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HEALTH FACILITIES COMMISSION
AUGUST 28, 2024
APPLICATION REVIEW

NAME OF PROJECT: Mountain People's Health Councils

PROJECT NUMBER: CN2406-015

ADDRESS: 462 Industrial Lane
Oneida (Scott County), Tennessee 37841

LEGAL OWNER: Mountain People's Health Councils, Inc.
470 Industrial Lane
Oneida (Scott County), Tennessee 37841

OPERATING ENTITY: N/A

CONTACT PERSON: Travis Swearingen, Attorney, Butler Snow LLP
(615) 651-6734

DATE FILED: June 27, 2024

PROJECT COST: \$3,599,415

PURPOSE FOR FILING: The initiation of a 1.5 Tesla magnet strength MRI service.

Staff Review

Note to Commission members: This staff review is an analysis of the statutory criteria of Need, Consumer Advantage Attributed to Competition, and Quality Standards, including data verification of the original application and, if applicable, supplemental responses submitted by the applicant. Any Health Facilities Commission (HFC) Staff comments will be presented as a "Note to Commission members" in bold italic.

PROJECT DESCRIPTION

This application is seeking approval under **Consent Calendar** for the initiation of Magnetic Resonance Imaging (MRI) services located at 462 Industrial Lane, Oneida (Scott County), Tennessee 37841. The proposed service area consists of Sullivan and Hawkins Counties. The applicant is owned by Mountain People's Health Councils, Inc.

Executive Summary

- If approved, the applicant projects the proposed project will open for service in September 2025.
- The applicant is a community owned health center with four clinic locations in Scott County, TN in the towns of Winfield, Huntsville, Elgin, and Oneida.
- The applicant's clinics offer 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, Department of Transportation (DOT) physicals, school physicals, and dental care for all ages.
- The applicant seeks establish a 1.5 Tesla MRI unit which will be the first unit in Scott County.
- There is one MRI unit in service in the proposed service area for the project at LaFollette Medical Center in Campbell County, a facility which is approximately 40 miles from the proposed project site.
- The applicant expects the majority of patients will be existing patients of its clinics.
- The applicant states that the introduction of MRI services will complement its effort to establish a comprehensive diagnostic imaging center in Scott County. The applicant does not intend to pursue licensure as an outpatient diagnostic center.
- Please see application Item 1E. on Pages 6 & 7 for the applicant's executive summary overview that includes project description, ownership, service area, existing similar service providers, project cost, and staffing.

Consent Calendar: ☒ Yes ☐ No

- Executive Director's Consent Memo Attached: ☒ Yes ☐ Not applicable

Facility Information

- The MRI project will be located within a newly constructed diagnostic imaging center that will be connected to the applicant's existing community health center in Oneida (Scott County), TN.
- The new MRI unit suite will use approximately 2,800 square feet. The Floor Plan for the proposed imaging center includes CT, Ultrasound, Mammography and X-Ray suites in addition to the MRI suite.
- The applicant has provided a copy of the deed for the facility property where the MRI suite will be located.
- The MRI unit being purchased by the applicant is a 1.5 Tesla unit. The fixed, wide-bore, zero boil-off unit MRI unit will operating Monday through Friday from 8:00 am – 4:30 pm.

Ownership

- The applicant is owned by Mountain People's Health Councils, Inc., a Tennessee not-for-profit corporation. Mountain People's Health Councils, Inc. (MPHC) is a non-profit community owned health center. MPHC has a board of directors made up of members of the communities it serves. The Board of Directors is comprised of the following individuals: Board Chairman Rick Keeton, Vice Chairman Bill Dunlap, Treasurer Linda Lay, Secretary Phyllis Strunk, Anna Rose Sexton, Jacob Billingsley, and Tracey Stansberry.

Project Cost Chart

- The total project cost is \$3,599,415. Of this amount, the highest line-item costs of the project are Total Construction Costs (\$1,818,740), Fixed Equipment Costs (\$1,344,799), and Site Preparation Costs (\$197,241).
- For additional information, please see Project Costs Chart on page 10 of the application.

NEED

The applicant provided the following supporting the need for the proposed project:

- The applicant cites the lack of access to MRI services in the four-county service area where only one hospital-based MRI unit is available at LaFollete Medical Center.
- The applicant cites the need to reduce travel time for service area residents who currently must travel 40 miles from Scott County, where the project site is located to LaFollette Medical Center, 35-40 miles from Fentress County to Cumberland Medical Center in Cumberland County, or 30-35 miles from Morgan County to Methodist Medical Center in Oak Ridge (Anderson County).
- The applicant states that the nearest outpatient MRI is located in Knoxville, TN which is a two-hour drive for most residents of the service area.
- The applicant cites the need to provide a lower-cost option for residents of the service area who require MRI services. The only existing MRI provider is hospital-based and significantly higher in cost than the proposed outpatient MRI unit. The gross charges reported by the existing hospital-based MRI are \$5,436.55 for 2022 vs. the applicants proposed Year 1 (2025) charges of \$971.33 per procedure.
- The applicant cites the need to provide greater choice to consumers in the service area for where they have access to MRI services.
- The applicant highlights the fact that as a Federally Qualified Healthcare Center (FCHQ) which is accessible to Medicare and TennCare patients, it will represent a more affordable option and more convenient access point to its patient base in the service area.

(For applicant discussion, see Item 2.E., Pages 8 & 9)

SERVICE SPECIFIC CRITERIA AND STANDARD REVIEW

MRI Criteria

All applicable criteria and standards were met except for the following:

- Did not meet the standard of **#1a. Utilization Standards for non-Specialty MRI Units.** *“An applicant proposing a new non-Specialty stationary MRI service should project a minimum of at least 2,160 MRI procedures in the first year of service, building to a minimum of 2,520 procedures per year by the second year of service, and building to a minimum of 2,880 procedures per year by the third year of service and for every year thereafter.” The applicant projects utilization of the proposed 1.5 Tesla MRI unit will reach 2,141 procedures per unit in Year 1 (2026), 2,183 procedures per unit in Year 2 (2027), and 2,227 procedures per unit in Year 3 (2028). These projections do not exceed the minimum number of procedures for Year 1 (2,141 projected / 2,160 optimum standard = 99.1%); Year 2 (2,183 projected / 2,520 optimum standard = 86.6%), or Year 3 (2,227 projected / 2,880 optimum standard = 77.3%).*
- Did not meet the standard of **#4. Need Standard for non-Specialty MRI Units:** *“A need likely exists for one additional non-Specialty MRI unit in a Service Area when the combined average utilization of existing MRI service providers is at or above 80% of the total capacity of 3,600 procedures, or 2,880 procedures, during the most recent twelvemonth period reflected in the provider medical equipment report maintained by the HSDA.” 2022 utilization of service area MRI units is below the required threshold of (80% of 3,600 procedures = 2,880 procedures per unit). Utilization for the 1 unit in the service area located at LaFollette Medical Center was 982 procedures per unit (982 procedures / 2,880 procedures = 34.0%).*

Note to Commission members: The applicant states the following regarding Criterion #4 not being met: “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."

Regarding Criterion #9 which states "In light of Rule 0720-11.01, which lists the factors concerning need on which an application may be evaluated, and Principal No. 2 in the State Health Plan, "Every citizen should have reasonable access to health care," the HSDA may decide to give special consideration to an applicant:

- a. Who is offering the service in a medically underserved area as designated by the United States Health Resources and Services Administration; Each of the service area counties is designated as a Medically Underserved Area (MUA).*
- 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; The applicant will contract with two of the three area TennCare MCOs.*

Service Area Demographics

- The proposed primary service area will consist of Campbell, Fentress, Morgan and Scott Counties (*see Attachment 2N for a county level maps*).
- The target population is the population age 18 and older for the service area. (*See Attachment 3N-BR for more demographic details.*)

County	2024 Population	2028 Population	% Change 2024-2028	2024 Population 18+	2028 Population 18+	% Change 2024-2028 18+	TennCare %
Scott	22,151	22,142	0.015	17,146	17,230	0.5%	34.2%
Campbell	39,557	39,128	-1.1%	31,763	31,508	0.1%	30.1%
Morgan	21,727	21,932	0.9%	17,784	18,022	1.3%	21.4%
Fentress	19,032	19,155	0.6%	15,262	15,435	1.1%	32.0%
Service Area Total	102,467	102,357	0.0%	81,955	82,195	0.3%	29.8%
Tennessee Total	7,125,908	7,331,859	2.9%	5,565,604	5,736,895	3.1%	20.7%

Source: The University of Tennessee Center for Business and Economic Research Population Projection Data Files, Reassembled by the Tennessee Department of Health, Division of Policy, Planning and Assessment, Office of Health Statistics.

- The service area is projected to grow at a slower rate (0.3%) than the State of Tennessee as a whole (2.9%) from 2024-2028. The target population (18+) is also expected to grow more slowly than the state as a whole (0.3% vs. 3.1%).
- The percentage of individuals enrolled in TennCare is higher in the service area overall (29.8%) than the State of Tennessee (20.7%). Scott County has the highest TennCare enrollment percentage (34.2%) in the service area.

Service Area- Historical Utilization (MRI)

Utilization for the (1) Fixed MRI unit in the project service area is detailed in the table below:

State Health Plan MRI Service Area Fixed MRI Utilization CY2020 - CY2022

	All Providers
2020 Fixed MRI Utilization	
Units	1
Procedures	997
Procedures per Unit	997
2022 Fixed MRI Utilization	
Units	1
Procedures	982
Procedures per Unit	982
2022 % of Optimal Utilization per State Health Plan (2,880 procedures per unit)	34.1%
% Change in Procedures Per Unit, 2020-2022	-1.5%

Source: CN2406-015, Attachment 5N

The fixed MRI unit is located at LaFollete Medical Center

- Service area MRI utilization at LaFollette Medical Center decreased overall by - 1.5% from 2020 to 2022 from 997 procedures to 982 procedures which is (34.1%) of the optimum utilization standard for fixed MRI units (2,880 procedures per unit).

Applicant's Historical and Projected Utilization

The following tables indicates the applicant's projected utilization by county of patient origin.

Projected Utilization by County of Patient Origin (Year 1 - 2025)

Service Area Counties	Projected Utilization Year 1 (2025)	% of Total
Scott	1,204	56.2%
Campbell	298	13.9%
Fentress	269	12.0%
Morgan	237	11.1%
Other Counties	133	6.2%
Total	2,141	100%

Source: CN2406-015, Application, Page 12

- The projected utilization of the new 1.5 Tesla MRI unit in Year 1 (2026) is 2,141 total procedures with (56.2%) from the host county - Scott County.
- Historical utilization for the applicant's MRI unit in the four-county project service area is detailed in the following table:

Projected Utilization of Applicant's Proposed MRI Unit

Year	MRI Units	MRI Procedures	Procedures per Unit	% of Optimal Utilization (2,880 Procedures)
2025	1	2,141	2,141	74.3%
2026	1	2,183	2,183	75.7%
% Change from 2025-2026			+1.9%	

Source: CN2406-015, Attachment 6N

- If the proposed MRI unit is approved, the new 1.5 Tesla MRI is projected to perform 2,183 MRI procedures in total by 2026 which represents (75.7%) of the optimal utilization standards for non-specialty MRI units.
- The applicant's projected utilization is based on its role as the primary healthcare provider in Scott County. Its clinics served 12,132 patients in CY2023.
- There were 8,060 MRI procedures performed on residents of the four-county service area in 2022. Only 716 of those were performed within the project service area at LaFollette Medical Center in Campbell County.
- The applicant projects that future utilization of MRI services within the service area will be handled in an outpatient setting with the applicant projecting that (90%) of Scott County residents, (10%) of Campbell County residents, (20%) of Morgan County residents and (20%) of Fentress County residents will choose to have MRIs performed at the proposed facility.
- The applicant believes that many of the patients in Scott County as well as the northern and eastern parts of Morgan and Fentress Counties, which do not have an existing MRI provider, and the western portion of Campbell County will choose to receive service at the proposed facility.
- The applicant applies a 2% annual growth rate, that results in a projected 2025 total outpatient MRI utilization of:

Applicant's Projected MRI Utilization

MRI Use by County	2022 HFC Data	Estimated Outpatient	Estimated MPHC	Total MPHC	2023	2024	2025	2026	2027
Scott	1,576	1,261	90%	1,135	1,158	1,181	1,204	1,228	1,253
Campbell	3,505	2,804	10%	280	286	292	298	304	310
Morgan	1,395	1,116	20%	223	228	232	237	242	246
Fentress	1,584	1,267	20%	253	258	264	269	274	280
Other				125	128	130	133	135	138
Total	8,060	6,448		2,016	2,058	2,099	2,141	2,183	2,227

Source: CN2406-015, Attachment 6N

CONSUMER ADVANTAGE ATTRIBUTED TO COMPETITION

Charges

In Year One (2026) and Year Two (2027) of the proposed project, the average charges are as follows:

	Year 1 (2026)	Year 2 (2027)
Gross Charges	\$971.33	\$971.33
Deduction from Revenue	\$369.11	\$369.11
Average Net Charges	\$602.22	\$602.22

Source: CN2406-015, Application, Page 19

- The applicant projects that its Average Net Charges will remain the same from \$602.22 per procedure in 2026 to \$602.22 per procedure in Year 2 (2027).

Historical Service Area MRI Unit Utilization 2022 by Provider

County	Provider Type	MRI Provider	Number of Units	Procedures in 2022	Gross Charges	Charge per Procedure
Campbell	PO	LaFollette Medical Center	1	982	\$5,338,688	\$5,436.55

Source: CN2406-015, Attachment 9C

- The average gross charges per fixed MRI procedure reported in the project service area (\$5,436.55) in 2022, are higher than the applicant's proposed gross charges (\$971.33).

Project Payor Mix

The proposed project payor mix for Year One is as follows:

	Percentage of Gross Operating Revenue					
	Medicare	Medicaid	Commercial	Self-Pay	Other	Charity Care
Year 1	30.5%	32.3%	27.8%	3.1%	6.3%	0%

Source: CN2406-015, Application, Page 20

- The applicant will be Medicare Certified and projects that (62.8%) of gross operating revenue will come from a combination of Medicare and TennCare.
- The applicant states that it will continue to contract with the following TennCare Managed Care Organizations: BlueCross BlueShield of Tennessee, United Health Care, and WellPoint (Amerigroup).
- Please refer to Item 10C. in the Consumer Advantage section of the application for specific Payor Mix information.
- A full list of in-network payors is included in response to Item 2C., Pages 15 & 16.

Agreements

- The applicant states that it has a transfer agreement in place with Scott County Community Hospital, d/b/a Big South Fork Medical Center.

Staffing

The applicant's Year One proposed staffing includes the following:

	Year One
Direct Patient Care Positions	2.0
Non-Patient Care Positions	1.0
Contractual Staff	0.0
Total	3.0

Source: CN2406-015, Application Page 25

- Direct Care positions includes the following: MRI Technologist (2.0 FTEs).
- Non-Patient Care positions includes the following: Receptionist (1.0 FTE).
- There are no Contractual Staff positions for the project.
- Please refer to Supplemental #2, Question #1, Page 1 of the application for additional detail regarding project staffing.

