a new, unrelated owner applies for a CON related to a previously decertified facility.)	vision shall not
□ Yes	
No No	
□ N/A	
Respond to all of the following and for such occurrences, identify, explain, and provide documentation five (5) years.	n if occurred in last
Has any of the following:	
• Any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include chain of ownership for applicant);	de any entity in the
• Any entity in which any person(s) or entity with more than 5% ownership (direct or indirect) in the again any entity in the chain of ownership for applicant) has an ownership interest of more than 5%; and/or	
Been subject to any of the following:	
• Final Order or Judgement in a state licensure action;	
□ Yes	
■ No	
 Criminal fines in cases involving a Federal or State health care offense; 	
□ Yes	
✓ No	
• Civil monetary penalties in cases involving a Federal or State health care offense;	
☐ Yes	
■ No	
• Administrative monetary penalties in cases involving a Federal or State health care offense;	
□ Yes	
■ No	
 Agreement to pay civil or administrative monetary penalties to the federal government or any state in claims related to the provision of health care items and services; 	cases involving
□ Yes	
☑ No	
• Suspension or termination of participation in Medicare or TennCare/Medicaid programs; and/or	
□ Yes	
No No	
• Is presently subject of/to an investigation, or party in any regulatory or criminal action of which you a	are aware.
□ Yes	
■ No	

7Q.

- **8Q.** Provide the project staffing for the project in Year 1 and compare to the current staffing for the most recent 12-month period, as appropriate. This can be reported using full-time equivalent (FTEs) positions for these positions.
 - ☐ Existing FTE not applicable (Enter year)

Position Classification	Existing FTEs(enter year)	Projected FTEs Year 1
A. Direct Patient Care		
Positions		
Clinical	62.80	2.00
Total Direct Patient Care Positions	62.8	2

B. Non-Patient Care		
Positions		
Non-Clinical	51.40	1.00
Total Non-Patient Care Positions	51.4	1
Total Employees (A+B)	114.2	3

C. Contractual Staff		
Contractual Staff Position	0.00	0.00
Total Staff (A+B+C)	114.2	3

DEVELOPMENT SCHEDULE

TCA §68-11-1609(c) provides that activity authorized by a Certificate of Need is valid for a period not to exceed three (3) years (for hospital and nursing home projects) or two (2) years (for all other projects) from the date of its issuance and after such time authorization expires; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificate of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need authorization which has been extended shall expire at the end of the extended time period. The decision whether to grant an extension is within the sole discretion of the Commission, and is not subject to review, reconsideration, or appeal.

- Complete the Project Completion Forecast Chart below. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.
- If the CON is granted and the project cannot be completed within the standard completion time period (3 years for hospital and nursing home projects and 2 years for all others), please document why an extended period should be approved and document the "good cause" for such an extension.

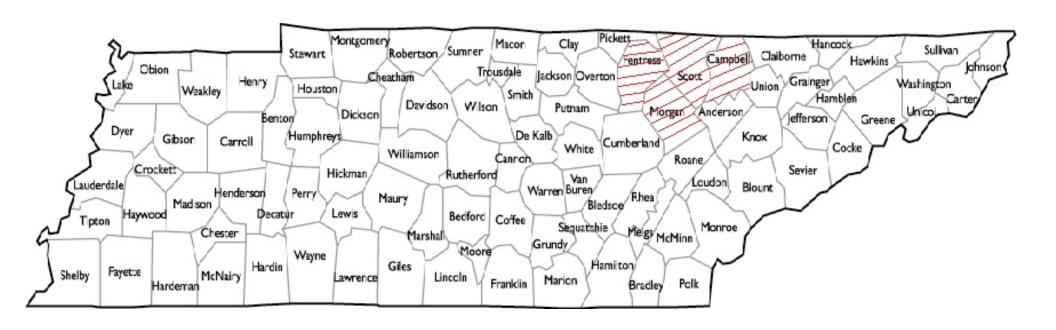
PROJECT COMPLETION FORECAST CHART

Assuming the Certificate of Need (CON) approval becomes the final HFC action on the date listed in Item 1 below, indicate the number of days from the HFC decision date to each phase of the completion forecast.

Phase	Days Required	Anticipated Date (Month/Year)
Initial HFC Decision Date		08/28/24
2. Building Construction Commenced	60	10/26/24
3. Construction 100% Complete (Approval for Occupancy)	300	06/23/25
4. Issuance of License	360	08/22/25
5. Issuance of Service	390	09/21/25
6. Final Project Report Form Submitted (Form HR0055)	420	10/21/25

Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

TENNESSEE COUNTY MAP



STATE OF TENNESSEE

CHARTER

OF

MCONTAIN PEOPLES! HEALTH COUNCILS, INC.

The undersigned natural persons, having capacity to contract and acting as incorporators of a corporation under the Tennessee General Corporation Act, adopt the following charter for such corporation:

- 1. The name of the corporation is MOUNTAIN PEOPLES: HEALTH COUNCILS, INC.
- 2. The duration of the corporation is perpetual.
- 3. The address of the principal office of the corporation in the State of Tennessee shall be Petros, Tennessee 37845. Said office is located in Morgan County.
- 4. This corporation is not for profit.
- 5. The purposes for which this corporation is organized are:
- (A) To increase the health services available to the people in the geographical areas served by the following three non-profit community health organizations:

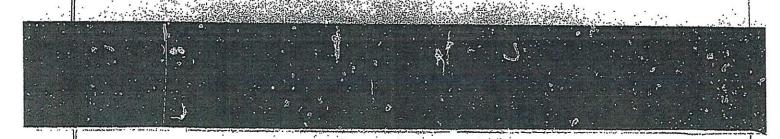
Area Health Center, Inc. Norma, Tennessee

Petros Health Council, Inc. Petros, Tennessee

Stoney Fork Health Council, Inc. Caryville, Tenressee

- (B) To provide health services to people in other geographical areas if the Board of Directors of this corporation so decides.
- (C) To provide overall administration and aid in financing,

- (C) To provide overall administration and aid in financing, to coordinate the delivery of health services and health education, and to provide health services directly, as requested by the participating non-profit community health organizations through their representatives on the Board of Directors.
- (D) To help the participating community health organizations to procure and train medical and other necessary personnel.



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- (E) To promote better environmental and occupational health conditions, as requested by the community health organizations through their representatives on the Board of Directors.
- (F) To encourage and participate in any activity designed to promote the general health of the areas served by the participating community health organizations and any other areas so designated by the Board of Directors of this organization.
- (G) To operate exclusively for charitable and educational purposes, to lessen the burdens of government, to promote the social welfare of the area. and to encourage local

the social welfare of the area, and to encourage local initiative in solving health problems and relieving the poor and distressed and underprivileged residents of these communities.

- (H) To exercise all the powers conferred upon corporations formed under the Tennessee General Corporation Act to accomplish its charitable and educational purposes, including but not limited to the power to accept donations and grants of money or property, whether real or personal, or any interest therein, wherever situated.
- (1) To earry out the foregoing purposes without regard to race, creed, religion, color, national origin, sex, or ability to pay.
- 6. This corporation shall have no members,
- 7. This corporation shall have a Board of Directors consisting of nine (9) Tennessee residents, including three (3) representatives from each of the participating non-profit community health organizations, who will be elected annually by their respective boards of directors. If any one of these non-profit community health organizations ceases to exist, its representatives cease to be members of the Board of Directors of this corporation.
- 8. Nothing in this charter shall prevent this c reporation from allowing other non-profit community health organizations to become a part of it in the future, if the Board of Directors of this corporation decides to take this step.

9. Provisions for the regulation of the internal affairs of the corporation, except as provided in this charter, shall be as determined by the Bylaws adopted by the Board of Directors.

At all times, notwithstanding any change of name, merger, consolidation, reorganization, termination, dissolution, or winding up of this corporation, voluntary or involuntary or by operation of law, or any other provisions hereof:

- (A) The corporation shall not possess or exercise any power or authority either expressly, by interpretation, or by operation of law that will prevent it at any time from qualifying, and continuing to qualify, as a corporation described in Section 501(c)(3) of the Internal Revenue Code of 1954 as amended (hereafter referred to as "the Code"), contributions to which are deductible for federal income tax purposes; nor shall it e gage directly or indirectly in any activity which would cause the loss of such qualification.
- (B) No part of the assets or net earnings of the corporation shall be used, nor shall the corporation ever be organized or operated, for purposes that ere not exclusively charitable or edcational within the meaning of Section 501(c)(3) of the Code.
- (C) The corporation shall never be operated for the primary purpose of carrying on a trade or business for profit.
- (D) No part of the activities of the corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation as these prohibited activities are defined by law; nor shall it participate or intervene in any manner, or to any extent, in any political campaign on behalf of any candidate for public office, whether by publishing or distributing statements,

public office, whether by publishing or distributing statements, or otherwise.

(E) At no time shall the corporation engage in any activities which are unlawful under the laws of the United States of America, the State of Tennessee, or any other jurisdiction where its activities are carried on; nor shall it engage in any transaction defined at the time as "prohibited" under Section 503 of the Code.

-3-

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(F) No compensation, loan, or other payment shall be paid or made to any officer, board member, creator, or organizer of the corporation, or substantial contributor to it, except as reasonable empensation for services rendered and/or as a reasonable allowance for authorized expenditures incurred on behalf of the corporation; and no part of the assets or net earnings, current or accumulated, of the corporation shall ever be distributed to or divided among such persons, or inure to be used for, accrue to, or benefit any such person or private individual (under the prohibition contained in Section 501(c)(3) of the Gode).

in Section 501(c)(3) of the Code).

