



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

February 28, 2020

Timothy Walsh
2334 S. 41st Street
Wilmington, NC 28403

Conditional Approval

Project ID #: G-11802-19
Facility: Summerstone Health and Rehabilitation Center
Project Description: Relocate 18 NF beds from Liberty Commons of Silas Creek to Summerstone Health and Rehabilitation Center, pursuant to Policy NH-6, which is a change of scope for Project ID# G-10216-13 (relocate 100 NF beds from Liberty Commons Springwood to Silas Creek) for a total of no more than 138 NF beds at Summerstone Health and Rehabilitation Center upon completion of this project
County: Forsyth
FID #: 130486

Approved Capital Expenditure: \$68,100
Conditions of Approval: See Attachment A
Approved Timetable: See Attachment B
Last Date to Appeal: March 30, 2020
Required State Agency Findings: Enclosed

Dear Mr. Walsh:

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.

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: 2704 Mail Service Center, Raleigh, NC 27699-2704
<https://info.ncdhhs.gov/dhsr/> • TEL: 919-855-3873

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

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



Lisa Pittman
Assistant Chief

Enclosures:

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

cc: Construction Section, DHSR
Nursing Home Licensure and Certification Section, DHSR

Attachment A
Conditions of Approval

1. Liberty Commons of Kernersville, LLC and Liberty Healthcare Properties of Kernersville, LLC shall materially comply with all representations made in the certificate of need application and any supplemental responses. In the event that representations conflict, Liberty Commons of Kernersville, LLC and Liberty Healthcare Properties of Kernersville, LLC shall materially comply with the last made representation.
2. Liberty Commons of Kernersville, LLC and Liberty Healthcare Properties of Kernersville, LLC shall relocate no more than 18 NF beds from Liberty Commons of Silas Creek which is a change of scope for Project ID #G-10216-13 (Relocate 100 NF beds from Liberty Commons Springwood to Silas Creek)
3. Upon completion of the project, Summerstone Health and Rehabilitation Center shall be licensed for no more than 138 nursing facility beds. Liberty Commons of Silas Creek (Project ID#G-10216-13) will be licensed for no nursing facility beds upon completion of this project, Project ID# G-11803-19 (relocate 49 NF beds from Liberty Commons of Silas Creek to Liberty Commons of Durham County) and Project ID# G-11809 (relocate 33 NF beds from Liberty Commons of Silas Creek to The Oaks).
4. No later than three months after the last day of each of the first three full fiscal years of operation following initiation of the services authorized by this certificate of need, Liberty Commons of Kernersville, LLC and Liberty Healthcare Properties of Kernersville, 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.
5. Liberty Commons of Kernersville, LLC and Liberty Healthcare Properties of Kernersville, 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
Phase I**

1. Construction / Renovation Contract(s) Executed _____ June 1, 2020
2. 25% of Construction / Renovation Completed
(25% of the cost is in place) _____ June 15, 2020
3. 50% of Construction / Renovation Completed _____ June 30, 2020
4. 75% of Construction / Renovation Completed _____ July 15, 2020
5. Construction / Renovation Completed _____ August 1, 2020
6. Building / Space Occupied _____ October 1, 2020
7. Licensure Obtained _____ October 1, 2020
8. Services Offered (required) _____ October 1, 2020

**Attachment B
Approved Timetable
Phase II**

9. Construction / Renovation Contract(s) Executed _____ June 1, 2023
10. 25% of Construction / Renovation Completed
(25% of the cost is in place) _____ June 15, 2023
11. 50% of Construction / Renovation Completed _____ June 30, 2023
12. 75% of Construction / Renovation Completed _____ July 15, 2023
13. Construction / Renovation Completed _____ August 1, 2023
14. Building / Space Occupied _____ October 1, 2023
15. Licensure Obtained _____ October 1, 2023
16. Services Offered (required) _____ October 1, 2023
17. First Annual Report Due _____ December 31, 2024