QUALITY STANDARDS

The applicant commits to obtaining and/or maintaining the following:

Licensure	Certification	Accreditation
NA	Medicare / TennCare	American College of Radiology (ACR)

Source: CN2406-015, Application, Page 22.

- The applicant is a physician's practice and is not required to be licensed by the Health Facilities Commission. The applicant is not pursuing licensure as an outpatient diagnostic center (ODC).
- The applicant will maintain certification through Medicare and TennCare and will maintain accreditation for the MRI services through the American College of Radiology (ACR).

Application Comments

Application Comments may be filed by the Department of Health, Department of Mental Health, and Substance Abuse Services, and the Department of Disability and Aging. The following department(s) filed comments with the Commission and are attached:

- ☐ Department of Health
- ☐ Department of Mental Health and Substance Abuse Services
- ☐ Department of Disability and Aging
- ☒ **No comments were filed**

CERTIFICATE OF NEED INFORMATION FOR THE APPLICANT:

There are no other Letters of Intent, Pending Applications, Denied Applications, or Outstanding Certificates of Need on file for this applicant.

CERTIFICATE OF NEED INFORMATION FOR OTHER SERVICE AREA FACILITIES:

There are no other Letters of Intent, Outstanding Certificates of Need, Pending or Denied applications on file for other entities proposing this type of service.

TPP (8/15/2024)

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	PO	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, MPHIC 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) MPHIC 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.**

Response: 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.**

Response: 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, including 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.**

Response: 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.**

Response: 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.**

Response: 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**

Response: 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.**

Response: Not applicable – the applicant is not claiming this special consideration.

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.

Travis Swearingen

06/03/2024

Travis.Swearingen@butlersnow.com

Signature of Contact

Date

Contact's Email Address

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.

HF 51 (Revised 6/1/2023)

RDA 1651



**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

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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ORIGINAL **APPLICATION**



**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

CERTIFICATE OF NEED APPLICATION

1A. Name of Facility, Agency, or Institution

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

Note: The facility's name and address **must be** the name and address of the project and **must be** consistent with the Publication of Intent.

2A. Contact Person Available for Responses 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 the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper that includes a copy of the publication as proof of the publication of the letter of intent. (Attachment 3A)

Date LOI was Submitted: 06/03/24

Date LOI was Published: 06/06/24

RESPONSE: See Attachment 3A.

4A. Purpose of Review *(Check appropriate box(es) – more than one response may apply)*

- ☐ Establish New Health Care Institution
- ☐ Relocation
- ☐ Change in Bed Complement
- ☐ Addition of a Specialty to an Ambulatory Surgical Treatment Center (ASTC)
- ☒ Initiation of MRI Service
- ☐ MRI Unit Increase
- ☐ Satellite Emergency Department
- ☐ Addition of Therapeutic Catheterization
- ☐ Positron Emission Tomography (PET) Service
- ☐ Initiation of Health Care Service as Defined in §TCA 68-11-1607(3)

Please answer all questions on letter size, white paper, clearly typed and spaced, single sided, in order and sequentially numbered. In answering, please type the question and the response. All questions must be answered. If an item does not apply, please indicate "N/A" (not applicable). Attach appropriate documentation as an Appendix at the end of the application and reference the applicable item Number on the attachment, i.e. Attachment 1A, 2A, etc. The last page of the application should be a completed signed and notarized affidavit.

5A. Type of Institution *(Check all appropriate boxes – more than one response may apply)*

- ☐ Hospital
- ☐ Ambulatory Surgical Treatment Center (ASTC) – Multi-Specialty
- ☐ Ambulatory Surgical Treatment Center (ASTC) – Single Specialty
- ☐ Home Health
- ☐ Hospice
- ☐ Intellectual Disability Institutional Habilitation Facility (ICF/IID)
- ☐ Nursing Home
- ☐ Outpatient Diagnostic Center
- ☐ Rehabilitation Facility
- ☐ Residential Hospice
- ☐ Nonresidential Substitution Based Treatment Center of Opiate Addiction
- ☒ Other

Other -

Physician's Practice Office

Hospital -

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

Mountain People's Health Councils, Inc.

Name

470 Industrial LN		423-286-4141
Street or Route		Phone Number
Oneida	Tennessee	37841
City	State	Zip

7A. Type of Ownership of Control (Check One)

- ☐ Sole Proprietorship
☐ Partnership
☐ Limited Partnership
☒ Corporation (For Profit)
☐ Corporation (Not-for-Profit)
☐ Government (State of TN or Political Subdivision)
☐ Joint Venture
☐ Limited Liability Company
☐ Other (Specify)

Attach a copy of the partnership agreement, or corporate charter and certificate of corporate existence. Please provide documentation of the active status of the entity from the Tennessee Secretary of State's website at <https://tnbear.tn.gov/ECommerce/FilingSearch.aspx>. If the proposed owner of the facility is government owned must attach the relevant enabling legislation that established the facility. (Attachment 7A)

Describe the existing or proposed ownership structure of the applicant, including an ownership structure organizational chart. Explain the corporate structure and the manner in which all entities of the ownership structure relate to the applicant. As applicable, identify the members of the ownership entity and each member's percentage of ownership, for those members with 5% ownership (direct or indirect) interest.

RESPONSE: Mountain People's Health Councils, Inc. (MPHC) is a non-profit community owned health center. MPHC has a board of directors made up of members of the communities it serves. The Board of Directors is comprised of the following individuals: Board Chairman Rick Keeton, Vice Chairman Bill Dunlap, Treasurer Linda Lay, Secretary Phyllis Strunk, Anna Rose Sexton, Jacob Billingsley, and Tracey Stansberry.

8A. Name of Management/Operating Entity (If Applicable)

Name		
Street or Route		County
City	State	Zip

Website Address

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

9A. Legal Interest in the Site

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 or 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 certified mail, return receipt requested.” Failure to provide the notifications described above within the required statutory 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 county 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, if 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 Calendar 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 Fee), Consultant Fees	\$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 Contract)	\$1,344,799
8. Moveable Equipment (List all equipment over \$50,000 as separate attachments)	\$0
9. Other (Specify): <u>Furnishings</u>	\$27,335

B. Acquisition by gift, donation, or lease:

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 MPHHC'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: ☐ Procedures ☐ 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 MPCH 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 unimplemented 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: MPHHC 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 HealthCare
- ☒ Cigna 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
- ☐

- ☐ UnitedHealthcare Community Plan Middle Tennessee
- ☐ 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:

The project will be operated as part of the Mountain People's Health Councils existing community health center in Oneida. As the operator of multiple community health centers in East Tennessee, MPHCC is familiar and compliant with State Licensure requirements and all applicable regulations.

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
NET 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 (<i>Gross Operating Revenue/Utilization Data</i>)	\$0.00	\$0.00	\$971.33	\$971.33	0.00
Deduction from Revenue (<i>Total Deductions/Utilization Data</i>)	\$0.00	\$0.00	\$369.11	\$369.11	0.00
Average Net Charge (<i>Net Operating Revenue/Utilization Data</i>)	\$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**

Payor Source	Year-2026		Year-2027	
	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.

QUALITY 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 standing?

☒ Yes

☐ No

- Does the applicant commit to obtaining and maintaining TennCare and Medicare certification(s), if participation in such programs are indicated in the application?

☒ Yes

☐ No

3Q. 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.

Credential	Agency	Status (Active or Will Apply)	Provider Number or Certification Type
Licensure	☐ Health Facilities Commission/Licensure Division ☐ Intellectual & Developmental Disabilities ☐ Mental Health & Substance Abuse Services		
Certification	☒ Medicare ☒ TennCare/Medicaid ☐ Other _____	Active Active	441823/3704397 4448192/3704397
Accreditation(s)	ACR – American College of Radiology	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)

5Q. 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
- ☐ 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 provision shall not apply if a new, unrelated owner applies for a CON related to a previously decertified facility.)

☐ Yes☒ No☐ N/A

7Q. Respond to all of the following and for such occurrences, identify, explain, and provide documentation if occurred in last five (5) years.

Has any of the following:

- Any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include any entity in the chain of ownership for applicant);
- Any entity in which any person(s) or entity with more than 5% ownership (direct or indirect) in the applicant (to include 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 cases involving claims related to the provision of health care items and services;
 - ☐ Yes
 - ☒ No
- Suspension or termination of participation in Medicare or TennCare/Medicaid programs; and/or
 - ☐ Yes
 - ☒ No
- Is presently subject of/to an investigation, or party in any regulatory or criminal action of which you are aware.
 - ☐ Yes
 - ☒ No

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)
1. 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

MOUNTAIN 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

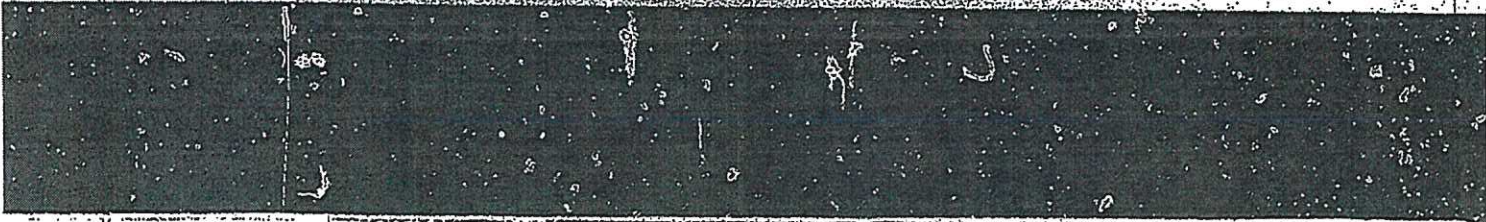
Stoney Fork Health Council, Inc.
Caryville, Tennessee

- (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.

(I) To carry 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 corporation 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 engage 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 are not exclusively charitable or educational 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 compensation 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 Code).

in Section 501(c)(3) of the Code⁵⁸.

(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 in 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 investments 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.

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Dated this 24th day of September, 1973.

By:

Raymond Jeffers
RAYMOND JEFFERS

Emma Bradley
EMMA BRADLEY

Odes McKamey
ODES MCKAMEY

Incorporators

I, JOE C. 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



Tennessee
Secretary of State
Tre Hargett

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Business Entity Detail

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000079943: Nonprofit Corporation - Domestic

Printer Friendly Version

Name: MOUNTAIN PEOPLES' HEALTH COUNCILS, INC.

Status: Active

Initial Filing Date: 09/26/1973

Formed in: TENNESSEE

Delayed Effective Date:

Fiscal Year Close: May

AR Due Date: 09/01/2024

Term of Duration: Perpetual

Inactive Date:

Principal Office: 470 INDUSTRIAL LN
ONEIDA, TN 37841-6294 USA

Mailing Address: 470 INDUSTRIAL LN
ONEIDA, TN 37841-6294 USA

AR Exempt: No

Obligated Member Entity: No

Public Benefit Corporation: Yes

[Assumed Names](#)

[History](#)

[Registered Agent](#)

Name	Status	Expires
No Assumed Names Found...		



Secretary of State Tre Hargett

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.



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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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Tennessee
Secretary of State



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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.

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

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

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").

WITNESSETH:

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.

DERIVATION OF TITLE: Being a portion of the properties conveyed to THE INDUSTRIAL 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
Oneida, Tennessee 37841

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

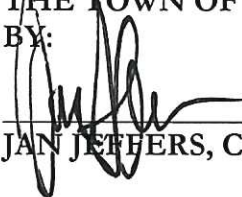
TAX ASSESSMENT DATA: [Pursuant to Tenn. Code Ann. § 66-24-121]: Portion of District No. 4, Map 52-I, Group: I, parcel 9.00.

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:

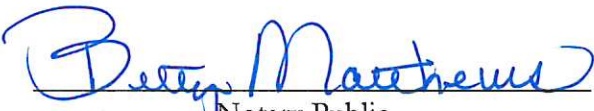


JAN JEFFERS, CHAIRMAN

STATE OF TENNESSEE)
) ss.
COUNTY OF SCOTT)

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 5th day of October, 2021.



Notary Public

My commission expires: 11/27/2022

STATE OF TENNESSEE)
) ss.
COUNTY OF SCOTT)



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.

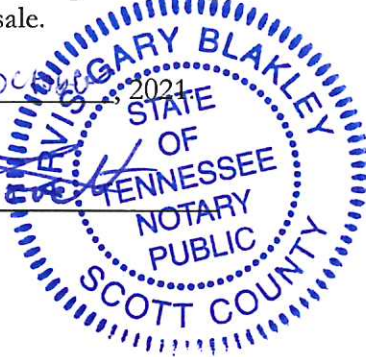
Entered this 27 day of October, 2021



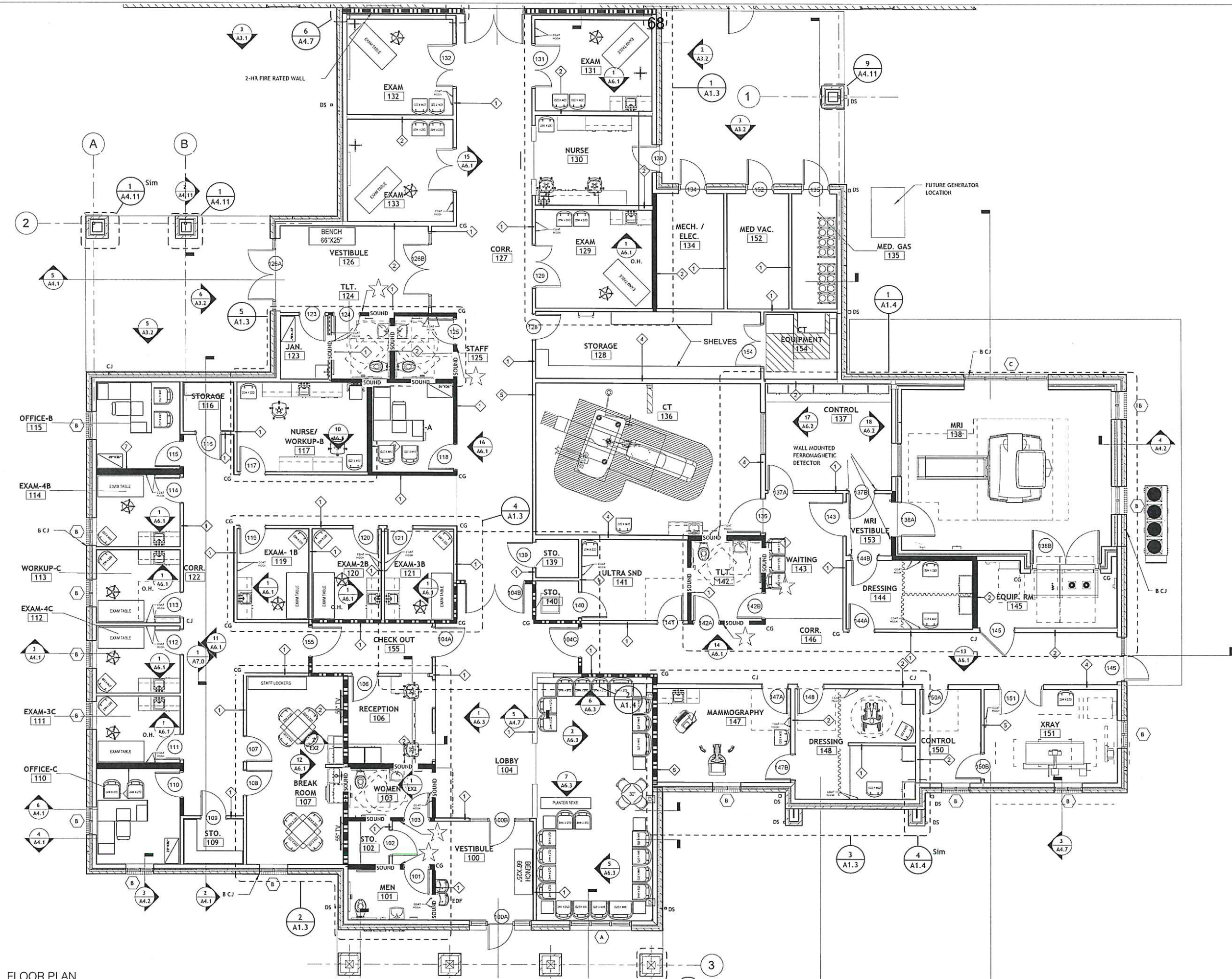
Affiant



Notary Public



My commission expires: 2/24/27



FLOOR PLAN
SCALE: 1/4" = 1'-0"