- (G) No solicitation of contributions to the corporation shall be made, and no gift, bequest, or devise to the corporation shall be accepted, upon any condition or limitation which, in the opinion of the corporation, may cause the corporation to lose its federal income tax exemption.
- (H) The corporation shall distribute its income for each taxable year at such time and is such manner as not to subject the corporation to tax under Section 4942(a) of the Code.
- (I) The corporation shall not engage in any act of self-dealing, as defined in Section 4941(d) of the Code.
- (J) The corporation shall not retain any excess business holdings, as defined in Section 4943(c) of the Code.
- (K) The corporation shall not make any covestments in such a manner as to subject the corporation to tax under Section 4944, of the Code.
- (L) The corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Code.
- 10. Upon the termination, dissolution, or winding up of the corporation in any manner or for any reason, its assets, if any, remaining after payment (or provision for payment) of all liabilities of the corporation, shall be distributed to, and only to, one or more organizations described in Section 501(c)(3) of the Code or for only exempt purposes as described in Section 501(c)(3) of the Code.

Dated this 24th day of September, 1973.

By:

RAYMOND JEFFERS

Emma Bradley

ODES MCKAMEY

Incorporators

I, JOE G. CARR, Secretary of State, do certify that this Charter, with certificate attached, the foregoing of which is a true copy, was this day registered and certified to by me.

This the 26th day of September, 1973

JOE C. CARR, SECRETARY OF STATE

FEE: \$10.00

Y. Y.



Tennessee Secretary of State Tre Hargett

Business Services Online > Find and Update a Business Record > Business Entity Detail

Business Entity Detail

Available Entity Actions File Annual Report Certificate of Existence

<u>More</u>

Entity details cannot be edited. This detail reflects the current state of the filing in the system.

Return to the **Business Information Search**.

000079943: Nonprofit Corporation - Domestic

Printer Friendly Version

Name: MOUNTAIN PEOPLES' HEALTH COUNCILS, INC.

Status: Active

Formed in: TENNESSEE

Fiscal Year Close: May Term of Duration: Perpetual

Principal Office: 470 INDUSTRIAL LN

ONEIDA, TN 37841-6294 USA

Mailing Address: 470 INDUSTRIAL LN

ONEIDA, TN 37841-6294 USA

AR Exempt: No

Public Benefit Corporation: Yes

Initial Filing Date: 09/26/1973

Delayed Effective Date:

AR Due Date: 09/01/2024

Inactive Date:

Assumed Names

<u>History</u>

Registered Agent

Name

No Assumed Names Found...

Obligated Member Entity: No



Secretary of State Tre Hargett

Status

Tre Hargett was elected by the Tennessee General Assembly to serve as Tennessee's 37th secretary of state in 2009 and re-elected in 2013, 2017, and 2021. Secretary Hargett is the chief executive officer of the Department of State with oversight of more than 300 employees. He also serves on 16 boards and commissions, on two of which he is the presiding member. The services and oversight found in the Secretary of State's office reach every department and agency in state government.



Expires

About the Office

The Tennessee Secretary of State has oversight of the Department of State. The Secretary of State is one of three Constitutional Officers elected by the General Assembly, in joint session. The Secretary of State is elected to a four-year term. The constitution mandates that it is the secretary's duty to keep a register of the official acts and proceedings of the governor, and, when required, to "lay same, all papers, minutes and vouchers relative thereto, before the General Assembly."

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ADDENDUM 1 – Mountain People's Health Councils Ownership Type

Mountain People's Health Councils, Inc. ("MPHC") is applying for a Certificate of Need for the initiation of MRI services. The MRI services will be managed by MPHC, an already existing community health center in Oneida, Scott County, Tennessee. When submitting its Letter of Intent to the Commission, MPHC inadvertently marked its ownership type as "Corporation (For Profit)." Because the CON application automatically populates information from the Letter of Intent, this application lists MPHC as a for-profit corporation and cannot be changed. To be clear, MPHC has an ownership type of "Corporation (Not-For Profit)" and should have been marked as such in the application. As stated throughout other parts of the application, the community health center is owned, operated, and managed by itself, as a non-profit corporation.

Attachment 8A – Management Agreement

Mountain People's Health Councils, Inc. ("MPHC") is applying for a Certificate of Need for the initiation of MRI services. The MRI services will be managed by MPHC, an already existing community health center in Oneida, Scott County, Tennessee. As stated in the application, the community health center is owned, operated, and managed by itself. Accordingly, MPHC will not have a management agreement for the MRI services. Likewise, because MPHC owns, operates, and manages its community health center, there is also not a management agreement for the community health center.

This Instrument Prepared By:
John A. Beaty
Attorney at Law
447 Baker Highway, Suite 3
Huntsville, TN 37756

RECORD BOOK: 70 Page: 75 - 77

| 23002720 |
| 3 PGS:AL-WARRANTY DEED |
| RENEE BATCH: 13516 |
| 10/30/2023 - 11:38:53 AM |
VALUE	35000.00
MORTGAGE TAX	0.00
TRANSFER TAX	129.50
RECORDING FEE	15.00
DP FEE	2.00
REGISTER'S FEE	1.00
TOTAL AMOUNT	147.50
STATE OF TENNESSEE, SCOTT COUNTY	
ASHLEY N. RISEDEN	

REGISTER OF DEEDS

WARRANTY DEED

THIS WARRANTY DEED made and executed on the date(s) entered in the notary provision(s) appearing at the foot of this instrument, by and between the following parties:

GRANTOR(S):

THE INDUSTRIAL DEVELOPMENT BOARD OF THE TOWN OF ONEIDA, of Oneida,

Tennessee (hereinafter referred to as "Grantor"), and

GRANTEE(S):

MOUNTAIN PEOPLE'S HEALTH COUNCILS, INC., of Oneida, Tennessee (hereinafter referred to as "Grantee").

<u>WITNESSETH</u>:

That for consideration of the sum of One (\$1.00) Dollar, and other good and valuable consideration not expressly recited and identified herein but which is acknowledged by Grantor as received, sufficient and adequate in all respects, Grantor hereby conveys to Grantee and their heirs, successors and assigns, certain real property hereafter collectively referred to in this instrument as the "Property" and more fully described as follows:

Situated in the Fourth Civil District of Scott County, Tennessee, lying within the corporate limits of the Town of Oneida, adjoining and lying on the north side of Industrial Lane, lying on the south side of the Litton Fork of Pine Creek and more fully described as follows:

Beginning on an iron pin in the north right-of-way of Industrial Lane, being a common corner of Grantor and Grantee, and being the southeast corner of Lot 3 of the Oneida Professional Center subdivision; thence leaving said right-of-way and running with the common line of Grantor and Grantee, N 29°13'42" E a distance of 268.30' to an iron pin, being a common corner of Lot 3 and Lot 2 of the Oneida Professional Center subdivision;; thence continuing with the common line of Grantor and Grantee N 29°13'42" E a distance of 120.97' to an iron pin on the northeast corner of Lot 2; thence running S 66°26'24" E a distance of 5.66'; thence S 75°00'55" E a distance of 42.79' thence S 86°35'49" E a distance of 66.77'; thence N 81°30'43" E a distance of 50.07'; thence N 67°35'03" E a distance of 46.73' to a point; thence running S 28°06'41" W, passing an iron pin on line at 8.07', passing another iron pin on line at 254.84', a total distance of 492.09' to an iron pin in the north right-of-way of Industrial Lane; thence running with said right-of-way, N 62°13'47" W a distance of 185.47' to the point of beginning. Containing 1.767 acres more or less.

Subject to easements for existing roadways and utility lines.

Surveyed September 17, 2021, by Jimmy R. Reed, TN RLS #1372, Plat attached hereto.

<u>DERIVATION OF TITLE:</u> Being a portion of the properties conveyed to THE INDSTRIAL DEVELOPMENT BOARD FOR THE TOWN OF ONEIDA in Warranty Deed Book 106, page 43 in the Register of Deeds Office of Scott County, Tennessee.

NAME/ADDRESS OF PROPERTY OWNERS: Mountain People's Health Councils, Inc. 470 Industrial Lane Oncida, Tennessee 37841

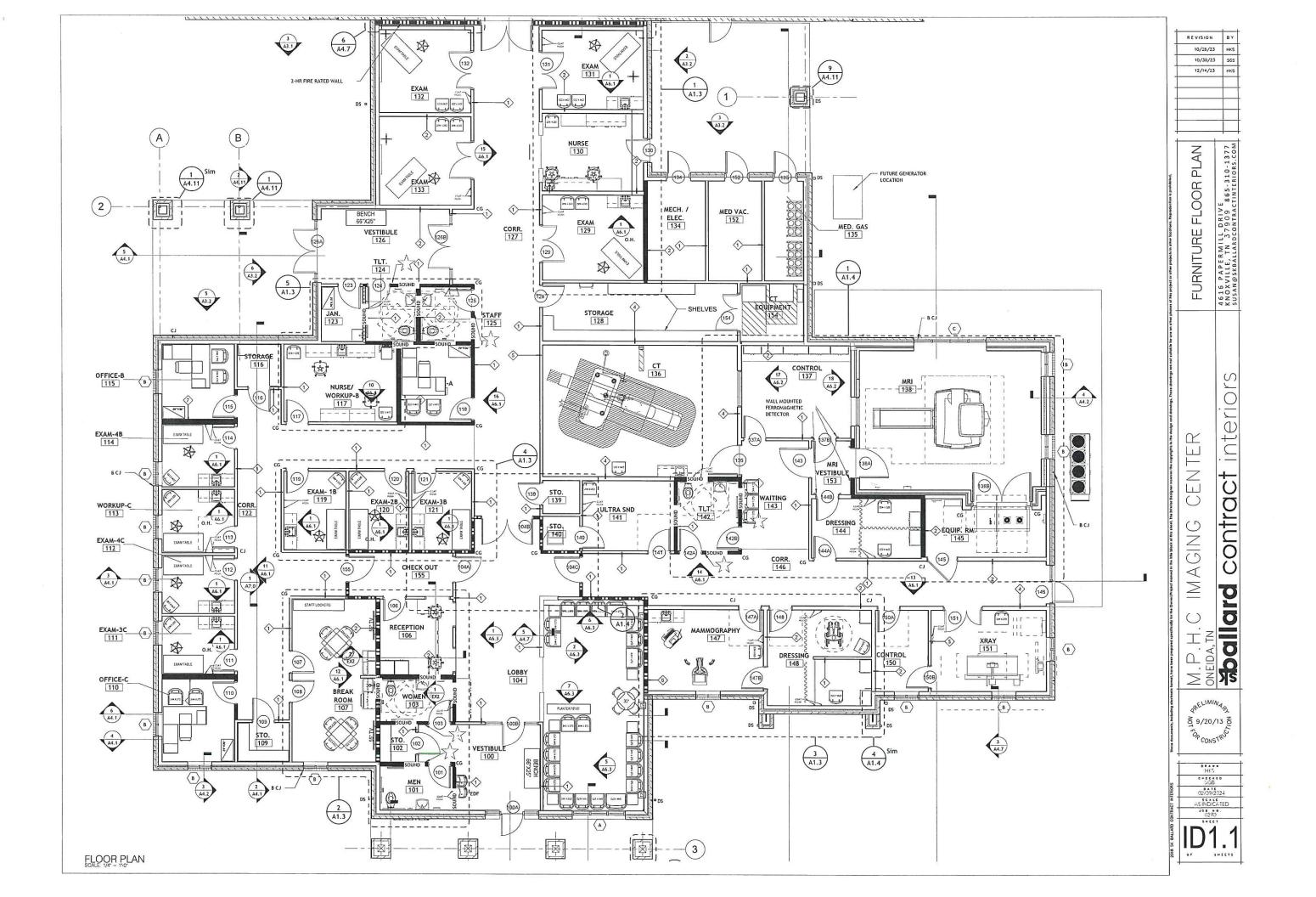
SEND TAX BILL TO: Mountain People's Health Councils, Inc. 470 Industrial Lane Oncida, Tennessee 37841

