



FINANCIAL STIMULUS ACCOUNTABILITY GROUP

July 13, 2023

Agenda

- **Overview**
- **Recommendations**
 - TAHRA/FAHE Housing Proposal
 - TN Healthcare Resiliency Grant Program
 - Conclusion of meetings/Allocation of excess funds
 - Deferred Projects
- **Federal update**
- **Reporting**
 - Treasury performance report
 - Statewide spending dashboard

Tennessee Resiliency Plan

Beginning Fiscal Recovery Fund Balance	\$ 3,725,832,113
2021 Tennessee Resiliency Plan Approved Projects	(\$ 3,123,777,479)
2022 Amendments to Plan (Approved in March)	(\$ 304,069,716)
2022 Amendments to Plan (Approved in July)	(\$ 115,493,440)
2022 Amendments to Plan (Approved in September)	(\$ 33,596,000)
2023 Amendments to Plan (Approved in February)	(\$ 92,000,000)
2023 Amendments to Plan (Approved in March)	(\$ 26,294,057)
Unallocated Fiscal Recovery Fund Balance as of July 2023	\$ 30,617,421

Reminders

- \$3.69 billion across 40 projects planned in the Tennessee Resiliency Plan.
- ARP Fiscal Recovery Funds must be obligated no later than Dec 31, 2024.
- Funds must be spent/liquidated no later than Dec 31, 2026.



Recommendations

<u>Agency</u>	<u>Project</u>	<u>Cost</u>
THDA	TAHRA/FAHE Housing Request	\$10,000,000
TDH	Health Resiliency Program – Expansion of practice transformation grants prioritizing distressed/at-risk counties	\$20,617,421
	Total Recommended	\$30,617,421
	Balance remaining after recommended	\$0

Recommendations - Overview

1. Housing - \$10 million

(Page 12)

- 147 units at an average state investment of \$68,027 per unit
- Previous FSAG investment in housing: Habitat for Humanity at \$15 million

2. Health Resiliency Program - \$20 million

(Page 27)

- Original plan for program divided funds with
 - \$145 million set aside for Capital;
 - \$75 million set aside for Practice Transformation/Extension;
- Capital and LTCF PTE program results in surplus of \$21.5 remaining after all high-quality applications are funded;
- Practice Transformation/Extension (PTE) significantly oversubscribed;
 - \$37 million in quality applications for practice transformation over and above \$75 million available.
- With additional investment from FSAG of \$20 million for Practice Transformation/Extension, TDH can expand and fully fund 18 projects prioritizing at-risk and distressed counties.

Recommendation for Excess Funds

- **Conclusion of Meetings**
 - With all available funds planned for the Tennessee Resiliency Plan, we will conclude regular meetings and will move regular public reporting.
- **What if programs underspend going forward?**
 - Significant surplus or unspent funds are not anticipated, as current expenditures remain on timeline.
 - Excess funds will be allocated on a ratio of 75% to Health programs, 25% to Housing*
 - New expenditures on housing shall not exceed \$4 million
 - If excess funds exceed \$10 million in any quarter, FSAG will reconvene.
 - Specific use of funds approved by F&A Commissioner, Speakers and Finance Chairs.

Next Steps for Deferred Projects

- **Rutherford County Forensic Center** (Page 45)
 - Goal: To meet growing demand for forensic medical examiner services in Tennessee
 - FSAG findings from previous meetings:
 - Population growth in middle Tennessee driving demand for new services;
 - Statewide network of forensic centers currently operate independently without central statewide coordination.
 - *Questions Remaining:*
 - What possibility for growth is available for existing Nashville center?
 - Unknown impact of Knox and Hamilton County expansions on statewide needs (i.e., can growth Middle TN demand be re-directed?)
 - *Action Steps:*
 - Department of Health to provide a formal report assessing statewide network and to quantify the impact of Knox and Hamilton County expansions on statewide needs; Report will inform consideration by general assembly in FY25 budget.

Impact of Recent Federal Omnibus

- **FRF funds and other state awarded funds currently in progress remain unaffected by recent federal action.**
 - On June 3, President Biden signed into law the Fiscal Responsibility Act of 2023 (FRA, Public Law 118-5), which suspends the limit on federal debt through January 1, 2025, and makes several changes that affect federal spending and revenues.
 - Within the “FRA,” Congress adopted a budget including rescissions of unobligated federal funds. These rescissions were limited to funds yet to be obligated by federal agencies.
 - Funding already awarded to states/localities are not affected. e.g., ARP Fiscal Recovery Fund, ESSER education funds

Reporting

- **Treasury Performance Report**

- On July 1, the state delivered its first performance report to US Treasury.
- This and future reports will be shared with FSAG members by email and the link will be provided on the FSAG homepage.

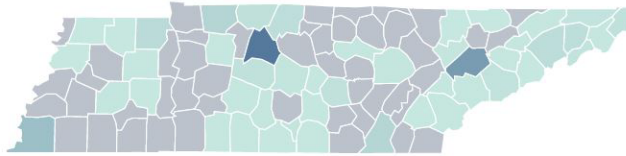
- **Projects Dashboard**

- On July 21, the State will launch the ARPA Fiscal Recovery Fund project dashboard.
- This dashboard will provide citizens with a line-item, county-by-county insight into how ARP Fiscal Recovery Fund projects are proceeding by obligation and expenditure.
- The dashboard will complement the Tennessee Resiliency Plan, which will continue to serve as state's federal report.

Preview: State ARP FRF Dashboard

ARPA State Fiscal Recovery Funds

Award Amount and Awards by County



State Agency	Statewide Budgeted Amount	Obligations	Expenditures	Expended %
Agriculture	\$137,372,600.00	\$50,787,545.43	\$787,545.43	0.57%
Ag Veterinary Lab	\$5,122,600.00	\$787,545.43	\$787,545.43	15.37%
Commercial Agriculture & Forestry Supply Chain Enhancements	\$50,000,000.00			
TSU - Ag Research and Education	\$32,250,000.00			
UT - Ag Research and Education	\$50,000,000.00	\$50,000,000.00	\$0.00	0.00%
Arts Commission	\$80,000,000.00	\$72,000,129.00	\$29,489,547.43	36.86%
Support for TN Arts Organizations	\$80,000,000.00	\$72,000,129.00	\$29,489,547.43	36.86%
Correction	\$13,050,000.00	\$176,132.09	\$149,847.79	1.15%
Electronic Health Records Project and Supporting Infrastructure	\$13,050,000.00	\$176,132.09	\$149,847.79	1.15%
Economic and Community Development	\$500,000,000.00	\$311,257.27	\$301,239.32	0.06%
Broadband Infrastructure	\$500,000,000.00	\$311,257.27	\$301,239.32	0.06%
Education	\$5,830,000.00	\$1,943,400.00	\$0.00	0.00%
Teach for America	\$5,830,000.00	\$1,943,400.00	\$0.00	0.00%
Environment and Conservation	\$1,351,922,145.00	\$113,829,228.18	\$871,509.00	0.06%
Enhancements to Water and Wastewater Infrastructure	\$1,351,922,145.00	\$113,829,228.18	\$871,509.00	0.06%
Finance and Administration	\$46,680,000.00	\$2,049,722.50	\$2,049,722.50	4.39%
Administrative Costs	\$19,680,000.00	\$2,049,722.50	\$2,049,722.50	10.42%
Goodwill Excel Center	\$12,000,000.00			
Habitat for Humanity	\$15,000,000.00			
Finance and Administration - Internal Audit	\$1,333,943.00	\$1,019,016.27	\$1,019,016.27	76.39%
Electronic Workpapers for Remote Workforce	\$1,333,943.00	\$1,019,016.27	\$1,019,016.27	76.39%
Finance and Administration - OEI	\$2,000,000.00	\$1,669,045.00	\$333,809.00	16.69%
Accelerating Project Inventory	\$2,000,000.00	\$1,669,045.00	\$333,809.00	16.69%
Finance and Administration - STS	\$196,805,000.00	\$14,310,288.38	\$14,310,288.38	7.27%
Business Process Automation	\$20,000,000.00	\$2,734,808.23	\$2,734,808.23	13.67%
Total	\$3,474,920,635.00	\$417,712,405.36	\$128,002,166.90	3.68%

