



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

Pat McCrory
Governor

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

Drexdal Pratt
Division Director

RESPONSE REQUIRED

July 9, 2015

Mike Garone
8295 Tournament Drive, Suite 201
Memphis, TN 38125

Conditional Approval

Project ID #: F-11003-15
Facility: Strategic Behavioral Center-Charlotte
Project Description: Transfer 24 inpatient psychiatric beds from Broughton Hospital pursuant to Policy PSY-1 for a total of 24 child/adolescent inpatient psychiatric beds and 36 psychiatric residential treatment facility beds upon project completion
County: Mecklenburg
FID #: 942936

Dear Mr. Garone:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) 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 Agency shall not issue the certificate of need until all applicable conditions of approval have been met pursuant to G.S. 131E-187(a). The conditions are as follows:

1. SBH – Charlotte, LLC d/b/a Strategic Behavioral Center – Charlotte shall materially comply with all representations made in the certificate of need application and supplemental information. In those instances where representations conflict, SBH – Charlotte, LLC d/b/a Strategic Behavioral Center – Charlotte shall materially comply with the last-made representation.



Healthcare Planning and Certificate of Need Section

www.ncdhhs.gov

Telephone 919-855-3873 • Fax 919-715-4413

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

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

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2. SBH – Charlotte, LLC d/b/a Strategic Behavioral Center – Charlotte shall relocate no more than 24 inpatient psychiatric beds from Broughton Hospital for a total licensed bed complement of no more than 24 child and adolescent inpatient psychiatric beds and 36 psychiatric residential treatment facility beds.
3. SBH – Charlotte, LLC d/b/a Strategic Behavioral Center – Charlotte shall de-license 24 psychiatric residential treatment facility beds upon completion of this project.
4. SBH – Charlotte, LLC d/b/a Strategic Behavioral Center – Charlotte shall accept patients requiring involuntary admission for inpatient psychiatric services.
5. SBH – Charlotte, LLC d/b/a Strategic Behavioral Center – Charlotte shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Healthcare Planning and Certificate of Need Section in writing prior to issuance of the certificate of need.

Response to the above conditions should be submitted to the Agency no later than 35 days from the date of the decision. Failure to respond within this time period may result in the Agency 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 \$10,500. 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 Agency.

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The certificate of need will not be issued before the completion of this 30 day period ending August 10, 2015. 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 Agency because the review period was extended. The timetable for this project is as follows:

Licensure of Facility _____	September 1, 2015
Certification of Beds _____	September 1, 2015

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 this office if any clarification of this decision is required.

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

Sincerely,

Fatimah Wilson
Team Leader

Lisa Pittman
Team Leader

Attachment

cc: Acute & Home Care Licensure & Certification Section, DHSR
Mental Health Licensure and Certification Section, DHSR
Assistant Chief, Healthcare Planning

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:

Mike Garone
8295 Tournament Drive
Suite 201
Memphis, TN 38125

Project ID #: F-11003-15
FID #: 942936

This the 9th day of July, 2015.

Fatimah Wilson
Team Leader, Certificate of Need