



State of Tennessee

Health Facilities Commission

665 Mainstream Drive, 2nd Floor, Nashville, TN 37243

www.tn.gov/hfc

Phone: 615-741-7221

August 7, 2024

Sent Via Email

Rob Gregory

Karing Hearts Cardiology Heart and Vascular Center

701 North State of Franklin Road

Suite 9

Johnson City, Tennessee 37604

Facility Type: Ambulatory Surgical Treatment Center

Dear Administrator:

It is my pleasure to inform you that your application for licensure of Karing Hearts Cardiology Heart and Vascular Center located at 701 North State of Franklin Road, Johnson City, Tennessee 37604 has been initially approved effective July 31, 2024. The license number shall be 259. For this initial approval to become final and permanent, your application must be ratified by the Health Facilities Commission pursuant to T.C.A. §68-11-206. The Commission will consider your application at its next meeting, scheduled for August 28, 2024. **You are hereby authorized to commence operation pending the final decision of the Commission.** No further action is necessary on your part currently.

For certification purposes, please be advised it is your responsibility to contact your Health Facilities Commission regional office for participation in Medicare/Medicaid. The East Tennessee Regional Office phone number is 865—594-9396.

If the Commission **does** ratify the approval of your application, the license number listed above will become your permanent license number and a letter will be forwarded to you within three (3) business days, notifying you of the Commission's final decision.

If the Commission **does not** ratify the initial approval of your application, a letter will be forwarded to you providing an explanation and specific instructions as to any action(s) you may take to have the decision reviewed, at which time this authorization shall cease to be effective.

Please contact me if I can be of further assistance at 615-770-6922 or eddie.stewart@tn.gov.

Sincerely,

Eddie J. Stewart

Eddie J. Stewart

Health Facilities Program Manager

cc: East Tennessee Regional Administrator
Plans Review



APPROVAL FOR FACILITY LICENSURE OR OCCUPANCY

Facility Type: ASTC License # (if applicable): TBD County: Washington

Initial X Renovation _____ Satellite/Off Campus Location _____

Physical Plant/Services/New Addition _____ Relocation/Replacement Facility _____
(Circle One) (Circle One)

Facility Name: Karing Hearts Cardiology Heart and Vascular Center

Address: 701 North State of Franklin Rd City: Johnson City Zip Code: 37604
Suite #9

Application and fee on file in Central Office (CO)? Yes ☒ No _____ CON #: CN 2207-033A

Project #: 2022-12-20-01 Phase: 1 of 1

Facility approved for (if satellite/off campus site include address): Constructed a new Cath Lab with
one Procedure room, Six patient areas, one exam room, one nurse station, one
waiting room with reception area and ancillary spaces

Sprinklered: yes (Full 100%) Partial: _____ (%)

Licensed bed count from: NA to NA Number of beds increased/decreased: NA

If secured unit, number of beds in unit: NA If Alzheimer's unit, number of beds in unit: NA
(NOTE: If this is an increase in the number of beds in a secured Alzheimer's unit, indicate number of beds approved for the increase number only)

Health Surveyor: Tom Lane Date: 7/30/24

Fire Safety: Craig Malone Date: 5/9/24

CD Approved: Yes ☒ No _____ N/A _____ Health Survey Required: Yes _____ No _____

Facility's Letter of Notification received in Licensure: Yes ☒ No _____
(Completed by Central Office Licensure Staff)

CMS Paperwork (855, etc) approved and received in regional office: Yes _____ No _____
(NOTE: With exception of Initial Licensure Approvals)

Effective date: 7/31/2024 Licensure is recommended: Yes _____ No _____
(Completed by Central Office Licensure Staff)

[Signature] Date: 7/31/24
Regional Administrator/Facilities Construction Director or Designee
[Signature] Date: 8/7/2024
Licensure Program Unit Staff



State of Tennessee

Health Facilities Commission

665 Mainstream Drive, 2nd Floor, Nashville, TN 37243

www.tn.gov/hsda

Phone: 615-741-7221

December 22, 2022

Sent Via Email

Rob Gregory
Karing Hearts Cardiology Heart and Vascular Center
701 North State of Franklin Road
Ste # 9
Johnson City, Tennessee 37604
US

Dear Rob Gregory:

This is to acknowledge receipt of your application and fee to apply for licensure of Karing Hearts Cardiology Heart and Vascular Center (File #259). Please review the instruction sheet that you received with the application to apply for licensure so that you are aware of the process for obtaining licensure of your facility. If a certificate of need is required to provide services, you will need to contact *Health Services and Developmental Agency* at (615) 741-2364.

