



DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

MARK PAYNE
DIRECTOR

August 8, 2017

David F. Lacy
8919 Park Road
Charlotte, North Carolina 28210

Exempt from Review

Record #: 2348
Facility Name: Southminster
FID #: 953463
Business Name: Southminster, Inc.
Business #: 1691
Project Description: Replacement and expansion of combination nursing facility on the same site
County: Mecklenburg

Dear Mr. Lacy:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of July 31, 2017, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(e). Therefore, you may proceed to offer, develop or establish the above referenced project without a certificate of need.

However, you need to contact the Agency's Construction and Nursing Home Licensure and Certification Sections to determine if they have any requirements for development of the proposed project.

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 Agency. 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.

HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

WWW.NCDHHS.GOV

TELEPHONE 919-855-3873

LOCATION: EDGERTON BUILDING • 809 RUGGLES DRIVE • RALEIGH, NC 27603

MAILING ADDRESS: 2704 MAIL SERVICE CENTER • RALEIGH, NC 27699-2704

AN EQUAL OPPORTUNITY/ AFFIRMATIVE ACTION EMPLOYER



Mr. David F. Lacy
August 8, 2017
Page 2

If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,



Gloria C. Hale
Project Analyst



Martha J. Frisone
Chief, Healthcare Planning and
Certificate of Need Section

cc: Construction Section, DHSR
Nursing Home Licensure and Certification Section, DHSR
Paige Bennett, Assistant Chief, Healthcare Planning, DHSR



SOUTHMINSTER

July 31, 2017



Martha Frisone, Chief
Healthcare Planning and Certificate of Need
Division of Health Service Regulation
2704 Mail Service Center
Raleigh, NC 27699-2704

Email: Martha.Frisone@dhhs.nc.gov

Re: Exemption from Review Notification for Replacement and Expansion of Existing Nursing Home Facility Pursuant to NC Gen. Stat. 131E-184(e)

Facility Name: Southminster, Inc.
Facility ID: 953463
License Number: NH0414

Dear Ms. Frisone:

Southminster, Inc., a continuing care retirement community (CCRC), is currently in the design and planning phase of a replacement for its existing nursing home facility on the same site where it is currently located, 8919 Park Road, Charlotte, NC. Southminster's health center consists of 60 licensed skilled nursing beds and 25 licensed assisted living beds operating under a combined license. Hospice and Palliative Care of the Charlotte Region leases 10 beds in a different building on our campus. They operate those beds under their own license as inpatient hospice beds. The construction of our new health facility **will not** result in a change in total bed capacity and will include 60 skilled nursing beds and 25 assisted living beds. Hospice and Palliative Care has indicated interest in continuing to lease an undetermined number of beds from Southminster (between six and ten) and we will incorporate their design and licensed bed count into our new structure.

The purpose of this letter is to provide formal notification to the North Carolina Department of Health and Human Services, Division of Health Service regulation, CON Section of this exempt replacement and expansion under the CON law's exemption provisions set forth under NC Gen. Stat. 131E-184 (e).

Southminster's skilled nursing facility was built more than 30 years ago. The design of the existing facility does not meet modern standards for comfort or energy efficiency. Our new Health Center will be a five-story, steel framed, concrete building and is being designed using the innovative "neighborhood" model of care. There will be four neighborhoods of nursing care with 15 beds in each neighborhood. Each neighborhood will include a kitchen, dining and living

8919 Park Road, Charlotte, NC 28210
704.551.6800 | southminster.org

spaces, providing a more intimate, home-like environment where our residents can more actively participate in care and programming decisions. The 25 assisted living units will be on one floor with a similar residential design that will support the "neighborhood" model of care there as well. The new health center will be connected to the original building by an expanded corridor on multiple floors that allows for less intrusive service delivery to the health center neighborhoods and areas for staff support functions. This space will also include square footage for the addition of several community venues that can be accessed by staff, residents and their families.

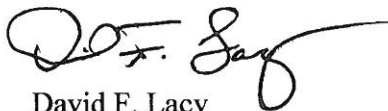
As I mentioned above, planning and design of our new Health Center is underway. Construction of the new Health Center will be on the site currently occupied by a 2-story building that includes 10 apartments on the second floor (occupied by Southminster Independent Living residents) and the 10 Hospice beds, mentioned above, on the first floor. This project will include a timeline to relocate Southminster residents to vacant apartments and phase out admissions into the Hospice space to prepare for demolition of the building. Based on current timelines, construction is scheduled to begin in February 2018, with an estimated completion date in February 2020.