Funding Overview



County	Award Amount	Awards
Statewide	\$87,132,154.84	103
Anderson	\$1,673,380.00	5
Healthcare Facility Staffing Assistance Grants	\$1,296,000.00	1
Support for TN Arts Organizations	\$377,380.00	4
Blount	\$1,045,300.46	2
Healthcare Facility Staffing Assistance Grants	\$786,980.46	1
Support for TN Arts Organizations	\$258,320.00	1
Campbell	\$260,918.50	2
Healthcare Facility Staffing Assistance Grants	\$199,468.50	1
Support for TN Arts Organizations	\$61,450.00	1
Cannon	\$560,800.00	1
Support for TN Arts Organizations	\$560,800.00	1
Carroll	\$527,610.00	1
Support for TN Arts Organizations	\$527,610.00	1
Carter	\$969,260.15	1
Healthcare Facility Staffing Assistance Grants	\$969,260.15	1
Claiborne	\$417,282.38	1
Healthcare Facility Staffing Assistance Grants	\$417,282.38	1
Cocke	\$68,140.00	1
Support for TN Arts Organizations	\$68,140.00	1
Total	\$417,712,405.36	335



Preview: State ARP FRF Dashboard

The dashboard will support county by county views of grant participation.

County	Award Amount	Awards
<input type="checkbox"/> Hamilton	\$15,477,383.42	17
Crisis Continuum Enhancement	\$7,279,000.00	1
Healthcare Facility Staffing Assistance Grants	\$5,011,150.42	6
Support for TN Arts Organizations	\$3,187,233.00	10
Total	\$15,477,383.42	17

County	Award Amount	Awards
<input type="checkbox"/> Shelby	\$35,409,606.44	38
Enhancements to Water and Wastewater Infrastructure	\$4,383,304.44	3
Healthcare Facility Staffing Assistance Grants	\$7,776,000.00	9
Support for TN Arts Organizations	\$23,250,302.00	26
Total	\$35,409,606.44	38





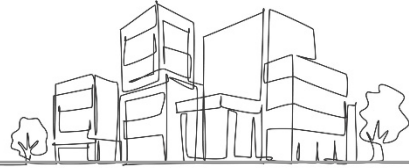
Presentation 1 – Fahe/TN Association of Housing and Redevelopment Authorities

Investing in Housing that Working Families Can Afford

Fahe, NeighborWorks Alliance of TN, and TAHRA
Proposal for ARPA Funds



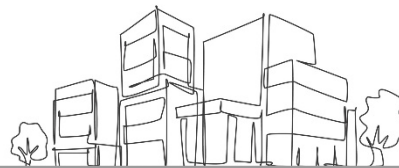
Notes:



- This is version 3 of the Fahe, TAHRA, NeighborWorks Alliance of TN
- Recognizing this is a large ask, we are revising our proposal once more to provide 3 different options:
 - \$10 million investment;
 - \$14 million investment and
 - \$21.9 million investment.
- Using information available today- which is subject to change based on timelines – we have also provided greater detail on the geography and households served by the proposed projects.

What follows is a list of potential, shovel ready projects that could be funded.

The Challenge:



Covid-19 reinforced how important access to a safe and stable home is. Yet, in TN:



We are short 133,000
Affordable Rental Units



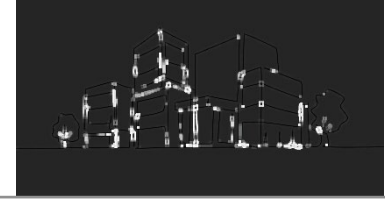
Housing supply is down
24%



Demand for housing has
increased 19%

If we're going to protect against future public health emergencies, increase health and wellness indicators for vulnerable populations, strengthen our economy, and build pathways to generational wealth- **we have to invest in quality, stable housing, working families can afford.**

The Proposal:



Population:

Given ARPA's flexibility, and our partners ability to stack funding, we're able to serve a broad swath of Tennessee residents. Renters and buyers can earn anywhere between 0% to 300% Federal Poverty Guidelines. **For the purposes of this proposal, vulnerable populations include:**

- Retiree residents seeking to age in place
- Rent Burdened Households (paying >30% of their income to housing)
- Veterans, the disabled, those in recovery or in the process of re-entry and DV survivors.

Funding Will Be Used For:

- Predevelopment work (surveys, water/sewage and roads etc.)
- Repair, renovation and weatherization to preserve existing stock
- New Multi-Family Housing
- New Single Family Housing (stick built or modular depending on community need)
- Affordable housing preservation (purchase of market rate rentals)

Economic Benefits of Investments in Housing

- **Cost-burden and unmet housing needs inhibit economic growth.** A 1% increase in homeowner cost burden is significantly correlated with a reduction in the numbers of retail, information, and professional establishments. **Nationwide, the shortage of affordable housing costs the American economy about \$2T annually in lower wages and productivity.**
- **Housing investments create and retain jobs.** Tennessee has a large shortage of affordable housing as well as an aging housing stock. Addressing this through investments in housing construction, energy efficiency, and repair can keep a sizeable workforce in the state for years to come. **The creation of nearby housing can help companies retain qualified entry- and mid-level employees.**
- **More affordable housing will increase consumer spending power.** The 26% of Tennessee homes that are cost-burdened have less disposable income to contribute to the local economy. **In 2020, severely cost-burdened renters spent 38% less on food and 70% less on healthcare.**
- **A large investment in housing could substantially increase state and local tax revenue.** A recent study estimates that an annual investment of **\$20M** in the **Alabama Housing Trust Fund** over 10 years could yield over **\$151M** in additional state and local tax revenue

Flexible Investments in Affordable Housing Pay Off.

We can look towards Tennessee's past to see how investments in housing benefit the economy. More recent studies from neighboring states indicate an investment could yield an even greater impact today.

Economic impact of \$34.35M annual investment in Tennessee Housing Trust Fund, 2006-2011



Impact of over \$100M



Generated in \$34.5M in personal income/wages



Direct employed 409 jobs, indirectly employed 412 jobs



Produced an additional \$1 in business revenue for every \$1 in spending

Projected economic impact of \$20M annual investment in Alabama Housing Trust Fund over 10 years



Impact of over \$1.1B



\$151.5 M in additional revenue collected at state and local levels

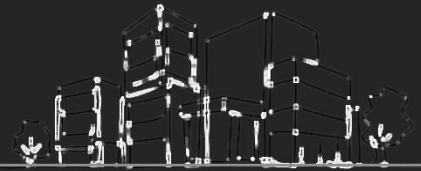


Create and sustain 6,500 full-time jobs



Create and rehab more than 7,100 homes

\$10 Million Investment Option:



Potential Partners

- Eastern 8
- Clinch Powell
- Jackson Housing Authority
- Lexington Housing Authority
- McMinnville Housing Authority/Warren Co. Development Corp
- Mountain TOP
- United Housing, Inc.



Populations Served:

- Retirees
- Veterans
- Workforce Housing
- Re-Entry and Recovery
- Blue Oval City



Impact:

- 10 Projects
- 64 units built
- 83 units preserved
- 413 Individuals housed



Total Costs & Commitments:

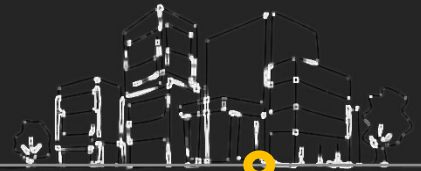
- \$16,010,000
- \$2.99 million committed

Total Leverage:

- \$6.01 million in private funding

We are willing to discuss an investment of less than \$10 million to demonstrate what these groups are able to deliver; but please know that the impact at lower funding levels becomes diluted fairly quickly.

\$14 Million Investment Option:



Potential Partners:

- Aid to Distressed Families of the Appalachian Counties (ADFAC)
- Chattanooga Neighborhood Enterprise
- Cleveland Housing Authority
- Clinch Powell
- Creative Compassion, Inc.
- Eastern Eight CDC
- Franklin Housing Authority
- Jackson Housing Authority
- Homesource East TN
- Lexington Housing Authority
- McMinnville Housing Authority/Warren Co. Development Corp.
- Morristown Housing Authority
- Mountain TOP
- Oak Ridge Housing Authority
- United Housing, Inc.



