

**Certificate of Need Section
Certificates Issued**

Printed for Period: From 10/01/2013 to 10/31/2013

| County | Project ID# | Facility | Project Description | Application Review | Certificate of Need Issue Date | Total Approved Capital Expenditure | 1st Project Progress Report Date |
|--------------------|--------------------|--|--|---------------------------|---------------------------------------|---|---|
| Carteret | P-010116-13 | Carteret General Hospital 923076 Morehead City | Acquire 1 unit of shared fixed cardiac catheterization equipment | 05/01/2013 | 10/08/2013 | \$4,925,862.00 | 01/15/2014 |
| Durham | J-010144-13 | Duke University Hospital 943138 Durham | Renovation of Duke North Hospital, including bed tower and operating room suite | 07/01/2013 | 10/29/2013 | \$48,400,000.00 | 02/01/2014 |
| Durham | J-010145-13 | Duke University Hospital 943138 Durham | Replace cardiac catheterization equipment in Cath Lab 3 | 07/01/2013 | 10/29/2013 | \$2,686,000.00 | 02/01/2014 |
| Mecklenburg | F-010073-13 | Brookdale Place of South Charlotte 960963 Charlotte | Relocate 37 adult care home beds from Carriage Club of Charlotte to Brookdale Place of South Charlotte to vacant space previously used for 37 adult care home beds | 02/01/2013 | 10/14/2013 | \$0.00 | 02/22/2014 |
| Mecklenburg | F-010157-13 | CMC-Pineville 070766 Pineville | Acquire interventional radiology equipment to install in existing space | 08/01/2013 | 10/29/2013 | \$1,496,232.00 | 02/28/2014 |
| Moore | H-010138-13 | FirstHealth Moore Reg. Hosp. and Pinehurst Treatment 943358 Pinehurst | Develop a second GI endoscopy room | 07/01/2013 | 10/28/2013 | \$40,000.00 | 01/15/2014 |

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|---------------|--------------------|---|--|---------------------------|---------------------------------------|---|---|
| New Hanover | O-010086-13 | Carolina Bay of Wilmington at Autumn Hall 130064 Wilmington | Relocate 52 licensed but inactive adult care home beds to a new combination nursing facility which will be operated as part of a CCRC | 03/01/2013 | 10/21/2013 | \$11,811,862.00 | 02/15/2014 |
| New Hanover | O-010087-13 | Carolina Bay of Wilmington at Autumn Hall 130064 Wilmington | Relocate 18 licensed but inactive nursing facility beds to a new combination nursing facility which will be operated as part of a CCRC | 03/01/2013 | 10/21/2013 | \$4,088,721.00 | 02/15/2014 |
| New Hanover | O-010088-13 | Carolina Bay of Wilmington at Autumn Hall 130064 Wilmington | Develop 30 nursing facility beds pursuant to Policy NH-2 which will be part of a 100-bed combination nursing facility | 03/01/2013 | 10/21/2013 | \$6,814,536.00 | 02/15/2014 |
| New Hanover | O-010142-13 | NHRMC FED 130270 Wilmington | Develop a satellite emergency department | 07/01/2013 | 10/29/2013 | \$15,142,616.00 | 03/01/2014 |
| Orange | J-010140-13 | University of North Carolina Hospitals 923517 Chapel Hill | Acquire eighth unit of vascular interventional radiology equipment | 07/01/2013 | 10/28/2013 | \$5,983,544.00 | 02/01/2014 |

