



North Carolina Department of Health and Human Services
Division of Health Service Regulation

Pat McCrory
Governor

Aldona Z. Vos, M.D.
Ambassador (Ret.)
Secretary DHHS

Drexdal Pratt
Division Director

RESPONSE REQUIRED

November 26, 2014

Gerald Boyle
1217 Pond Road
Cary, NC 27511

Conditional Approval

Project I.D. #: J-10308-14
Facility: Universal Health Care – Wake Forest
Project Description: Construct a replacement nursing bed facility and relocate 90 nursing facility beds from Litchford Falls Health & Rehabilitation, 9 nursing facility beds from Universal Health Care/Nashville, and 20 nursing facility beds from Universal Health Care/Oxford for a total of 119 nursing facility beds at Universal Health Care/Wake Forest
County: Wake
FID #: 140240

Dear Mr. Boyle:

The Certificate of Need (CON) Section, Division of Health Service Regulation, Department of Health and Human Services has conditionally approved the above referenced certificate of need application. This decision was made after a review of the applications submitted for this cycle and after consideration of the Certificate of Need Law, G.S. 131E-175 et. seq. and regulations promulgated there under, the State Medical Facilities Plan, and other applicable information. Attached to this letter are the required findings made with respect to your application. The applicant shall not proceed with the construction, offering or development of this project until the certificate of need is issued. Further, the Department shall not issue the certificate of need until all applicable conditions of approval that can be satisfied before issuance of the certificate of need have been met pursuant to G.S. 131E-187(a). The conditions are as follows:

1. Universal Properties/Wake Forest, LLC (lessor), Universal Health Care/Raleigh, Inc. (lessee), Universal Properties/Nash, LLC (lessor), Universal Health Care/Nashville, Inc. (lessee), Universal Properties/Oxford, LLC (lessor), and Universal Health Care/Oxford,



Certificate of Need Section

www.ncdhhs.gov

Telephone 919-855-3873 • Fax 919-733-8139

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

Mailing Address: 2704 Mail Service Center •Raleigh, NC 27699-2704

An Equal Opportunity/ Affirmative Action Employer



- Inc. (lessee) shall materially comply with all representations made in their certificate of need application.
2. Universal Properties/Wake Forest, LLC (lessor), Universal Health Care/Raleigh, Inc. (lessee), Universal Properties/Nash, LLC (lessor), Universal Health Care/Nashville, Inc. (lessee), Universal Properties/Oxford, LLC (lessor), and Universal Health Care/Oxford, Inc. (lessee) shall relocate 119 NF beds to the Universal Health Care/Wake Forest nursing care facility for a total licensed bed complement of no more than 119 NF beds upon completion of the project.
 3. Universal Properties/Wake Forest, LLC (lessor), Universal Health Care/Raleigh, Inc. (lessee), Universal Properties/Nash, LLC (lessor), Universal Health Care/Nashville, Inc. (lessee), Universal Properties/Oxford, LLC (lessor), and Universal Health Care/Oxford, Inc. (lessee) shall take the necessary steps to de-license 90 NF beds at Litchford Falls, 9 NF beds at UHC/Nash and 20 NF beds at UHC/Oxford following completion of the bed relocation to UHC/Wake Forest.
 4. For the first two full federal fiscal years of operation following completion of the project, UHC/Wake Forest's actual private pay charges shall not be increased more than 5% of the projected private pay charges provided in Section X of the application without first obtaining a determination from the Certificate of Need Section that the proposed increase is in material compliance with the representations made in the certificate of need application.
 5. UHC/Wake Forest shall receive Medicaid per diem rates allowed by the Division of Medical Assistance, under the NC State Plan Section .0102.
 6. Universal Properties/Wake Forest, LLC (lessor), Universal Health Care/Raleigh, Inc. (lessee), Universal Properties/Nash, LLC (lessor), Universal Health Care/Nashville, Inc. (lessee), Universal Properties/Oxford, LLC (lessor), and Universal Health Care/Oxford, Inc. (lessee) shall develop and implement an Energy Efficiency and Sustainability Plan for the project that conforms to or exceeds energy efficiency and water conservation standards incorporated in the latest editions of the North Carolina State Building Codes.
 7. Universal Properties/Wake Forest, LLC (lessor), Universal Health Care/Raleigh, Inc. (lessee), Universal Properties/Nash, LLC (lessor), Universal Health Care/Nashville, Inc. (lessee), Universal Properties/Oxford, LLC (lessor), and Universal Health Care/Oxford, Inc. (lessee) shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Certificate of Need Section, in writing prior to issuance of the certificate of need.