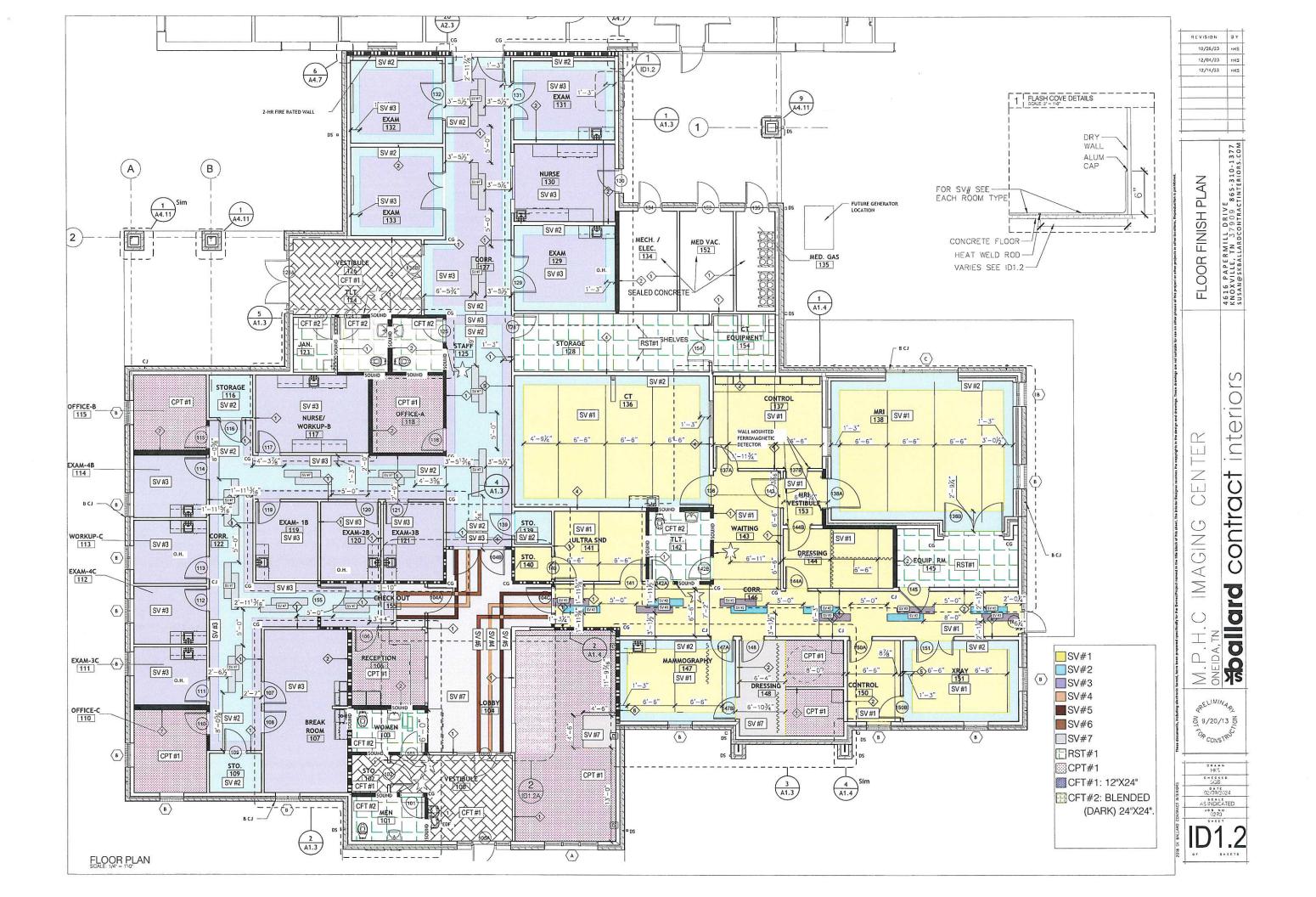
TAX ASSESSMENT DATA: [Pursuant to Tenn. Code Ann. § 66-24-121]: Portion of District No. 4, Map 52-I, Group: I, parcel 9.00.

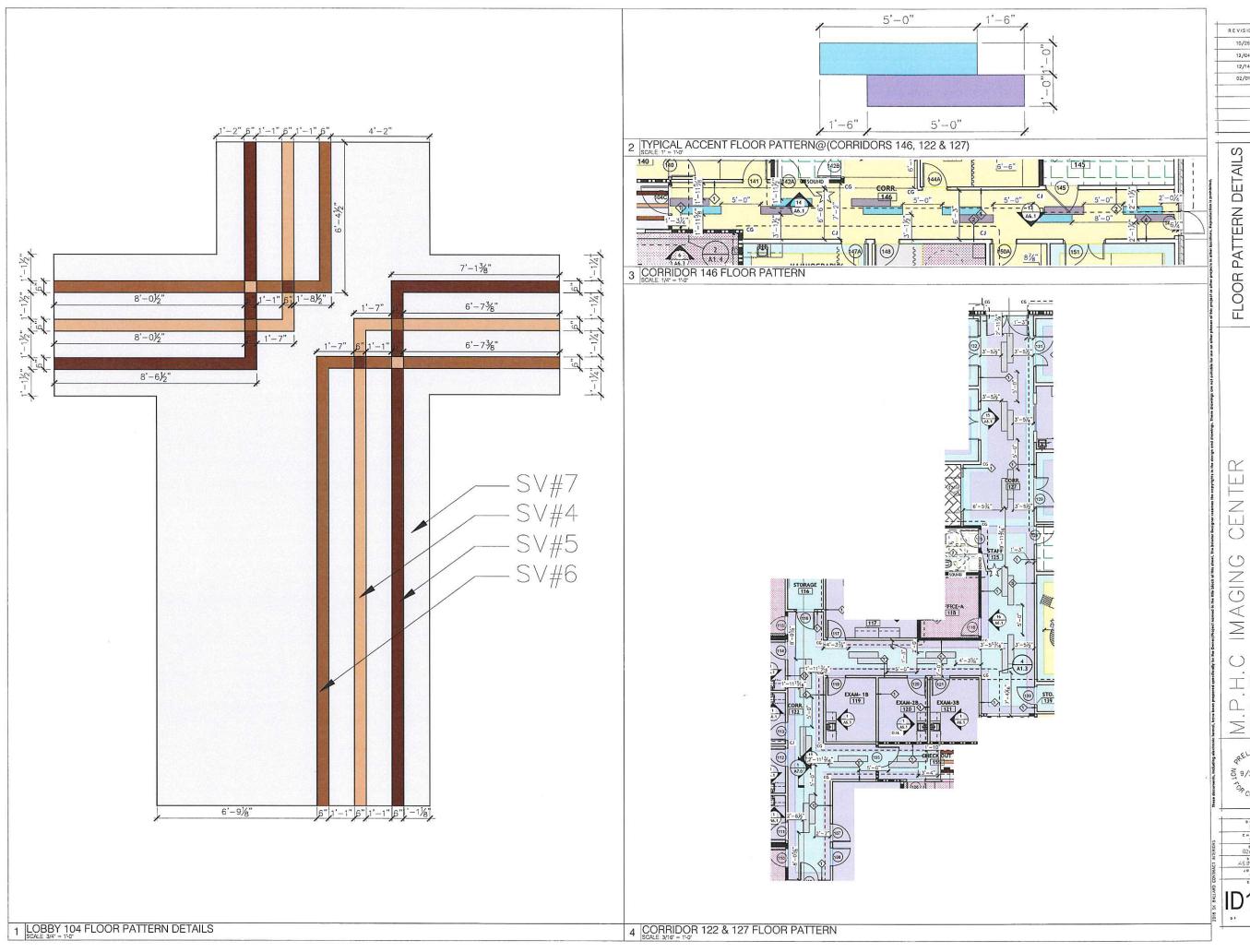
The drafter of this deed, by virtue of its preparation, make no representations whatsoever regarding the status of title, encroachments, acreage, easements or other access, or the accuracy of the boundary calls for the real property described herein; this instrument was prepared solely from the directions, metes and bounds description and/or other information provided by the surveyor referenced herein.

