

DEPARTMENT OF HEALTH AND HUMAN SERVICES DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER GOVERNOR

MANDY COHEN, MD, MPH SECRETARY

> MARK PAYNE DIRECTOR

VIA EMAIL ONLY

February 12, 2018

Frank Kirschbaum

Exempt from Review - Acquisition of Facility

Record #:

2508

Facility Name:

Greensboro Specialty Surgical Center

Type of Facility: ASC

FID #:

923202

Acquisition by:

Greensboro Specialty Surgery Center, LLC

Business #:

2489

County:

Guilford

Dear Mr. Kirschbaum:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of February 8, 2018, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(8). Therefore, Greensboro Specialty Surgery Center, LLC may proceed to acquire 100% ownership of the above referenced health service facility without first obtaining a certificate of need. However, you need to contact the Agency's Acute and Home Care Licensure and Certification Section to obtain instructions for changing ownership of the existing facility. Note that pursuant to N.C. Gen. Stat. §131E-181(b): "A recipient of a certificate of need, or any person who may subsequently acquire, in any manner whatsoever permitted by law, the service for which that certificate of need was issued, is required to materially comply with the representations made in its application for that certificate of need."

It should be noted that this Agency's position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by this Agency and a

HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

WWW.NCDHHS.GOV TELEPHONE 919-855-3873 LOCATION: EDGERTON BUILDING • 809 RUGGLES DRIVE • RALEIGH, NC 27603 Mr. Kirschbaum February 12, 2018 Page 2

separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely, Olia C. Comar

Celia C. Inman Project Analyst Martha J. Frisone

Chief, Healthcare Planning and Certificate of Need Section

cc:

Acute and Home Care Licensure and Certification Section, DHSR Sharetta Blackwell, Program Assistant Healthcare Planning, DHSR





fkirschbaum@wyrick.com

February 7, 2018

Ms. Martha Frisone Chief, Healthcare Planning and Certificate of Need North Carolina Division of Health & Human Services 809 Ruggles Drive Raleigh, NC 27603

Dear Ms. Frisone:

We write to you on behalf of Greensboro Specialty Surgery Center, LLC and GSC Acquisition, LLC (collectively, the "Parties"). On March 17, 2014, the Parties were issued a Certificate of Need (the "CON") to Renovate and expand an existing ambulatory surgery center and to add one procedure room in Guilford County (Project ID# G-10209-13). A copy of the CON is attached hereto as Exhibit A. The Parties notified the Agency that the project was complete on March 2, 2017 and the Agency responded in acknowledgement on the same date. A copy of this acknowledgement is attached hereto as Exhibit B.

In anticipation of an impending sale of the building and the financing associated therewith, the Parties now desire to have GSC Acquisition, LLC removed from the CON, and to have Greensboro Specialty Surgery Center, LLC be the sole entity listed as a holder of the CON. We respectfully request that your office issue a new CON to reflect this change as soon as reasonably possible. Both Parties are in agreement that this change should be made, as evidenced by the signatures below.

Very truly yours,

Frank Kirschbaum

Consent and Agreement:

Greensboro Specialty Suffery Center, LLC

Name: Kelli Collins

Title: Board Member

GSC Acquisition, LLC

Nime: Jim Nitz

Title: Member

EXHIBIT

478 07 NORTH CAROLINE Department of Health and Human Services Division of Health Service Regulation

CERTIFICATE OF NEED

Project Identification Number #G-10209-13

FID #923202

ISSUED TO: Greensboro Specialty Surgery Center, LLC

> And GSC Acquisition, LLC 3820 North Elm Street Greensboro, NC 27455

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein, as documented by the periodic progress reports required by 10A NCAC 14C .0209. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Renovate and expand existing ambulatory surgery center and add one procedure room/ Guilford County

CONDITIONS:

See Reverse Side

PHYSICAL LOCATION: Greensboro Specialty Surgical Center

3812 North Elm Street Greensboro, NC 27455

MAXIMUM CAPITAL EXPENDITURE: \$4,968.761

TIMETABLE:

See Reverse Side

FIRST PROGRESS REPORT DUE:

August 1, 2014

This certificate is effective as of the 17th day of March, 2014

Interim Chief, Certificate of Need Section Division of Health Service Regulation

CONDITIONS:

