



DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

MARK PAYNE
DIRECTOR

May 31, 2017

Tracey C. Cosby
115 Perimeter Center Place NE, Suite 600
Atlanta GA 30346

No Review

Record #: 2284
Facility Name: Walnut Cove Health and Rehabilitation Center
FID #: 923219
Business Name: Walnut Cove HealthCare, LLC
Business #: 2654
Project Description: Convert 90 nursing facility beds from semi-private rooms to private rooms
County: Stokes

Dear Ms. Cosby

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your letter of May 25, 2017 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. Furthermore, this letter does not address whether or not the nine adult care home beds would be available for acquisition by another entity.

However, you need to contact the Agency's Nursing Home Licensure and Certification Section 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 in your correspondence. 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 this office. 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

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

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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.

Please contact this office if you have any questions. Also, in all future correspondence you should reference the Facility ID # (FID) if the facility is licensed.

Sincerely,



Celia C. Inman
Project Analyst



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

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



CONSULATE HEALTH CARE

At the Heart of Caring

May 24, 2017

VIA FEDERAL EXPRESS

Ms. Martha Frisone
Assistant Section Chief
NC Division of Health Service Regulation
Healthcare Planning and Certificate of Need Section
809 Ruggles Drive
Raleigh, NC 27603



**RE: Walnut Cove Health and Rehabilitation Center – Stokes County
Exemption from Review**

Dear Ms. Frisone:

I am writing on behalf of Walnut Cove HealthCare, LLC d/b/a Walnut Cove Health and Rehabilitation Center ("Walnut Cove"), located at 511 Windmill Street, Walnut Cove, NC 27052-7706 which is licensed for 90 skilled nursing ("SNF") beds and 9 adult care home ("ACH") beds. Walnut Cove plans to convert its semi-private SNF rooms to private SNF rooms (the "Conversion"). Following this conversion, Walnut Cove will continue to have 90 licensed SNF beds. The conversion will take place upon approval from DHR.

In a separate transaction a third party will relocate Walnut Cove's 9 ACH beds to a different facility in the same county, upon DHHS approval. This transfer will afford Walnut Cove the space to convert its semi-private SNF beds to private SNF beds. While we understand that this party will need to submit a certificate of need ("CON") application for the transfer and relocation of the 9 ACH beds, we understand the Conversion itself does not require CON review. Because the conversion does not involve the development of a new institutional health service or an acquisition, and is expected to involve an expenditure of \$100,000, we understand it is not an activity requiring a CON or CON review. We also understand that the proposed Conversion described above does not require any additional filings with your office prior to these changes taking place, and that we may proceed with consummating the proposed changes upon approval from the Licensure and Certification Section.

We respectfully request a letter of exemption from North Carolina's Certificate of Need Section for the proposed change in licensed beds, detailed above.

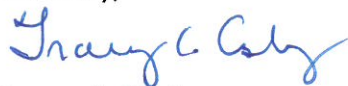
Ms. Martha Frisone

May 24, 2017

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Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me at (770) 730-1103 or tracey.c.cosby@consulatehc.com.

Sincerely,



Tracey C. Cosby

VP Regulatory Support Services

cc: Elsie Carter, NHA
Qwonthafia C. Jones
Beverly Speroff
Jessica Tobin Grozine
Grant Johnson
Cory Bennett