



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

January 11, 2021

Timothy Walsh
2334 South 41st Street
Wilmington, NC 28403

Conditional Approval

Project ID #: J-11942-20
Facility: Bloomsbury Health Center
Project Description: Develop a new NF with no more than nine (9) NF beds pursuant to Policy NH-2 and no more than 22 NF beds relocated from Capital Nursing Rehabilitation Center pursuant to Policy NH-6 for a total of no more than 31 NF beds and no more than 63 ACH beds to include a 32-bed memory care unit, pursuant to Policy LTC-1
County: Wake
FID #: 200728

Approved Capital Expenditure: \$31,567,763
Conditions of Approval: See Attachment A
Approved Timetable: See Attachment B
Last Date to Appeal: February 11, 2021
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. 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 attached to an email addressed to the Project Analyst and the Co-signer no later than 35 days from the date of the decision. The certificate of need will not be issued if the response to the conditions in Attachment A has not been received by the Agency.

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.

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.

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 G.S.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).

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:

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 the 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,



Misty Piekaar-McWilliams
Project Analyst
Misty.Piekaar@dhhs.nc.gov



Fatimah Wilson
Team Leader
Faimah.Wilson@dhhs.nc.gov

Enclosures:

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

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

Attachment A
Conditions of Approval

- 1. Raleigh CCRC Management, LLC and Raleigh CCRC Properties, LLC (hereinafter, the certificate holder) shall materially comply with all representations made in the certificate of need application and any supplemental responses. If representations conflict, the certificate holder shall materially comply with the last made representation.**
- 2. The certificate holder shall develop a new nursing facility (NF) with no more than nine (9) NF beds pursuant to Policy NH-2 and relocate no more than 22 NF beds from Capital Nursing Rehabilitation Center pursuant to Policy NH-6 for a total of no more than 31 NF beds and no more than 63 ACH beds to include a 32-bed memory care unit, pursuant to Policy LTC-1.**
- 3. The Policy NH-2 nursing facility beds shall not be certified for participation in the Medicaid program.**
- 4. The Policy NH-2 nursing facility beds shall be used exclusively to meet the needs of persons with whom the facility has continuing care contracts (in compliance with the Department of Insurance statutes and regulations) who have lived in a non-nursing unit of the continuing care facility for a period of at least 30 days. Exceptions shall be allowed when one spouse or sibling is admitted to the nursing unit at the time the other spouse or sibling moves into a non-nursing unit, or when the medical condition requiring nursing care was not known to exist or be imminent when the individual became a party to the continuing care contract.**
- 5. The new Policy NH-2 nursing facility beds shall be developed on the same site with the independent living units and licensed adult care home beds.**
- 6. The 63 Policy LTC-1 ACH beds shall not participate in the Medicaid program or serve State-County Special Assistance recipients.**
- 7. The Policy LTC-1 adult care home beds shall be used exclusively to meet the needs of persons with whom the facility has continuing care contracts (in compliance with the Department of Insurance statutes and regulations) who have lived in a non-nursing unit of the continuing care facility for a period of at least 30 days. Exceptions shall be allowed when one spouse or sibling is admitted to the nursing unit at the time the other spouse or sibling moves into a non-nursing unit, or when the medical condition requiring nursing care was not known to exist or be imminent when the individual became a party to the continuing care contract.**
- 8. The new Policy LTC-1 adult care home beds shall be developed on the same site with the independent living units.**
- 9. Upon completion of the project, Bloomsbury Health Center shall be licensed for no more than nine (9) Policy NH-2 beds, 22 Policy NH-6 beds and no more than 63 Policy LTC-1 beds.**
- 10. Progress Reports:**
 - a. Pursuant to G.S. 131E-189(a), the certificate holder shall submit periodic reports on the progress being made to develop the project consistent with the timetable and representations made in the application on the Progress Report form provided by**

the Healthcare Planning and Certificate of Need Section. The form is available online at: <https://info.ncdhhs.gov/dhsr/coneed/progressreport.html>.

- b. The certificate holder shall complete all sections of the Progress Report form.
- c. The certificate holder shall describe in detail all steps taken to develop the project since the last progress report and should include documentation to substantiate each step taken as available.
- d. Progress reports shall be due on the first day of every fourth month. The first progress report shall be due on May 1, 2021. The second progress report shall be due on September 1, 2021 and so forth.

11. No later than three (3) 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, Raleigh CCRC Management, LLC and Raleigh CCRC Properties, 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.

12. Raleigh CCRC Management, LLC and Raleigh CCRC Properties, LLC shall develop and implement an Energy Efficiency and Sustainability Plan for the project that conforms to or exceeds energy efficiency and water conservation standards incorporated in the latest editions of the North Carolina State Building Codes.

13. Raleigh CCRC Management, LLC and Raleigh CCRC Properties, 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

Milestone		Date mm/dd/yyyy
1	Drawings Completed	05/01/2022
2	Construction / Renovation Contract(s) Executed	07/01/2022
3	25% of Construction / Renovation Completed (25% of the cost is in place)	01/01/2023
4	50% of Construction / Renovation Completed	07/01/2023
5	75% of Construction / Renovation Completed	01/01/2024
6	Construction / Renovation Completed	07/01/2024
7	Building / Space Occupied	10/01/2024
8	Licensure Obtained	10/01/2024
9	Services Offered	10/01/2024