Populations Served:

- Retirees
- Veterans
- Workforce Housing
- Re-Entry and Recovery
- Disenabled
- First Responder and Educators
- Low to moderate income
- Blue Oval City



Impact:

- 18 projects
- 137 units built
- 1,152 units preserved
- 2,681 Individuals Housed



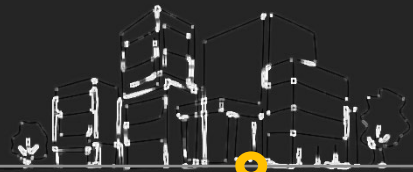
Total Costs & Commitments:

- \$76,921,009
- \$21.1 million committed

Total Leverage:

- \$56.820 million in private funding

\$21.9 Million Investment Option:



Potential Partners

- Aid to Distressed Families of the Appalachian Counties (ADFAC)
- Chattanooga Neighborhood Enterprise
- Cleveland Housing Authority
- Clinch Powell
- Creative Compassion, Inc.
- Eastern Eight CDC
- Franklin Housing Authority
- Jackson Housing Authority
- Homesource East TN
- Lexington Housing Authority
- McMinnville Housing Authority/Warren Co. Development Corp
- Morristown Housing Authority
- Mountain TOP
- Oak Ridge Housing Authority



Populations Served:

- Retirees
- Veterans
- Workforce Housing
- Re-Entry and Recovery
- Disenbled
- First Responder and Educators
- Low to moderate income
- Blue Oval City



Impact:

- 28 projects
- 224 units built
- 549 units preserved
- 3,185 Individuals housed



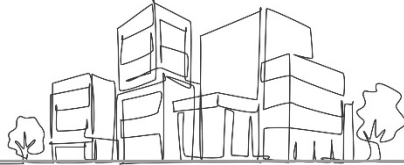
Total Costs & Commitments:

- \$82,369,272
- \$23.1 million committed

Total Leverage:

- \$59.3 million in private funding

The Timeline & Key Benchmarks:



2023

Funding agreement is drafted, released to Fahe, signed and returned

Fahe works with THDA and FSAG to confirm primary reporting requirements

Fahe develops a grant process to disburse funding

Applications are submitted and Grants are awarded

2024

Funding is fully obligated and disbursement begins

Projects have all begun

2025

Project reporting is initiated

Projects begin to come online

All funds are disbursed

2026

Projects continue to come online

Fahe submits final report to State of Tennessee and supports federal reporting

All projects are closed out

Why Fahe as an Intermediary:



Fahe has 40 years of finance, development and intermediary experience in the region:

- Since 1980 Fahe has invested \$1.05B generating \$1.6B in finance.
- This investment was channeled through our Members and community partners, directly changing the lives of 687,183 people.

Fahe can scale quickly & alleviate the administrative burden on reporting for the State:

- Fahe will apply its experience in designing and implementing programs, and federal funds compliance to disseminate funding quickly and effectively.
- Fahe will identify a lead staff member to serve as a single point of contact for the State for all financial, administrative and compliance requirements.

Fahe has strong community connections:

- We will be community-focused to identify and meet local needs, provide program administration support.
- Coalition members will focus on outreach and partnership with local governments and landowners to identify and secure property that meet community needs.

Our Tennessee members and partners do this work every day:

- Between 2018 and 2020, Fahe and Neighborworks America partners deployed \$343,506,049 in public and private funding.
- In that same 3 year period, we created 4,343 units of housing for 8,548 Tennesseans.

Considerations in the development of this proposal:

- The projects we've outlined below and attached do not reflect the entire universe of need, or opportunities for housing development or preservation on the horizon. This is a single, snap shot of shovel ready projects.
- For the purposes of this proposal, “shovel ready” means projects with a start date in 2023 or the first quarter of calendar year 2024.
- To the best extent possible, we asked partners to prioritize projects in the Blue Oval City footprint, At-risk and Distressed Counties, those serving special populations and/or responding to excessive housing demand in under-served parts of the state.
- With regard to the at-risk and distressed counties: **Our proposal for these communities seeks to remain proportional to demand.** The reality is that due to the depressed economic environments of Distressed and At-Risk counties; demand is limited.
- For the purposes of this proposal, “households” means both individuals and families.

Considerations in the development of this proposal:

- All projected costs are based on current dollars and interest rates, and are subject to change.
- We have not included administrative fee estimates. This expense will vary depending on the final funding and scope of work needed to disburse and track sub-grants; and manage reporting. Partners are aware that their final awards may be lower than projected to account for these costs.
- Within each scenario, we've included a mix of Fahe Members, TAHRA members and Neighborworks affiliates.
- What is detailed in the attached memo is an estimate of what can be produced using ARPA funding as of January 2023. Given the unpredictability of the current market and a lack of certainty about when ARPA funding would be received, some of these projects may be in a different stage of development by the time funding is available. **Therefore, what is listed in this summary proposal is not guaranteed for selection. For final award decisions, Fahe will strive to fund a mix of projects serving similar counties, at similar income levels, for similar special populations and with a similar scope of units built or preserved.**

About us:



About Fahe & NWA: Fahe TN is comprised of 15 nonprofit housing developers and the TN NeighborWorks affiliates. Members serve across the state of TN covering specifically the Appalachian counties in the Upper Cumberland region, the NE region of the State of TN NWA organizations cover additional communities in and around Chattanooga, Hamilton County; Davidson County; Memphis and Shelby County

- [Affordable Housing Resources](#)
- [Aid to Distressed Families of Appalachian Counties \(ADFAC\)](#)
- [Appalachia Habitat for Humanity](#) □ [Appalachia Service Project](#)
- [Blount County Habitat for Humanity](#)
- [Chattanooga Neighborhood Enterprises](#)
- [Clinch-Powell RC&D Council](#)
- [Creative Compassion](#)
- [Crossville Housing Authority](#)
- [Eastern Eight Community Development Corp.](#)
- [HomeSource East Tennessee](#)
- [Kingsport Housing and Redevelopment Authority](#)
- [Knoxville Habitat for Humanity](#) □ [Knoxville Leadership Foundation](#)
- [Loudon County Habitat for Humanity](#)
- [Mountain T.O.P.](#)
- [Oak Ridge Housing Authority](#)
- [Tennessee Community Assistance Corp.](#)
- [United Housing Inc.](#)

About TAHRA: The Tennessee Association of Housing and Redevelopment Authorities (TAHRA) is the premier organization providing assistance and support to Tennessee public and affordable housing agencies. Founded in 1939, TAHRA has members in every county and collectively leverages and deploys hundreds of millions of dollars annually to create and preserve housing working families can afford.

Questions: Maggie Riden, Fahe, mriden@fahe.org



Presentation 2 – Department of Health
Healthcare Resiliency Program



TN Healthcare Resiliency Program

Review and Final Award Summary

Agenda

- HRP Program Background
- Tranche 1 Funding Summary
- Tranche 2 Expectations
- Next Steps / Timeline



TN Healthcare Resiliency Program

\$230M

PART 1: \$145M

Capital Investments in Healthcare Facilities

Adult and Pediatric ICU and Floor Beds

1a. Acute Care Hospitals (\$120M)

Adult and Pediatric ICU and Floor Beds

1b. Long-Term Care (\$25M)

Facility Upgrades and Infection Control

PART 2: \$75M

Practice Transformation and Extension Grants

Technology, Practice Upgrades, Delivery Models Focused on Improving Access

**2a. Acute Care Hospitals
(\$30M)**

**2b. Long-Term Care
(\$25M)**

**2c. Other Health and Healthcare
(\$20M)**

\$10M Administration, Evaluation, Compliance



Program Summary: Awards in Tranche 1

- In the Healthcare Resiliency Program’s first round of awards (“tranche 1”), announced May 5th, TN obligated \$120.8m to 54 projects across the state.

