NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

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

RESPONSE REQUIRED

September 25, 2019

Jay Sweetnich
4000 Meridian Boulevard
Franklin, TN 37067

Conditional Approval

Project ID #:	F-11724-19
Facility:	Langtree Endoscopy Center
Project Description:	Change of scope for Project ID #F-11443-17 (Develop an ASF with 1 GI-Endo room) for a total of 2 GI-Endo rooms
County:	Iredell
FID #:	170528

Approved Capital Expenditure:	$507,571
Conditions of Approval:	See Attachment A
Approved Timetable:	See Attachment B
Last Date to Appeal:	October 25, 2019
Required State Agency Findings:	Enclosed

Dear Mr. Sweetnich:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) has conditionally approved the above referenced certificate of need application. This decision was made after review of the application or applications if the review was competitive, consideration of the Certificate of Need Law and regulations promulgated thereunder, the State Medical Facilities Plan, written comments if any, responses to comments if any, and other publicly applicable information.

The conditional approval is valid only for the approved capital expenditure shown above. If the capital cost will exceed the approved capital expenditure amount by more than 115%, the applicant must first obtain a new certificate of need.

Response to the conditions in Attachment A should be submitted to the Agency no later than 35 days from the date of the decision. Failure to respond within this time period may result in the Agency making a determination not to issue a certificate of need for the project referenced above.

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 Agency because the review period was extended. The approved timetable for this project is found in Attachment B.

Note: The applicant shall not begin developing this project until after the certificate of need has been issued and the certificate of need will not be issued until the applicant has documented that all conditions that must be met prior to issuance of the certificate of need have been met.

Furthermore, if the project requires that plans be submitted to the Construction Section, those plans will not be reviewed or approved until after the certificate of need has been issued.

The Certificate of Need law provides that any affected person has thirty (30) days after the date of the decision to file a petition for a contested case on this approval. Further, if you are aggrieved by any of the conditions you may file a petition for a contested case hearing in accordance with N.C. Gen. Stat. §150B, Article 3. 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. Effective October 1, 2009, OAH requires a filing fee with submittal of petitions for contested cases. Please direct all questions regarding this fee to the OAH Clerk's Office (919-431-3000).

N.C. Gen. Stat. §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:

Lisa G. Corbett
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 Agency.

The certificate of need will not be issued before the completion of thirty day appeal period which ends on the date shown above. If a contested case petition is filed with OAH within the thirty day appeal period, the certificate will not be issued until the appeal is resolved.

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 this office if any clarification of this decision is required.

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

Sincerely,

Gregory F. Yakaboski
Project Analyst

Gloria C. Hale
Team Leader

Enclosures:
Attachment A: Conditions of Approval
Attachment B: Approved Timetable
Required State Agency Findings

Attachment A
Conditions of Approval

1. Langtree Endoscopy Center, LLC shall materially comply with all representations made in the certificate of need application and any supplemental responses. In the event that representations conflict, Langtree Endoscopy Center, LLC shall materially comply with the last made representation.

2. Langtree Endoscopy Center, LLC shall develop one new additional gastrointestinal endoscopy procedure room at the approved, but undeveloped, Langtree Endoscopy Center (Project I.D. #F-11443-17).

3. Upon completion of this project and Project I.D. #F-11443-17 (Develop an ASF with one GI-Endo room) Langtree Endoscopy Center shall be licensed for no more than two gastrointestinal endoscopy procedure rooms.

4. Langtree Endoscopy Center, LLC shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditure in Section Q of the application and that would otherwise require a certificate of need.

5. Langtree Endoscopy Center, LLC shall receive accreditation from the Joint Commission for the Accreditation of Healthcare Organizations, the Accreditation Association for Ambulatory Health Care or a comparable accreditation authority within two years following licensure of the facility.

6. For the first three years of operation following completion of the project, Langtree Endoscopy Center, LLC shall not increase charges more than 5% of the charges projected in Sections Q of the application without first obtaining a determination from the Healthcare Planning and Certificate of Need Section that the proposed increase is in material compliance with the representations in the certificate of need application.

7. No later than three months after the last day of each of the first three full years of operation following initiation of the services authorized by this certificate of need, Langtree Endoscopy Center, LLC shall submit, on the form provided by the Healthcare Planning and Certificate of Need Section, an annual report containing the:

    a. Payor mix for the services authorized in this certificate of need.
    b. Utilization of the services authorized in this certificate of need.
    c. Revenues and operating costs for the services authorized in this certificate of need.
    d. Average gross revenue per unit of service.
    e. Average net revenue per unit of service.
    f. Average operating cost per unit of service.

8. Langtree Endoscopy Center, LLC shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Agency in writing prior to issuance of the certificate of need.

Attachment B
Approved Timetable

1. Drawings Completed _____ June 15, 2019
2. Construction / Renovation Contract(s) Executed _____ June 3, 2019
3. 25% of Construction / Renovation Completed
   (25% of the cost is in place)_____ August 15, 2019
4. 50% of Construction / Renovation Completed _____October 15, 2019
5. 75% of Construction / Renovation Completed _____December 15, 2019
6. Construction / Renovation Completed _____March 1, 2020
7. Equipment Ordered_____January 15, 2020
8. Equipment Installed _____March 15, 2020
9. Equipment Operational_____April 1, 2020
10. Building / Space Occupied _____March 15, 2020
11. Licensure Obtained_____April 1, 2020
12. Services Offered (required)_____April 1, 2020
13. Medicare and / or Medicaid Certification Obtained _____ May 1, 2020
14. Facility or Service Accredited _____April 1, 2021
15. First Annual Report Due_____December 30, 2021