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| County | Project ID# | Facility | Project Description | Application Review | Certificate of Need Issue Date | Total Approved Capital Expenditure | 1st Project Progress Report Date |
|-----------------|--------------------|---|--|---------------------------|---------------------------------------|---|---|
| Scotland | N-010141-13 | Scottish Pines Rehabilitation and Nursing Center 101139 Laurinburg | Acquire 50 NF beds from Scotland Memorial Hospital and relocate them to the replacement facility approved in Project ID #N-8612-10 | 07/01/2013 | 10/29/2013 | \$2,766,535.00 | 02/28/2014 |
| Wake | J-010021-12 | Duke Raleigh Hospital 923421 Raleigh | Develop 12 inpatient rehab beds | 09/01/2012 | 10/22/2013 | \$4,267,956.00 | 02/15/2014 |
| Wake | J-010139-13 | UNC Hospitals at WakeBrook 120578 Raleigh | Relocate 12 adult inpatient psychiatric beds from Broughton pursuant to Policy PSY-1 for a total of 28 beds upon completion of this project and Project ID #J-10069-12 | 07/01/2013 | 10/29/2013 | \$3,827,498.00 | 05/15/2014 |
| Wake | J-010149-13 | Rex Hospital 953429 Raleigh | Acquire and install fixed fluoroscopy equipment in existing OR | 07/01/2013 | 10/16/2013 | \$2,758,606.00 | 01/20/2014 |

STATE OF NORTH CAROLINA
Department of Health and Human Services
Division of Health Service Regulation

CERTIFICATE OF NEED

for
Project Identification Number # P-10116-13

FID # 923076

ISSUED TO: Carteret General Hospital
3500 Arendell Street
Morehead City, NC 28557

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Acquire one unit of shared fixed cardiac catheterization equipment/ Carteret County

CONDITIONS: See Reverse Side

PHYSICAL LOCATION: Carteret General Hospital
3500 Arendell Street
Morehead City, NC 28557

MAXIMUM CAPITAL EXPENDITURE: \$4,925,862

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: January 15, 2014

This certificate is effective as of the 8th day of October, 2013



Chief, Certificate of Need Section
Division of Health Service Regulation

CONDITIONS:

1. Carteret County General Hospital Corporation d/b/a Carteret General Hospital shall materially comply with all representations made in the certificate of need application.
2. Carteret County General Hospital Corporation d/b/a Carteret General Hospital shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditure in Section VIII of the application and which would otherwise require a certificate of need.
3. Carteret County General Hospital Corporation d/b/a Carteret General Hospital shall acknowledge acceptance of and agree to comply with all conditions stated herein in writing to the Certificate of Need Section prior to issuance of the certificate of need.

A letter acknowledging acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Certificate of Need Section on September 23, 2013.

TIMETABLE:

| | |
|--|--------------------|
| Approval of Site by Construction Section, DHSR _____ | November 27, 2013 |
| 50% Completion of Construction _____ | April 11, 2014 |
| Completion of Construction _____ | August 24, 2014 |
| Operation of Equipment _____ | September 23, 2014 |
| Occupancy/Offering of Service(s) _____ | October 1, 2014 |

STATE OF NORTH CAROLINA

*Department of Health and Human Services
Division of Health Service Regulation*

CERTIFICATE OF NEED

for

Project Identification Number #J-10144-13

FID #943138

**ISSUED TO: Duke University Health System
d/b/a Duke University Hospital
3100 Tower Blvd, Suite 1300
Durham NC 27707**

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Renovations to the Duke North building, including infrastructure and technology upgrades to the bed tower, eleven operating rooms, and cardiac critical care unit/ Durham County

CONDITIONS: See Reverse Side


**PHYSICAL LOCATION: Duke University Hospital
2301 Erwin Road
Durham NC 27710**

MAXIMUM CAPITAL EXPENDITURE: \$48,400,000

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 1, 2014

This certificate is effective as of the 29th day of October, 2013



Chief, Certificate of Need Section
Division of Health Service Regulation

CONDITIONS:

1. Duke University Health System d/b/a Duke University Hospital shall materially comply with all representations made in the certificate of need application.
2. Duke University Health System d/b/a Duke University Hospital shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditure in Section VIII of the application and that would otherwise require a certificate of need.
3. Duke University Health System d/b/a Duke University Hospital shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Certificate of Need Section, in writing prior to issuance of the certificate of need.

A letter acknowledging acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Certificate of Need Section on October 25, 2013.