Allocation, Total Request, and Tranche 1 Obligation

	<u>Allocated</u>	<u>Total Request</u>		<u>Obligated in Tranche 1</u>	
	\$	# Applications	\$	# Applications	\$
CI-Hospitals	\$120,000,000	24	\$209,845,921	8	\$50,870,997
CI-LTCF	\$25,000,000	30	\$21,438,887	9	\$7,423,961
PTE - Hospitals	\$30,000,000	18	\$51,587,840	10	\$30,000,000
PTE - LTCFs	\$25,000,000	19	\$24,444,585	10	\$12,518,938
PTE - Other	\$20,000,000	78	\$145,819,407	17	\$20,000,000
TOTAL	\$220,000,000	169	\$453,136,640	54	\$120,813,896

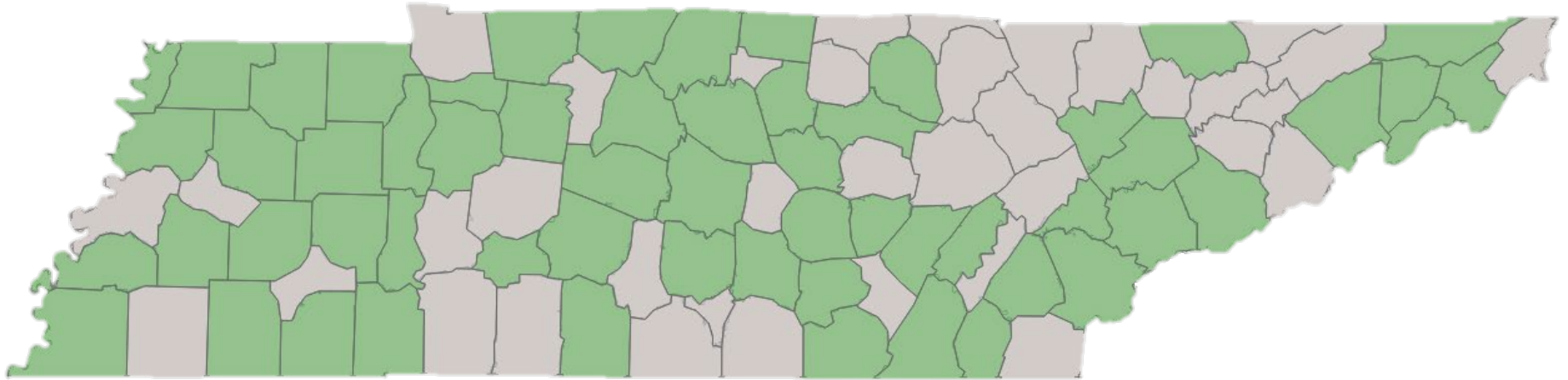
*PTE (Practice Transformation and Extension)

Application Summary and Themes

- Adoption of Telemedicine, Technology Pilots, Remote Connections & “Center of Command” Approaches
- Addressing SDOH, Referrals, Partnerships, and Care Integration and Coordination
- TN Program noted as “further reaching” than most state responses to recent challenges in Healthcare

HRP: Tranche 1 Award Summary

Awards went to facilities in 58 Counties, representing all regions of Tennessee



Tranche 2 funding is expected provide ~25-30 awards, which will go to ~25-30 counties, including several (~5-10) not included in the first round of funding

Tranche 1: Towards Distressed / At Risk Counties

Roughly 1/3 of Tranche 1 projects and dollars will directly touch At-Risk & Distressed Counties

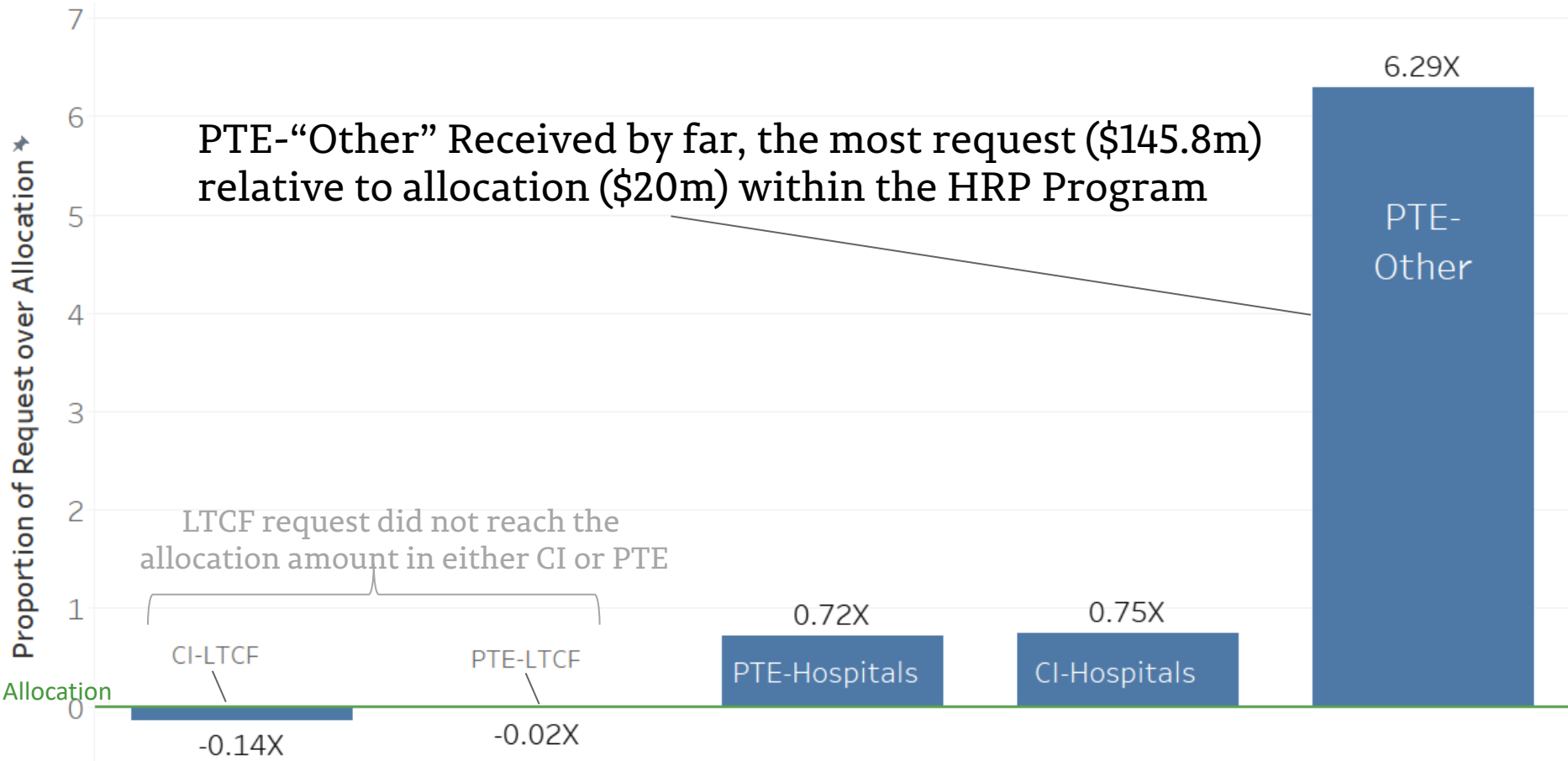
	# Projects	\$ Amount	% of t1 Award
Capital-Hospital	1	\$5m	9.8%
Capital-LTCF	-	-	-
PTE-Hospital	3	\$16.7m	55.8%
PTE-LTCF	6	\$10.4m	83.4%
PTE-Other	7	\$7.5m	37.7%

*PTE (Practice Transformation and Extension)



Health Resiliency Plan Request, Relative to Allocation

PTE-“Other” Received by far, the most request (\$145.8m) relative to allocation (\$20m) within the HRP Program



Recommendation: Additional Funding for PTE-O High Quality Projects

- The 9-person internal TDH review team unanimously supported re-directing surplus funds to PTE-Other Projects
- Re-Directing \$21.5m to PTE-O would award or expand awards for 10 projects which;
 - Support increased primary care outreach to rural, low-income, and minority residents
 - Embed Community Health Workers in At-Risk/Distressed counties to address SDOH
 - Address access to mental health services in rural areas, including telehealth services
- Adding \$20m to the \$21.5m to PTE-O would fund 8-10 additional projects meeting this criteria.