Our project team includes Southminster organizational staff, Perkins Eastman Architects and Rodgers Builders. I have enclosed a copy of the schematic design floor plans of the new construction to illustrate the proposed design, realizing that the final design and plans are subject to a full review and approval by the Construction Section of the Division of Health Service Regulation.

We respectfully request that the Division confirm that the replacement and expansion described herein is exempt from the Certificate of Need review.

Thank you for your attention to this matter. If you have any questions or require any additional information to consider this request, please do not hesitate to contact me at (704) 551-7101.

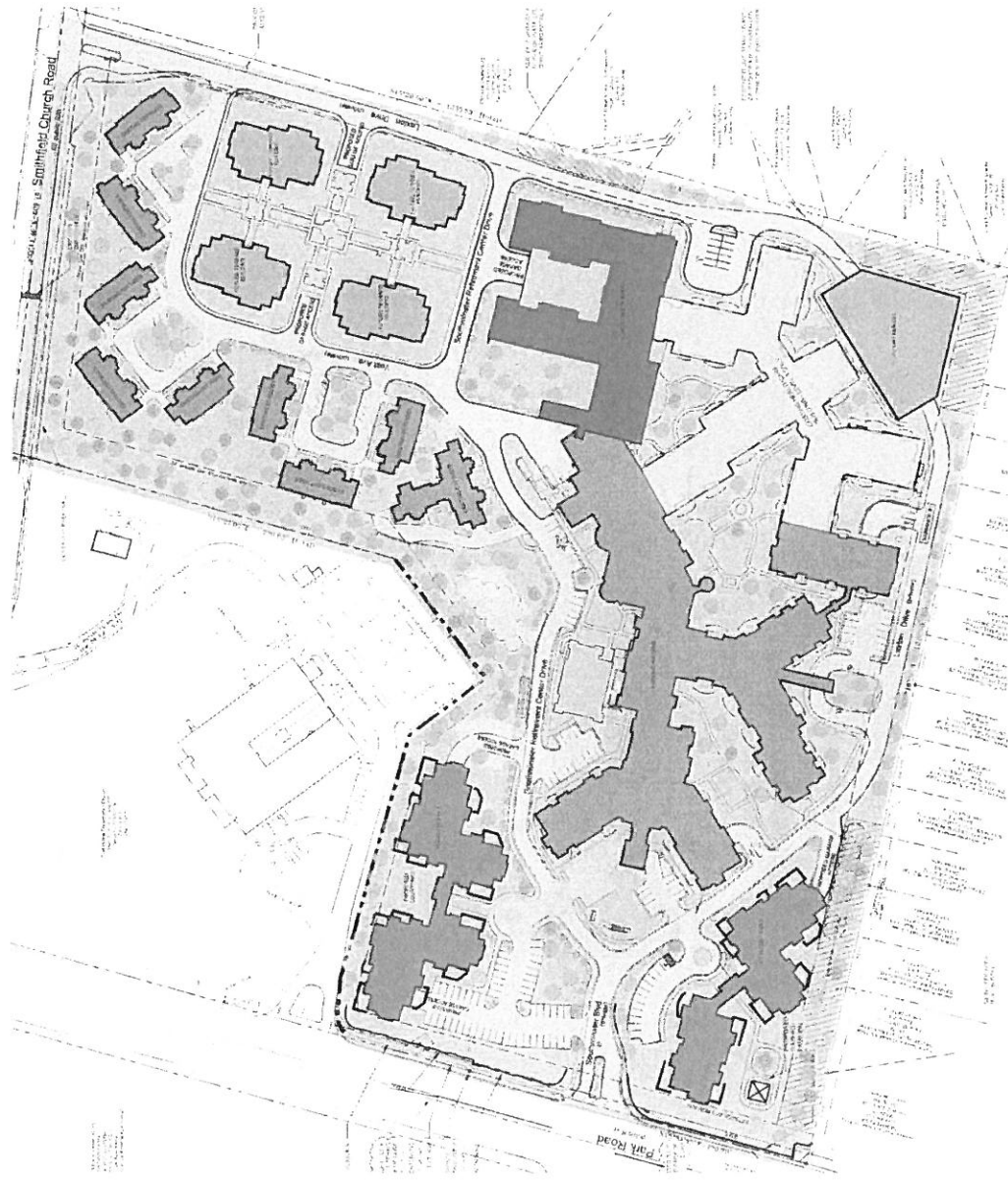
Sincerely,



David F. Lacy
President & CEO

cc: Steven Lewis, Construction Section Chief
Rita Jones, Architect

CAMPUS SITE PLAN



- EXISTING HEALTHCARE BUILDING - LEVEL 3 ONLY
- PROPOSED HEALTHCARE BUILDING
- FUTURE CONSTRUCTION
- PROPOSED IL UNIT BUILDING
- PROPOSED IL UNIT BUILDING