Please remember that if you are applying for licensure of a facility that requires an architectural plans review contact Plans Review for complete and details and procedures at (615) 741-6998. You must submit those plans along with the plans review fee prior to scheduling a survey. **For Homes for the Aged facilities specifically; TCA-368-11-202 allows "schematics shall be submitted to the department for approval of plans and specifications, converting and existing single family dwelling" with six (6) or less beds.**

It is your responsibility to contact the East Tennessee Regional Office to request a survey of your facility. Please submit the request in writing to Tamra Tuberville, Regional Administrator, (865)-594-9396. If you would like to fax the request to the fax number is 865-594-9719.

Your application and fee will be held in a pending status until you are recommended by the Regional Office for licensure. Once the recommendation for licensure is received from the regional office, your facility will receive a letter for "Initial Approval." Admission of patients MAY NOT occur until the facility's receipt of the "Initial Approval" letter. Your application will be presented before the Board for Licensing Health Care Facilities for ratification and final approval at the next regularly scheduled board meeting. Your facility CAN operate once you receive the "Initial Approval."

This application will only be good for one (1) years from the date of receipt. If the initial licensure has not occurred within that one (1) year period you will be required to submit a new application and fee unless you have contacted our office in writing extending your application.

In the event that a certificate of need is required prior to obtaining a license for this facility the application file will be closed the day following the expiration date of the certificate of need.

Should you have any questions or if I can be of assistance to you please call me at (615) 741-7188 or you may email me at Kayla.Watson@tn.gov.

Sincerely,

Kayla Watson

Kayla Watson, ASA 2

Phone: (615) 741-7188

Fax: (615)-253-8798

Email: Kayla.Watson@tn.gov



App# 9561
ETRO/ITSD/PR
File# 259

Received
12/22/22

**AMBULATORY SURGICAL TREATMENT CENTERS
APPLICATION FOR INITIAL LICENSURE**

All applicable laws, rules, policies, and guidelines affecting your practice are available for viewing at <http://tn.gov/health/topic/hcf-professionals>. Please check this website periodically for updates.

Name of the Facility/Agency Karing Hearts Cardiology Heart and Vascular Center

Location of the Facility:

Street 701 N. State of Franklin Rd, Ste 9 City Johnson City

County Washington State TN Zip 37604

Phone Number 423, 926-4468 Fax Number 423, 928-4838

Twenty-four (24) Hour Emergency Phone Number 423, 926-4468

E-Mail Address robekaringheartscardiology.com

Administrator Information:

Administrator Rob Gregory

Have you (Administrator) ever been convicted of a crime involving injury or harm to person(s), financial or business management (e.g., assault, battery, robbery, embezzlement or fraud)? Yes ☐ No ☒

If yes, what charge(s)? NA

Location of Conviction NA (City) (County) (State) Date

Mailing address if different from the Facility location address:

Name Same

Street 701 N State of Franklin Rd Ste 2

City Johnson City State TN Zip 37604

Ownership of Building:

Name 701 State of Franklin, LLC Phone Number 423, 926-4468

Street 701 N. State of Franklin Rd Ste 2

City Johnson City State TN Zip 37604

1. Check classification of institution for which application is made:

☐ General Surgical	☐ Maternity	☐ Gynecological	☒ Other (specify)
☐ Cancer Treatment	☐ Plastic Surgery	☐ Ophthalmological	<u>Cardiology</u>
☐ EENT	☐ Urological	☐ Gastroenterology	
☐ Dental	☐ Acupuncture	☐ Abortion (* See 3.)	