TIMETABLE:

| | |
|-----------------------------------|------------------|
| Contract Award | February 1, 2014 |
| 50% Completion of Construction: | |
| Phase 1 | July 1, 2014 |
| Phase 2 | January 1, 2015 |
| Phase 3 | June 1, 2015 |
| Occupancy/Offering of Service(s): | |
| Phase 1 | November 1, 2014 |
| Phase 2 | March 15, 2015 |
| Phase 3 | August 15, 2015 |

STATE OF NORTH CAROLINA

*Department of Health and Human Services
Division of Health Service Regulation*

CERTIFICATE OF NEED

for

Project Identification Number #J-10145-13

FID #943138

**ISSUED TO: Duke University Health System, Inc.
d/b/a Duke University Hospital
3100 Tower Blvd., Suite 1300
Durham, NC 27707**

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Replace cardiac catheterization equipment/ Durham County

CONDITIONS: See Reverse Side

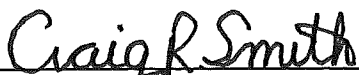
**PHYSICAL LOCATION: Duke University Hospital
2301 Erwin Road
Durham, NC 27710**

MAXIMUM CAPITAL EXPENDITURE: \$2,686,000

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 1, 2014

This certificate is effective as of the 29th day of October, 2013



Chief, Certificate of Need Section
Division of Health Service Regulation

CONDITIONS:

1. Duke University Health System, Inc. d/b/a Duke University Hospital shall materially comply with all representations made in the certificate of need application.
2. Duke University Health System, Inc. d/b/a Duke University Hospital shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditure in Section VIII of the application and that would otherwise require a certificate of need.
3. Duke University Health System, Inc. d/b/a Duke University Hospital shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Certificate of Need Section in writing prior to issuance of the certificate of need.

A letter acknowledging acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Certificate of Need Section on October 25, 2013.

TIMETABLE:

| | |
|--|-----------------|
| Contract Award _____ | January 1, 2014 |
| Order Equipment _____ | January 1, 2014 |
| Arrival of Equipment _____ | April 1, 2014 |
| Completion of Construction _____ | April 30, 2014 |
| Occupancy/Offering of Service(s) _____ | July 1, 2014 |

STATE OF NORTH CAROLINA

*Department of Health and Human Services
Division of Health Service Regulation*

CERTIFICATE OF NEED

for

Project Identification Number #F-10073-13

FID #960963

**ISSUED TO: Brookdale Senior Living Communities, Inc., ARCLP – Charlotte, LLC
d/b/a Carriage Club of Charlotte and Brookdale Place of South Charlotte
111 Westwood Place, Suite 400
Brentwood, TN 37207**

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the “certificate holder”) to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Brookdale Place of South Charlotte shall relocate 37 adult care home beds from Carriage Club of Charlotte to Brookdale Place of South Charlotte, an existing 51-bed facility, for a total of 88 adult care home beds upon project completion/ Mecklenburg County

CONDITIONS: See Reverse Side


**PHYSICAL LOCATION: Brookdale Place of South Charlotte
5515 Rea Road
Charlotte, NC 28226**

MAXIMUM CAPITAL EXPENDITURE: \$0

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 22, 2014

This certificate is effective as of the 14th day of October, 2013



Chief, Certificate of Need Section
Division of Health Service Regulation

CONDITIONS:

