



NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

October 4, 2018

Tracey C. Cosby
1040 Crown Pointe Parkway
Suite 600
Atlanta, GA 30338

No Review

Record #: 2698-2767 11-7-18
Facility Name: Cardinal Healthcare and Rehabilitation Center
FID #: 923059
Business Name: Cardinal North Carolina Healthcare, LLC
Business #: 2906
Project Description: Convert ACH rooms to NF rooms and convert semi-private NF rooms to private NF rooms
County: Lincoln

Dear Ms. Cosby:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your letter of August 22, 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 the planned acquisition and relocation of the 20 ACH beds at the facility.

However, you need to contact the Agency's Construction Section, Nursing Home Licensure and Certification Section and Adult Care Licensure Section, DHSR 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

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

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to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the 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,



Gregory B. Yakaboski  
Project Analyst



Martha J. Frisone, Chief  
Healthcare Planning and Certificate of Need Section

cc: Construction Section, DHSR  
Nursing Home Licensure and Certification Section, DHSR  
Melinda Boyette, Administrative Assistant, Healthcare Planning, DHSR



# CONSULATE HEALTH CARE

*At the Heart of Caring*



August 22, 2018

**VIA FEDERAL EXPRESS and**

**EMAIL (MARTHA.FRISONE@DHHS.NC.GOV; GREG.YAKABOSKI@DHHS.NC.GOV)**

Ms. Martha Frisone and Mr. Greg Yakaboski  
NC Division of Health Service Regulation  
Healthcare Planning and Certificate of Need Section  
809 Ruggles Drive  
Raleigh, NC 27603

**RE: Cardinal Healthcare and Rehabilitation Center – Lincoln County  
Exemption from Review**

Dear Ms. Frisone and Mr. Yakaboski:

Please accept this request on behalf of Cardinal North Carolina HealthCare, LLC d/b/a Cardinal Healthcare and Rehabilitation Center ("Cardinal"), 931 N. Aspen Street, Lincolnton, NC 28092-2113. Cardinal is licensed for 63 nursing facility ("NF") and 20 adult care home ("ACH") beds and plans to convert their ACH rooms to NF and increase the number of private NF rooms by converting semi-private NF rooms to private (the "Conversion"). Following the Conversion, Cardinal will continue to have 63 licensed NF beds.

In a separate transaction a third party will relocate Cardinal's 20 ACH beds to a different facility in Lincoln County (the "Transfer"). While we understand that this party will need to submit a certificate of need ("CON") application for the Transfer, 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 \$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 the Conversion upon approval from the Licensure and Certification Section.

We respectfully request a letter of exemption from North Carolina's Certificate of Need Section for the proposed changes, detailed above.

Thank you for your attention to this matter. If you have any questions, 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: Carol A. McClure, NHA  
Qwonthafia C. Jones  
Beverly Speroff