Division of Health Licensure and Regulation, Office of Health Care Facilities, 665 Mainstream Drive, Second Floor, Nashville, TN 37228-1254 Phone: 615-741-7221/Fax: 615-253-8798

2. Briefly state the overall objective of the surgical treatment center: Diagnostic Heart Catheterizations, Cardiac Device Implants

3. Are you a Physician's Practice performing more than 50 surgical abortions annually? Yes _____ No X

If yes, when was the Physician's Practice established to provide surgical abortions NA

4. Provide proof of the ability to meet the financial needs of the facility.

OWNERSHIP OF BUSINESS:

1. a. Check the type of Legal Entity:

____ Individual ____ Partnership ____ Corporation X Limited Liability Company
____ Church Related ____ Government/County ____ Other

b. Check one: X For Profit ____ Non-profit

c. Legal Entity checked in 1.a:

Name Hearting Heart Cardiology Heart and Vascular Center, LLC Phone Number (423) 936-4468
Street 201 N. State of Franklin Rd Ste 2 City, State, Zip Johnson City, TN 37604

d. List name(s) and address(es) of individual owners, partners, directors of the corporation, or head of the governmental entity:

Name Jeffrey Schendyke Street 22 Highland Gate Dr City, State, Zip Johnson City, TN 37615
Name Erasmie Coly Street 109 Chestnut Ridge Dr City, State, Zip Donesborough, TN 37659

(If additional space is needed, please use a separate sheet)

2. a. Is your facility/organization accredited by a **federally approved** accrediting body including but not limited to JCAHO, CARF, etc.?

Yes _____ No X Expiration Date _____

b. Is your facility /organization deemed by a **federally approved** accrediting body including but not limited to JCAHO, CARF, etc.?

Yes _____ No X Expiration Date _____

3. If you have a parent company please provide the following information:

Name NA Phone Number () _____

Address _____

4. a. Are any owners of the disclosing entity also owners of other health care facilities in Tennessee and/or other states? Yes X No _____

2. Briefly state the overall objective of the surgical treatment center: _____

3. Are you a Physician's Practice performing more than 50 surgical abortions annually? Yes _____ No _____

If yes, when was the Physician's Practice established to provide surgical abortions _____

4. Provide proof of the ability to meet the financial needs of the facility.

OWNERSHIP OF BUSINESS:

1. a. Check the type of Legal Entity:

_____ Individual _____ Partnership _____ Corporation _____ Limited Liability Company

_____ Church Related _____ Government/County _____ Other

b. Check one: _____ For Profit _____ Non-profit

c. Legal Entity checked in 1.a:

Name _____ Phone Number (____) _____

Street _____ City, State, Zip _____

d. List name(s) and address(es) of individual owners, partners, directors of the corporation, or head of the governmental entity:

Ramesh Sivagnanam 1120 Beckwith Rd Johnson City TN 37604
Name Street City, State, Zip

Name _____ Street _____ City, State, Zip _____

(If additional space is needed, please use a separate sheet)

2. a. Is your facility/organization accredited by a **federally approved** accrediting body including but not limited to JCAHO, CARF, etc.?

Yes _____ No _____ Expiration Date _____

b. Is your facility /organization deemed by a **federally approved** accrediting body including but not limited to JCAHO, CARF, etc.?

Yes _____ No _____ Expiration Date _____

3. If you have a parent company please provide the following information:

Name _____ Phone Number (____) _____

Address _____

4. a. Are any owners of the disclosing entity also owners of other health care facilities in Tennessee and/or other states? Yes _____ No _____

b. If yes, list names and addresses of all such facilities:

Living Hearts Cardiology, PC
201 N State of Franklin Rd, Ste 2 Johnson City TN 37604

5. a. Do you have a contract with a management firm to operate this facility? Yes ☐ No ☒

If yes, specify dates: From NA To NA

b. If yes, please specify name of firm: NA

Phone Number (NA) NA

Street NA

City, State, Zip

6. a. Have any owners of the disclosing entity ever been denied a license, had a license suspended or revoke, had a suspension of admissions or paid any civil monetary penalties for a health care facility in Tennessee or in any other state? Yes ☐ No ☒

b. If yes, where? NA When? NA

c. For what reason? NA

VERIFICATION BY NOTARY PUBLIC:

Signee for application certifies that he or she is of responsible character and able to comply with the minimum standards and regulations established by Tennessee pertaining to the type of facility or agency for which application for licensure is made and with the rules promulgated under Tennessee Code Annotated (TCA) § 68-11-201.

Signee also certifies that a policy has been implemented to inform all employees of their obligation under TCA § 7-6-103 to report incidents of abuse or neglect.