TO HAVE AND TO HOLD the Property along with all of the improvements and other interests appertaining to the Property, which are hereby conveyed and transferred to Grantee, and Grantee's heirs, successors and assigns, forever, in the indicia and degree of ownership as established in the foregoing provisions of this instrument. Grantor warrants and covenants with Grantee that Grantor is lawfully seized and possessed of the Property in fee simple absolute, that Grantor has full power, authority and right to convey the Property, that the Property is free and clear from all liens and encumbrances, and that Grantor shall forever defend the Property, and its title, against the lawful claims of all persons whomsoever.

WITNESS THE SIGNATURE of the Grantor on the date entered in the notary provision appearing
below.
INDUSTRIAL DEVELOPMENT BOARD OF THE TOWN OF ONEIDA BY: JAN JETHERS, CHAIRMAN
STÂTE OF TENNESSEE)
COUNTY OF SCOTT) ss.
Personally appeared before me, Betty Matthews, a Notary Public of said County and State, JAN JEFFERS, CHAIRMAN AND AUTHORIZED AGENT FOR THE INDUSTRIAL DEVELOPMENT BOARD OF THE TOWN OF ONEIDA, the within named bargainor, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that they executed the within instrument for the purposes therein contained.
Witness my hand, at office, this
Notary Public STATE OF TENNESSEE
My commission expires: 11/31/3022
STATE OF TENNESSEE)
COUNTY OF SCOTT) ss.
,
I swear or affirm that the actual consideration for this transfer or value of the property transferred, whichever is greater, is \$ 35,000, which amount is equal to or greater than the amount which the property transferred would command at a fair, voluntary sale.
Entered this 27 day of OCSAN STATE OF STATE Affiant Affiant OF NOTARY
PUBLICATION OF THE PROPERTY OF
Notary Public
My commission expires: $2/24/27$.







REVISION BY 10/26/23 HKS 12/04/23 12/14/23 HKS 02/01/24

4616 PAPERMILL DRIVE KNOXVILLE, TN 37909 865-310-1377 SUSAN®SKBALLARDCONTRACTINTERIORS.COM

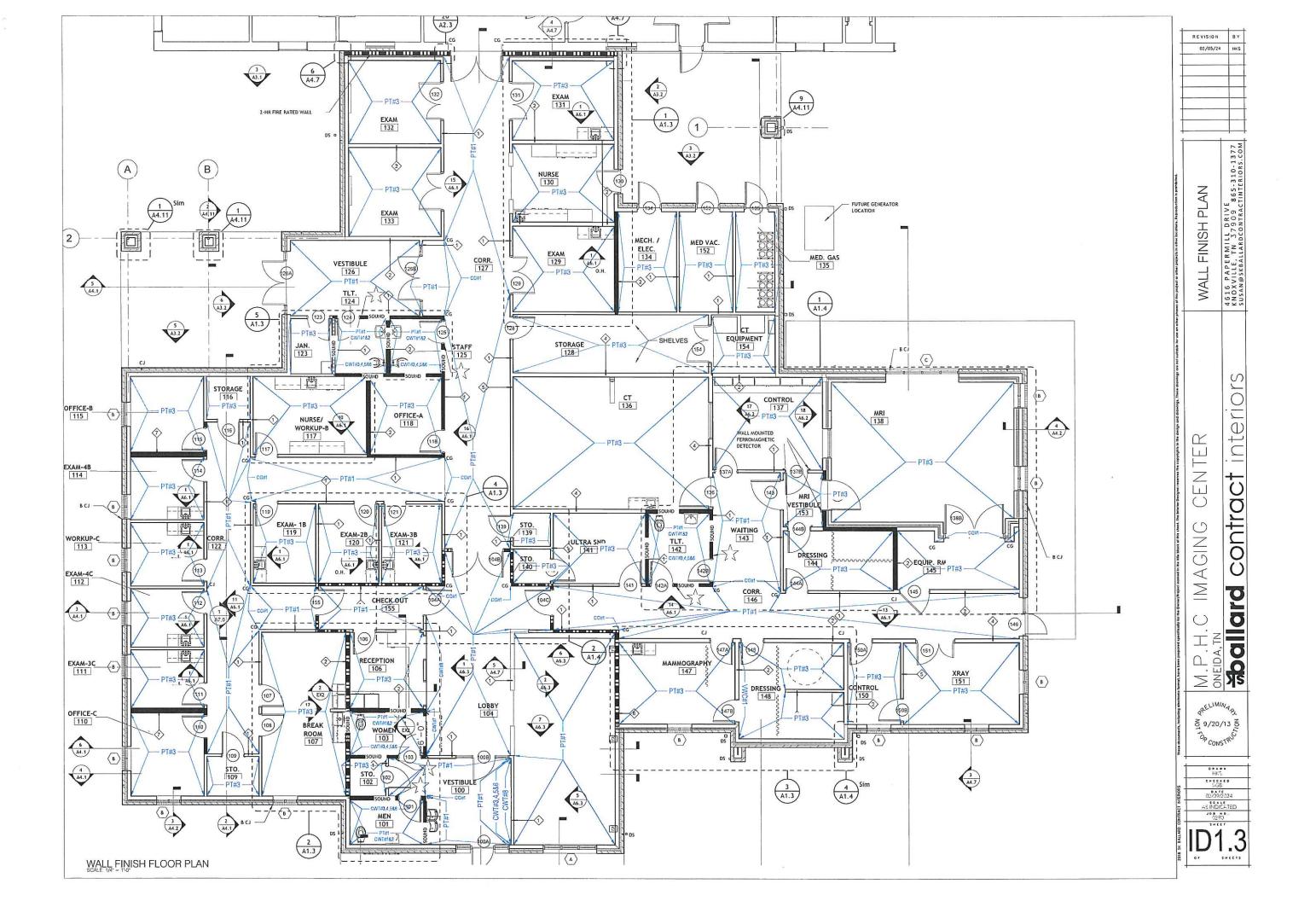
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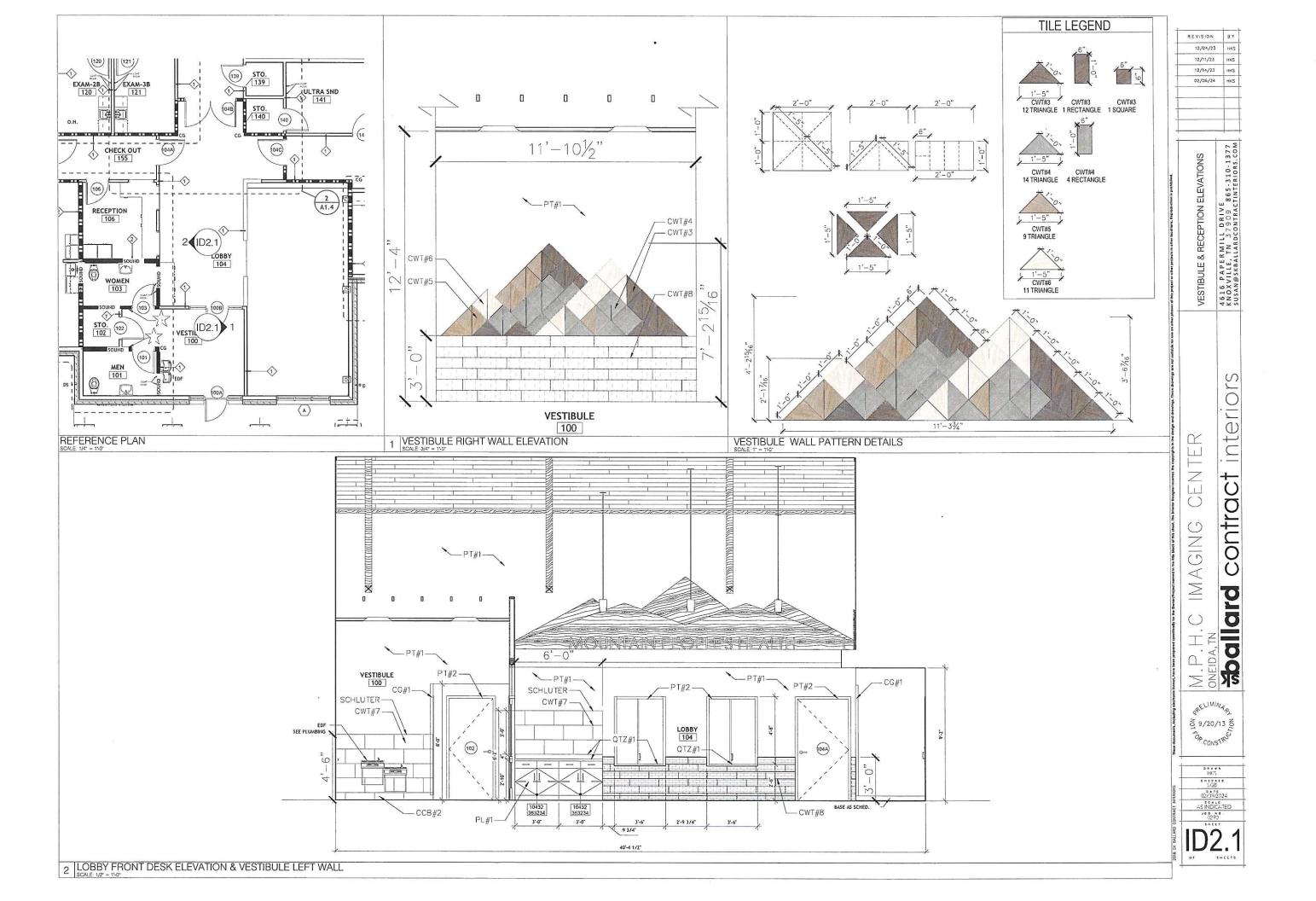
contract