1. Brookdale Senior Living Communities, Inc., ARCLP – Charlotte, LLC d/b/a Carriage Club of Charlotte and Brookdale Place of South Charlotte, LLC shall materially comply with all representations made in the certificate of need application and in supplemental information. In those instances where representations conflict. Brookdale Senior Living Communities, Inc., ARCLP – Charlotte, LLC d/b/a Carriage Club of Charlotte and Brookdale Place of South Charlotte, LLC shall materially comply with the last-made representation.
2. Brookdale Senior Living Communities, Inc., ARCLP – Charlotte, LLC d/b/a Carriage Club of Charlotte and Brookdale Place of South Charlotte, LLC shall relocate the 37 adult care home beds from Carriage Club of Charlotte to Brookdale Place of South Charlotte, an existing 51-bed facility, for a total of 88 adult care home beds upon completion of the project.
3. For the first two years of operation following completion of the project, Brookdale Place of South Charlotte, LLC shall not increase actual private pay charges more than 5% of the projected private pay charges provided in Section X of the application, without first obtaining a determination from the Certificate of Need Section that the proposed increase is in material compliance with the representations in the certificate of need application.
4. Brookdale Senior Living Communities, Inc., ARCLP – Charlotte, LLC d/b/a Carriage Club of Charlotte and Brookdale Place of South Charlotte, LLC shall provide care to State/County Special Assistance patients with Basic Medicaid for the facility consistent with their representations in the application.
5. Brookdale Place of South Charlotte, LLC shall submit all resident charges and resident admissions for each source of resident payment to the CON Section at year end for each of the first three operating years following licensure of the beds in the facility.
6. Brookdale Senior Living Communities, Inc., ARCLP – Charlotte, LLC d/b/a Carriage Club of Charlotte and Brookdale Place of South Charlotte, LLC shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Certificate of Need Section in writing prior to issuance of the certificate of need.

A letter acknowledging acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Certificate of Need Section on October 14, 2013.

TIMETABLE:

Relocated beds Operational at BPSC _____ April 1, 2014
Licensure _____ January 8, 2014

STATE OF NORTH CAROLINA

Department of Health and Human Services
Division of Health Service Regulation

CERTIFICATE OF NEED

for

Project Identification Number #F-10157-13

FID #070766

ISSUED TO: Mercy Hospital, Inc.
d/b/a Carolinas Medical Center-Pineville
2709 Water Ridge Parkway, Suite 200
Charlotte, NC 28217

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Acquire interventional radiology equipment to install in existing space/
Mecklenburg County

CONDITIONS: See Reverse Side

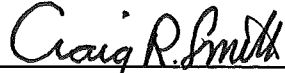
PHYSICAL LOCATION: Carolinas Medical Center-Pineville
10628 Park Road
Pineville, NC 28210

MAXIMUM CAPITAL EXPENDITURE: \$1,496,232

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 29, 2014

This certificate is effective as of the 29th day of October, 2013



Chief, Certificate of Need Section
Division of Health Service Regulation

CONDITIONS:

1. Mercy Hospital, Inc. d/b/a Carolinas Medical Center-Pineville shall materially comply with all representations made in its certificate of need application.
2. Mercy Hospital, Inc. d/b/a Carolinas Medical Center-Pineville shall acquire no more than one interventional radiology system to be installed in an existing procedure room.
3. Mercy Hospital, Inc. d/b/a Carolinas Medical Center-Pineville shall not use the interventional radiology procedure room or equipment purchased in this project to provide cardiac catheterization services as defined in N.C.G.S. 131-E176 (2g).
4. Mercy Hospital, Inc. d/b/a Carolinas Medical Center-Pineville shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditure in Section VIII of the application and which would otherwise require a certificate of need.
5. Mercy Hospital, Inc. d/b/a Carolinas Medical Center-Pineville shall acknowledge acceptance of and agree to comply with all conditions stated herein in writing to the Certificate of Need Section.

A letter acknowledging acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Certificate of Need Section on October 15, 2013.

TIMETABLE:

| | |
|---|--------------------|
| Obtain Funds Necessary to Undertake Project _____ | January 30, 2014 |
| Completion of Preliminary Drawings _____ | February 28, 2014 |
| Completion of Final Drawings and Specifications _____ | April 1, 2014 |
| Ordering Equipment _____ | April 4, 2014 |
| Approval of Final Drawings and Specifications by the Construction Section, DHR _____ | May 16, 2014 |
| Contract Award _____ | May 26, 2014 |
| 25% Completion of Construction _____ | June 24, 2014 |
| 50% Completion of Construction _____ | July 21, 2014 |
| 75% Completion of Construction _____ | August 19, 2014 |
| Arrival of Equipment _____ | August 22, 2014 |
| Completion of Construction _____ | September 17, 2014 |
| Operation of Equipment _____ | October 1, 2014 |
| Occupancy/Offering of Service(s) _____ | October 1, 2014 |