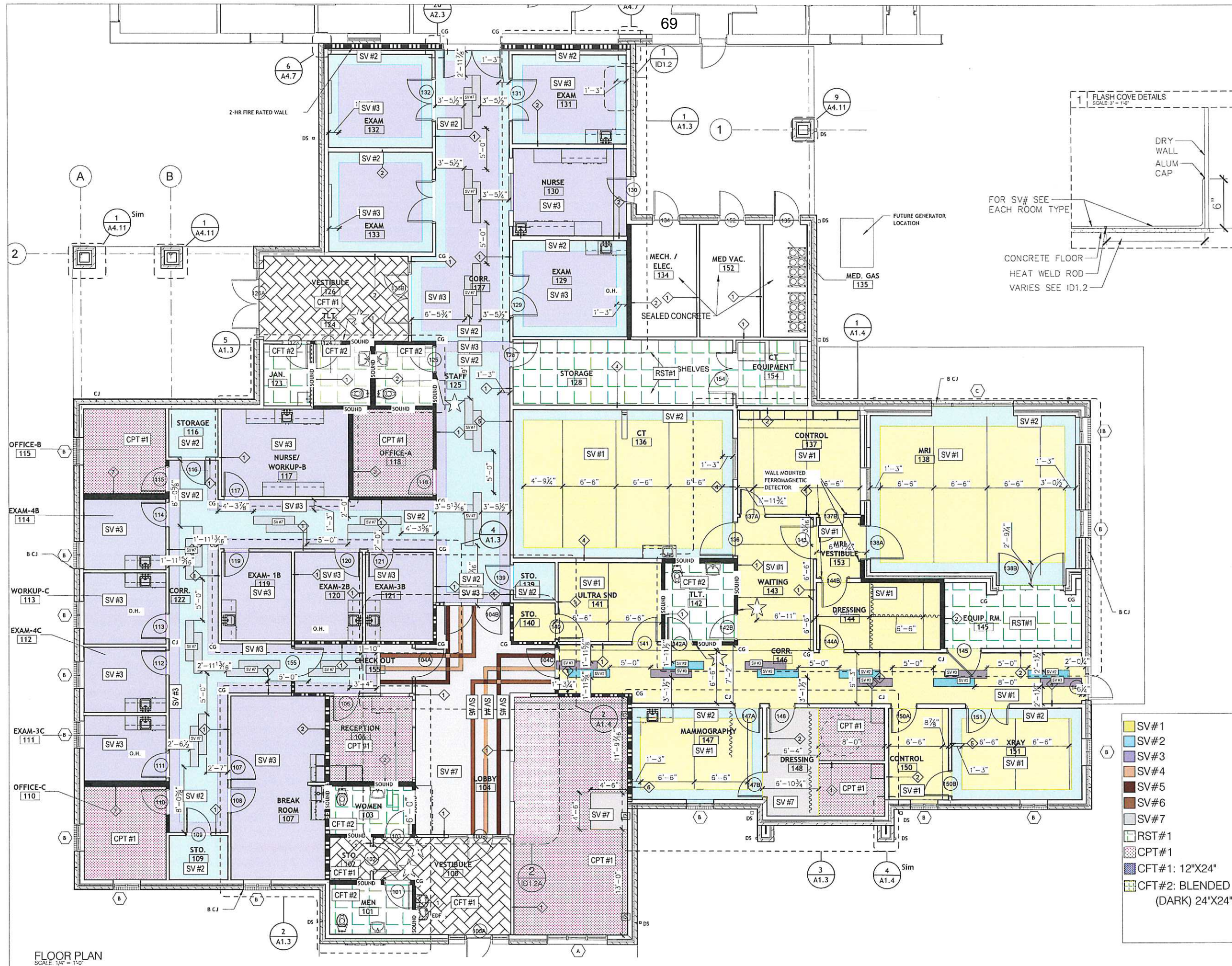
REVISION	BY
10/26/23	HKS
10/30/23	SGS
12/14/23	HKS

FURNITURE FLOOR PLAN
4616 PAPER MILL DRIVE
KNOXVILLE, TN 37909 865-310-1377
SUSAN@SKBALLARDCONTRACTINTERIORS.COM

M.P.H.C IMAGING CENTER
ONEIDA, TN
ballard contract interiors

LOW PRELIMINARY
9/20/13
FOR CONSTRUCTION

DRAWN HKS
CHECKED SGS
DATE 02/29/2024
SCALE AS INDICATED
JOB NO. 0220
SHEET ID1.1
OF SHEETS



REVISION	BY
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12/04/23	HKS
12/14/23	HKS

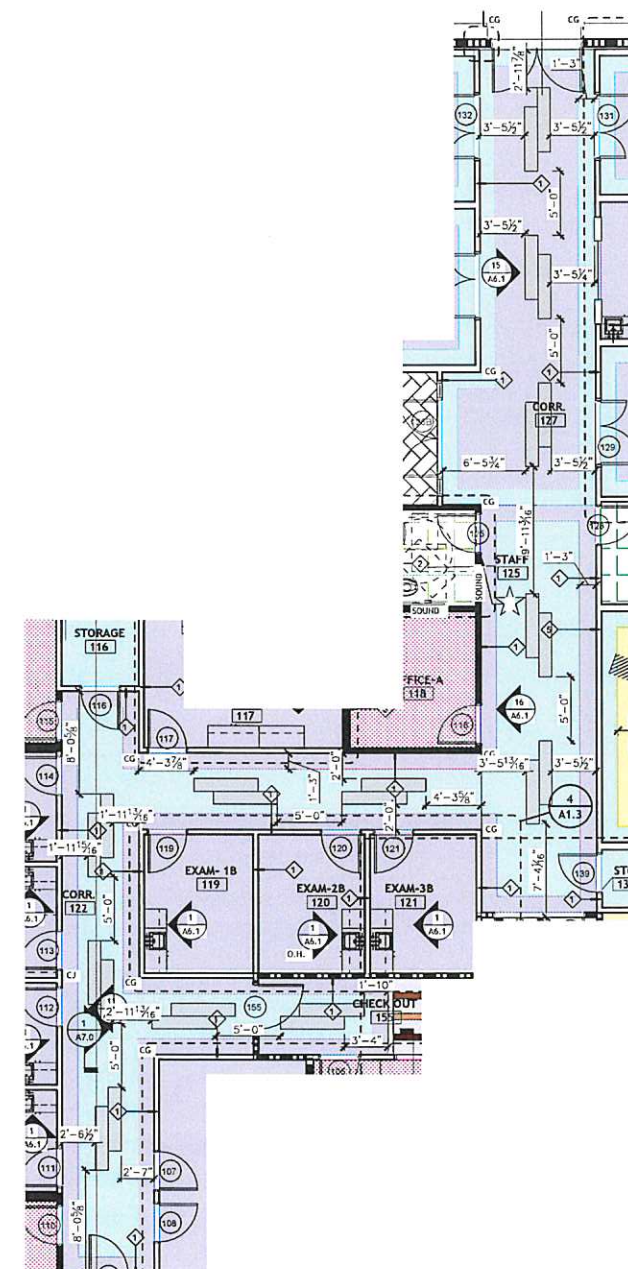
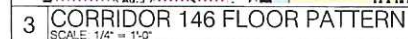
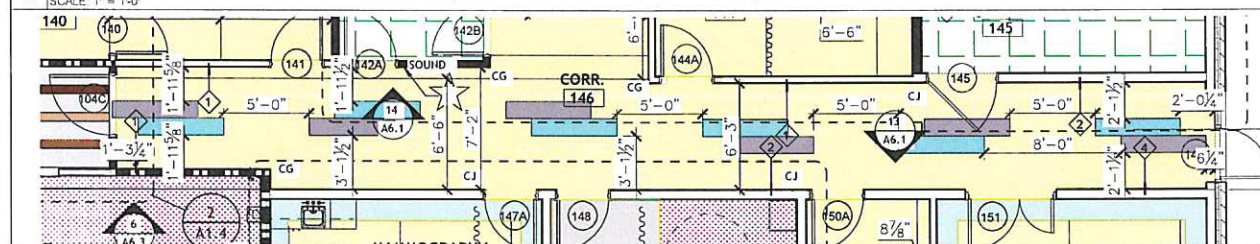
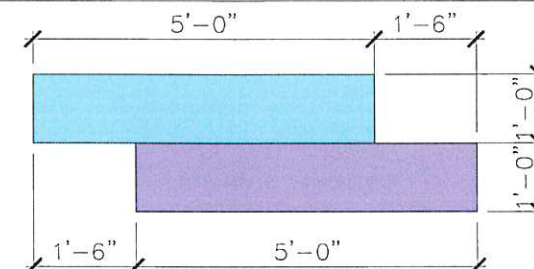
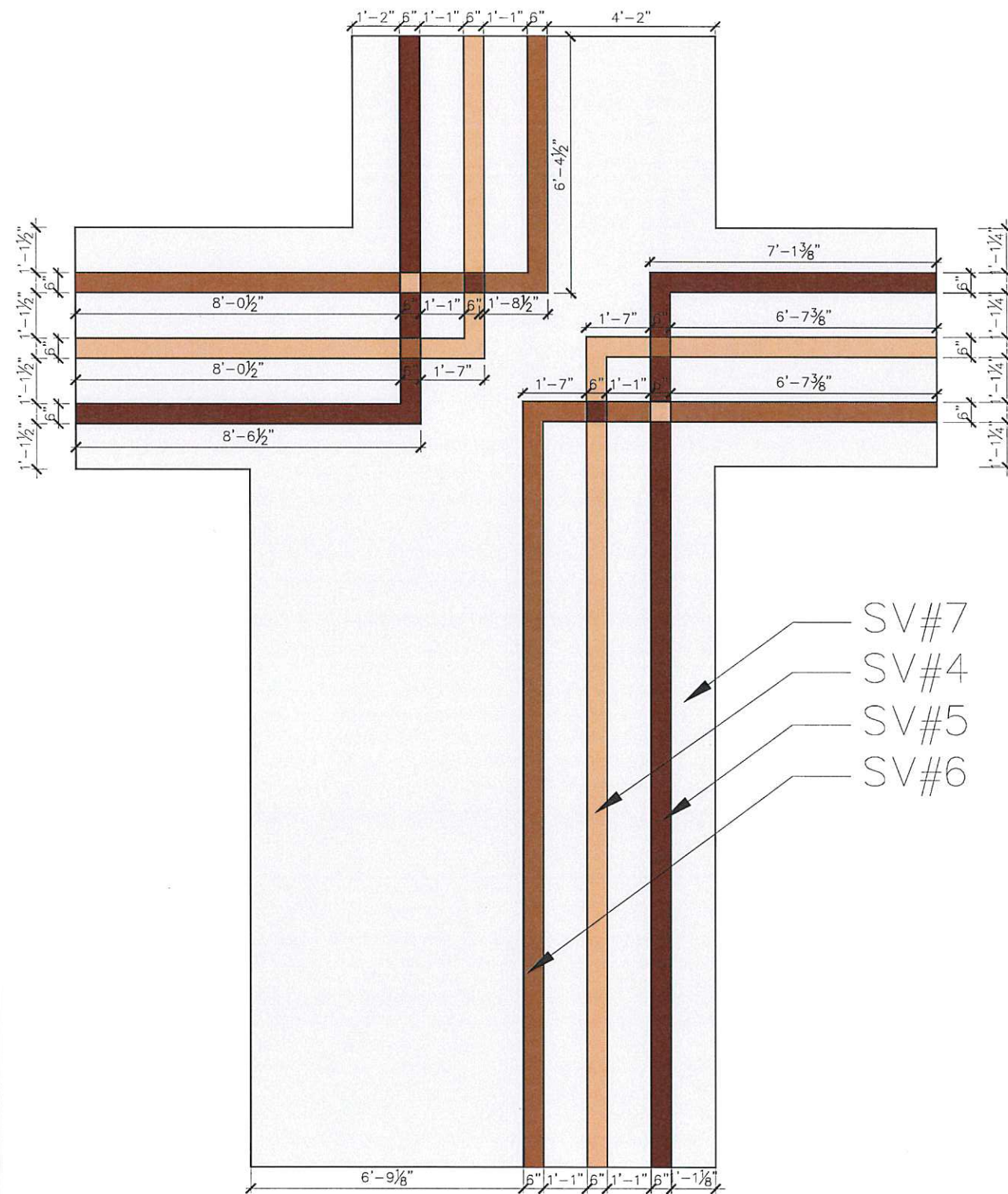
FLOOR FINISH PLAN
4616 PAPER MILL DRIVE
KNOXVILLE, TN 37909 865-310-1377
SUSAN@SKBALLARDCONTRACTORINTERIORS.COM