2017.07.27

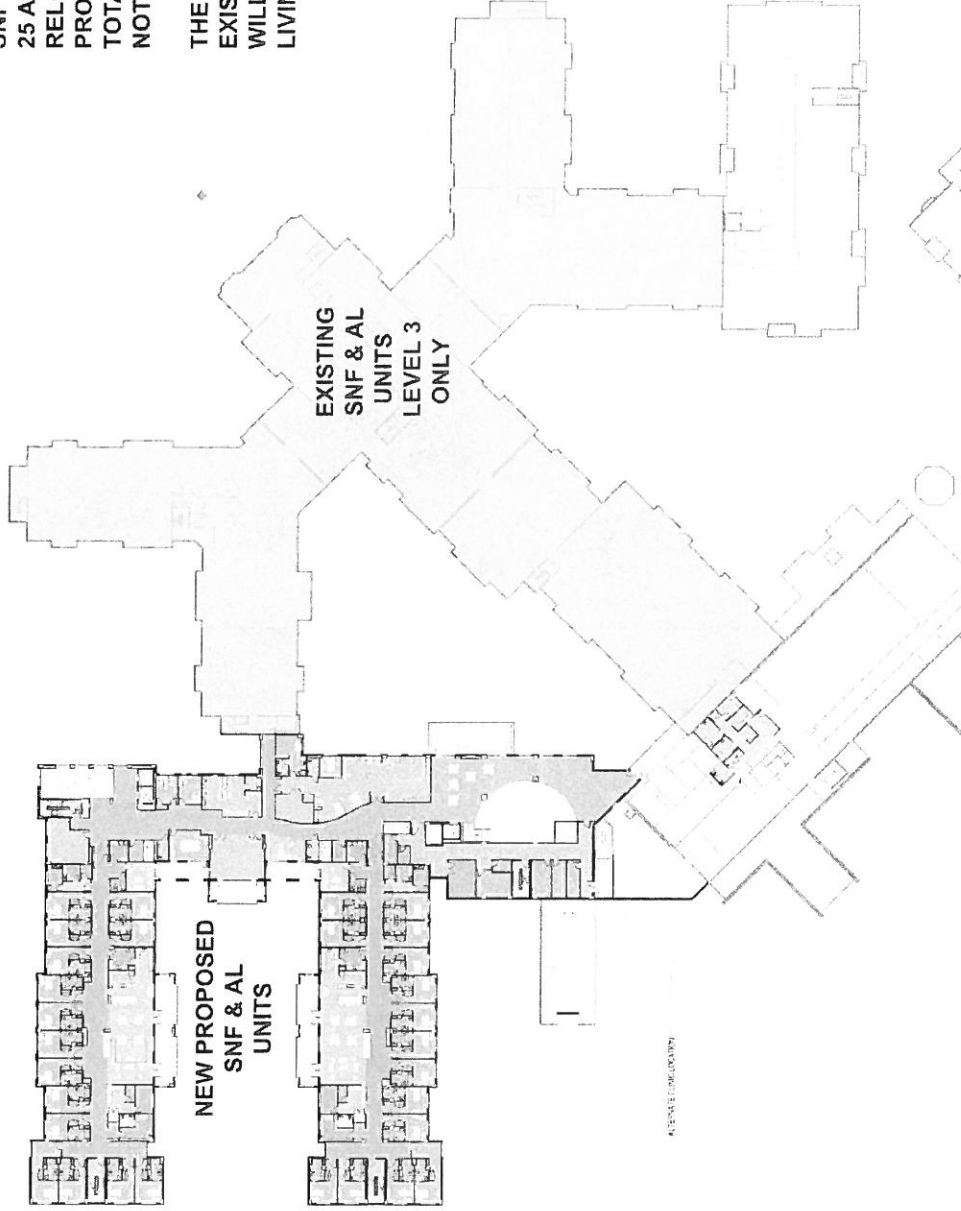
SOUTHMINSTER
HEALTHCARE BUILDING

Perkins Eastman

EXISTING VS. PROPOSED UNIT LOCATIONS (LEVEL 03 SHOWN BELOW)

NOTE: ALL EXISTING 60 SNF BEDS, AND EXISTING 25 AL BEDS ARE BEING RELOCATED TO THE NEW PROPOSED LOCATION. TOTAL BED COUNT (85) WILL NOT CHANGE.