STATE OF NORTH CAROLINA

*Department of Health and Human Services
Division of Health Service Regulation*

CERTIFICATE OF NEED

for

Project Identification Number #H-10138-13

FID #943358

**ISSUED TO: FirstHealth of the Carolinas, Inc. AND
FirstHealth Moore Regional Hospital**

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Develop a second GI Endoscopy room in the existing GI Suite of FirstHealth Moore Regional Hospital/ Moore County

CONDITIONS: See Reverse Side

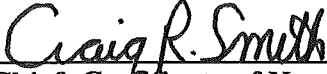
**PHYSICAL LOCATION: FirstHealth Moore Regional Hospital
155 Memorial Drive
Pinehurst, NC 28374**

MAXIMUM CAPITAL EXPENDITURE: \$40,000

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: January 15, 2014

This certificate is effective as of the 28th day of October, 2013



Chief, Certificate of Need Section
Division of Health Service Regulation

CONDITIONS:

1. **FirstHealth Moore Regional Hospital and FirstHealth of the Carolinas, Inc. shall materially comply with all representations made in the certificate of need application.**
2. **FirstHealth Moore Regional Hospital and FirstHealth of the Carolinas, Inc. shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditure in Section VIII of the application and that would otherwise require a certificate of need.**
3. **FirstHealth Moore Regional Hospital and FirstHealth of the Carolinas, Inc. shall develop no more than one gastrointestinal endoscopy room and shall be licensed for a total of no more than two gastrointestinal endoscopy rooms at FirstHealth Moore Regional Hospital following project completion.**
4. **FirstHealth Moore Regional Hospital and FirstHealth of the Carolinas, Inc. shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Certificate of Need Section in writing prior to issuance of the certificate of need.**

A letter acknowledging acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Certificate of Need Section on October 14, 2013.

TIMETABLE:

Occupancy/Offering of Service(s) _____ October 30, 2013

STATE OF NORTH CAROLINA

*Department of Health and Human Services
Division of Health Service Regulation*

CERTIFICATE OF NEED

for

Project Identification Number #O-10086-13

FID #130064

**ISSUED TO: Carolina Bay Properties of Wilmington, LLC, Carolina Bay Healthcare Center of Wilmington, LLC, Kempton Properties, LLC, and Kempton Assisted Living, LLC
2334 South 41st Street
Wilmington, NC 28403**

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Relocate 52 licensed but inactive adult care home beds to a new combination nursing facility which will be operated as part of a CCRC/ New Hanover County

CONDITIONS: See Reverse Side


**PHYSICAL LOCATION: Carolina Bay of Wilmington at Autumn Hall
630 Carolina Bay Drive
Wilmington, NC 28403**

MAXIMUM CAPITAL EXPENDITURE: \$11,811,862

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 15, 2014

This certificate is effective as of the 21st day of October, 2013



Chief, Certificate of Need Section
Division of Health Service Regulation

CONDITIONS:

1. Carolina Bay Healthcare Center of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC, Kempton Properties, LLC, and Kempton Assisted Living, LLC shall materially comply with all representations made in the certificate of need application and in supplemental information submitted on October 14, 2013. In those instances where representations conflict, Carolina Bay Healthcare Center of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC, Kempton Properties, LLC, and Kempton Assisted Living, LLC shall materially comply with the last-made representation.
2. Carolina Bay Healthcare Center of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC, Kempton Properties, LLC, and Kempton Assisted Living, LLC shall relocate no more than 52 adult care home beds from The Kempton at Brightmore to Carolina Bay at Autumn Hall for a total of 52 adult care home beds and 48 nursing facility beds upon completion of this project, Project I.D. #O-10087-13 (relocate 18 NF beds) and Project I.D. #O-10088-13 (develop 30 NF beds pursuant to Policy NH-2).
3. For the first two years of operation following completion of the project, Carolina Bay Healthcare Center of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC, Kempton Properties, LLC, and Kempton Assisted Living, LLC shall not increase actual private pay charges for the ACH beds more than 5% of the projected private pay charges provided in Section X of the application, without first obtaining a determination from the Certificate of Need Section that the proposed increase is in material compliance with the representations in the certificate of need application.
4. Carolina Bay Healthcare Center of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC, Kempton Properties, LLC, and Kempton Assisted Living, LLC shall submit all resident charges and resident admissions for each source of resident payment to the CON Section at year end for each of the first three operating years following licensure of the ACH beds in the facility.