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OF SHEETS



REVISION	B
10/26/23	HR
12/04/23	HR
12/14/23	HR
02/01/24	HR

FLOOR PATTERN DETAILS

4616 PAPERMILL DRIVE
KNOXVILLE, TN 37909 865-310-1377

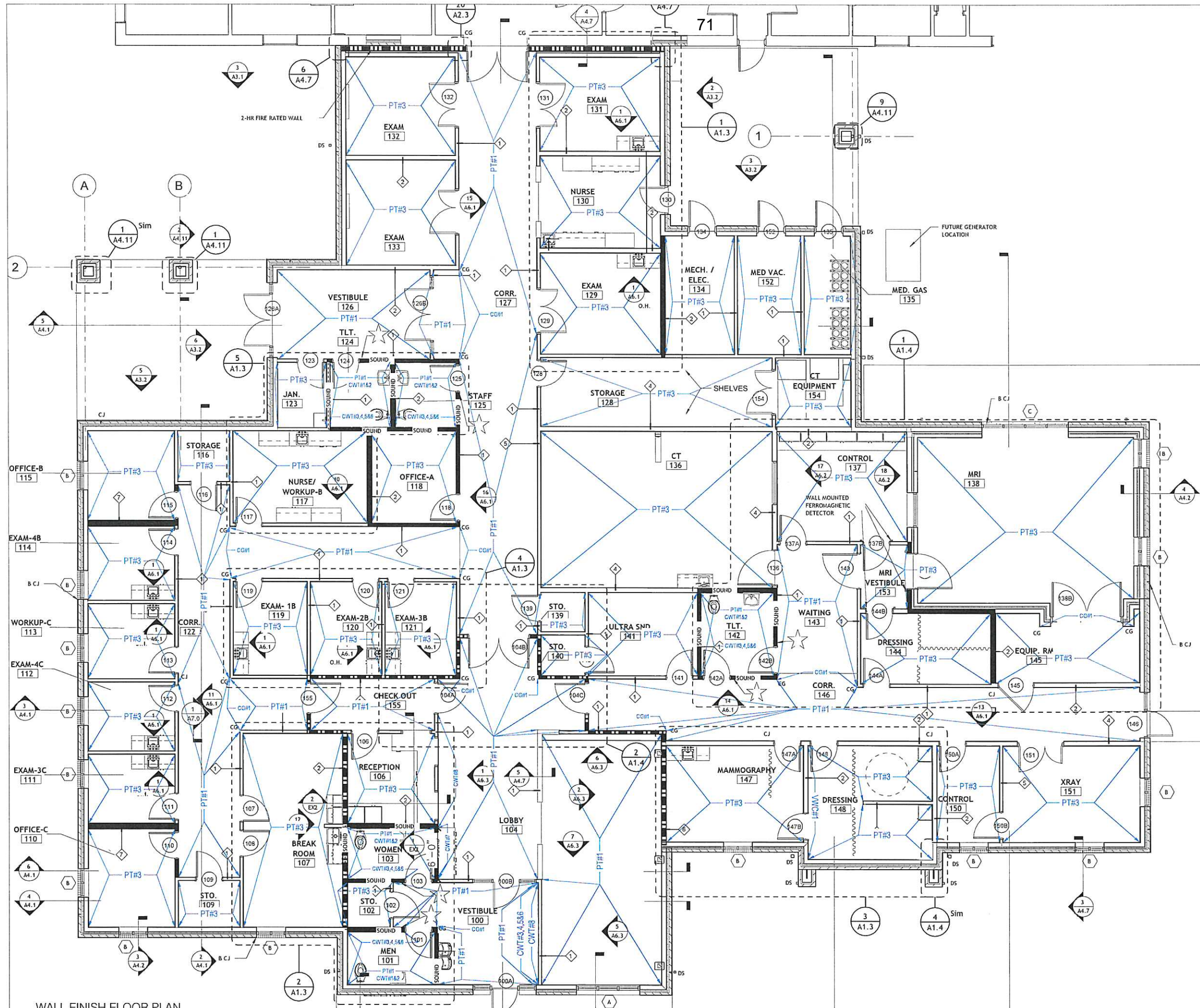
M.P.H.C IMAGING CENTER
ONEIDA, TN

ONEIDA, TN
Ballard contract interiors

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CHECKED
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02/09/2024
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AS INDICATED
JOB NO.
0290
SHEET

ID1.2A



WALL FINISH FLOOR PLAN
SCALE 1/4" = 1'-0"

REVISION	BY
02/05/24	HKS

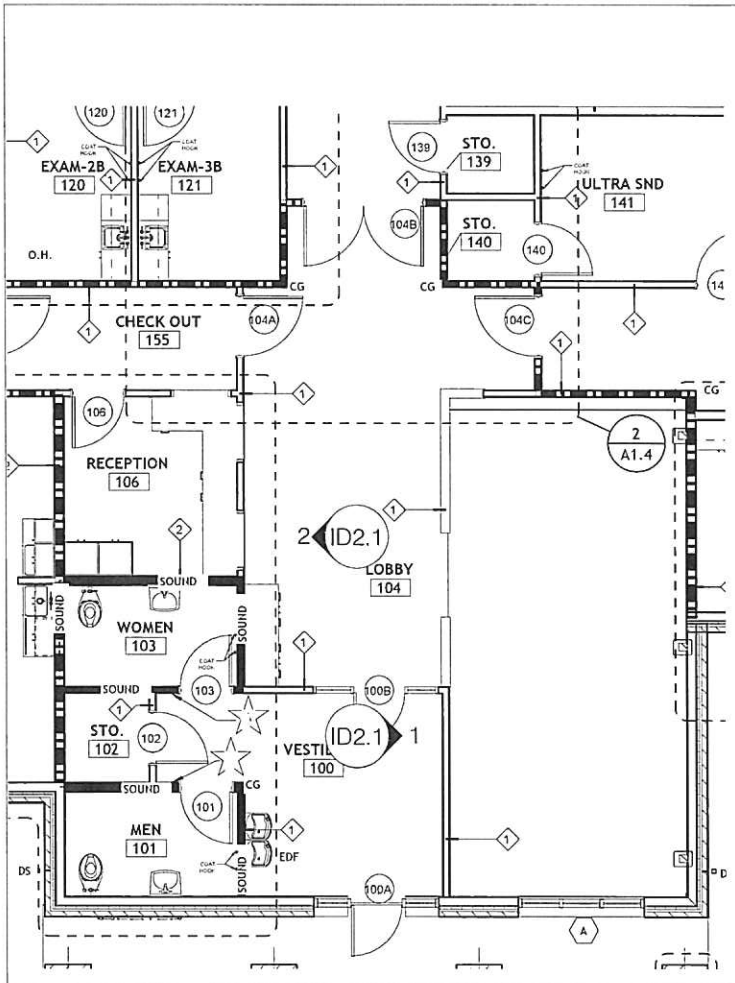
WALL FINISH PLAN
4516 PAPER MILL DRIVE
KNOXVILLE, TN 37909
SUSAN@SKBALLARDCONTRACTINTERIORS.COM

M.P.H.C IMAGING CENTER
ONEIDA, TN
ballard contract interiors

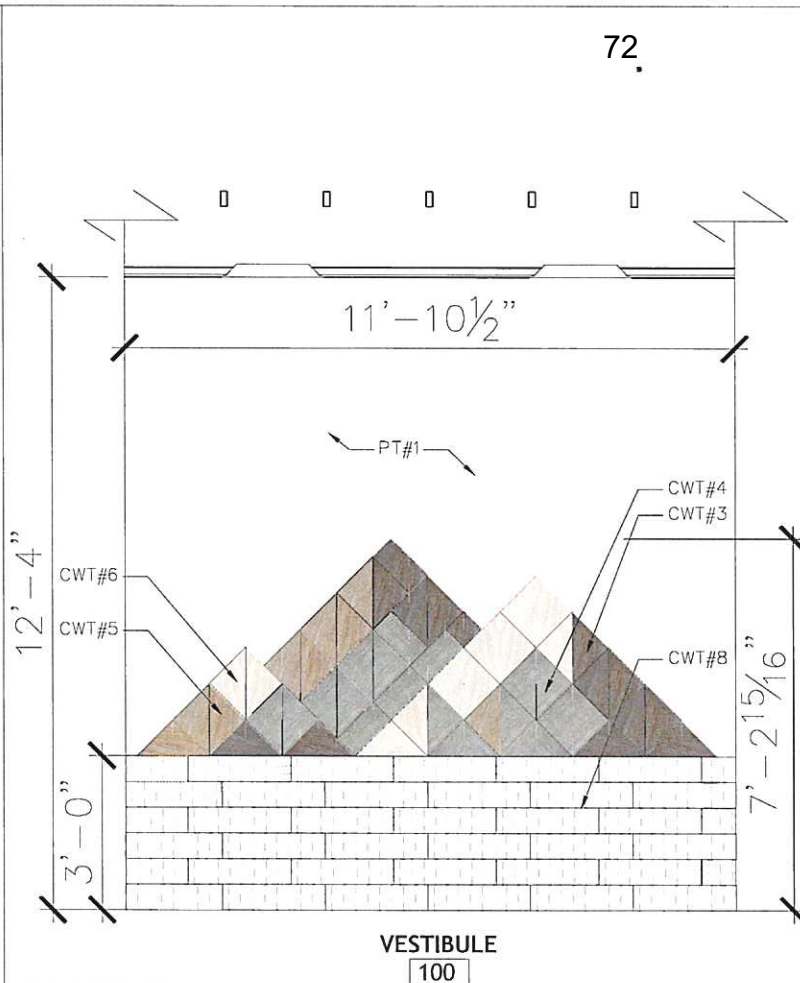
LOW PRELIMINARY
9/20/13
FOR CONSTRUCTION

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OF SHEETS	

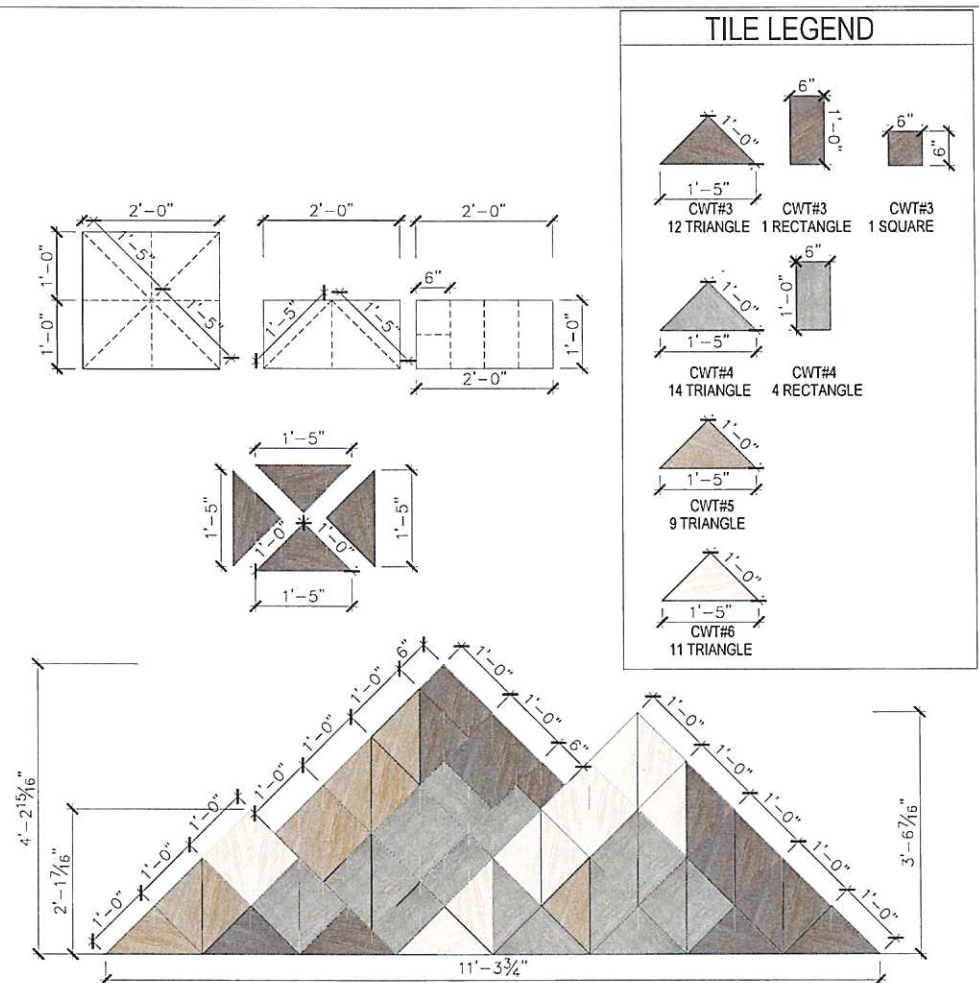
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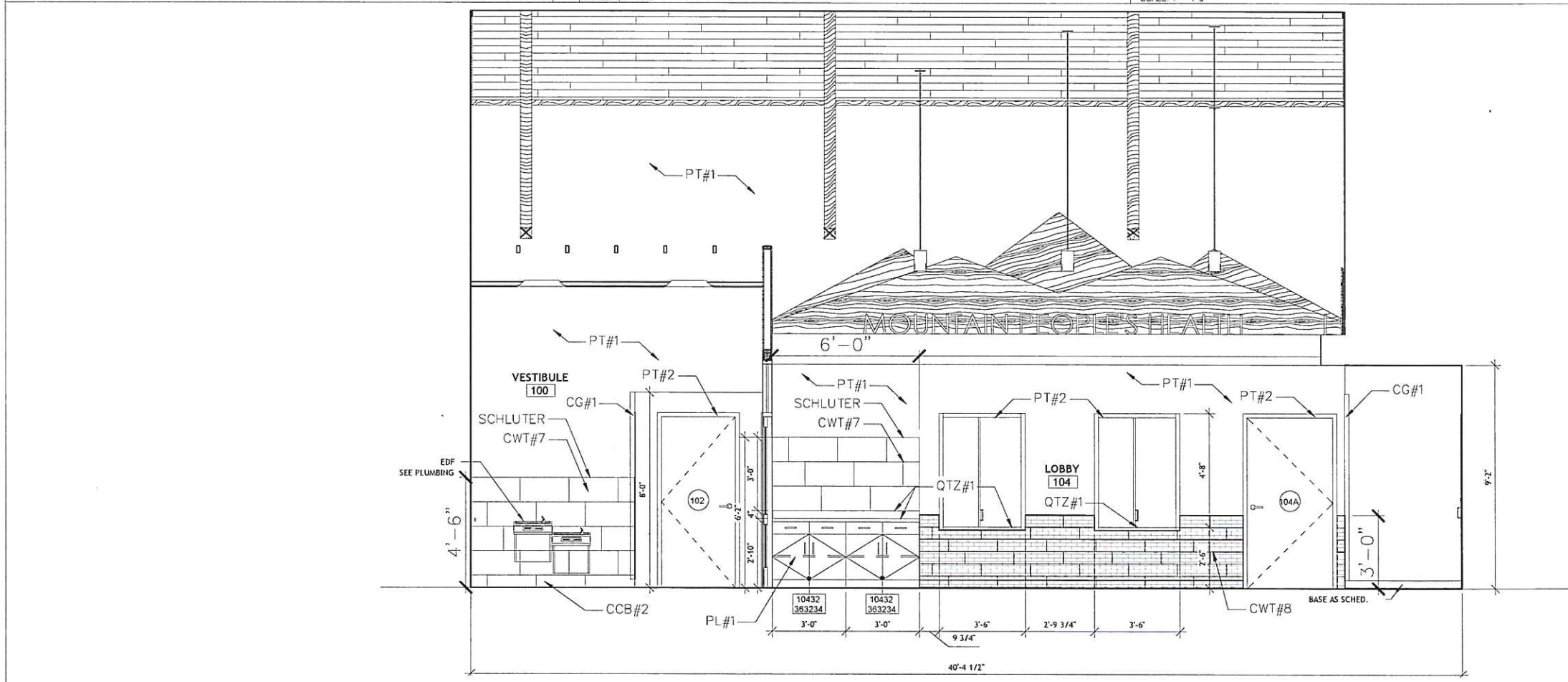
REFERENCE PLAN
SCALE: 1/4" = 1'-0"