THE AREA VACATED BY THE EXISTING AL & SNF UNITS WILL BE CONVERTED TO IL LIVING UNITS



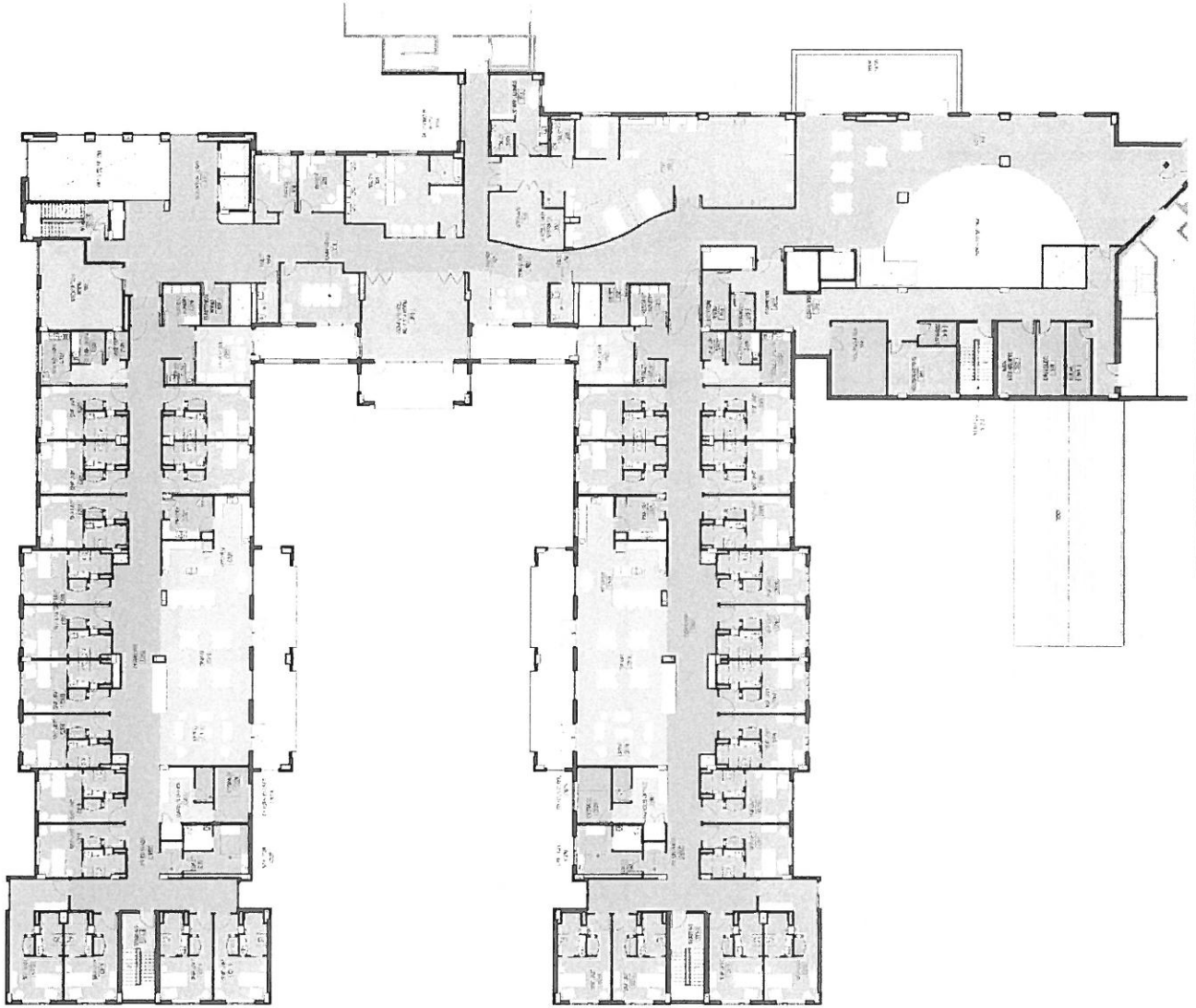
LEVEL 02
SNF UNITS



SOUTHMINSTER
HEALTHCARE BUILDING

Perkins Eastman

