



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor

MANDY COHEN, MD, MPH • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

RESPONSE REQUIRED

December 20, 2018

Jim Swann
3390 Dunn Road
Eastover, NC 28312

Conditional Approval

Project ID #: J-11571-18
Facility: Carolina Dialysis - Pittsboro
Project Description: Relocate the entire facility, develop a home training and support program and add one dialysis station for a total of 13 dialysis stations upon completion of this project and Project ID #J-11469-18 (add 2 stations)
County: Chatham
FID #: 981038

Dear Mr. Swann:

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, N.C. Gen. Stat. §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 N.C. Gen. Stat. §131E-187(a). The conditions are as follows:

- 1. Carolina Dialysis, LLC d/b/a Carolina Dialysis - Pittsboro shall materially comply with all representations made in the certificate of need application.**
- 2. Pursuant to the facility need determination in the July 2018 SDR, the applicant shall develop one additional dialysis station for a total of no more than 13 certified stations at Carolina Dialysis - Pittsboro upon completion of this project and Project I.D. # J-11469-18 (add two stations) which shall include any home hemodialysis training or isolation stations.**

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION

HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603
MAILING ADDRESS: 2701 Mail Service Center, Raleigh, NC 27699-2701
www.ncdhhs.gov/dhsr/ • TEL: 919-855-3750 • FAX: 919-733-2757

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

3. **Pursuant to Policy ESRD-2, Carolina Dialysis, LLC d/b/a Carolina Dialysis - Pittsboro shall relocate the entire facility to a new site in Chatham County.**
4. **Carolina Dialysis, LLC d/b/a Carolina Dialysis - Pittsboro shall develop home dialysis training and support programs for home hemodialysis and peritoneal dialysis patients.**
5. **Carolina Dialysis, LLC d/b/a Carolina Dialysis - Pittsboro shall install plumbing and electrical wiring through the walls for no more than one additional dialysis station, which shall include any isolation or home hemodialysis training stations.**
6. **Carolina Dialysis, LLC d/b/a Carolina Dialysis - Pittsboro shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Agency 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 **\$2,674,138**. If a cost overrun occurs that exceeds the approved capital expenditure amount, a new certificate of need may be required as determined by N.C. Gen. Stat. §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 N.C. Gen. Stat. §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).]

N.C. Gen. Stat. §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:

Lisa G. Corbett
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.

The certificate of need will not be issued before the completion of this 30 day period ending January 22, 2019. 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:

1. Financing Obtained _____ September 17, 2018
2. Drawings Completed _____ August 2, 2019
3. Construction/Renovation Contract(s) Executed _____ October 31, 2019
4. 25% of Construction/Renovation Completed
(25% of the cost is in place) _____ January 29, 2020
5. 50% of Construction/Renovation Completed _____ April 28, 2020
6. 75% of Construction/Renovation Completed _____ July 27, 2020
7. Construction/Renovation Completed _____ September 25, 2020
8. Equipment Ordered _____ October 2, 2020
9. Equipment Installed _____ December 1, 2020
10. Equipment Operational _____ December 13, 2020
11. Building/Space Occupied _____ December 13, 2020
12. Services Offered _____ December 31, 2020
13. Medicare and/or Medicaid Certification Obtained _____ December 31, 2020

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,



Bernetta Thorne-Williams
Project Analyst



Martha J. Frisone
Chief, Certificate of Need

Attachment

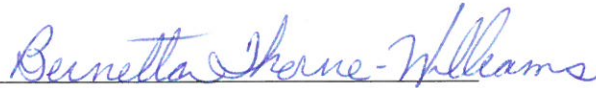
cc: Acute & Home Care Licensure & Certification Section, DHSR
Melinda Boyette, Administrative Assistant, Healthcare Planning, DHSR

CERTIFICATE OF SERVICE

This is to certify that the undersigned has this day served the foregoing **Conditional Approval** upon the following by depositing a copy hereof, postage prepaid, in the United States mail, addressed as follows:

Jim Swann
3390 Dunn Road
Eastover, NC 28312
Project ID #: J-11571-18

This the 20th day of December, 2018.



Bernetta Thorne-Williams, Project Analyst