1 VESTIBULE RIGHT WALL ELEVATION
SCALE: 3/4" = 1'-0"



VESTIBULE WALL PATTERN DETAILS
SCALE: 1" = 1'-0"



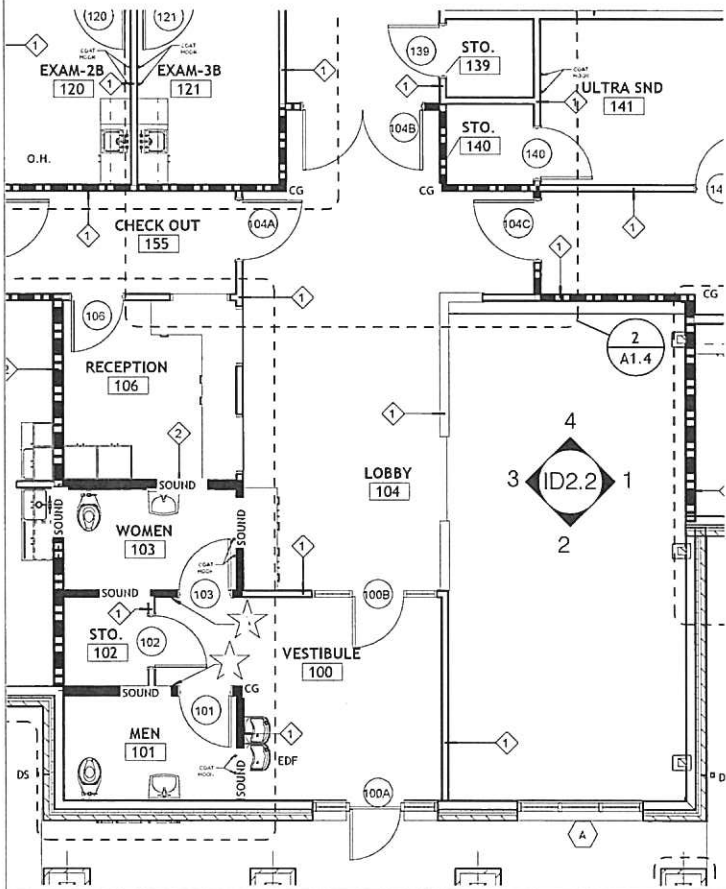
2 LOBBY FRONT DESK ELEVATION & VESTIBULE LEFT WALL
SCALE: 1/2" = 1'-0"

REVISION	BY
12/04/23	HKS
12/11/23	HKS
12/14/23	HKS
02/05/24	HKS

VESTIBULE & RECEPTION ELEVATIONS	
4616 PAPER MILL DRIVE KNOXVILLE, TN 37909 SUSAN@SKBALLARDCONTRACTORINTERIORS.COM	

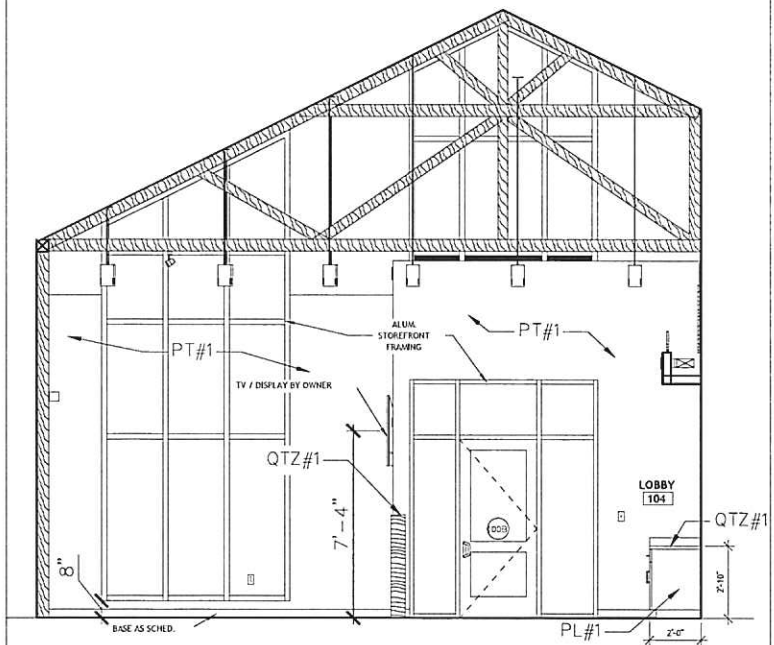
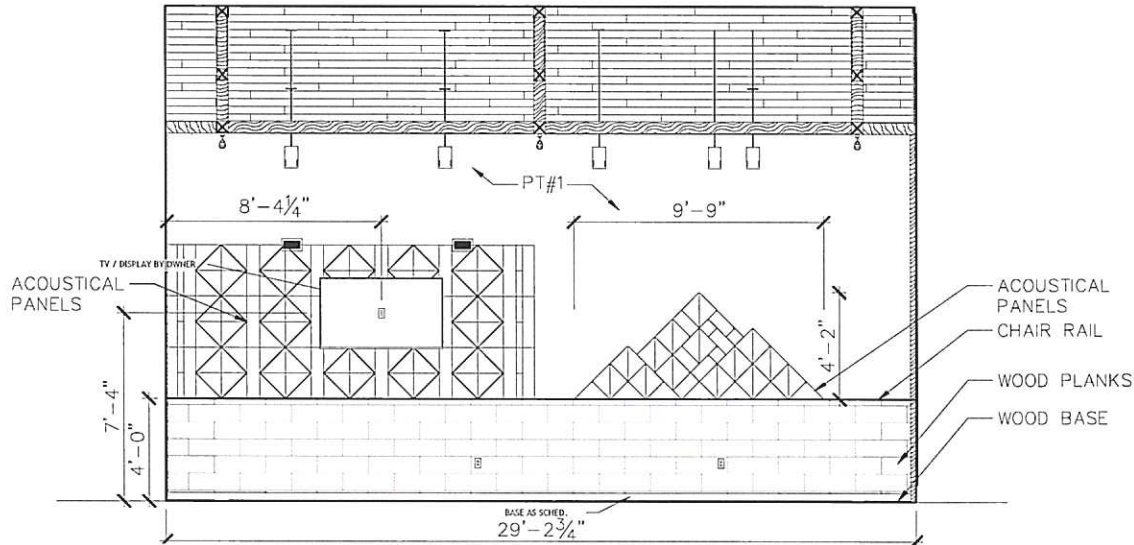
M.P.H.C IMAGING CENTER ONEIDA, TN	ballard contract interiors	
		PRELIMINARY
		9/20/13
		FOR CONSTRUCTION

DRAWN	HKS
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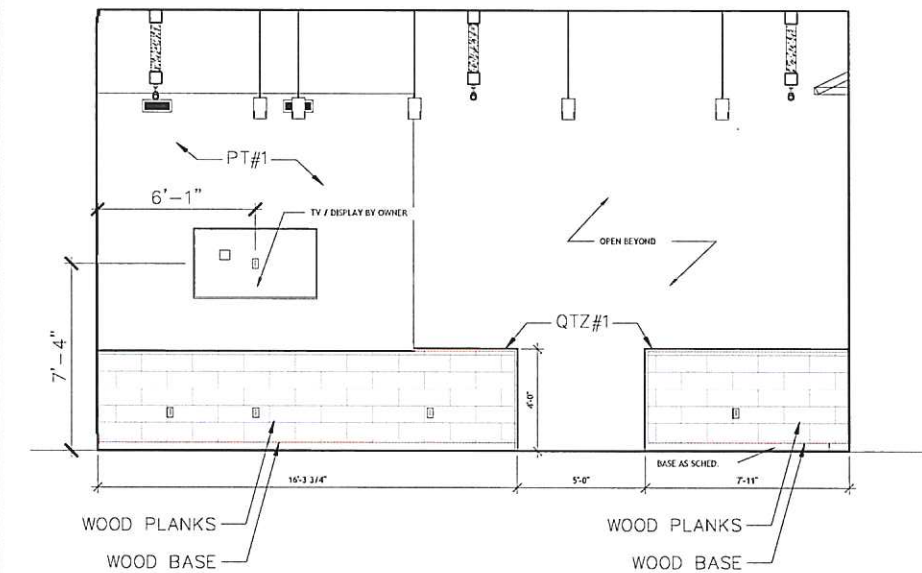


REFERENCE PLAN
SCALE 1/4" = 1'-0"

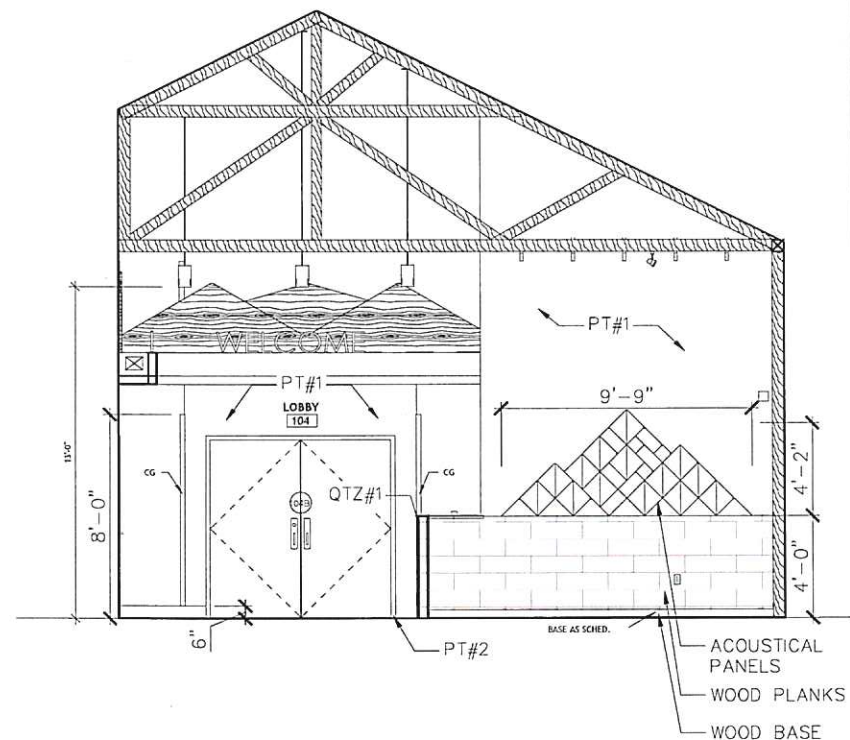
1 WAITING AREA ELEVATION (FRONT WALL)
SCALE 3/8" = 1'-0"



2 WAITING AREA ELEVATION (WINDOW WALL) & LOBBY MAIN DOOR
SCALE 3/8" = 1'-0"



3 WAITING AREA ELEVATION LOOKING TO THE LOBBY
SCALE 3/8" = 1'-0"



4 WAITING AREA ELEVATION (LEFT WALL) & CORRIDOR DOOR
SCALE 3/8" = 1'-0"

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REVISION	BY
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12/11/23	HKS
12/14/23	HKS

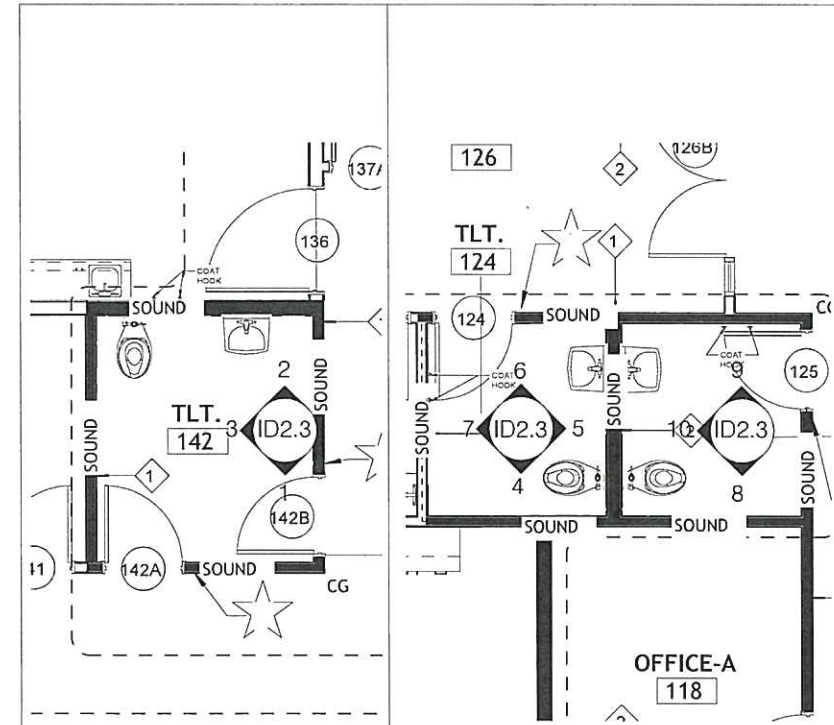
LOBBY AND WAITING AREA ELEVATIONS
4616 PAPER MILL DRIVE
KNOXVILLE, TN 37909
SUSAN@SKBALLARDCONTRACTORINTERIORS.COM

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ONEIDA, TN
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FOR CONSTRUCTION

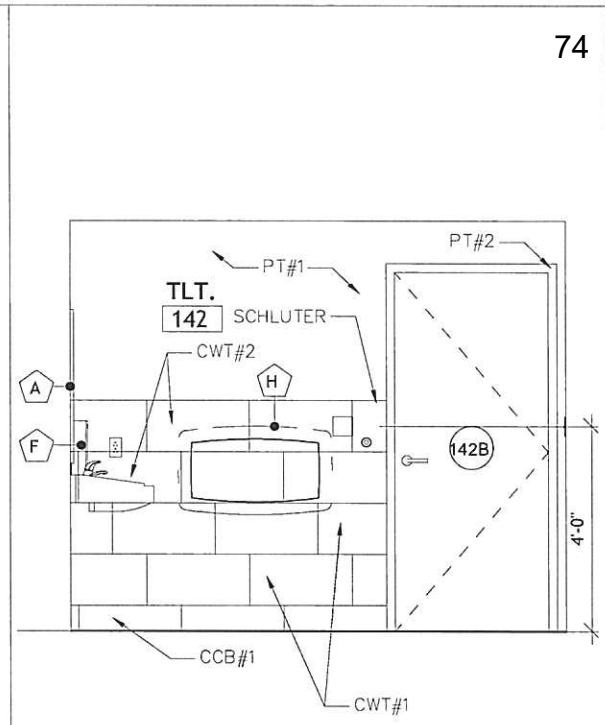
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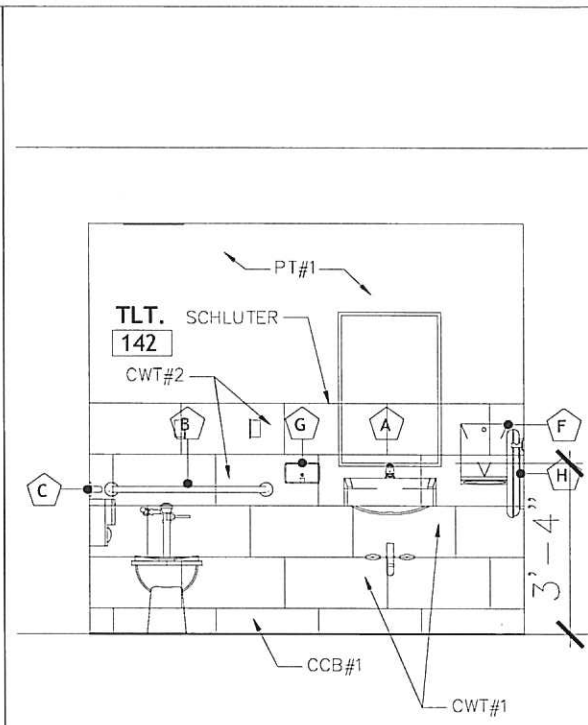


