



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER  
GOVERNOR

MANDY COHEN, MD, MPH  
SECRETARY

MARK PAYNE  
DIRECTOR

February 22, 2018

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

**No Review**

**Record #:** 2520  
**Facility Name:** Gateway Rehabilitation and Healthcare  
**FID #:** 923160  
**Business Name:** Gateway HealthCare, LLC  
**Business #:** 2657  
**Project Description:** Convert semi-private nursing home rooms to private nursing home rooms  
**County:** Caldwell

Dear Ms. Cosby:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your letter of February 15, 2018 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 not 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**

WWW.NCDHHS.GOV

TELEPHONE 919-855-3873

LOCATION: EDGERTON BUILDING • 809 RUGGLES DRIVE • RALEIGH, NC 27603

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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 M. Faenza  
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



# CONSULATE HEALTH CARE

*At the Heart of Caring*

February 15, 2018

**VIA EMAIL and FEDERAL EXPRESS**

Martha Frisone, Chief ([Martha.Frisone@dhhs.nc.gov](mailto:Martha.Frisone@dhhs.nc.gov))  
Julie Faenza, Project Analyst ([Julie.Faenza@dhhs.nc.gov](mailto:Julie.Faenza@dhhs.nc.gov))  
Division of Health Service Regulation  
Healthcare Planning and Certificate of Need Section  
809 Ruggles Drive  
Raleigh, NC 27603



RE: Gateway Rehabilitation and Healthcare – FID # 923160; Caldwell County  
AMENDED Request for Exemption from Review

Dear Ms. Frisone and Ms. Faenza:

Please accept this amended request on behalf of Gateway HealthCare, LLC d/b/a Gateway Rehabilitation and Healthcare ("Gateway"), located at 2030 Harper Avenue, NW, Lenoir, NC 28645-4953. We previously communicated that Gateway's real estate owner approved delicensing Gateway's 18 adult care home beds ("ACH"). The real estate owner has since entered into an agreement to sell Gateway's 18 ACH beds to a third party.

Gateway, currently licensed for 100 skilled nursing ("SNF") beds and 18 ACH, plans to convert its semi-private SNF beds to private SNF beds (the "Conversion"). Following the Conversion, Gateway will continue to have 100 licensed SNF beds. The Conversion will take place upon approval from DHSR.

In a separate transaction a third party will relocate Gateway's 18 ACH beds to a different facility in the same county, upon DHHS approval. This transfer will afford Gateway the space to convert its semi-private SNF beds to private SNF beds. While we understand that the third party will need to submit a certificate of need ("CON") application for the transfer and relocation of the 18 ACH beds, we understand the Conversion itself does not require CON review. Because 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 it is not an activity requiring a CON or CON review. We also understand that the proposed Conversion described above does not require any additional filings with your office prior to these changes taking place, and that we may proceed with consummating the proposed changes upon approval from Licensure and Certification Section.

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

Ms. Frisone, Chief and Ms. Faenza, Project Analyst  
February 15, 2018  
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We respectfully request a letter of exemption from North Carolina's Certificate of Need Section 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](mailto:tracey.c.cosby@consulatehc.com).

Sincerely,



Tracey C. Cosby  
VP Licensing & Certification

cc: Beverly Speroff ([Beverly.Speroff@dhhs.nc.gov](mailto:Beverly.Speroff@dhhs.nc.gov))  
Qwonthafia Jones ([Qwony.jones@dhhs.nc.gov](mailto:Qwony.jones@dhhs.nc.gov))