Response to the above conditions should be submitted to the CON Section no later than 35 days from the date of the decision. Failure to respond within this time period may result in the CON Section making a determination not to issue a certificate of need for the project referenced above.

The conditional approval is valid only for a capital expenditure of \$10,260,522. If a cost overrun occurs that exceeds the approved capital expenditure amount, a new certificate of need may be required as determined by G.S. 131E-176(16)(e).

The applicant should be aware that according to the Certificate of Need Law any affected person shall have thirty (30) days after the date of decision to file a petition for a contested case on this approval. Further, if you are aggrieved by the conditions of the decision you may file a petition for a contested case hearing in accordance with G.S. 150B, Article 3, as amended. This petition must be filed with the Office of Administrative Hearings, 6714 Mail Service Center, Raleigh, North Carolina 27699-6714 within thirty (30) days of the date of this decision. [Note: Effective October 1, 2009, OAH requires a filing fee with submittal of petitions for contested cases. Please direct all questions regarding this fee to OAH Clerk's Office (919-431-3000).]

G.S. 150B-23 provides that a party filing a petition must also serve a copy of the petition on all parties to the petition. Therefore, if you file a petition for a contested case hearing, you must serve a copy of the petition on the Department of Health and Human Services by mailing a copy of your petition to:

Emery Milliken
Department of Health and Human Services,
Office of Legal Affairs,
Adams Building – Room 154
2001 Mail Service Center
Raleigh, North Carolina, 27699-2001

It is requested that a copy of the petition also be served on the Certificate of Need Section.

The certificate of need will not be issued before the completion of this 30 day period ending December 29, 2014. If a contested case request is received within the thirty (30) day period, the certificate will not be issued until the appeal is resolved (10A NCAC 14C .0208).

The timetable for completion of the project is the timetable outlined in the certificate of need application, unless an adjustment has been made by the CON Section because the review period was extended. The timetable for this project is as follows:

Site Purchased _____	June 15, 2015
Final Drawings Submitted to Construction Section, DHSR _____	September 15, 2015
Building Permit Obtained _____	November 15, 2015
25% Completion of Construction _____	February 15, 2016
50% Completion of Construction _____	May 1, 2016
75% Completion of Construction _____	July 10, 2016
Completion of Construction _____	September 15, 2016
Licensure of Facility _____	September 30, 2016
Medicare/Medicaid Certification _____	September 30, 2016
Other (Opening) _____	October 1, 2016

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If the decision is appealed, the timetable set forth in this letter will be adjusted accordingly before the Certificate of Need is issued. Please contact us if any clarification of this decision is required.

Please refer to the Project I.D. # and Facility I.D. # (FID) in all correspondence.

Sincerely,

Gregory F. Yakaboski, Project Analyst

Lisa Pittman, Team Leader
Certificate of Need Section

GFY:LP:mw

Attachment

cc: Medical Facilities Planning Branch, DHSR
Nursing Home Licensure & Certification Section, DHSR
Construction Section, DHSR

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing notice of **conditional approval** on the following person by placing a copy in an official depository of the United States Postal Service in a postage-paid, first class envelope addressed as follows:

Gerald Boyle
1217 Pond Road
Cary, NC 27511

Project I.D. # J-10308-14
FID #140240

This the 26th day of November, 2014.

Gregory F. Yakaboski
Project Analyst