TLT-142 REFERENCE PLAN
SCALE: 3/8" = 1'-0"

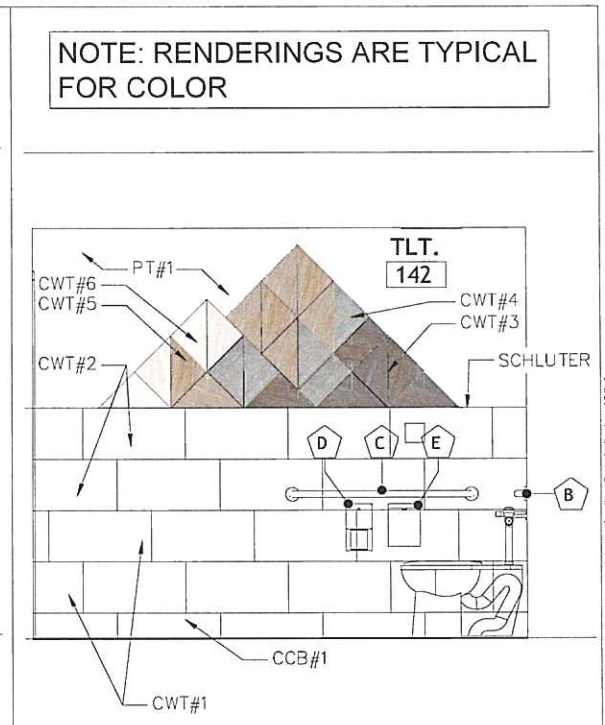
TLT-124 & STAFF-125 REFERENCE PLAN
SCALE: 3/8" = 1'-0"



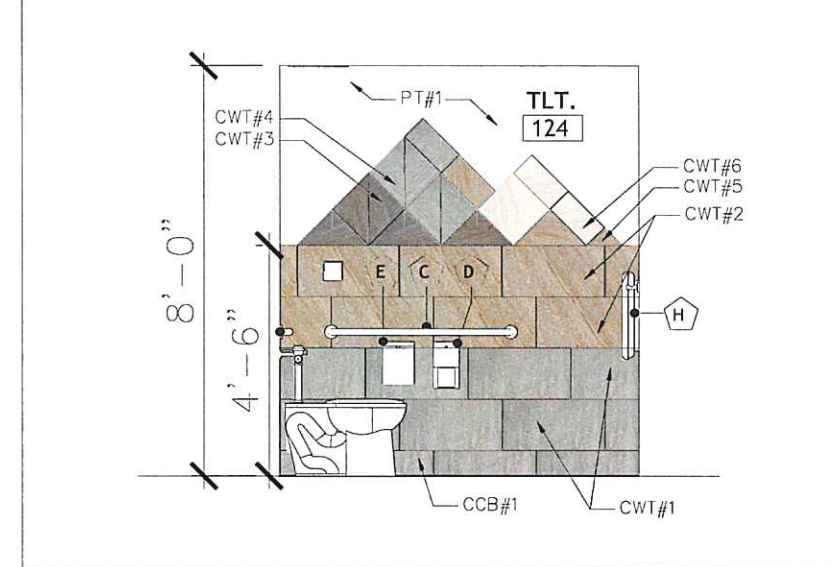
1 TLT 142 ELEVATION
SCALE: 3/4" = 1'-0"



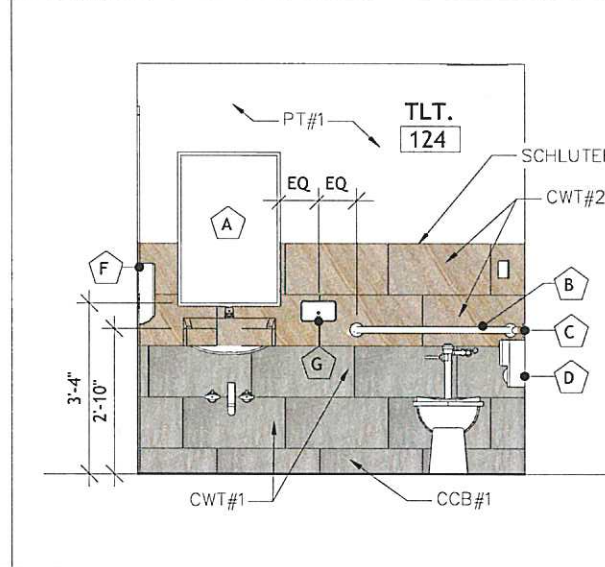
2 TLT 142 ELEVATION
SCALE: 3/4" = 1'-0"



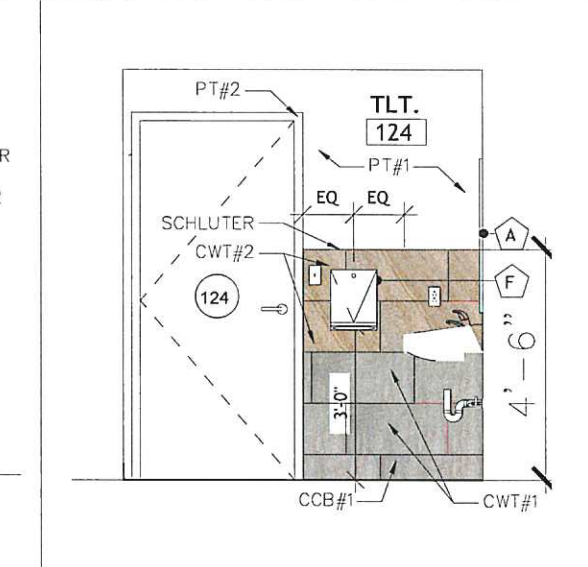
3 TLT 142 ELEVATION
SCALE: 3/4" = 1'-0"



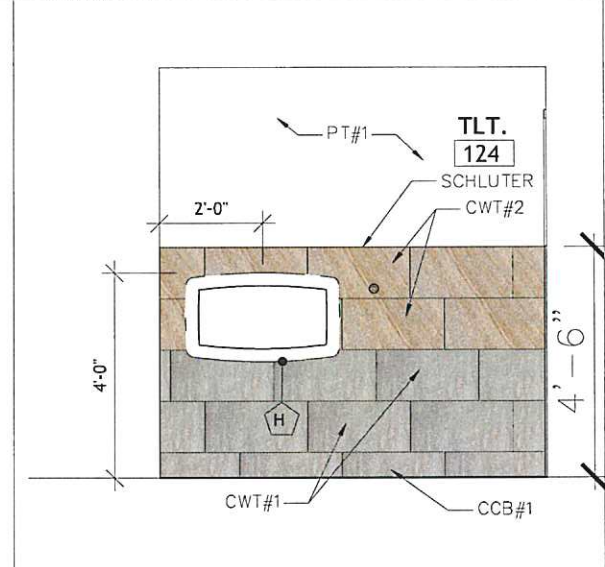
4 TLT 124 ELEVATION
SCALE: 3/4" = 1'-0"



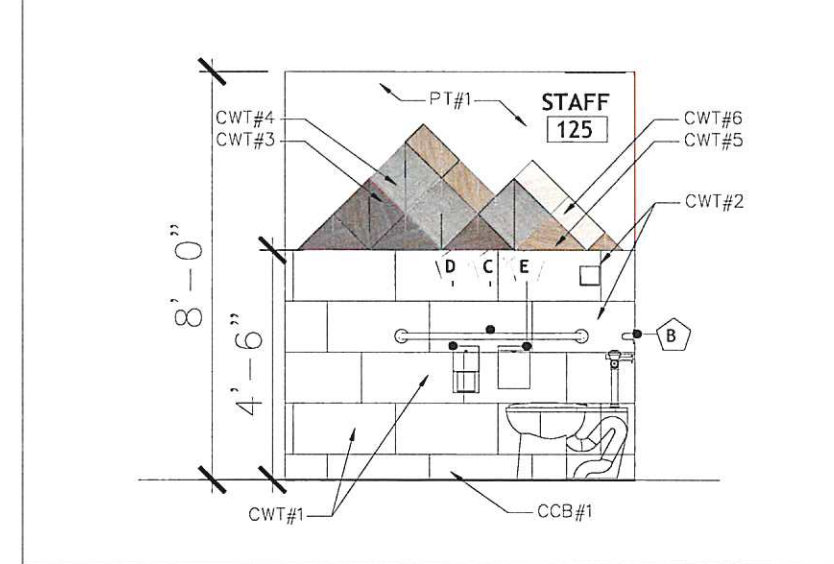
5 TLT 124 ELEVATION
SCALE: 3/4" = 1'-0"



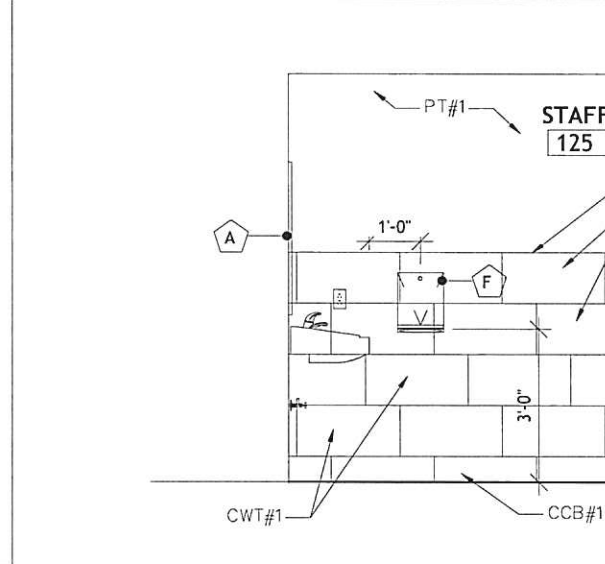
6 TLT 124 ELEVATION
SCALE: 3/4" = 1'-0"



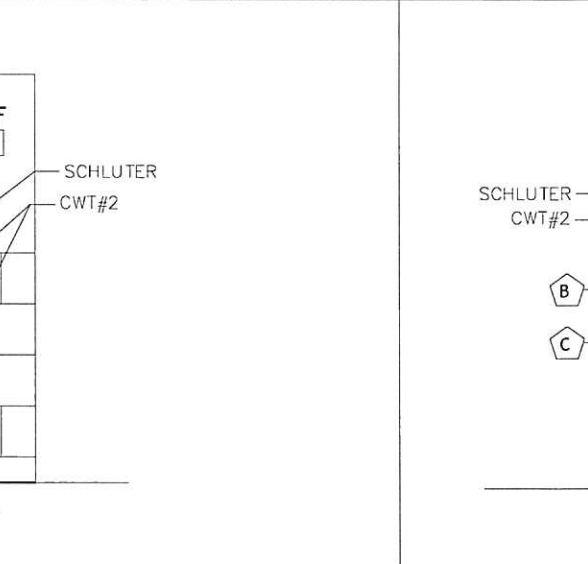
7 TLT 124 ELEVATION
SCALE: 3/4" = 1'-0"



8 STAFF 125 ELEVATION
SCALE: 3/4" = 1'-0"



9 STAFF 125 ELEVATION
SCALE: 3/4" = 1'-0"



10 STAFF 125 ELEVATION
SCALE: 3/4" = 1'-0"

NOTE: RENDERINGS ARE TYPICAL FOR COLOR

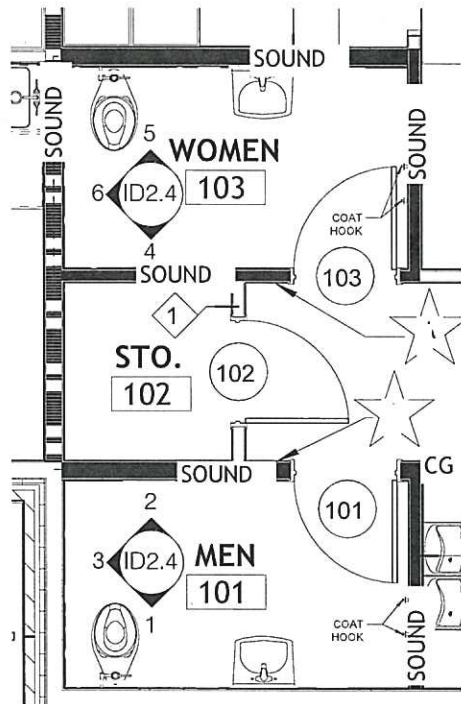
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12/14/23	HKS

TLT124, TLT142 & STAFF125 ELEVATIONS
4515 PAPER MILL DRIVE
KNOXVILLE, TN 37909
865-310-1377
SUSAN@SKALLARDCONTRACTORINTERIORS.COM

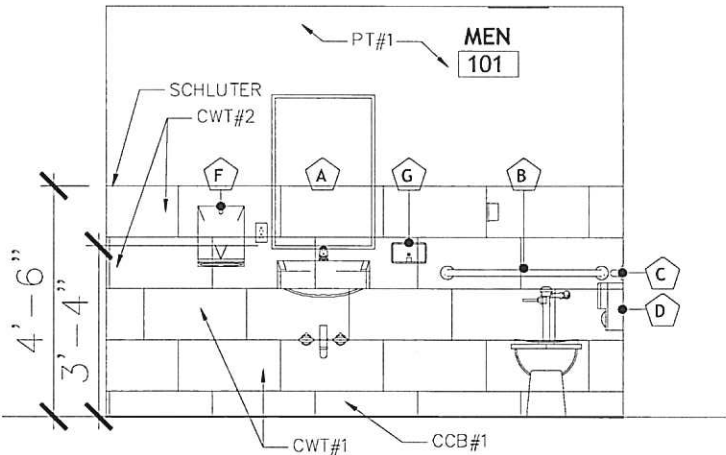
M.P.H.C IMAGING CENTER
ONEIDA, TN
ballard contract interiors

PRELIMINARY
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FOR CONSTRUCTION