TIMETABLE:

| | | |
|--|-------|------------------|
| Contract Award | _____ | April 1, 2014 |
| 25% Completion of Construction | _____ | February 1, 2015 |
| 50% Completion of Construction | _____ | June 1, 2015 |
| 75% Completion of Construction | _____ | October 1, 2015 |
| Completion of Construction | _____ | February 1, 2016 |
| Licensure of Nursing Facility | _____ | April 1, 2016 |
| Medicare Certification (48 NF Beds Only) | _____ | August 1, 2016 |
| Medicaid Certification (18 Relocated NF Beds Only) | _____ | August 1, 2016 |

STATE OF NORTH CAROLINA

*Department of Health and Human Services
Division of Health Service Regulation*

CERTIFICATE OF NEED

for

Project Identification Number #O-10087-13

FID #130064

**ISSUED TO: Carolina Bay Healthcare Center of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC and Liberty Commons Nursing and Rehabilitation Center, Inc.
2334 South 41st Street
Wilmington, NC 28403**

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Relocate 18 licensed but inactive nursing facility beds to a new combination nursing facility which will be operated as part of a CCRC/ New Hanover County

CONDITIONS: See Reverse Side

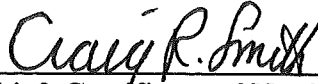
**PHYSICAL LOCATION: Carolina Bay of Wilmington at Autumn Hall
630 Carolina Bay Drive
Wilmington, NC 28403**

MAXIMUM CAPITAL EXPENDITURE: \$4,088,721

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 15, 2014

This certificate is effective as of the 21st day of October, 2013



Chief, Certificate of Need Section
Division of Health Service Regulation

CONDITIONS:

1. Carolina Bay Healthcare Center of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC, and Liberty Commons Nursing and Rehabilitation Center, Inc. shall materially comply with all representations made in the certificate of need application and in supplemental information submitted on October 14, 2013. In those instances where representations conflict, Carolina Bay Healthcare Center of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC, and Liberty Commons Nursing and Rehabilitation Center, Inc. shall materially comply with the last-made representation.
2. Carolina Bay Healthcare Center of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC, and Liberty Commons Nursing and Rehabilitation Center, Inc. shall relocate no more than 18 nursing facility beds from Liberty Commons Nursing and Rehabilitation Center in Wilmington to Carolina Bay at Autumn Hall for a total of 48 nursing facility beds and 52 adult care home beds upon completion of this project, Project I.D. #O-10088-13 (develop 30 NF beds pursuant to Policy NH-2) and Project I.D. #O-10086-13 (relocate 52 ACH beds).
3. Carolina Bay Healthcare Center of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC, and Liberty Commons Nursing and Rehabilitation Center, Inc. shall provide documentation that 18 of the nursing facility beds at the existing Liberty Commons Nursing and Rehabilitation Center in Wilmington are delicensed following completion of the proposed project.
4. Carolina Bay Healthcare Center of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC, and Liberty Commons Nursing and Rehabilitation Center, Inc. shall submit all patient charges and actual per diem reimbursement for each source of patient payment to the Certificate of Need Section at year end for each of the first two operating years following licensure of the beds in the new facility.
5. For the first two full federal fiscal years of operation following completion of the project, actual private pay charges for the 18 relocated NF beds shall not be increased more than 5% of the projected private pay charges provided in Section X of the application without first obtaining a determination from the Certificate of Need Section that the proposed increase is in material compliance with the representations made in the certificate of need application.
6. Carolina Bay Healthcare Center of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC, and Liberty Commons Nursing and Rehabilitation Center, Inc. shall receive Medicaid per diem rates allowed by the Division of Medical Assistance under the NC State Plan Section .0102.