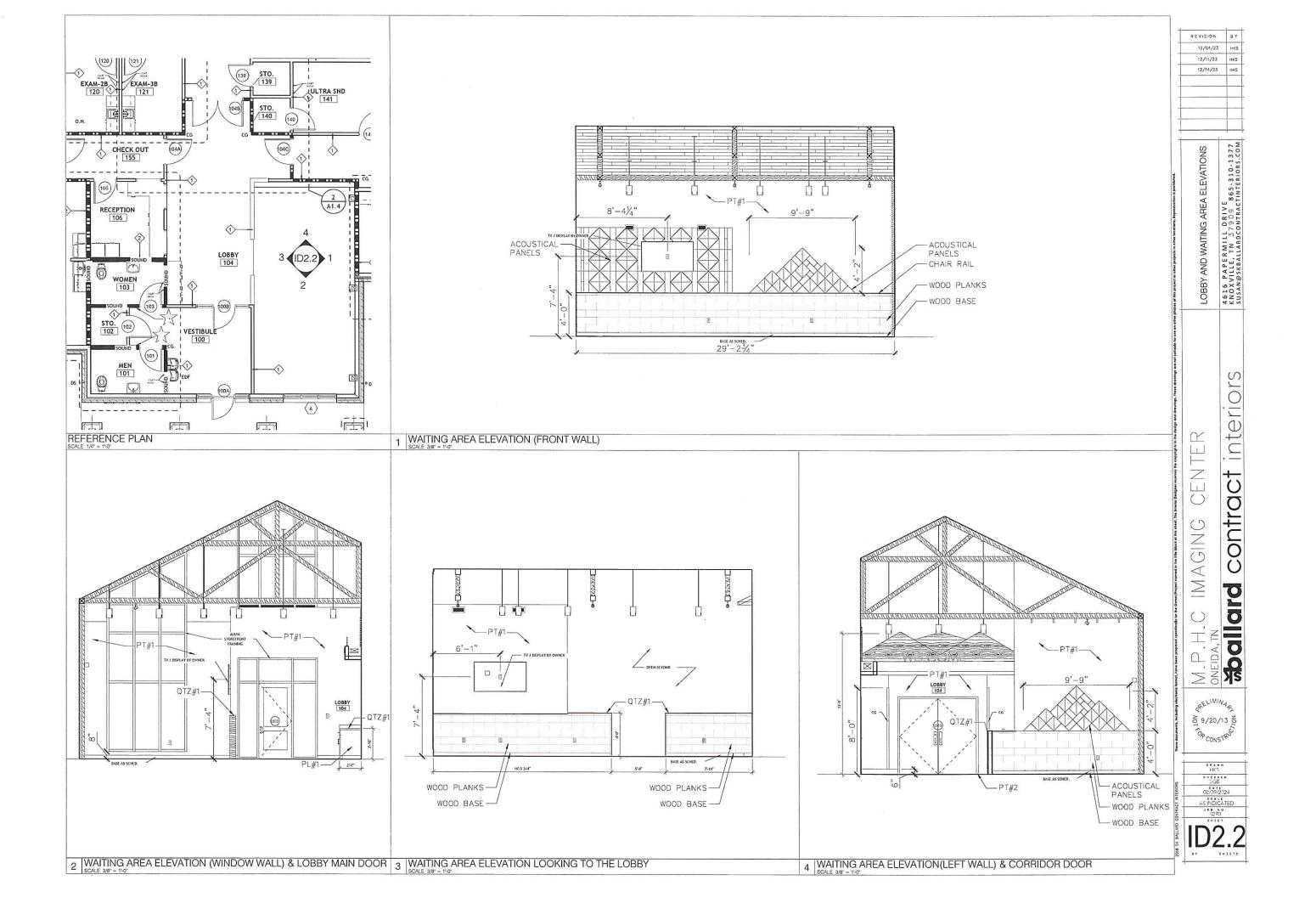
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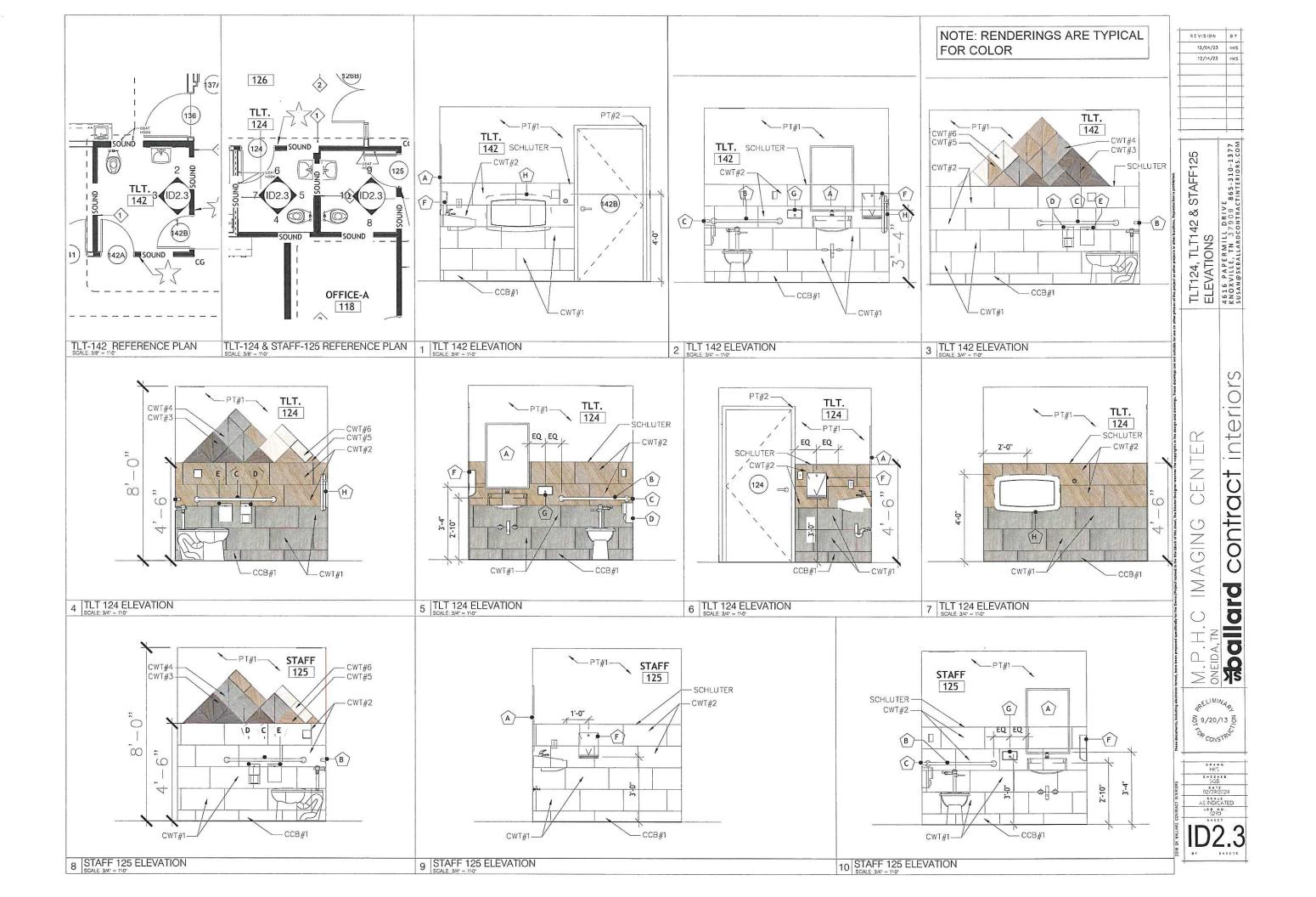
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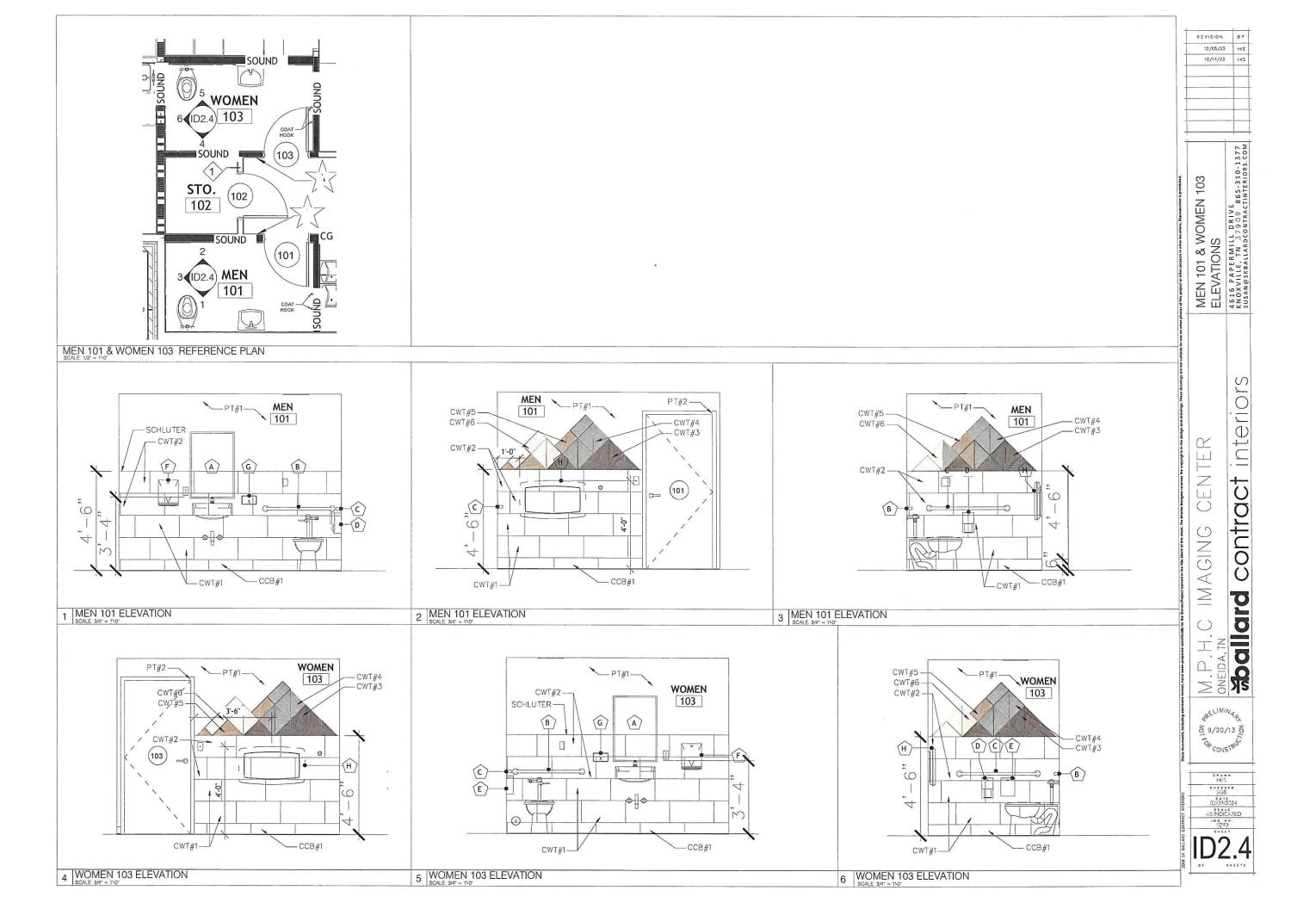
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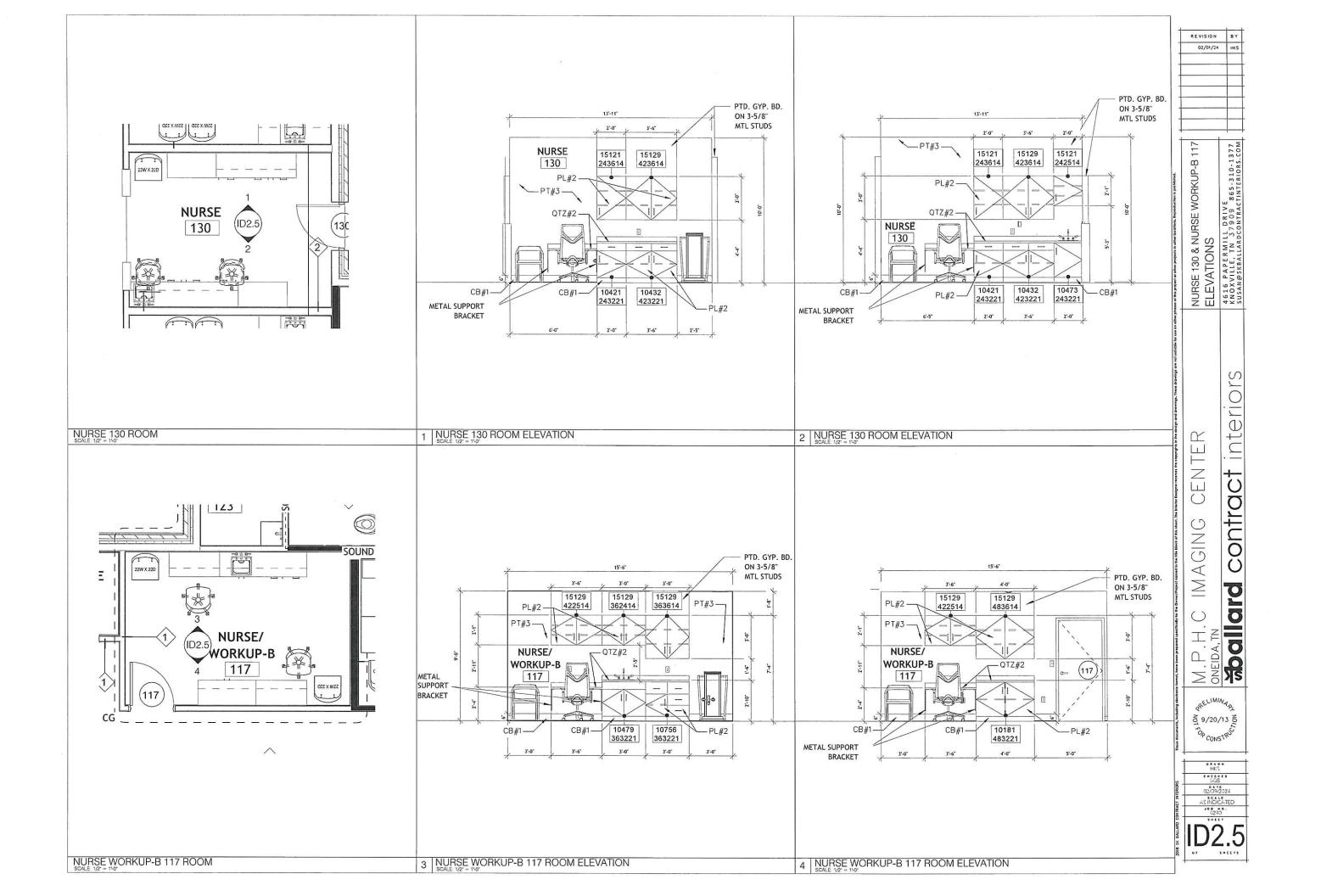