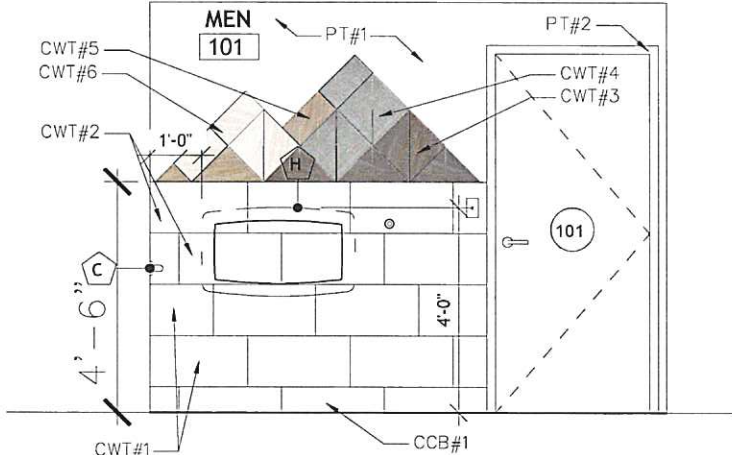
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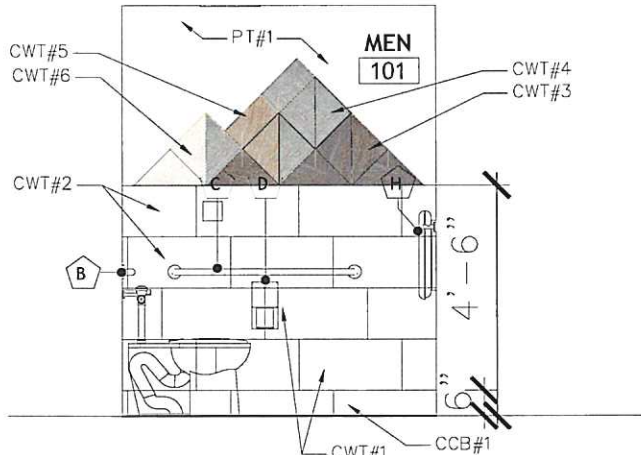
MEN 101 & WOMEN 103 REFERENCE PLAN
SCALE: 1/2" = 1'-0"



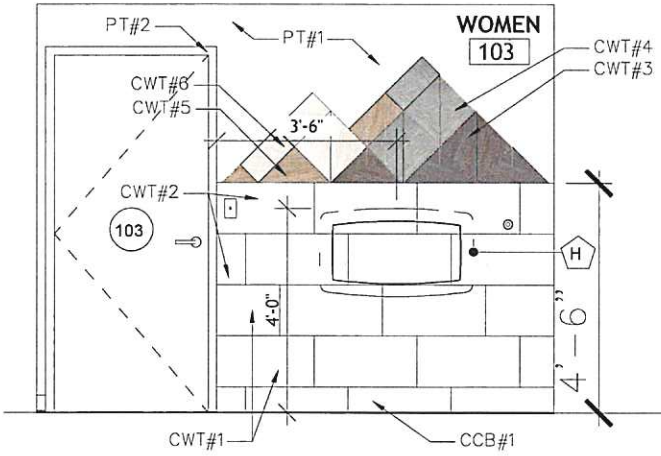
1 MEN 101 ELEVATION
SCALE: 3/4" = 1'-0"



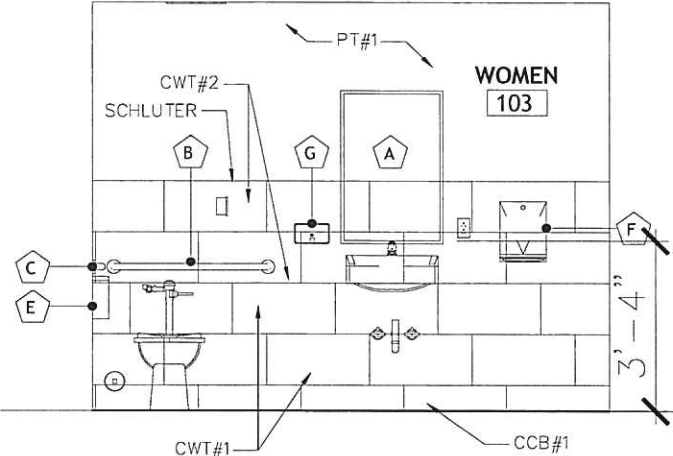
2 MEN 101 ELEVATION
SCALE: 3/4" = 1'-0"



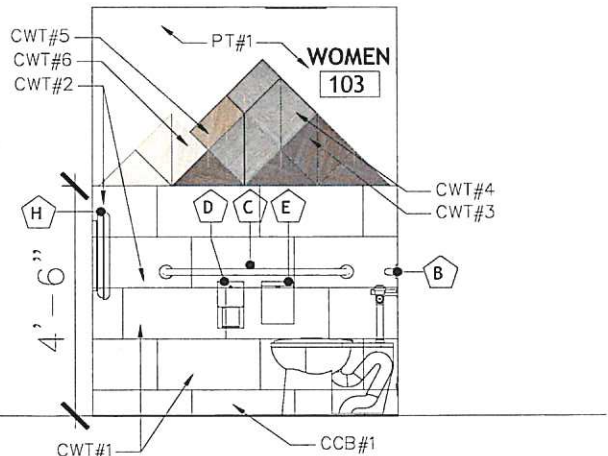
3 MEN 101 ELEVATION
SCALE: 3/4" = 1'-0"



4 WOMEN 103 ELEVATION
SCALE: 3/4" = 1'-0"



5 WOMEN 103 ELEVATION
SCALE: 3/4" = 1'-0"



6 WOMEN 103 ELEVATION
SCALE: 3/4" = 1'-0"

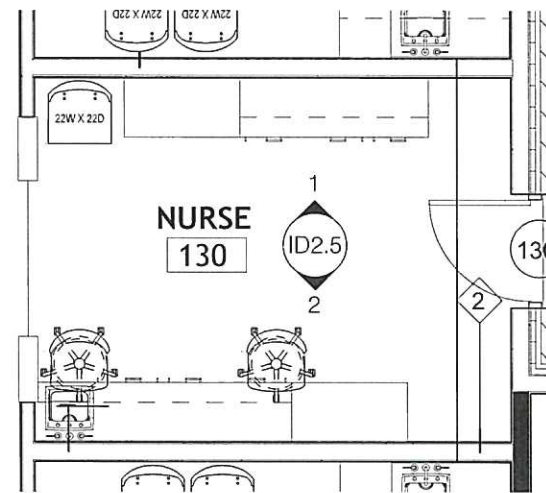
REVISION	BY
12/05/23	HKS
12/14/23	HKS

MEN 101 & WOMEN 103
ELEVATIONS
4616 PAPER MILL DRIVE
KNOXVILLE, TN 37909
865-310-1377
SUSAN@SKBALLADCONTRACTORS.COM

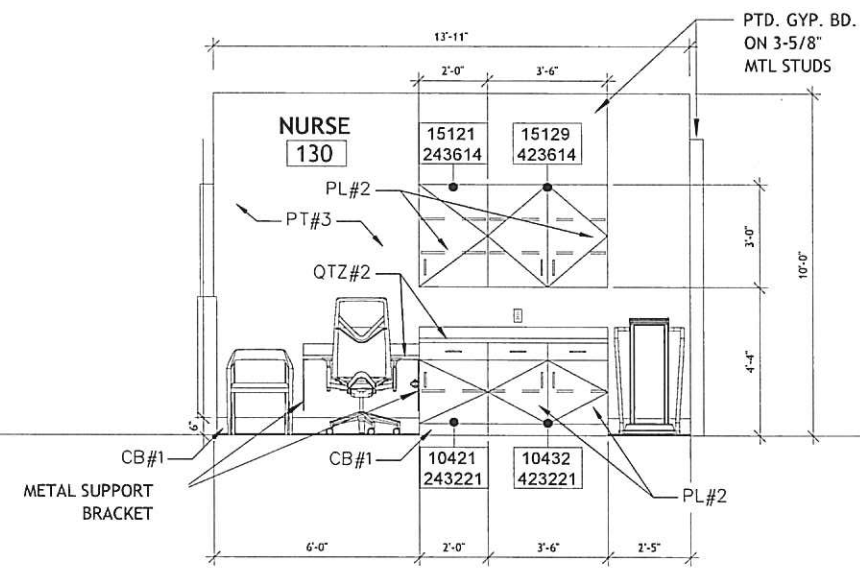
M.P.H.C IMAGING CENTER
ONEIDA, TN
ballard contract interiors

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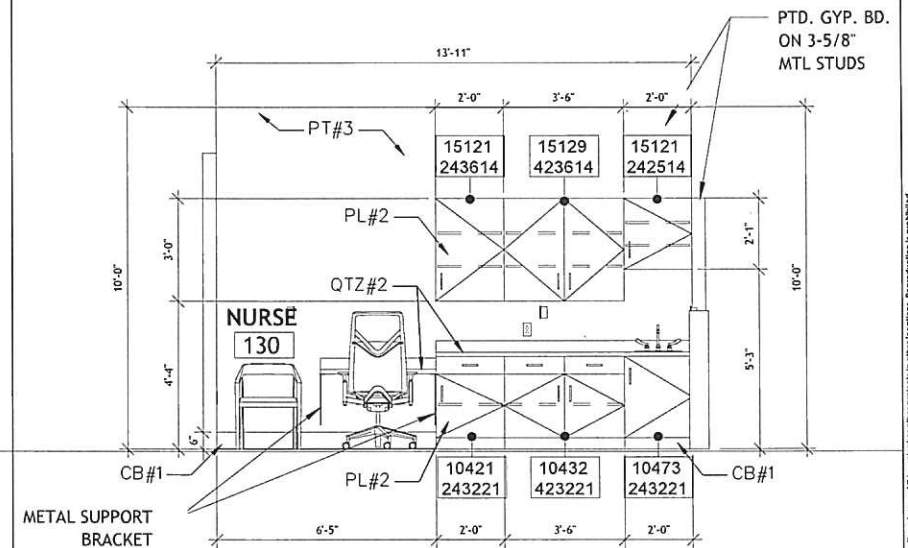
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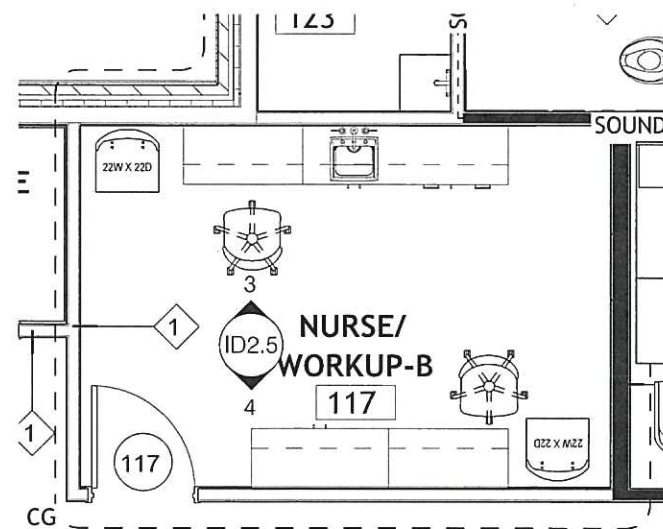
NURSE 130 ROOM
SCALE: 1/2" = 1'-0"



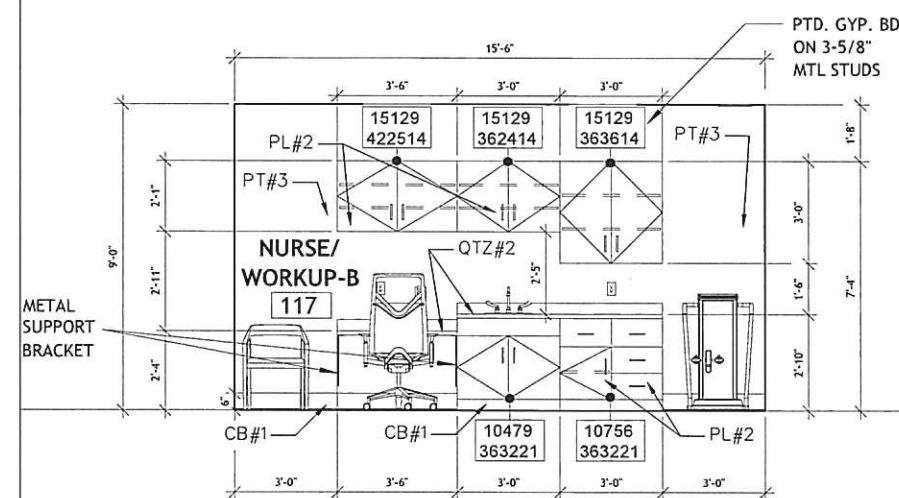
1	NURSE 130 ROOM ELEVATION SCALE 1/2" = 1'-0"
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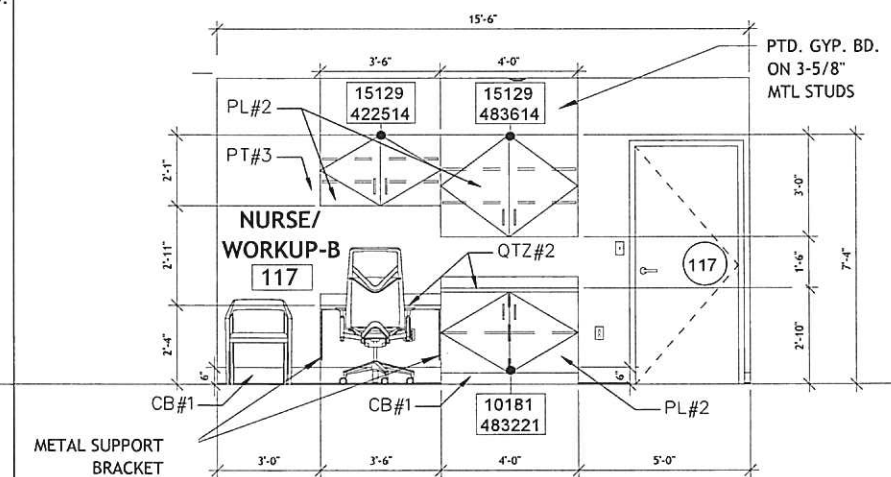
2 NURSE 130 ROOM ELEVATION
SCALE: 1/2" = 1'-0"



NURSE WORKUP-B 117 ROOM
SCALE: 1/2" = 1'-0"



3	NURSE WORKUP-B 117 ROOM ELEVATION SCALE: 1/2" = 1'-0"
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4	NURSE WORKUP-B 117 ROOM ELEVATION SCALE: 1/2" = 1'-0"
---	--

[illegible]