Health Resiliency Plan Final Steps

	Awards	Obligated	Remaining
TOTAL	69	\$198,324,055.64	\$21,675,944.36
<i>CI-H</i>	<i>18</i>	<i>\$120,000,000</i>	<i>-</i>
<i>CI-LTCF</i>	<i>12</i>	<i>\$10,669,853.04</i>	<i>\$14,330,146.96</i>
<i>PTE-H</i>	<i>10</i>	<i>\$30,000,000</i>	<i>-</i>
<i>PTE-LTCF</i>	<i>12</i>	<i>\$17,654,202.60</i>	<i>\$7,345,797.40</i>
<i>PTE-O</i>	<i>17</i>	<i>\$20,000,000</i>	<i>-</i>

Final Allocations

Awards	Award Amount	Remaining
Fully Award JMCGH (PTE-H)	\$185,987	\$21,489,956
Fully Award Dayton City Schools (PTE-O)	\$26,171	\$21,463,785
Fully Award Henderson Co Hosp (CI-H)	\$104,332	\$21,359,452
<i>Surplus available to fund PTE-O Projects</i>	<i>\$21,359,452</i>	
<i>Additional ARPA Funding to PTE-O projects</i>	<i>\$20,617,421</i>	

Recommendation: Addition to Practice Transformation

Prioritizing At-Risk/Distressed Counties (1 of 2)

Awards	Obligation	State TOTAL
Oneida Special School District (Scott)	\$485,755.00	\$485,755
Maury Regional Health Network LLC (Maury)	\$2,432,200.00	\$2,917,955
University Health System, Inc. (UHS) d/b/a UTMC	\$5,243,110.00	\$8,161,065
Ascension Medical Group (Saint Thomas Medical Partners)	\$4,223,899.00	\$12,384,964
Ignite Healthcare	\$500,000.00	\$12,884,964
Madisonville Primary Care Group, PLLC (Monroe)	\$2,153,335.35	\$15,038,299
McKenzie Medical Center, P.C. (Carroll)	\$1,527,592.00	\$16,565,891
Benton County School System	\$1,017,194.00	\$17,583,085
Rhea Medical Center	\$1,517,663.00	\$19,100,748

* - Partial Obligation

Recommendation: Additional Funds for PTE-O Prioritizing At-Risk/Distressed Counties (2 of 2)

Awards	Obligation	State TOTAL
Medical Foundation of Nashville	\$1,019,149.50	\$20,119,898
University Community Health Services, Inc. d/b/a Connectus Health	\$2,997,305.00	\$23,117,203
Habitat for Humanity of Greater Memphis, Inc.	\$2,313,300.00	\$25,430,503
Tennessee Kidney Foundation	\$150,000.00	\$25,580,503
Tri State Community Health Center	\$3,904,100.00	\$29,484,603
Raleigh Group PC	\$253,601.84	\$29,738,205
Hope Family Health	\$2,893,802.80	\$32,632,007
University of Tennessee at Chattanooga School of Nursing	\$2,635,200	\$35,267,207
Cumberland Pediatric Foundation*	\$2,731,916	\$37,999,123

* - Partial Obligation





Thank you
Office of Strategic Initiatives



TDOH – Overview of State Forensic Centers

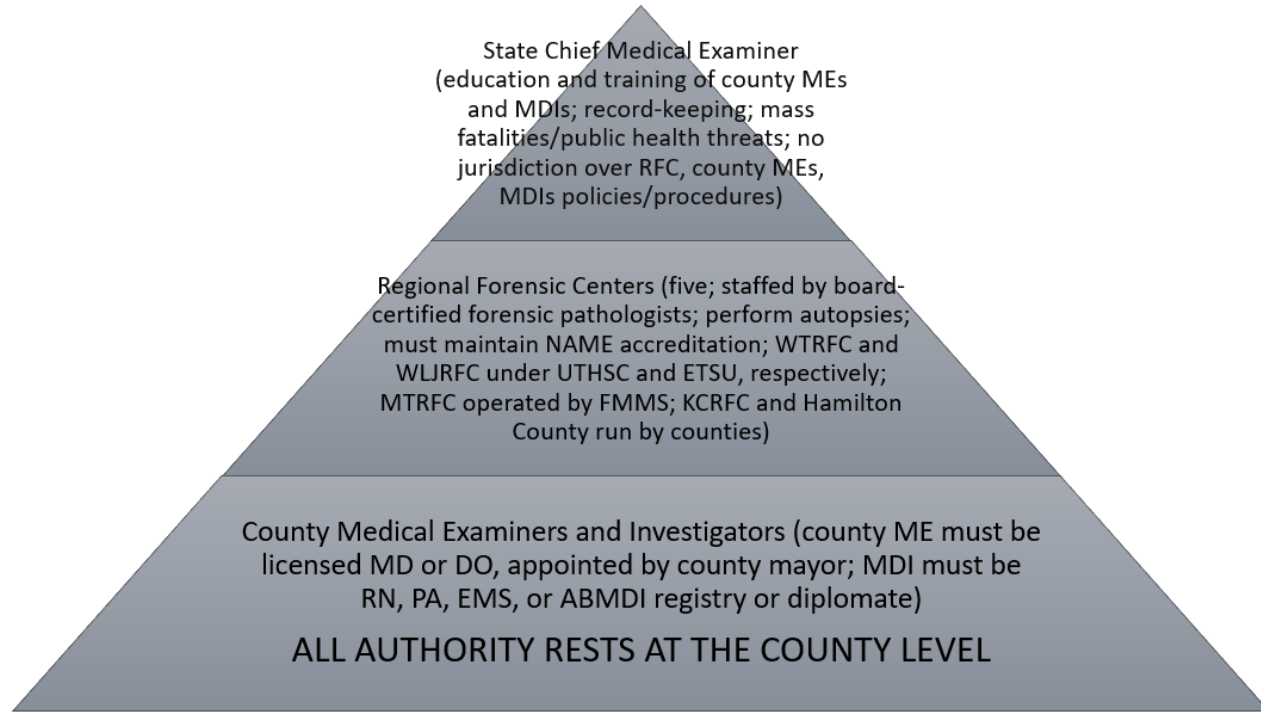


Department of
Health

The Tennessee Medical Examiner System

Adele Lewis, MD
adele.lewis@tn.gov
April 26, 2023

Organization



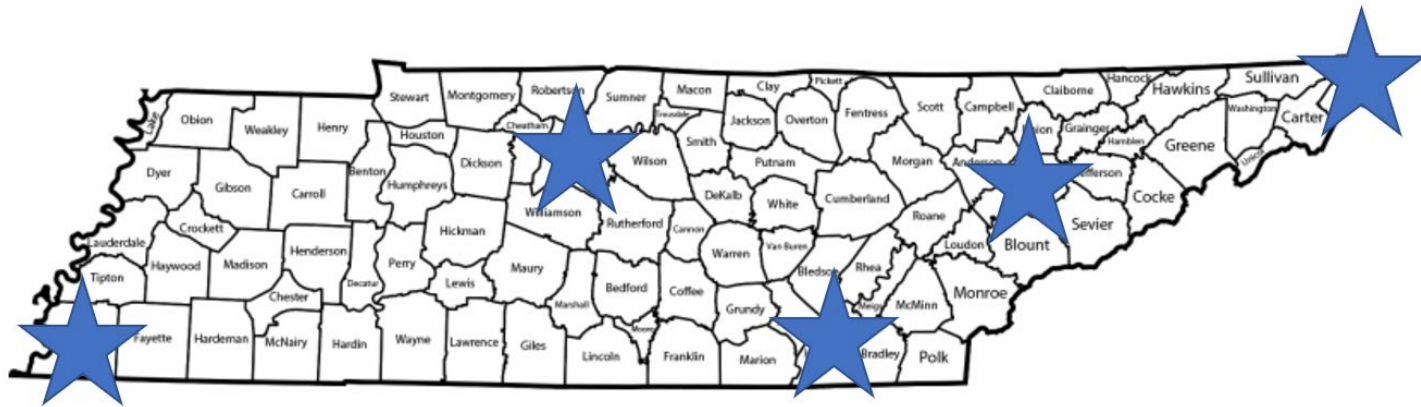
OSCME Statutes

- Title 38, Chapter 7, Parts 1 and 2: Postmortem Act
 - Education and training of county MEs and MDIs
 - Record-keeping (CMS); ME and toxicology reports are public records
 - Assist in mass fatalities or threats to public health (e.g. Waverly flood 2021, COVID deaths)
 - Medical examiner advisory council
- Title 68, Chapter 3, Part 5: Vital Records Act (Deaths)
- Title 68, Chapter 4: Disposition of Dead Bodies
- Title 68, Chapter 142: Child Fatality Review and Prevention Act of 1995
- Title 68, Chapter 1, Part 11: Sudden, Unexplained Child Death Act