Applicant Signature [Signature]

Title or Position Owner

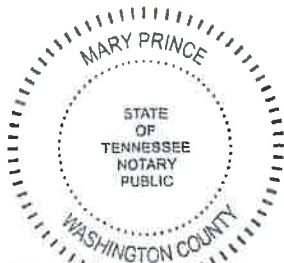
Date 12/22/22

STATE OF TENNESSEE

County of Washington

The above named applicant (print name) _____, being by me duly sworn on his/her oath, deposes and says that he/she has read the forgoing application and knows the contents thereof: that the statements concerning the above named facility or agency, therein contained, are correct and true to his/her own knowledge.

Subscribed to and sworn to on this 22nd day of December 2022
Month Year



Notary Public: [Signature]

My commission expires: November 30, 2024

FEE SCHEDULE: (FEES ARE NON-REFUNDABLE) \$1,404

Division of Health Licensure and Regulation, Office of Health Care Facilities, 665 Mainstream Drive, Second Floor, Nashville, TN 37228-1254 Phone: 615-741-7221/Fax: 615-253-8798

15-Jul-22

KARING HEARTS CARDIOLOGY

ASC/OBL LAB PRO FORMA

Using 2022 rates

Case Distribution:

- Diagnostic Caths

862

- Medicare

552 \$ 1,682,455

- Medicaid @ .8 of Medicare

60 \$ 146,300

- Commercial @ 1.25 of Medicare

225 \$ 857,230

- Self Pay @ 5% of Medicare

25 \$ 3,810

- Total Diagnostic Cath Charges/Revenue

862 \$ 2,689,795

- Vascular Diagnostic/Intervention

605

- Medicare

387 \$ 1,842,445

- Medicaid @ .8 of Medicare

42 \$ 159,965

- Commercial @ 1.25 of Medicare

158 \$ 940,265

- Self Pay @ 5% of Medicare

18 \$ 4,285

- Total VascularDiagnostic/Intervention Charges/Revenue

605 \$ 2,946,960

- EP Device (Bi-V Pacemaker = 60%; ICD = 40%)

211

- Medicare

135 \$ 3,376,013

- Medicaid @ .8 of Medicare

15 \$ 300,090

- Commercial @ 1.25 of Medicare

55 \$ 1,719,266

- Self Pay @ 5% of Medicare

6 \$ 7,502

- Total EP Device Charges/Revenue

211 \$ 5,402,871

Total Charges/Revenue

\$ 11,039,626.00

less: charity allowance @ 1.5% of revenue

Total Charges/Net Revenue

\$ 11,039,626

Expenses

Variable Expenses:

- Diagnostic Cardiac Cath
- Peripheral Angiographies (62% of P-V Volume)
- Peripheral Stents (38% of P-V Volume)
- EP Devices - Pacemaker
- EP Devices - ICD
- EP Procedures - Other

Total Variable Expenses

Labor Costs:

- 1 Admin Staff
- 1 Lead FTE
- 2 RCIS FTE's @ \$65,000/ea
- 2 RN FTE's
- 1 Swing/Float FTE
- Taxes/Benefits Costs @ 35%

Total Labor Costs

Annual General & Administrative Costs

Equipment Depreciation (\$1.2M over 7 yrs.)

Upfront Consulting & Legal (\$150,000 over 7 years)

Build-out (\$1.2 mm over 7 years)

Total Expenses

Net Income

Revenue

Year 2 -- 2025		
Volume	Charges	Revenue

948

\$ 672,982	607	\$ 1,850,090	\$ 740,036
\$ 58,520	66	\$ 160,930	\$ 64,372
\$ 342,892	247	\$ 941,048	\$ 376,419
\$ 1,524	27	\$ 4,115	\$ 1,646
<u>\$ 1,075,918</u>	<u>947</u>	<u>\$ 2,956,183</u>	<u>\$ 1,182,473</u>

726

\$ 736,978	465	\$ 2,213,790	\$ 885,516
\$ 63,986	51	\$ 194,243	\$ 77,697
\$ 376,106	189	\$ 1,124,748	\$ 449,899
\$ 1,714	21	\$ 5,000	\$ 2,000
<u>\$ 1,178,784</u>	<u>726</u>		<u>\$ 1,415,112</u>