NURSE 130 & NURSE WORKUP-B 117
ELEVATIONS

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DATE
02/09/2024

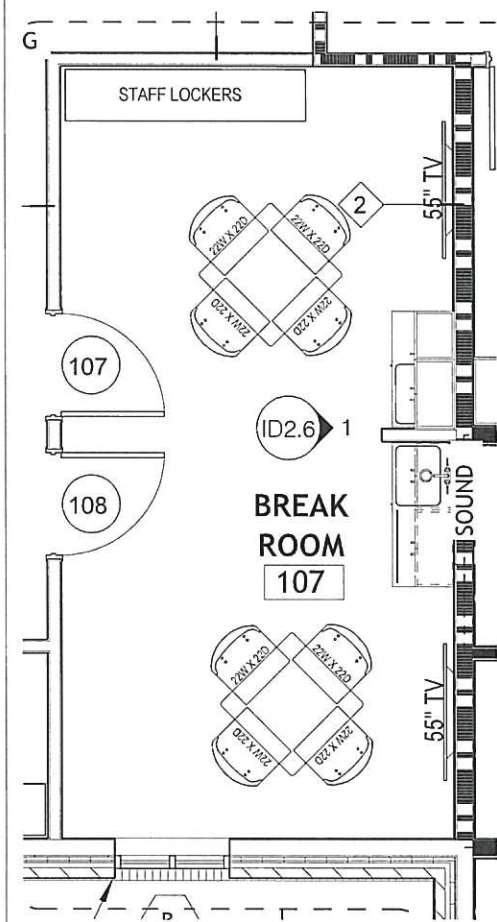
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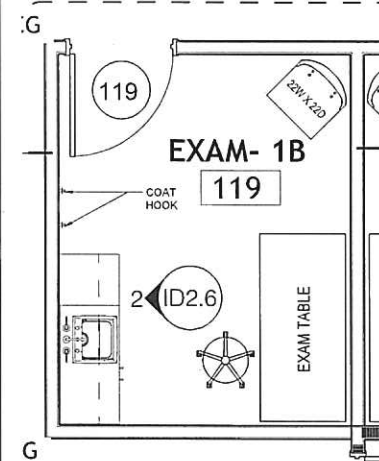
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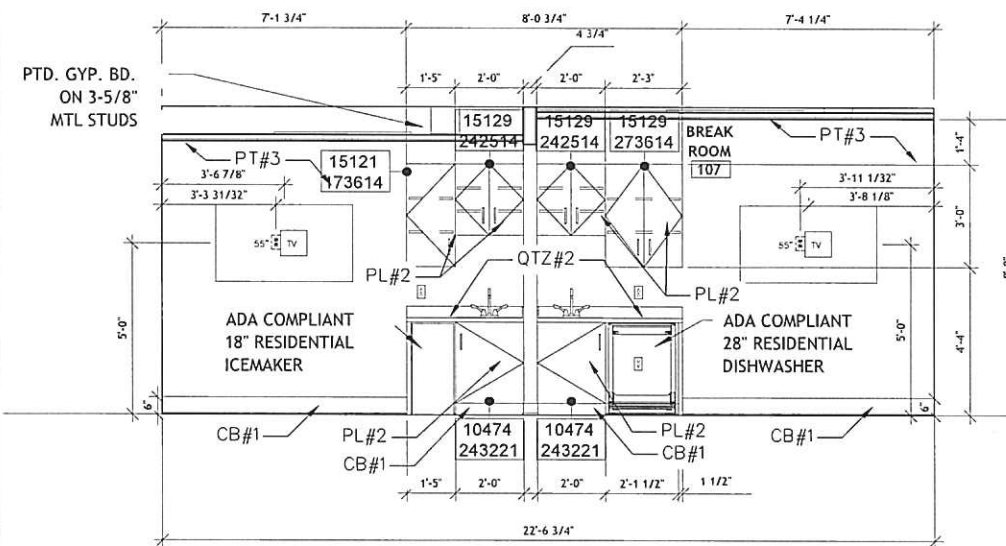
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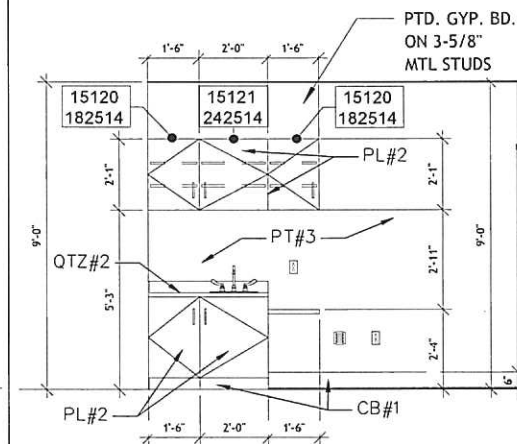
BREAKROOM 107 FLOOR PLAN
SCALE: 1/2" = 1'-0"



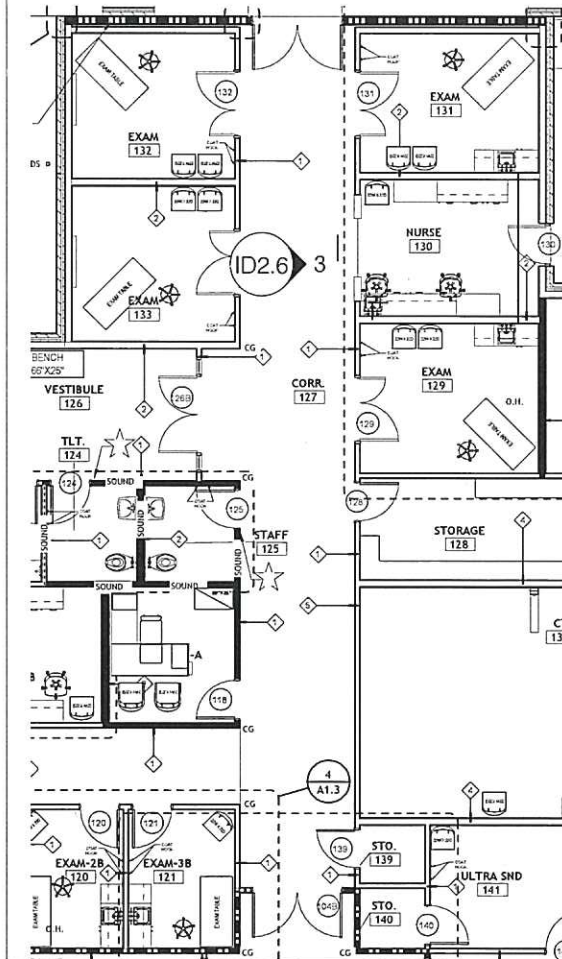
EXAM-1B 119 ROOM FLOOR PLAN
SCALE: 1/2" = 1'-0"



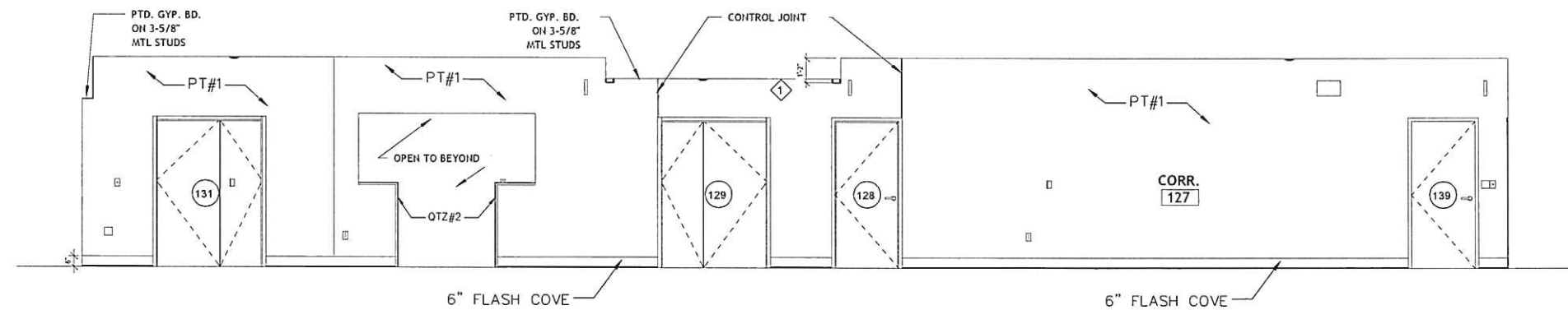
1 BREAKROOM 107 ELEVATION
SCALE: 1/2" = 1'-0"



2	EXAM-1B 119 ROOM ELEVATION SCALE: 1/2" = 1'-0"
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CORRIDOR 127 FLOOR PLAN
SCALE: 3/16" = 1'-0"



3	CORRIDOR 127 ELEVATION SCALE: 3/8" = 1'-0"
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REVISION	BY
02/02/24	HKS

**BREAKROOM 107, EXAM-1B 119 ROOM
& CORRIDOR 127 ELEVATIONS**

4615 PAPERMILL DRIVE
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02/09/2024
SCALE
AS INDICATED
JOB NO.
0290

2018 SK BALLARD CO

SHEET
ID2.6
OF SHEETS

3N.B.R. Service Area Demographic Chart

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

Primary Service Area Counties	Department of Health/Health Statistics							Census Bureau				TennCare	
	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

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	PO	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 Accelerator⁸³

- 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 _____ Types:	☐ SRS ☐ IMRT ☐ IGRT ☐ Other _____ ☐ By Purchase Total Cost*: _____ ☐ New ☐ Refurbished ☐ By Lease Expected Useful Life (yrs) _____ ☐ If not new, how old? (yrs) _____
☒ MRI	Tesla: <u>1.5T</u> Magnet:	☐ Breast ☐ Extremity ☐ Open ☐ Short Bore ☒ Other <u>wide bore; zero boil off</u> ☒ By Purchase Total Cost*: <u>\$1,344,799.75</u> ☐ By Lease Expected Useful Life (yrs) _____ ☐ New ☐ Refurbished ☐ If not new, how old? (yrs) _____
☐ PET	☐ PET only ☐ PET/CT ☐ PET/MRI	☐ By Purchase Total Cost*: _____ ☐ New ☐ Refurbished ☐ By Lease Expected Useful Life (yrs) _____ ☐ If not new, how old? (yrs) _____

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

- 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 <i>(Applicant)</i> Mountain People's Imaging Center 462 Industrial Ln. Oneida TN 37841	Monday through Friday	8am - 4:30pm
Mobile Locations <i>(Applicant)</i>		
<i>(Name of Other Location)</i>		
<i>(Name of Other Location)</i>		

Legals

ment & Scott County Sheriff's Office

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

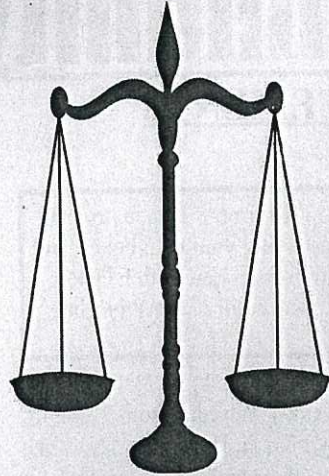
se info. to officer, MFG/DEL/SALE/POSS of controlled
pricating evidence, violation registration law

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
r \$2,500

ault (simple), resisting arrest
me

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



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

COURT 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 Re-
unknown 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
llowing Notice for four (4) consecutive weeks in the Scott
shed in Scott County, Tennessee.

if the Respondent Timothy Allen Jr. does not enter an ap-
pe 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.

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 hdsa.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

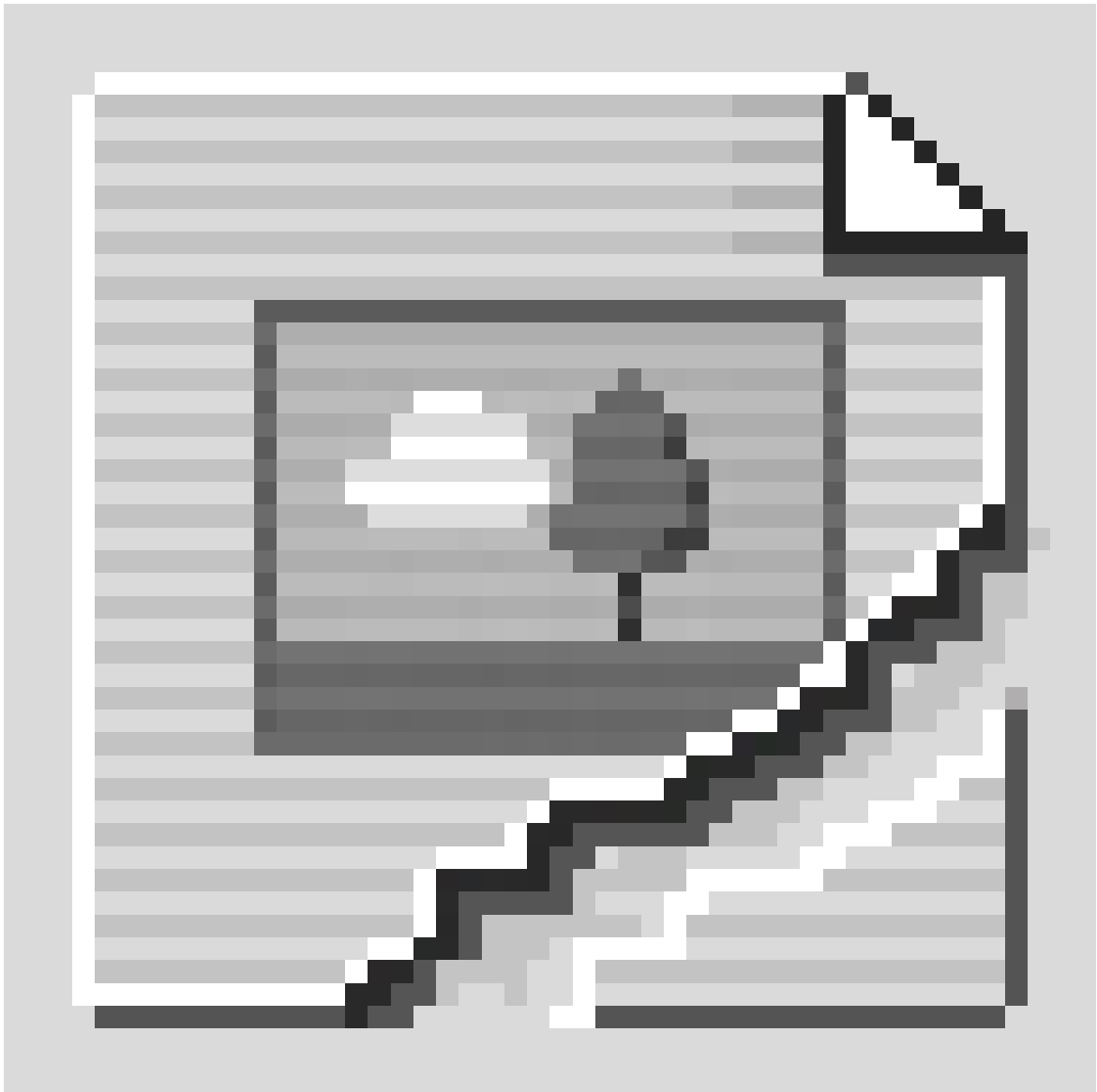
The historical utilization table provided in response to Item 2N can be removed since it pertains to historical MRI utilization only, not the applicant's overall patient base.

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:



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:

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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 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
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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.