



North Carolina Department of Health and Human Services
Division of Health Service Regulation
Certificate of Need Section

2704 Mail Service Center • Raleigh, North Carolina 27699-2704
<http://www.ncdhhs.gov/dhsr/>

Drexdal Pratt, Director

Beverly Eaves Perdue, Governor
Albert A. Delia, Acting Secretary

Craig R. Smith, Section Chief
Phone: (919) 855-3873
Fax: (919) 733-8139

June 7, 2012

Doug Whitman, Development Director
Liberty Healthcare Management
2334 S. 41st Street
Wilmington NC 28403

RE: No Review / Liberty Commons Nursing and Rehabilitation Center of Johnston County / Renovation and expansion of the existing facility with no change in licensed bed capacity / Johnston County
FID #: 970198

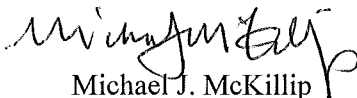
Dear Mr. Whitman:


The Certificate of Need (CON) Section received your letter on May 29, 2012 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.

It should be noted that this determination is binding only for the facts represented by you. 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 the Certificate of Need Section. Changes in a project include, but are not limited 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.

In addition, you should contact the Nursing Home Licensure and Certification Section to determine if they have any requirements for development of the proposed project. Please contact the CON Section if you have any questions.

Sincerely,


Michael J. McKillip
Project Analyst


Craig R. Smith, Chief
Certificate of Need Section

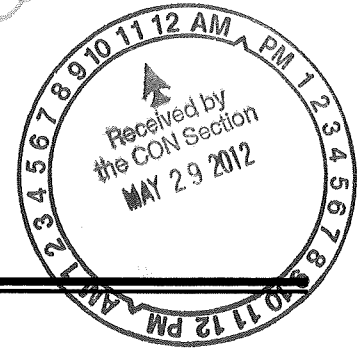
cc: Construction Section, DHSR
Nursing Home Licensure and Certification Section, DHSR





Liberty Healthcare Management

Mike



2334 S. 41st Street • Wilmington, NC 28403
(910) 512-2988 • FAX: (910) 815-3111

April 18, 2012

Wrong date May 29, 2012

Craig Smith, Section Chief
Mike McKillip, Analyst
NC Department of Health and Human Services
Division of Health Service Regulation
Certificate of Need Section
2704 Mail Service Center
Raleigh, NC 27699-2704

RE: Exempt from Review/ Liberty Commons Nursing and Rehabilitation Center of Johnston County, License #NH-0606, located in Benson, Johnston County; construction of addition for 16 of our existing 60 adult care beds, and conversion of eight adult care rooms to skilled nursing rooms, and to convert skilled nursing semi-private rooms to skilled nursing private rooms; no change in bed count or bed type

Dear Mr. Smith and Mr. McKillip:

I am writing to request a letter from the Certificate of Need Section acknowledging that the above referenced proposal is exempt from Certificate of Need review. Pursuant to North Carolina General Statutes § 131E-176(b), "New institutional health service" is defined as either "a) the construction, development, or other establishment of a new health service facility, or b) the obligation by any person of a capital expenditure exceeding two million dollars (\$2,000,000) to develop or expand a health service or a health service facility, or which relates to the provision of a health service."

So long as the proposed project costs do not exceed two million dollars (including all expenses identified in the aforementioned statute), thereby not falling under the definition as a "new institutional health service," this proposal would then not fall under the requirements of North Carolina General Statutes § 131E-178(d), which states that "No person shall offer or develop a new institutional health service without first obtaining a certificate of need from the Department." The details of our proposal are as follows.

This building is licensed for 100 skilled nursing beds and 60 adult care beds (20 of which are Special Care Unit beds). The bed count and bed type in this proposal will remain the same for skilled nursing (100 beds) and adult care (60 beds). In our 60 licensed adult care beds, we currently have more than 16 empty adult care beds. We propose to do two phases:

Phase One

After the appropriate approvals by the Construction Section and Licensure Section, we propose to convert eight adult care semi-private rooms with 16 adult care beds to skilled nursing rooms, and place 16 of our 60 licensed adult care beds on temporary hold until construction of a new addition is complete. We would relocate 8 skilled beds from our other skilled hallways to give us 8 additional skilled private rooms. To accomplish this, we would simply change 8 rooms on our other skilled hallways from skilled semi-private rooms to skilled private rooms. This would allow the facility to offer 16 additional skilled private rooms. The cost to accomplish Phase One of the proposal is minimal. Plans for this room conversion have been submitted and approved by the Construction Section as Project #NH-2356. This will not change the bed count or bed type.

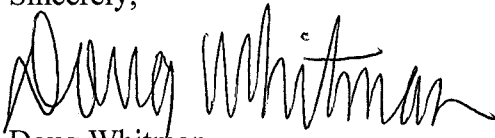
Phase Two

After construction documents are drawn, approved by the Construction Section, zoning and planning approval are obtained, and financing is secured, we propose to construct a new 16-bed adult care wing and reactivate the 16 adult care beds to the new wing. The cost to construct this addition will be well under two million dollars. The schematic drawings for the 16-bed adult care addition have been prepared and submitted to the Construction Section as Project #NH-2356. This proposal will not change the bed count or bed type.

The purpose of this request is to create more skilled nursing private rooms to meet the demand of our customers. We believe that the proposal falls outside the scope of a requirement for a Certificate of Need, and we respectfully request that the Con Section provide a letter recognizing the project as being exempt from a Certificate of Need requirement.

Thank you for your consideration of this matter. If you should have any further questions regarding our proposal, please feel free to contact me.

Sincerely,



Doug Whitman
Development Director
dwhitman@LibertyHCare.com
910.512.2988

Doug Whitman

From: Doug Whitman
Sent: Saturday, May 26, 2012 1:02 AM
To: Mike McKillip (mike.mckillip@dhhs.nc.gov)
Cc: Stephanie Evans (stephanie.evans@dhhs.nc.gov)
Subject: Request for No Review Letter, Benson
Attachments: Benson, request for No Review Letter, addition and room conversion, 4-18-2012.pdf

Dear Mr. Mike McKillip:

I have attached our request for a Letter of No Review regarding a small addition (under \$2 million) to Liberty Commons of Johnston County in Benson, NC. Please let me know if you have any questions.

Thanks,
Doug Whitman
Development Director
Liberty Healthcare
910.512.2988