OSCME Activities

- County Medical Examiner Handbook
- Mass Fatality Plan
- Trainings
 - Death investigation 101
 - Justice Assistance Grant trainings
 - Prevention through Understanding
 - Death certification training for physicians
- National Violent Death Reporting System
 - \$1.8 M grant
- Constituent assistance
- Statewide case management system
 - In use by Shelby, Knox, Hamilton, Washington Counties' jurisdictions
- Medical Examiner Advisory Council
- Testimony/Legal assistance
- Autopsy performance
- Mortality review teams

Regional Forensic Centers



Middle Tennessee Regional Forensic Center

- When building was constructed, Dr. Bruce Levy was both the Metro Nashville/Davidson County and State Chief ME; all functions of both offices performed at MTRFC
- Dr. Levy left his positions in March 2010; a forensic pathologist in Washington County was subsequently named state chief ME
- Office of the State Chief Medical Examiner (OSCME) established as a full-time office in Nashville in 2016 housed in TDH

Middle Tennessee Regional Forensic Center

- Overhead costs evenly divided between TDH (OSCME) and Metro Nashville/Davidson County (Metro Public Health Department)
- Building construction completed in Fall 2000 at state expense; Metro Nashville/Davidson County to reimburse state by issuing bonds
- Staffed by private practice group (Forensic Medical Management Services, PLLC) who contract with Metro Nashville/Davidson County
 - FMMS also administers and staffs offices in Kansas City, KS and Beaumont and Tyler, TX; headquarters in Nashville facility
- Performs autopsies for ~ 53 counties in Middle Tennessee
- Freezer expansion project underway

West Tennessee Regional Forensic Center

- When building was constructed, the Shelby County Chief ME was an FMMS employee and FMMS contracted with Shelby County to provide autopsy services; now UTHSC provides autopsy and administrative services
- Overhead costs evenly divided between TDH (OSCME) and Shelby County
- Building construction completed in June 2012 at state expense; Shelby County to reimburse state by issuing bonds
- Staffed by UTHSC employees; UTHSC contracts with Shelby County to provide services
- Performs autopsies for ~ 12 counties in West Tennessee

Northeast Tennessee Regional Forensic Center

- Housed in a Washington County facility maintained by ETSU located on Mountain Home VA property
- Staffed by ETSU employees
- Counties of the First Development District (8) pay a flat annual fee for autopsy and death investigation services based on population; all other RFCs charge counties a set rate per autopsy
- ETSU bears maintenance expenses
- Perform autopsies for the 8 counties of the First Development District

Knox County Regional Forensic Center

- Knox County bears all expenses
- Current building remodeled in 2015 with \$4.25 million grant from state; remainder paid by Knox County
- Staffed by Knox County employees
- Performs autopsy services for ~22 counties

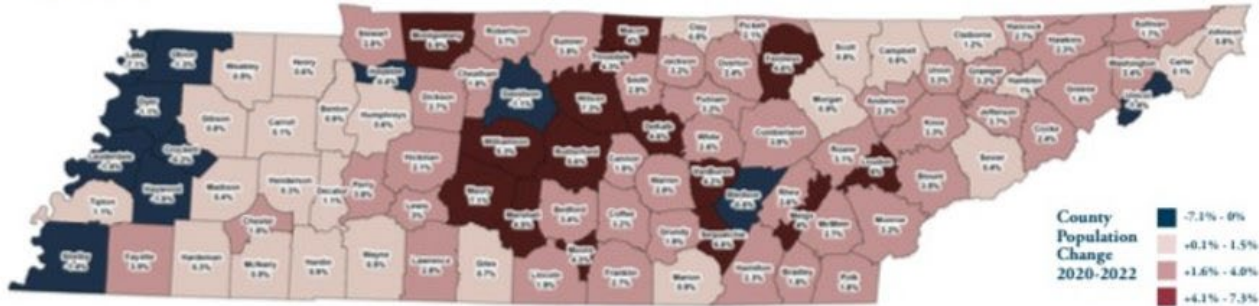
Hamilton County Regional Forensic Center

- Hamilton County bears all expenses
- Current facility constructed in 1989
- Staffed by Hamilton County employees
- Performs autopsies for those injured in Hamilton County; occasionally will perform autopsies for a fee for Bradley County



TENNESSEE IS ON THE RISE

Population Tops 7 Million for the First Time



Total Population - 7,051,339

5 TENNESSEE COUNTIES
IN THE TOP 100 IN THE U.S. FOR GROWTH BY NUMBER SINCE 2020

- 43. RUTHERFORD :: +19,138
- 60. KNOX :: +15,593
- 67. MONTGOMERY :: +15,207
- 75. WILLIAMSON :: +13,082
- 89. WILSON :: +10,808

TENNESSEE WAS THE **7TH** FASTEST GROWING STATE BY NUMBER FROM 2020-2022



TENNESSEE IS NOW THE **15TH** MOST POPULOUS STATE SURPASSING MASSACHUSETTS



- 11. NEW JERSEY
- 12. VIRGINIA
- 13. WASHINGTON
- 14. ARIZONA
- 15. TENNESSEE
- 16. MASSACHUSETTS

140,553 NEW TENNESSEE RESIDENTS FROM 2020-2022

Source: U.S. Census Bureau

Rutherford County Regional Forensic Center

- Collaboration with OSCME
 - Autopsy performance
 - Training facilities
- Mass fatality staging site
- MTSU forensic anthropology partnership
- Rutherford County to assume operating expenses and cost escalations
- Rutherford County to donate 10-acre plot of land near Smyrna airport



**Presentation– Rutherford County
Forensic Center**

RUTHERFORD COUNTY REGIONAL FORENSIC CENTER PROPOSAL



Current State of Medicolegal Death Investigation System

➤ Currently only 5 Regional Forensic Centers (RFCs) in Tennessee

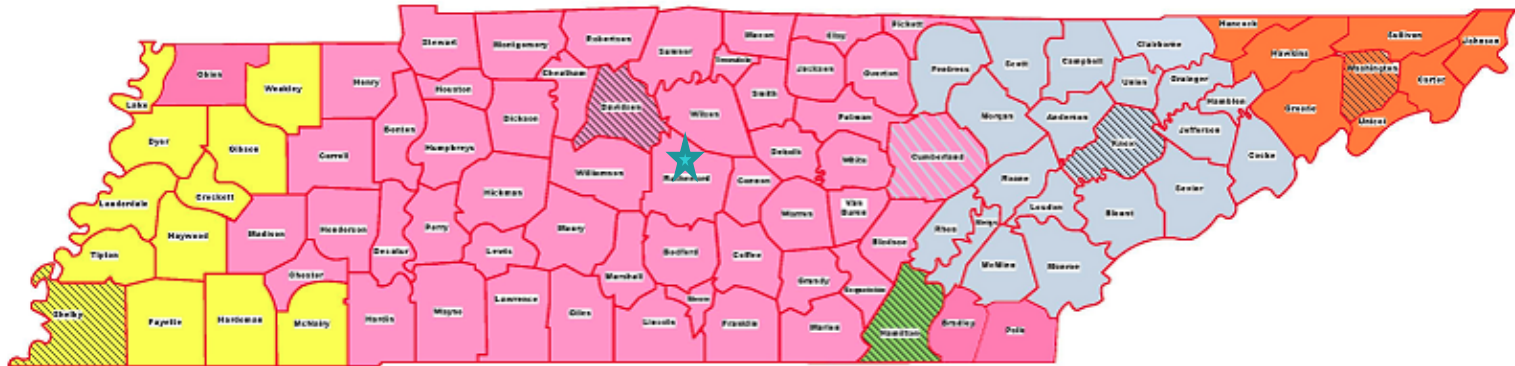
- **East:**
 - Knox County RFC @ Knox County MEO (current service area ~**22 counties**)
 - Southeast TN RFC @ Hamilton County MEO (current service area ~**1 county**)
 - Northeast TN RFC @ ETSU (current service area ~**8 counties**)
- **Middle:**
 - Middle TN RFC operated by FMMS, PLC (current service area ~ **53 counties**)
- **West:**
 - West TN RFC @ UTHSC (Memphis) (Service area ~**11 counties**)

➤ Need for an additional RFC

- Tennessee population growth and the continued drug overdose crisis, exacerbated by the Covid-19 pandemic
- Middle Tennessee had the largest growth gain
 - Population of Rutherford County, Tennessee in 2021 was 352,182, 33.5% up from 263,721 in 2010
 - US population grew 7.3% and Tennessee's population grew 9.8% during that period. (Source: usafacts.org).