- 1. Greensboro Specialty Surgery Center, LLC and GSC Acquisition, LLC shall materially comply with all representations made in its certificate of need application and the clarifying supplemental information provided. In those instances where representations conflict, Greensboro Specialty Surgery Center, LLC and GSC Acquisition, LLC shall materially comply with the last-made representation.
- Greensboro Specialty Surgery Center, LLC and GSC Acquisition, LLC shall develop no more
 than one procedure room in the facility as part of this project and for one year (365 days) after
 the project is deemed complete by the Certificate of Need Section pursuant to G.S. 131E-181(d).
- 3. The procedure room shall only be used to perform procedures that are appropriate for that room based upon current standards of practice.
- 4. Procedures performed in the procedure room shall not be reported on the facility's license renewal application as procedures performed in an operating room.
- 5. Greensboro Specialty Surgery Center, LLC and GSC Acquisition, LLC shall not perform gastrointestinal endoscopy procedures in the procedure room.
- 6. At project completion, the facility will be licensed for no more than three operating rooms, two endoscopy rooms, and one procedure room and no additional procedure rooms may be developed as part of this project and for one year (365 days) after the project is deemed complete by the Certificate of Need Section pursuant to G.S. 131E-181(d).
- 7. Greensboro Specialty Surgery Center, LLC and GSC Acquisition, LLC shall meet all criteria to maintain accreditation of the ambulatory surgical facility from The Joint Commission, The Accreditation Association of Ambulatory Health Care or a comparable accreditation authority within two years following completion of the facility.
- 8. Greensboro Specialty Surgery Center, LLC and GSC Acquisition, LLC shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditure in Section VIII of the application and which would otherwise require a certificate of need.
- 9. Prior to issuance of the certificate of need, Greensboro Specialty Surgery Center, LLC and GSC Acquisition, LLC shall acknowledge acceptance of and agree to comply with all conditions stated herein in writing to the Certificate of Need Section.

TIMETABLE:

Obtaining Funds Necessary to Undertake Project	May 1, 2014
Completion of Final Drawings and Specifications	June 31, 2014
Approval of Final Drawings and Specifications by	
the Construction Section, DHSR	November 28, 2014
Approval of Site by Construction Section, DHSR	November 28, 2014
Contract Award	December 1, 2014
25% Completion of Construction	January 25, 2015
Ordering Equipment	March 12, 2015
50% Completion of Construction	March 20, 2015
Arrival of Equipment	July 12, 2015
75% Completion of Construction	July 30, 2015
Completion of Construction	August 9, 2015
Operation of Equipment	September 11, 2015
Occupancy/Offering of Service(s)	October 1, 2015



Sent: Thursday, March 02, 2017 9:57 AM

To: Collins, Kelli

Cc: Bennett, Paige; BRYANT, PATRICIA A

Subject: Development Complete Greensboro Specialty Surgical Center G-10209-13

VIA EMAIL ONLY Please retain a copy of this email for your records.

Development Complete

Project ID #:

G-10209-13

Facility:

Greensboro Specialty Surgical Center

Project Description:

Renovate and expand exisiting ambulatory surgery center and add one procedure

room

County: FID #:

Guilford 923202

Dear Ms. Collins:

On March 17, 2014, this Agency issued a Certificate of Need pursuant to Chapter 131E, Article 9 of the North Carolina General Statutes for the above-captioned project. The Agency has hereby determined that the development of the above referenced project is now complete. It was completed on May 27, 2016, with final documentation received by the Agency on March 2, 2017.

Please note that this determination does not absolve the holder of the certificate from materially complying with representations in the application concerning the operation of the facility. Nor does the determination of completeness absolve the holder of the certificate from complying with any applicable conditions still remaining on the certificate.

If you have any questions concerning this certificate of need, please feel free to contact this office,

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

Sincerely,

Celia C. Inman

Celia C. Inman Project Analyst, Certificate of Need

919-855-3873 office <u>Celia.inman@dhhs.nc.gov</u> 809 Ruggles Drive 2704 Mail Service Center Raleigh, NC 27699-2704



Mothing Compares

Email correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties.

cc: Paige Bennett, Assistant Chief, Healthcare Planning, DHSR Patricia Bryant, Administrative Assistant, Division Office, DHSR

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Department of Health and Human Services Division of Health Service Regulation

REISSUED

CERTIFICATE OF NEED

for
Project Identification Number #G-10209-13

FID #923202

ISSUED TO: Greensboro Specialty Surgery Center, LLC

3820 North Elm Street Greensboro, NC 27455

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FIRST PROGRESS REPORT DUE: August 1, 2014

This certificate is effective as of the 17th day of March, 2014 Certificate reissued February 12, 2018

Martha J. Frisone Chief

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