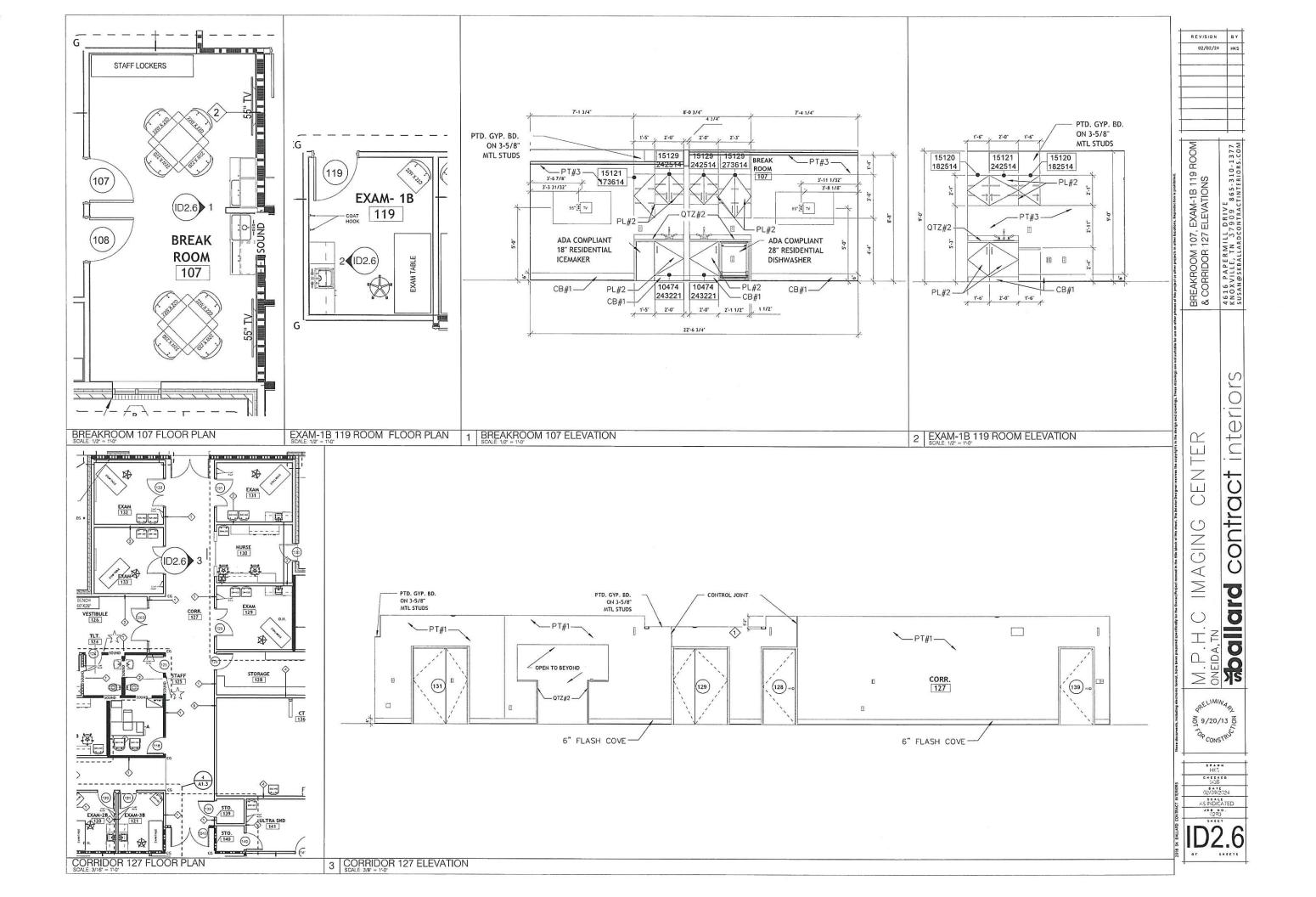


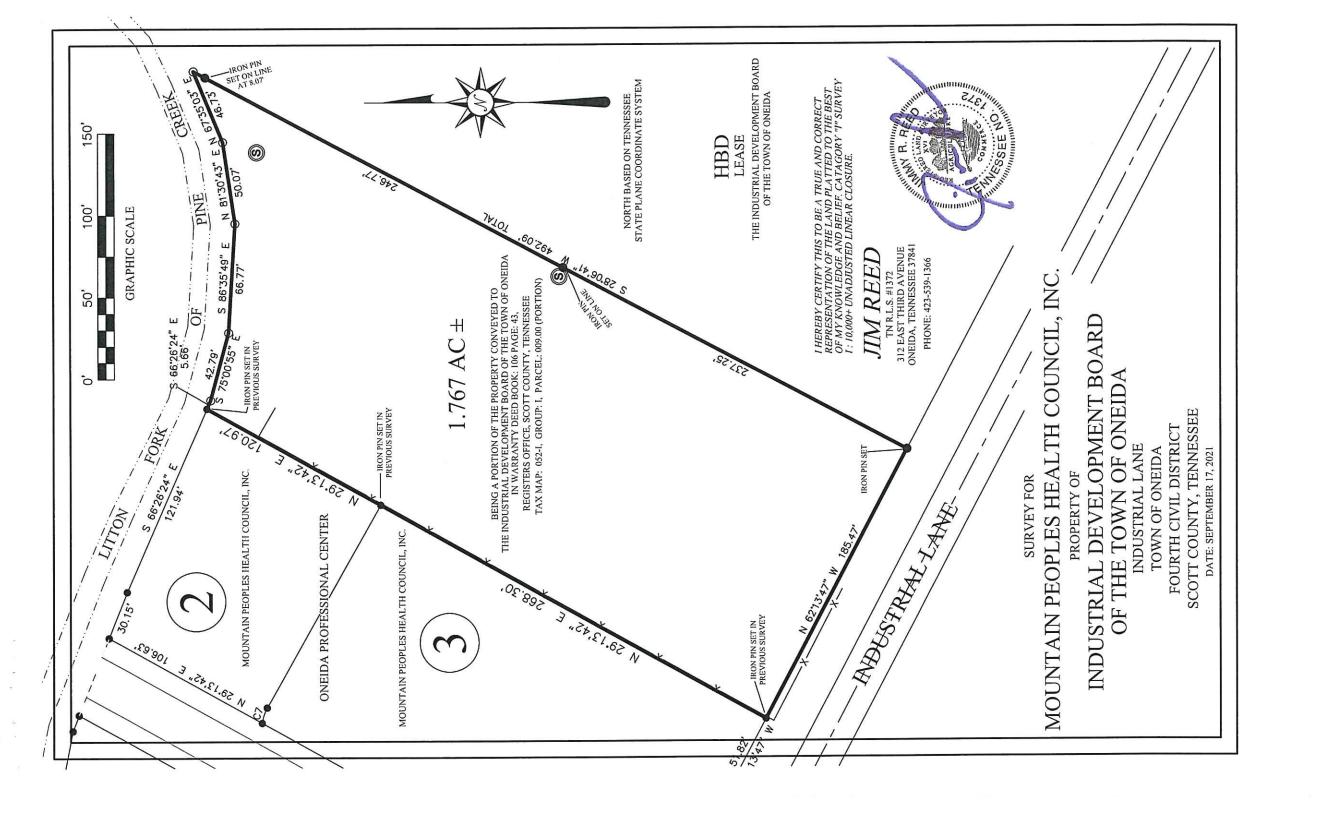












3N.B.R. Service Area Demographic Chart

Table 3N-BR: MPHC Initiation of MRI Services Demographic Characteristics of Tennessee Primary Service Area 2024-2028

		Department of Health/Health Statistics							Census Bureau				TennCare	
Primary Service Area Counties	Total Population- Current Year 2024	Total Population- Projected Year 2028	Total Population- % Change	*Target Population- Age 18+ Current Year 2024	Target Population - Age 18+ Projected Year 2028	Target Population- % Change	Target Population Projected Year as % of Total	Median Age	Median Household Income	Person Below Poverty Level*	Person Below Poverty Level as % of Total	TennCare Enrollees	TennCare Enrollees as % of Total	
Scott County	22,151	22,142	0.0%	17,146	17,230	0.5%	77.8%	40.7	\$39,744	4,762	21.5%	7,576	34.2%	
Campbell County	39,557	39,128	-1.1%	31,763	31,508	08%	80.5%	44.2	\$48,258	8,070	20.4%	12,190	30.1%	
Morgan County	21,727	21,932	0.9%	17,784	18,022	1.3%	82.2%	41.6	\$51,971	3,672	16.9%	4,653	21.4%	
Fentress County	19,032	19,155	0.6%	15,262	15,435	1.1%	80.6%	46.3	\$47,884	4,415	23.2%	6,092	32%	
Service Area Total	102,467	102,357	0.0%	81,955	82,195	0.3%	80.3%	43.2	\$46,964	20,919	20.4%	30,511	29.8%	
State of TN Total	7,125,908	7,331,859	2.9%	5,565,604	5,736,895	3.1%	78.2%	39.2	\$64,035	937,830	13.3%	1,475,221	20.7%	

Sources: TDH Population Projections, 2024-2028; U.S. Census Bureau, QuickFacts; TennCare Bureau

^{*} The Census Bureau website does not provide the number of persons below the poverty level. The totals in this column are calculated by applying the poverty percentage provided by the Census Bureau to the population totals from the Department of Health

Attachment 5N: Service Area MRI Utilization

Та	Table: Service Area Health Care Providers that Utilize MRI's - 2020-2022								
County	Provider Type	Provider	Year	No. of Units	Mobile/Fixed	Total Procedures	Average Procedures Per Unit		
Campbell	HOSP	LaFollette Medical Center	2020	1	Fixed	997	997		
Campbell	HOSP	LaFollette Medical Center	2021	1	Fixed	987	987		
Campbell	HOSP	LaFollette Medical Center	2022	1	Fixed	982	982		

Attachment 6N - Applicant Projected Utilization (Year 1 and Year 2) and Existing Patient Origin

Facility	Facility Type	Projected First Two Years (MRI)	Annual # of Procedures	# MRI Units	MRI Unit Type	Procedures per MRI
Mountain People's Health Councils	PO	Year 1 (2026)	2,141	1	Fixed	2,141
Mountain People's Health Councils	РО	Year 2 (2027)	2,183	1	Fixed	2,183

MPHC treated 12,132 patients in CY 2023. The patient origin for those patients was as follows:

Scott County	83%
Campbell County	7%
Morgan County	3%
Fentress County	2%
Other	5%

According to HFC equipment registry data, below are the total MRI utilization by county of residence for the proposed service area in 2022:

Scott County	1576
Campbell County	3505
Morgan County	1395
Fentress County	1584

To project future utilization for this project, MPHC assumed that 80% of the historic MRI utilization could be performed in an outpatient setting. MPHC then projected the following market share of these estimated MRI outpatient volumes:

Scott County	90%
-	
Campbell County	10%
Morgan County	20%
Fentress County	20%

MPHC's projected market share in Scott County is reflective of its role as the primary healthcare provider in the County. Since Morgan and Fentress counties do not have an MRI provider, MPHC believes that it is reasonable to assume that a many patients on the eastern and northern portions of those counties would choose to utilize the MPHC MRI instead of driving farther into Crossville or Oak Ridge. While Campbell County has an existing MRI provider at LaFollette Medical Center, MPHC serves a significant number of patients on the western side of Campbell County, and it would expect those patients to utilize the MPHC MRI when appropriate.