232

\$ 1,350,405	148	\$ 3,701,110	\$ 1,480,444
\$ 120,036	16	\$ 320,095	\$ 128,038
\$ 687,706	61	\$ 1,906,823	\$ 762,729
\$ 3,001	7	\$ 8,753	\$ 3,501
<u>\$ 2,161,148</u>	<u>232</u>	<u>\$ 5,936,781</u>	<u>\$ 2,374,712</u>

\$ 4,415,850.15	\$ 8,892,964	\$ 4,972,297.00
<u>\$ (66,238)</u>		<u>\$ (74,584)</u>
\$ 4,349,612	\$ 8,892,964	\$ 4,897,713

Year 1 Expenses

Year 2 Expenses

\$ 258,600
\$ 112,530
\$ 344,850
\$ 399,424
\$ 638,210
\$ 277,817

\$ 2,031,430

\$ 38,563
\$ 92,700
\$ 133,900
\$ 144,200
\$ 66,950
\$ 166,710

\$ 604,460

\$ 633,450

\$ 171,429
\$ 21,429
\$ 171,429

\$ 3,633,626

\$ 715,986

\$ 284,100
\$ 135,036
\$ 413,820
\$ 439,177
\$ 701,728
\$ 305,467

\$ 2,279,328

\$ 39,720
\$ 95,481
\$ 137,917
\$ 148,526
\$ 68,959
\$ 171,711

\$ 622,594

\$ 715,799

\$ 171,429
\$ 21,429
\$ 171,429

\$ 3,982,007

\$ 915,706



Department of
Health

Online Payment Receipt

Receipt Issued By:

Board for Licensing Health Care Facilities

Receipt Issued To:

Rob Gregory

701 N State of Franklin Road, Ste 2

Johnson City, TN 37604

Date: 08/05/2024

Transaction Identifier: 3879254318

Trace Number: 2072583

Receipt
#127

License Type	Licensee	Transaction	Application #	Account #	Amount
Ambulatory Surgical Treatment Centers	Karing Hearts Cardiology Heart and Vascular Center, LLC	Ambulatory Surgical Treatment Centers: Initial Application	535-9945	*****3022	\$1404.00

THOMPSON BURTON PLLC

ATTORNEYS AT LAW
A PROFESSIONAL LIMITED LIABILITY COMPANY

One Franklin Park
6100 Tower Circle, Suite 200
Franklin, Tennessee 37067
www.thompsonburton.com

Jerry W. Taylor
jtaylor@thompsonburton.com

Direct Dial: 615-716-2297
Mobile: 615-275-8988

November 2, 2022

Mr. Rob Gregory
CEO
Karing Hearts Cardiology
701 N. State of Franklin, Suite 2
Johnson City, TN 37604

Re: Original CON document for Karing Hearts Cardiology Heart & Vascular Center

Dear Rob,

Enclosed is the original certificate of need document for this project. This should be kept in a secure place, as the original may be needed in the future for regulatory purposes.

Please note the expiration date on the CON. If the actions for which the CON was approved are not completed by this date, including the receipt of any licensure approval required, the CON will expire and be of no force and effect. Similarly, a cost overrun above the amount of approved estimated project cost may, depending on the circumstances, require Health Facilities Commission ("HFC") approval. The HFC can approve an extension of time and/or a cost increase, but such approvals must be officially granted by the HFC in advance of the expiration date.

An Annual Progress report is required to be made and submitted to the HFC on roughly each anniversary of the CON issuance occurring prior to its implementation. A Final Progress Report is required to be made and submitted to the HFC within 90 days of the completion of the CON project. In addition, a Quality Measures Annual Report is required to be made and submitted to the HFC, also roughly on the anniversary of the CON issuance.

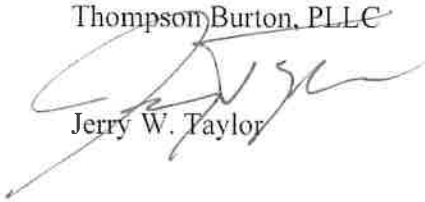
I am glad to provide any needed help and guidance to you in seeking HFC approval for a time extension or cost increase, and/or in completing and submitting the above-referenced reports. Unless we agree otherwise, I will bill for my services in this regard at my then-prevailing hourly rates.

Please let me know if you have any questions or need additional information regarding the CON, or if I can be of further assistance. Thank you for allowing me to represent you in this matter. I am looking forward to continuing the defense of this hard-earned CON.

