

DEPARTMENT OF HEALTH AND HUMAN SERVICES DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER GOVERNOR MANDY COHEN, MD, MPH SECRETARY

> MARK PAYNE DIRECTOR

October 24, 2017

Tracey C. Cosby 115 Perimeter Center Place NE, Suite 600 Atlanta, GA 30346

No Review

Record #: 2420

Facility Name: Gateway Rehabilitation and Healthcare

FID #: 923160

Business Name: Gateway HealthCare, LLC

Business #: 2657

Project Description: Delicense 18 adult care home beds for a total bed complement of 100

nursing home beds

County: Caldwell

Dear Ms.Cosby:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your letter of October 13, 2017 regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request,** the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective. Furthermore, this letter does <u>not</u> address whether or not the 18 adult care home beds would be available for acquisition by another entity.

However, you need to contact the Agency's Nursing Home Licensure and Certification Section to determine if they have any requirements for development of the proposed project.

It should be noted that this determination is binding only for the facts represented in your correspondence. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by this office. Changes in a project include, but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the

HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

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original cost estimate; (3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.

Please contact this office if you have any questions. Also, in all future correspondence you should reference the Facility ID # (FID) if the facility is licensed.

Sincerely,

Julie Halatek

Project Analyst

Martha J. Frisone, Chief

Healthcare Planning and Certificate of Need Section

cc:

Nursing Home Licensure and Certification Section, DHSR

Sharetta Blackwell, Program Assistant, Healthcare Planning, DHSR



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> MARK PAYNE DIRECTOR

October 24, 2017

Tracey C. Cosby 115 Perimeter Center Place NE, Suite 600 Atlanta, GA 30346

Relinquished Beds

Facility Name:

Gateway Rehabilitation and Healthcare

Project Description:

Delicense 18 adult care home beds for a total bed complement of 100

nursing home beds

County:

Caldwell

FID #:

923160

Dear Ms. Cosby:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your October 13, 2017 letter, which states that the facility is relinquishing all 18 adult care home beds. Please note that once the beds have been relinquished, they cannot be relicensed or reopened without applying for and receiving a new certificate of need.

If you have any questions regarding this letter, please feel free to call this office.

Sincerely,

Julie Halatek

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Project Analyst

Chief, Healthcare Planning and Certificate of Need Section

Nursing Home Licensure and Certification Section, DHSR (Nursing Homes only) cc:

Sharetta Blackwell, Program Assistant Healthcare Planning, DHSR

HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

WWW.NCDHHS.GOV TELEPHONE: 919-855-3873

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

October, 13 2017

VIA FEDERAL EXPRESS

Martha Frisone, Chief Division of Health Service Regulation Healthcare Planning and Certificate of Need Section 809 Ruggles Drive Raleigh, NC 27603

Facility Name:

Gateway Health and Rehabilitation

FID # / Business #:

923160 / 2657

Business Name:

Gateway HealthCare, LLC

Project Description:

Delicense 18 existing adult care home beds and convert nursing facility semi-

private rooms to private rooms with no change in the number of licensed

nursing facility beds (100)

County:

Caldwell

Dear Ms. Frisone:

On behalf of Gateway HealthCare, LLC d/b/a Gateway Rehabilitation and Healthcare's ("Gateway"), 2030 Harper Avenue, NW, Lenoir, NC 28645-4953, please accept this new request for a letter of exemption from North Carolina's Certificate of Need Section.

Gateway wishes to delicense its 18 ACH beds, reducing its total licensed capacity from 118 beds to 100 skilling nursing facility beds. This change will allow Gateway the space to convert its semi-private SNF beds to private SNF beds ("Conversion"). The Conversion does not involve the development of a new institutional health service or an acquisition, and is expected to involve an expenditure of approximately \$100,000. We understand the Conversion is not an activity requiring a CON or CON review and does not require any additional filings with your office. Please note, we previously communicated that the real estate owner had entered into a contract to sell Gateway's ACH beds; however, that transaction has since terminated.

We respectfully request a letter of exemption for the proposed change in licensed beds, detailed above.

Thank you for your attention to this matter. If you have any questions or need anything, please do not hesitate to contact me at (770) 730-1103 or tracey.c.cosby@consulatehc.com.

Sincerely,

Tracey C. Cosby

VP Licensing and Certification

cc:

Teddie Simmons, NHA Beverly Speroff

115 Perimeter Center Place NE, Suite 600 | Atlanta, GA 30346 p. (770) 698-9040 f. (770) 730-1268 | consulatehealthcare.com