



**State of Tennessee**  
**Health Facilities Commission**

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Details of Technical Advisory Group formed by the Health Facilities Commission

In 2024, the Tennessee General Assembly passed Public Chapter 985. The law requires the Health Facilities Commission to begin licensing health care services that previously required a Certificate of Need (CON). The transition from CON to licensure is the direct result of years of work by the legislative CON Reform Working Group. In recent years leading up to this law, quality has taken precedence over proof of need.

In December of 2025, burn units, neonatal intensive care units, positron emission tomography, and magnetic resonance imaging project types transitioned from a regulatory requirement necessitating a CON into one that required a quality service license. In December of 2027, ambulatory surgical treatment centers, linear accelerators, and long-term care hospitals will transition to licensure. In December of 2029, the same will occur for open heart surgery.

The Health Facilities Commission is tasked with promulgating rules that prescribe the licensure requirements for these facility types. The Commission's Executive Director will form Technical Advisory Groups with industry representatives to ensure that the quality standards recommended are meaningful and actionable without adverse consequences. The Technical Advisory Groups serve to advise Commission staff on industry standards that can be reasonably attainable and enforced. While anyone can participate in TAG meetings, there will be appointed voting members that decide whether to go forward with any recommendations.

The scope of this work is limited to only what the Commission is authorized to implement. The licensure requirements must be within the Commission's current regulatory framework. As of now, the General Assembly has not appropriated any additional funding to execute the policy change. The monitoring and evaluation of the licensure standards must be achievable with the funds collected from licensure fees.

After the TAG meets and provides suggestions, HFC's Office of Legal Services will begin the months-long rulemaking process. The promulgation of rules involves Commission approval, Attorney General Office approval, legislative approval, and multiple opportunities for public comment. By engaging stakeholders from the beginning, the Commission anticipates less difficulty in the rulemaking process.

Once the rules are set to become effective, Commission staff will continue stakeholder outreach to inform the industry of the upcoming changes and any new requirements. Commission staff expect that facilities will require a timeframe to prepare for the execution of the new standards. The Commission's goal is for existing facilities to be licensed on the effective date of the law and any new facilities to be able to apply for licensure on that date.