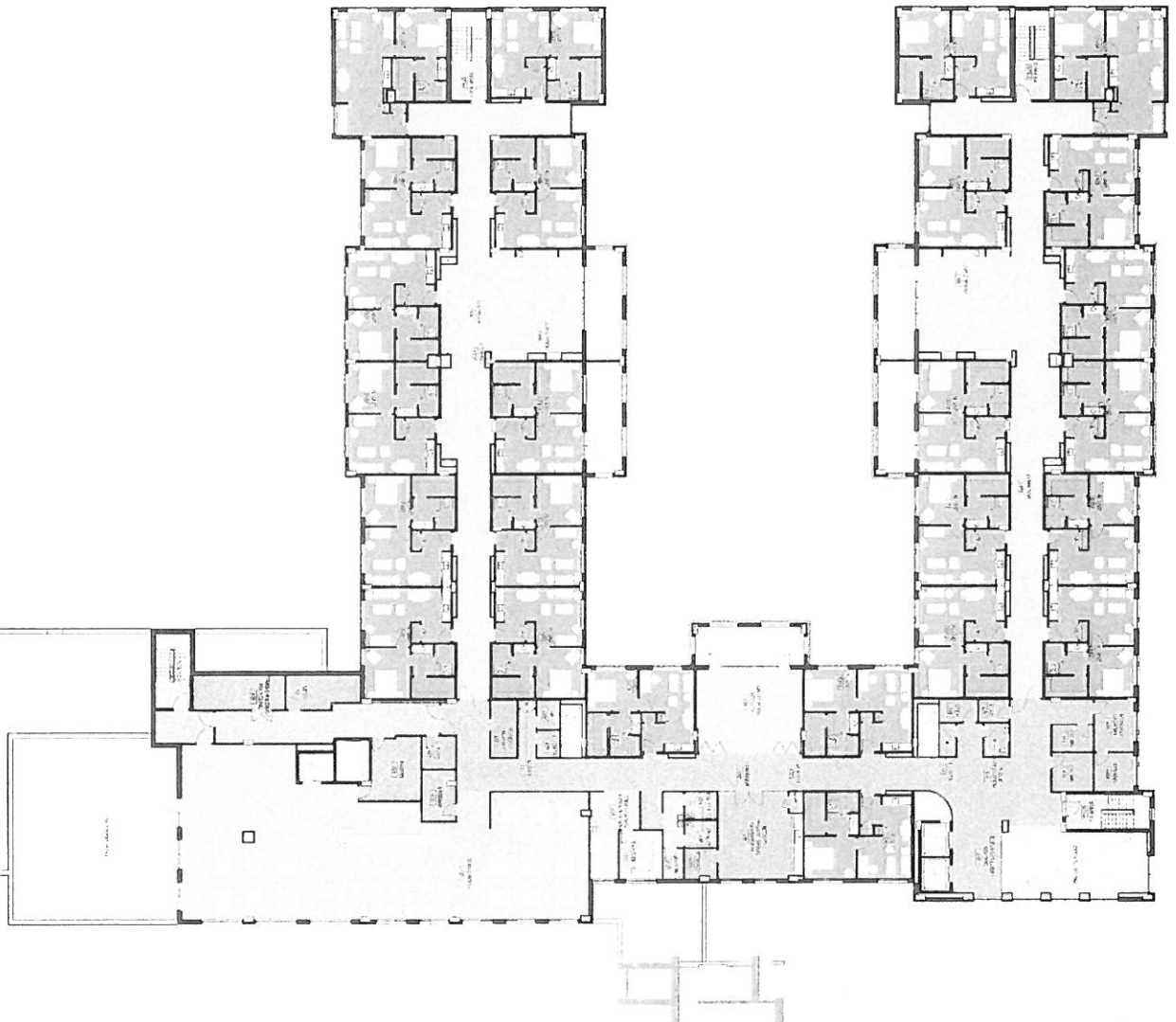
**LEVEL 03
SNF UNITS**



**SOUTHMINSTER
HEALTHCARE BUILDING**

Perkins Eastman

**LEVEL 04
ALL UNITS**



2017.07.27

Perkins Eastman

**SOUTHMINSTER
HEALTHCARE BUILDING**