Rob Gregory
November 2, 2022
Page 2

Sincerely yours,

Thompson Burton, PLLC



Jerry W. Taylor



State of Tennessee
Health Facilities Commission

502 Deaderick Street, 9th Floor, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364

October 26, 2022

Jerry W. Taylor, Attorney
Thompson Burton, PLLC
One Franklin Park
6100 Tower Circle, Suite 200
Franklin, TN 37067

RE: Karing Hearts Cardiology Heart and Vascular Center – CN2207-033A

Dear Mr. Taylor:

As referenced in our recent letter, please find enclosed your Certificate of Need for the above-referenced application that was approved at the September 28, 2022, meeting of the Tennessee Health Facilities Commission.

The Health Facilities Commission Rules require that an Annual Progress Report be submitted each year and a Final Project Report form is to be submitted within ninety (90) days after completion of a project which shall include completion date, final costs, and other relevant information in regards to the project, per § 68-11-1611. Also required is the registration of certain medical equipment pursuant to Tennessee Code Annotated § 68-11-1607(i), which states “The owners of the following types of equipment shall register such equipment with the health services and development agency: computerized axial tomographers, magnetic resonance imagers, linear accelerators and positron emission tomography.” “The survey shall include but not limited to the identification of the equipment and utilization data according to source of payment.”

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

Sincerely,

Logan Grant
Executive Director

cc: Trent Sansing, TDH/Health Statistics, PPA
Ann R. Reed, HFC

STATE OF TENNESSEE
Health Facilities Commission



Certificate of Need # **CN2207-033A** is hereby granted under the provisions of T.C.A. § 68-11-1601, *et seq.*, and rules and regulations issued thereunder by this Agency.

To: **Karing Hearts Cardiology Heart and Vascular Center, LLC**
701 N. State of Franklin Road, Suite 9
Johnson City, TN 37604

For: **Karing Hearts Cardiology Heart and Vascular Center**

This Certificate is issued for:

The establishment of a single-specialty ambulatory surgical treatment center ("ASTC"), and the initiation of diagnostic cardiac catheterization services. This project will be co-located with Karing Hearts Cardiology PC within a medical office building. The project will seek licensure from the Health Facilities Commission (HFC) as a single-specialty ambulatory surgical treatment center limited to cardiac device implantation and related procedures, and diagnostic cardiac catheterization. The service area includes Carter, Greene, Johnson, Unicoi, and Washington Counties.

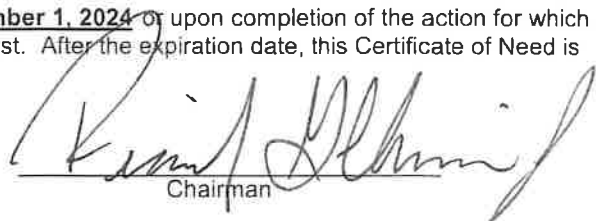
On the premises located at: **701 N. State of Franklin Road, Suite 9**
Johnson City (Washington County), TN 37604

For an estimated project cost of: **\$3,253,198.**

CONDITION: Limited to cardiac device implantation and related procedures, and diagnostic cardiac catheterization.

The Expiration Date for this Certificate of Need is **November 1, 2024** or upon completion of the action for which the Certificate of Need was granted, whichever occurs first. After the expiration date, this Certificate of Need is null and void.

Date Approved: September 28, 2022


Chairman

Date Issued: October 26, 2022


Executive Director



State of Tennessee

Health Services and Development Agency

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

www.tn.gov/hsda

Phone: 615-741-2364

Fax: 615-741-9884

3/11/14

Kat,
For your records.
AR

February 27, 2014

John L. Wellborn, Consultant
Development Support Group
4219 Hillsboro Road, Suite 210
Nashville, TN 37215

RE: Karing Hearts Cardiology Cardiac PET Service - Certificate of Need No. CN1311-046A

Dear Mr. Wellborn:

On February 26, 2014, The Tennessee Health Services and Development Agency met in regular session to consider your application. The application proposed the following:

The acquisition of a Cardiac PET equipment and initiation of services. This will replace previously approved CN1304-014, which will be surrendered if this application is approved. The estimated project cost is \$391,585.00.

This letter is to advise you that the Agency voted to **approve** the Certificate of Need for the above referenced project.