➤ RFC accrediting body recommends ~1 autopsy per 1,000 capita

LOCATION OF THE CURRENT 5 REGIONAL FORENSIC CENTERS WITH IDENTIFICATION OF THE COUNTIES THEY PROVIDE AUTOPSY SERVICE



Proposed Rutherford County RFC with easy access via 3 major interstates; strategic location for mass fatality staging at Smyrna Airport with close proximity to National Guard Headquarters

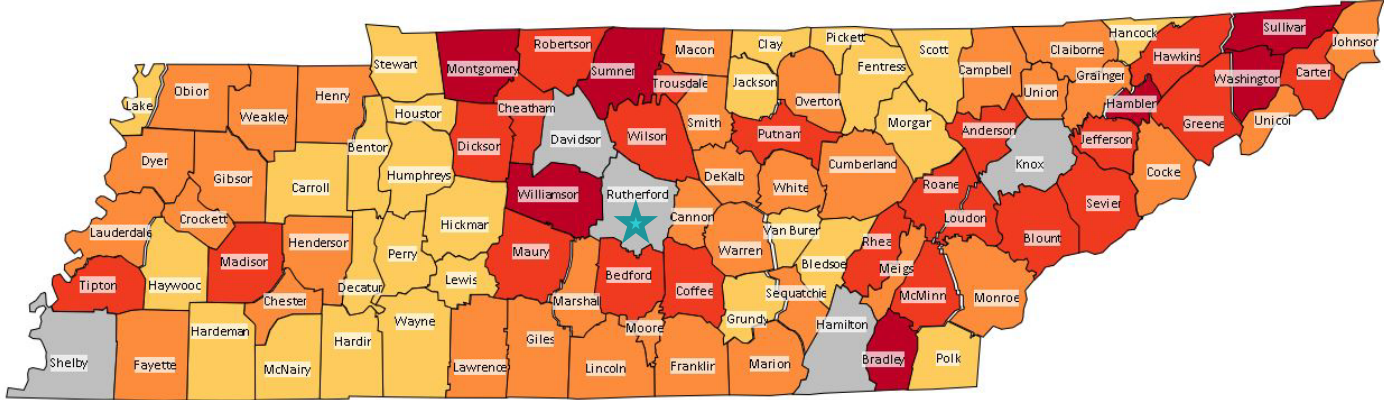
Background

- **The current number of RFCs has not changed in over 20 years and the RFCs have not been able to keep pace with needs of infrastructure or personnel to meet the needs for standardized death investigation**
 - High daily caseloads negatively impact the ability to provide quality forensic services to the county partners
- **With continued population growth and the drug overdose epidemic, significantly impacted by the Covid-19 pandemic, demand for forensic services is only expected to increase**
- **The pandemic made clear that preparedness is needed for health-related crises, natural disasters, or other large-scale crises**
 - A dire need exists for surge capacity storage in the event of a mass fatality

Project Scope

- **Build and establish a new regional forensic center (RFC)**
 - Alleviate the strain on the existing 5 RFCs at or exceeding capacity
 - To provide Rutherford and other counties (~1,000,000 population catchment area) with a long term, sustainable, cost-effective means of providing quality forensic autopsy service for a rapidly growing population
- **Construct mass fatality response operational base**
 - To provide the state/region with a forensic center capable of providing surge capacity and staging area during a mass fatality incident (MFI)
- **Secondary Objective**
 - **To provide the region/state with a training facility for county medical examiners, medicolegal investigators, and other forensic professionals**
 - Partner with the Office of the State Medical Examiner
 - Collaborate with MTSU and Meharry Medical College

Why Rutherford?

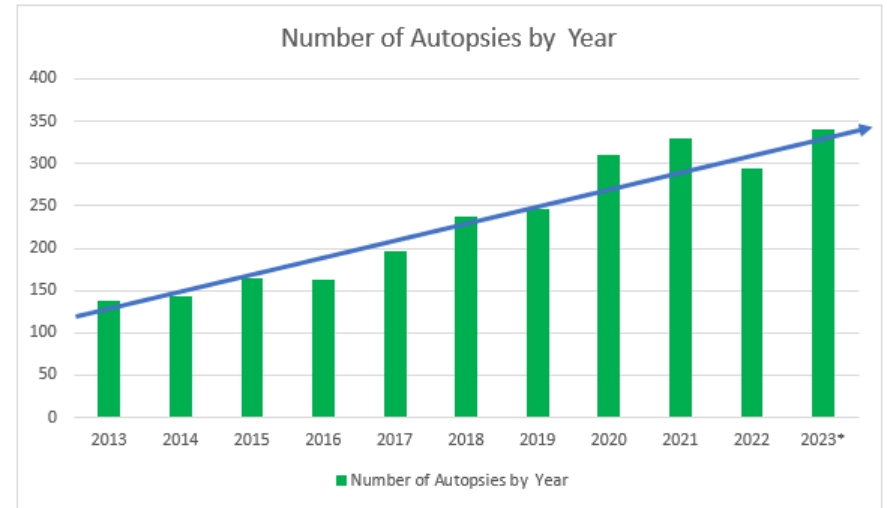
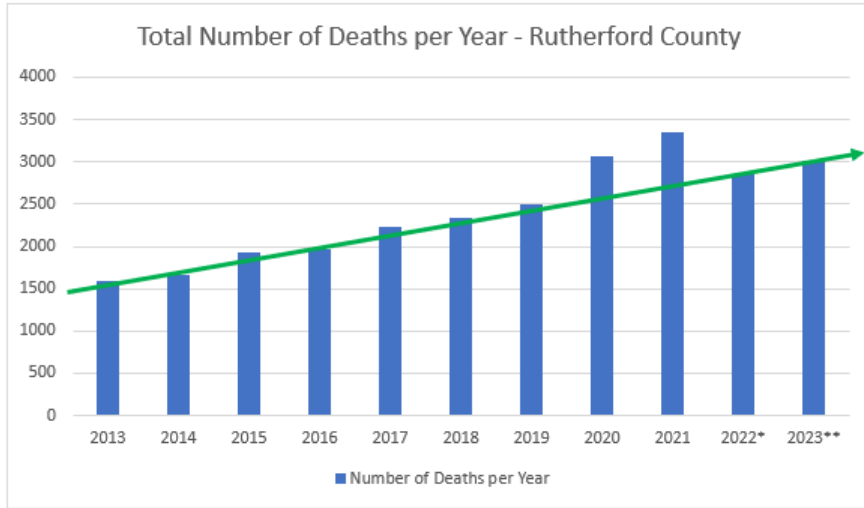


Population Density
(Per Square Mile)

Min.	Max.
20	50
50	100
100	300
300	500
500	1500

- **Rutherford County is the 5th largest TN County, by population** (according to US Census data, Rutherford County projected to be the 4th largest in 2024)
- **Rutherford County is the fastest growing county**
- **Rutherford County deemed a high impact area (HIA) for drug overdose/opioid-related deaths; 5th highest**
- **Supportive of creating an RFC to service other counties (up to 1,000,000 pop. catchment area)**
- **Rutherford County to donate 10 acres of county-owned commercial land**
- **Rutherford County to provide operational management of the facility**