Applying a 2% annual growth rate, that results in a projected 2025 total outpatient MRI utilization of:

MRI By County	2022 HFC Data	Estimated Outpatient	Estimated MPHC	Total MPHC	2023	2024	2025	2026	2027
Scott	1576	1,261	90%	1135	1158	1181	1204	1228	1253
Campbell	3505	2,804	10%	280	286	292	298	304	310
Morgan	1395	1,116	20%	223	228	232	237	242	246
Fentress	1584	1,267	20%	253	258	264	269	274	280
Other				125	128	130	133	135	138

Attachment - MRI, PET, and/or Linear Accelerator

- 1a. For Magnetic Resonance Imaging (MRI) in a county with a population less than 175,000, describe the initiation of MRI services or addition of MRI scanners as part of the project, or
- 1b. For Magnetic Resonance Imaging (MRI) in a county with a population greater than 175,000, describe the initiation of MRI services or addition of MRI scanners as part of the project if more than 5 patients per year under the age of 15 will be treated, and/or
 - 2. Describe the acquisition of any Positron Emission Tomography (PET) scanner that is adding a PET scanner in counties with population less than 175,000 and/or
 - 3. Describe the acquisition of any Linear Accelerator if initiating the service by responding to the following:
- **A.** Complete the chart below for acquired equipment.

	Linear Accelerator	Mev Total Cost*: □ New	□ By Purchase
刄	MRI	Total Cost*:	Magnet: Breast Extremity Short Bore X Other wide bore; zero boil off X By Purchase \$1,344,799.75 By Lease Expected Useful Life (yrs) Refurbished If not new, how old? (yrs)
	PET	□ PET only Total Cost*: □ New	□ PET/CT □ PET/MRI □ By Purchase □ □ By Lease Expected Useful Life (yrs) □ Refurbished □ If not new, how old? (yrs)

- **B**. In the case of equipment purchase, include a quote and/or proposal from an equipment vendor. In the case of equipment lease, provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments along with the fair market value of the equipment.
- **C.** Compare lease cost of the equipment to its fair market value. Note: Per Agency Rule, the higher cost must be identified in the project cost chart.
- **D.** Schedule of Operations:

Location	Days of Operation (Sunday through Saturday)	Hours of Operation (example: 8 am – 3 pm)				
Fixed Site (Applicant) Mountain People's Imaging Center 462 Industrial Ln. Oneida TN 37841	Monday through Friday	8am - 4:30pm				
Mobile Locations						
(Applicant)						
(Name of Other Location)						
(Name of Other Location)						

^{*} As defined by Agency Rule 0720-9-.01(4)(b)



nent & Scott County Sheriff's Office

on

ic assault (simple) lrug paraphernalia, possession of schedule II filing false report or bomb threat, theft under \$1,000 ,500, theft under \$1,000

se info. to officer, MFG/DEL/SALE/POSS of controlled pricating evidence, violation registration law

s/telecommunications device into county institution, ion of a felony, probation violation

00, vandalism

lation

on x2, unlawful possession of a weapon, violation of on x2, violation of sexual offender law

on x2, violation of sexual offender law r \$2,500

ault (simple), resisting arrest

auit (simple), resisting art

re to appear, probation violation, theft under \$1,000 o appear, probationn violation

OURT FOR SCOTT COUNTY, TENNESSEE Case No: 2024-JV-13

N'S SERVICES, Petitioner

ndents.

DOB: 10/05/2010 (18) YEARS OF AGE

DER FOR SERVICE BY PUBLICATION

y and through counsel, and moves this Honorable Court on, and for cause would show, the whereabouts of the Reunknown and cannot be ascertained by diligent search, as d hereto; and, therefore, the ordinary process of law cannot

does exist, it is therefore, ORDERED that said Respondent bllowing Notice for four (4) consecutive weeks in the Scott shed in Scott County, Tennessee.

if the Respondent Timothy Allen Jr. does not enter an apne Petition, further personal service or service by further with and service of any future notices, motions, orders or ter may be made upon the Respondent by filing same with Clerk.