Per T.C.A. § 68-11-1609(3)(b) the Agency found the application should be approved because the action proposed in the application is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, and will contribute to the orderly development of adequate and effective health care facilities or services.

Agency members made this decision after full consideration of all the information provided to them including but not limited to the original application and supplemental responses; staff summary and reviewing agency report; support and opposition letters, if applicable; consideration of the criteria and standards and all other applicable parts of the State Health Plan; Agency Rules; and all additional evidence gathered during the presentation of the application. The HSDA maintains a publically available detailed written record that fully documents the factual and legal basis for this decision.

In accordance with T.C.A. § 68-11-1609(g)(1) (as amended by Public Chapter 780, Acts of 2002), the applicant or any person who filed directly with the Agency a prior objection to the granting of a Certificate of Need may petition the Agency in writing for a hearing. To be timely filed, the petition must be filed within fifteen (15) days from the date of the Agency's meeting at which the challenged action was taken. You are encouraged to review T.C.A. § 68-11-1610(a) and the Agency Rules so that you may fully understand your rights.

John L. Wellborn, Consultant
February 27, 2014
Page 2

Your Certificate of Need will be issued to you within the next thirty (30) days and transmitted under separate letter. Please note that the Certificate of Need has an expiration date on its face, after which time the Certificate is null and void. The expiration date is strictly enforced, and the certification period can only be extended by the Agency upon written application and for good cause shown, as defined by Agency Rules.

T.C.A. § 68-11-1611 requires that the Agency review annual progress of each project. Agency Rules require that within ninety (90) days after completion of a project that a Final Project Form be submitted to this office. The Annual Progress Report form is available on the Agency website at http://www.tn.gov/hsda/forms/Annual_Progress_Report.pdf. The Final Project Form, which shall include completion date, final costs, and other relevant information, is also available on the Agency website at http://www.tn.gov/hsda/forms/Final_Progress_Report.pdf. These forms may be filled-in, printed, and submitted with any applicable supporting documentation to this office. You can also obtain these forms by contacting us at the phone number or address above.

If you have questions or require additional information, please feel free to contact this office.

Sincerely,



Melanie M. Hill
Executive Director

cc: Trent Sansing, TDH/Health Statistics, PPA
Ann R. Reed, TDH/HCF
Bill Harmon, TDH/HCF
Byron R. Trauger, Esq., Trauger & Tuke
Jeffrey Schoondyke, M.D., Karing Hearts Cardiology
Rob Gregory, General Manager, Karing Hearts Cardiology



State of Tennessee

Health Services and Development Agency

Andrew Jackson, 9th Floor, 502 Deaderick Street, Nashville, TN 37243
www.tn.gov/hsda Phone: 615-741-2364 Fax: 615-741-9884

March 26, 2014

John L. Wellborn, Consultant
Development Support Group
4219 Hillsboro Road, Suite 210
Nashville, TN 37215

RE: Karing Hearts Cardiology Cardiac PET Service - CN1311-046A

Dear Mr. Wellborn:

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

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

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

Sincerely,

Melanie M. Hill
Executive Director

MMH/mab

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

STATE OF TENNESSEE
Health Services and Development Agency



3/27/14
Kat,
For your records
AR

Certificate of Need No. **CN1311-046A** is hereby granted under the provisions of T.C.A. § 68-11-1601, *et seq.*, and rules and regulations issued thereunder by this Agency.

To: Karing Hearts Cardiology, PLLC
701 State of Franklin Road, Suite 2
Johnson City, TN 37604

For: Karing Hearts Cardiology Cardiac PET Service

This Certificate is issued for: The acquisition of a Cardiac PET equipment and initiation of services. This will replace previously approved CN1304-014, which will be surrendered.

On the premises located at: 701 State of Franklin Road, Suite 2
Johnson City (Washington County), TN 37604

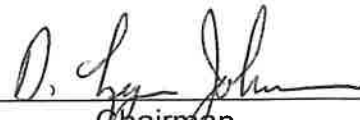
For an estimated project cost of: \$391,585.00

The Expiration Date for this Certificate of Need is

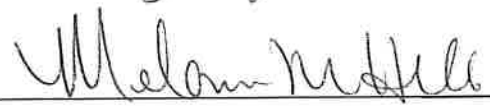
April 1, 2016

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

Date Approved: February 26, 2014


Chairman

Date Issued: March 26, 2014


Executive Director