

North Carolina Department of Health and Human Services Division of Health Service Regulation

Pat McCrory Governor Aldona Z. Wos, M.D. Ambassador (Ret.) Secretary DHHS

> Drexdal Pratt Division Director

RESPONSE REQUIRED

July 24, 2013

William Hyland 2321 West Morehead Street Charlotte, NC 28208

Conditional Approval

Project I.D. #: O-10125-13

Facility: Hampstead Dialysis

Project Description: Develop Hampstead Dialysis, a new dialysis facility, by relocating ten

dialysis stations from Southeastern Dialysis Center – Burgaw, with a total

of ten certified dialysis stations upon project completion

County: Pender FID #: 130180

Dear Mr. Hyland:

The Certificate of Need (CON) Section, Division of Health Service Regulation, Department of Health and Human Services 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, G.S. 131E-175 et. seq. and regulations promulgated thereunder, 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 Department shall not issue the certificate of need until all applicable conditions of approval that can be satisfied before issuance of the certificate of need have been met pursuant to G.S. 131E-187(a). The conditions are as follows:

- 1. Total Renal Care of North Carolina, LLC d/b/a Hampstead Dialysis shall materially comply with all representations made in the certificate of need application.
- 2. Total Renal Care of North Carolina, LLC d/b/a Hampstead Dialysis shall develop and operate no more than ten dialysis stations at Hampstead Dialysis which shall include any isolation stations.



Certificate of Need Section

- 3. Total Renal Care of North Carolina, LLC d/b/a Hampstead Dialysis shall install plumbing and electrical wiring through the walls for no more than ten dialysis stations which shall include any isolation stations.
- 4. Total Renal Care of North Carolina, LLC d/b/a Hampstead Dialysis shall not offer or develop home hemodialysis or peritoneal dialysis training services as part of this project.
- 5. Total Renal Care of North Carolina, LLC d/b/a Hampstead Dialysis shall take the necessary steps to decertify ten stations at Southeastern Dialysis Center Burgaw for a total of no more than twelve certified dialysis stations at Southeastern Dialysis Center Burgaw upon project completion.
- 1. Prior to the issuance of the certificate of need, Total Renal Care of North Carolina, LLC d/b/a Hampstead Dialysis shall provide the Certificate of Need Section documentation of an agreement with a transplantation center to provide transplantation services.
- 7. Total Renal Care of North Carolina, LLC d/b/a Hampstead Dialysis shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Certificate of Need Section in writing prior to issuance of the certificate of need.

Response to the above conditions should be submitted to the CON Section no later than 35 days from the date of the decision. Failure to respond within this time period may result in the CON Section 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 \$1,500,811. If a cost overrun occurs that exceeds the approved capital expenditure amount, a new certificate of need may be required as determined by G.S. 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 G.S. 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).]

G.S. 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:

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Emery Milliken 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 Certificate of Need Section.

The certificate of need will not be issued before the completion of this 30 day period ending August 23, 201. 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 CON Section because the review period was extended. The timetable for this project is as follows:

Complete of Final Drawings and Specifications	March 1, 2014
25% Completion of Construction	May 1, 2014
75% Completion of Construction	July 15, 2014
Completion of Construction	October 1, 2014
Operation of Equipment	December 1, 2014
Occupancy/Offering of Services	December 15, 2014
Certification of Stations	January 1, 2015

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 us if any clarification of this decision is required.

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

Sincerely,

Bernetta Thorne-Williams, Project Analyst

Craig R. Smith, Chief Certificate of Need Section

BTW:CRS:se

Attachment

cc: Medical Facilities Planning Section, DHSR
Acute & Home Care Licensure & Certification Section, DHSR
Construction Section, DHSR

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing notice of **conditional approval** on the following person by placing a copy in an official depository of the United States Postal Service in a postage-paid, first class envelope addressed as follows:

William Hyland 2321 West Morehead Street Charlotte, NC 28208

Project I.D. #O-10125-13

FID #130180

This the 24th day of July, 2013

Bernetta Thorne-Williams, Project Analyst