NOTICE TO CREDITORS Estate of Dessel Marie Lanter, of Scott County, Tennessee

Notice is hereby given that on the 16th day of May, 2024, Letters of Administration, regarding the Estate of Dessel Marie Lanter, deceased, were issued to C. Patrick Sexton, Administrator C.T.A., by the Probate Court of Scott County, Tennessee.

All persons, resident and nonresident, having claims, matured or unmatured against the estate, are required to file the same with the Clerk of the above named Court in proper form and submitted in triplicate copies within four (4) months from the date of the first publication of this notice, otherwise their claim will be forever barred.

All persons indebted to the above Estate must come forward and make proper settlement with Administrator C.T.A. at once.

This 31st day of May, 2024.

C. Patrick Sexton, Attorney for Estate

6/6 1 of 2

NOTIFICATION OF INTENT TO APPLY FOR A CERTIFICATE OF NEED

This is to provide official notice to the Health Facilities Commission and all interested parties, in accordance with T.C.A. §68-11-1601 et seq., and the Rules of the Health Facilities Commission, that Mountain People's Health Councils, a/an Community Health Center owned by Mountain People's Health Councils, Inc. with an ownership type of Corporation (For Profit) and to be managed by itself intends to file an application for a Certificate of Need for Initiation of Magnetic Resonance Imaging (MRI) services. The address of the project will be 462 Industrial Lane, Oneida, Scott County, Tennessee, 37841. The estimated project cost will be \$3,599,415.

The anticipated date of filing the application is 06/28/2024

The contact person for this project is Attorney Travis Swearingen who may be reached at Butler Snow LLP - 150 Third Ave S, Suite 1600, Nashville, Tennessee, 37201 – Contact No. 615-651-6734.

The published Letter of Intent must contain the following statement pursuant to T.C.A. §68-11-1607 (c)(1). (A) Any healthcare institution wishing to oppose a Certificate of Need application must file a written notice with the Health Facilities Commission no later than fifteen (15) days before the regularly scheduled Health Facilities Commission meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application may file a written objection with the Health Facilities Commission at or prior to the consideration of the application by the Commission, or may appear in person to express opposition. Written notice of opposition may be sent to: Health Facilities Commission, Andrew Jackson Building, 9th Floor, 502 Deaderick Street, Nashville, TN 37243 or email at hsda.staff@tn.gov.

Scott County Government REQUEST FOR BIDS

The Scott County Finance Committee will be receiving bids for the following: Incline Platform Lift at Scott High School

Project Name: Mountain People's Health Councils

Supplemental Round Name: 1

Due Date: 7/8/2024

Certificate No.: CN2406-015

Submitted Date: 7/1/2024

1. 1E. Overview

It is noted that the facility will include a range of imaging modalities. Does the applicant intend to pursue licensure as an outpatient diagnostic center in the future?

Response: No. MPHC anticipates that the majority of individuals utilizing the proposed imaging modalities will be existing patients of the MPHC practice. As such, MPHC does not intend to seek licensure as an ODC. This answer is reflected in the section labeled "Description" in 1E.

2. 1E. Overview

What services are currently offered by the applicant in the service area at its clinics?

Which counties and states are the applicant's other clinics in Norma, Winfield, Huntsville, Elgin located?

Response: MPHC's clinics offer a wide range of services. These services include primary care for adult and pediatrics, behavioral health for adults and schools, diabetes management, treatment, and care for all ages, case management programs for all ages, alcohol and drug assessments, DOT physicals, school physicals, and dental care for all ages.

Additionally, MPHC's other clinics are all located in Scott County, Tennessee. The name and addresses of the other clinics are listed below:

Area Health Center -- 3826 Norma Road, Huntsville, Scott County, Tennessee

Huntsville Primary Care -- 2974 Baker Highway, Huntsville, Scott County, Tennessee

Highland Health Center -- 715 Highway, Elgin, Scott County, Tennessee

Winfield Medical Center -- 25677 Scott Highway, Winfield, Scott County, Tennessee

This answer is also reflected in the application under the "Ownership Structure" section of 1E.

3. 2N. Service Area

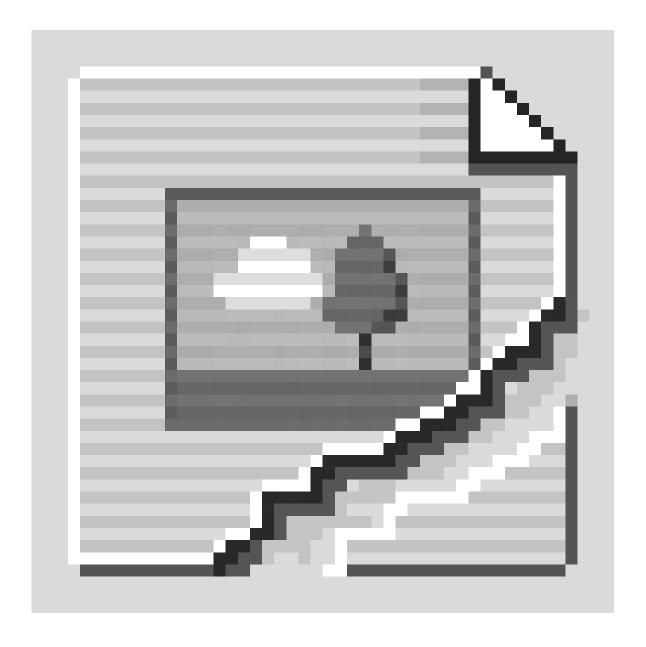
The historical utilization table provided in response to Item 2N can be removed since it pertains to historical MRI utilization only, not the applicant's overall patient base.

Response: This table has been removed.

4. 6N. Utilization and/or Occupancy Statistics

Please describe the existing patient base for the applicant's FQHC in terms of patient origin and estimated number of those patients requiring MRI referrals.

Response : MPHC treated 12,132 patients in CY 2023. The patient origin for those patients was as follows:



Page 2 of 5 RDA 1651

According to HFC equipment registry data, below are the total MRI utilization by county of residence for the proposed service area in 2022:

Scott County	1576
Campbell County	3505
Morgan County	1395
Fentress County	1584

To project future utilization for this project, MPHC assumed that 80% of the historic MRI utilization could be performed in an outpatient setting. MPHC then projected the following market share of these estimated MRI outpatient volumes:

Scott County	90%
Campbell County	10%
Morgan County	20%
Fentress County	20%

MPHC's projected market share in Scott County is reflective of its role as the primary healthcare provider in the County. Since Morgan and Fentress counties do not have an MRI provider, MPHC believes that it is reasonable to assume that a many patients on the eastern and northern portions of those counties would choose to utilize the MPHC MRI instead of driving farther into Crossville or Oak Ridge. While Campbell County has an existing MRI provider at LaFollette Medical Center, MPHC serves a significant number of patients on the western side of Campbell County, and it would expect those patients to utilize the MPHC MRI when appropriate.

Applying a 2% annual growth rate, that results in a projected 2025 total outpatient MRI utilization of:

MRI By County	2022 HFC Data	Estimated Outpatient	Estimated MPHC	Total MPHC	2023	2024	2025	2026	2027
Scott	1576	1,261	90%	1135	1158	1181	1204	1228	1253
Campbell	3505	2,804	10%	280	286	292	298	304	310
Morgan	1395	1,116	20%	223	228	232	237	242	246
Fentress	1584	1,267	20%	253	258	264	269	274	280
Other				125	128	130	133	135	138

This answer is also now reflected in Item 6N of the supplemental application.

5. 6C. Historical/Projected Data Chart

The Historical Data Chart can be removed since this item only pertains to MRI services.,

Response: This chart has been removed.

6. 8Q. Staffing

Please list the actual position types in response to Item 8Q.

Response : As stated in Item 8Q, MPHC projects this project will include 5 clinical FTEs. These clinical FTE positions will include an MRI tech, Mammography/Bone Density Techs, Ultrasound Tech, and Nurse/Nurse Practitioner. Additionally, MPHC projects that this project will include 2 non-clinical FTEs. This non-clinical position will be a receptionist.

7. 3N. Demographics

Please update the table in Attachment 3NB. to include revisions to the following items:

Median Household Income - TN Total

Persons Below Poverty Level as a % of Total - Campbell, Fentress, Morgan and Scott Counties

TennCare Enrollees - TN Total

Please revise and resubmit Attachment 3NB (labeled as Attachment 3NBR.)

Response:

The revisions are made in the attached 3N.B.R.

8. 7A. Type of Ownership of Control

The applicant's attachment clarification that it is a Not-for-Profit Corporation is noted. Please attempt to edit the main application through the supplemental process to reflect this.

Response: After speaking with Alecia Craighead, she confirmed that we are unable to make the change in the supplemental process. Because that item was linked to the Letter of Intent, the item is locked and unable to be edited. Accordingly, MPHC reiterates its statements in Addendum 1 that it inadvertently listed itself as a "For Profit" corporation. MPHC is a "Not-For-Profit" Corporation.

Project Name : Mountain People's Health Councils

Supplemental Round Name: 2

Certificate No.: CN2406-015

Due Date: 7/10/2024

Submitted Date: 7/3/2024

1. 8Q. Staffing

Please update the staffing table in response to Item 8Q. within the main application.

Please revise the staffing table to reflect only those staff associated with the operation of the MRI service.

Response : The staffing table in response to item 8Q has been updated. There will be two clinical FTEs (MRI Techs) and 1 non-clinical FTE (receptionist) associated with the MRI service.

2. 6N. Utilization and/or Occupancy Statistics

The image provided in response to supplemental question #4 failed to upload properly. Please resubmit the response to this item (as an attachment if necessary).

Response: The response to this item is now illustrated in a revised Attachment 6N, labeled Attachment 6N.R.

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