DEATH AND AUTOPSY STATISTICS



* Preliminary
** Projected

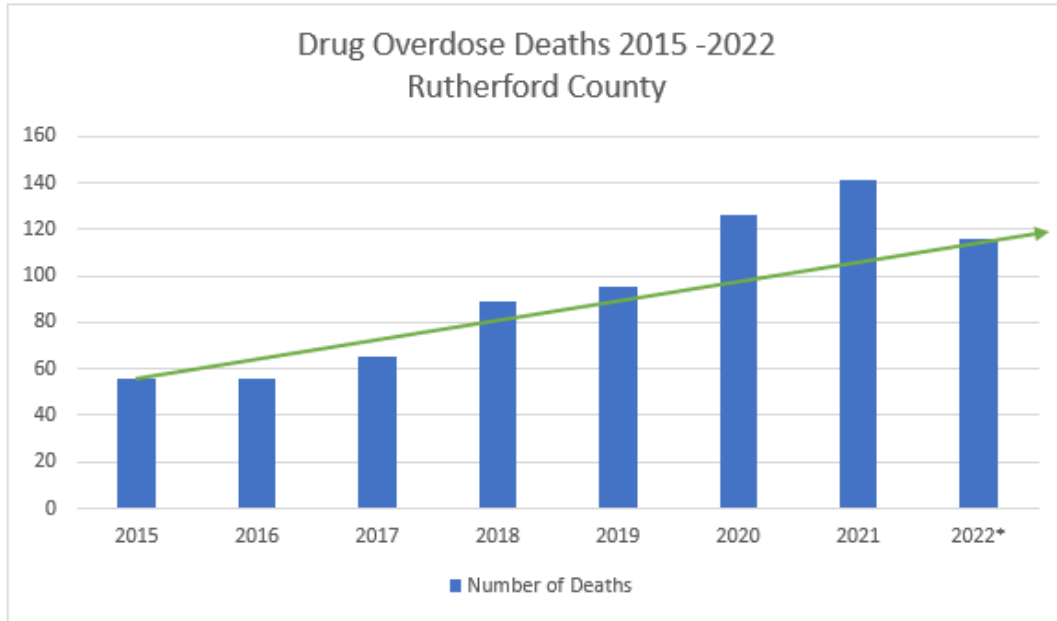
*Projected

**23% INCR. DEATHS 2020
VS.
7% INCR. DEATHS 2019**

**26% INCREASE IN
AUTOPSIES FROM
2019 TO 2020**

**RFCs AND MORGUES
EXCEEDING CAPACITY
DURING PANDEMIC**

Key Metrics: 2015 to 2022



* Preliminary data

33% INCREASE IN OVERDOSE DEATHS 2020 FROM 2019

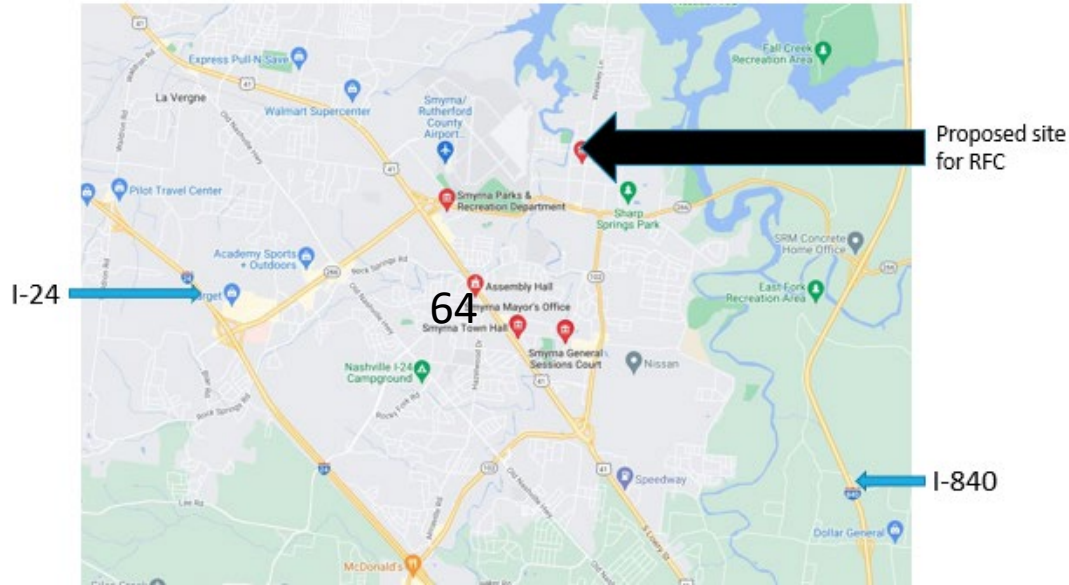
2015 VS 2022

**114% INCREASE IN
AUTOPSIES**

**100% INCREASE IN
MEDICOLEGAL DEATH
INVESTIGATIONS**

**33% INCREASE IN
OVERDOSE DEATHS
DURING COVID-19
PANDEMIC**

Proposed Site



Approximately 10 acres; easily accessible by 3 major interstates (I-24/I-40/I-840), adjacent to the Tennessee National Guard headquarters and the Smyrna Airport (both integral for MFI planning and management).

Project Timeline

- **Site is build-ready**
- **Architect Selection (RFQ) – 3 months**
- **Design – 3 months**
- **Bid & Award – 3 months**
- **Construction – 12 months**
- **Total Time After Project Approval – approx. 21 to 24 months**

Proposed Staffing Analysis

Initial Phase (Rutherford County)

Year 1:

- 1.3 Forensic Pathologists (1 F/T, 1 P/T)
- 1 Chief Medicolegal Death Investigator
- 1 Deputy Medicolegal Death Investigator
- 4 Medicolegal Death Investigators
- 3 Forensic Technicians
- 1 Administrative Support

2nd Phase (Regional ~1M catchment area)

Year 2:

- 4 Forensic Pathologists
- 1 Chief Medicolegal Death Investigator
- 1 Deputy Medicolegal Death Investigator
- 6 Medicolegal Death Investigators
- 6 Forensic Technicians
- 2 Administrative Supports

RFC Estimated Operating Budget & Revenue Sources

BUDGET: \$2,940,000 (est.)		
Salaries & Benefits	\$2,300,000	78.23%
Other Operating Expenses:	\$ 640,000	21.77%
Medical Services & Contracts	\$350,000	
Maintenance	\$120,000	
Supplies	\$120,000	
Insurance & Licensing	\$ 40,000	
Travel, Training, & Education	\$ 10,000	

Cost Recovery (est.)		
Rutherford County	\$ 756,000	25.72%
Partner Counties	\$1,344,000	45.72%
Private & Hospital Cases	\$ 250,000	8.50%
State of TN*	\$ 350,000	11.90%
Cremation Permits & Records	\$ 150,000	5.10%
External Training & Education	\$ 90,000	3.06%

* State of TN currently reimburses/pays all RFCs: \$150/autopsy, \$1,250/infant autopsy, \$25/ROI, est. \$100K toxicology share; does not include potential cost-sharing of space with OSCME and MTSU)

SAMPLE COST OF SERVICES

Autopsies - \$2,100 ME Ordered (currently paying \$2,300)

Exams - \$950 ME Ordered (currently paying \$1,500)

\$5,000 Private Full

\$3,000 Private Partial

\$30 Cremation Permits

\$30 Report Fee

Proposed Building To Meet Demand

Facility Space	Proposed
Total Square Footage	25,000 sq. ft.
Main Cooler	125 bodies
Special Cooler	25 bodies
Main Storage Capacity	1,250 sq. ft.
Special Cooler Capacity	250 sq. ft.
Total Storage Capacity	150 Decedents
Autopsy Suite	2,700 sq. ft. w/ 6 stations
Special Autopsy Room	500 sq. ft. w/1 station
Anthropology Room	1,000 sq. ft.
Training Rooms	2,000 sq. ft
State Medical Examiner	1,000 sq. ft.
Family Assistance Room	750 sq. ft. w/restrooms

State Funds Are Needed To Achieve This Result

COST OF CONSTRUCTION

Programming Space Needed	25,000 sq. ft.
Estimated Price Per Square Foot	\$600
FF&E and Other Fees	\$5,500,000
TOTAL COST	\$21,500,000

We respectfully request the **State of Tennessee consider appropriating \$16 million of one-time funding** for the capital costs associated with the construction of this facility.

Rutherford County to invest \$5.5 million, absorb any additional cost escalations, and will donate the approximately 10 acres of land valued at **\$2.5M**; for a **total County investment of \$8 million**.

Total combined project investment by the State and Rutherford County of \$24M