TIMETABLE:

| | |
|--|------------------|
| Contract Award _____ | April 1, 2014 |
| 25% Completion of Construction _____ | February 1, 2015 |
| 50% Completion of Construction _____ | June 1, 2015 |
| 75% Completion of Construction _____ | October 1, 2015 |
| Completion of Construction _____ | February 1, 2016 |
| Licensure of Nursing Facility _____ | April 1, 2016 |
| Medicare Certification (48 NF Beds Only) _____ | August 1, 2016 |
| Medicaid Certification (18 Relocated NF Beds Only) _____ | August 1, 2016 |

STATE OF NORTH CAROLINA

*Department of Health and Human Services
Division of Health Service Regulation*

CERTIFICATE OF NEED

for

Project Identification Number #O-10088-13

FID #130064

**ISSUED TO: Carolina Bay of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC, Carolina Bay Healthcare Center of Wilmington, LLC
2334 South 41st Street
Wilmington, NC 28403**

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Develop 30 nursing facility beds pursuant to Policy NH-2 which shall be part of a 100-bed combination nursing facility/ New Hanover County

CONDITIONS: See Reverse Side


**PHYSICAL LOCATION: Carolina Bay of Wilmington at Autumn Hall
630 Carolina Bay Drive
Wilmington, NC 28403**

MAXIMUM CAPITAL EXPENDITURE: \$6,814,536

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 15, 2014

This certificate is effective as of the 21st day of October, 2013



Chief, Certificate of Need Section
Division of Health Service Regulation

CONDITIONS:

1. Carolina Bay of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC and Carolina Bay Healthcare Center of Wilmington, LLC shall materially comply with all representations made in the certificate of need application and in supplemental information submitted on October 14, 2013. In those instances where representations conflict, Carolina Bay of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC and Carolina Bay Healthcare Center of Wilmington, LLC shall materially comply with the last-made representation.
2. Carolina Bay of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC and Carolina Bay Healthcare Center of Wilmington, LLC shall not develop more than 30 Policy NH-2 nursing facility beds at Carolina Bay at Autumn Hall for a total of 48 nursing facility beds and 52 adult care home beds upon completion of this project, Project I.D. #O-10087-13 (relocate 18 NF beds) and Project I.D. #O-10086-13 (relocate 52 ACH beds).
3. The 30 Policy NH-2 nursing facility beds shall not be certified for participation in the Medicaid program.
4. The 30 Policy NH-2 nursing facility beds shall be developed on the same site with the independent living units.
5. The 30 Policy NH-2 nursing facility beds shall be used exclusively to meet the needs of people with whom the facility has continuing care contracts (in compliance with the North Carolina Department of Insurance statutes and rules) who have lived in a non-nursing unit of the continuing care retirement community 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.
6. For the first two years of operation following completion of the project, Carolina Bay of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC and Carolina Bay Healthcare Center of Wilmington, LLC shall not increase actual private pay charges more than 5% of the projected private pay charges provided in Section X of the application, without first obtaining a determination from the Certificate of Need Section that the proposed increase is in material compliance with the representations in the certificate of need application.
7. Carolina Bay of Wilmington, LLC, Carolina Bay Properties of Wilmington, LLC and Carolina Bay Healthcare Center of Wilmington, LLC shall submit all patient charges and actual per diem reimbursement rates for each source of patient payment to the CON Section at year end for each of the first two operating years following licensure of the beds in the facility.

TIMETABLE:

| | |
|--|------------------|
| Contract Award _____ | April 1, 2014 |
| 25% Completion of Construction _____ | February 1, 2015 |
| 50% Completion of Construction _____ | June 1, 2015 |
| 75% Completion of Construction _____ | October 1, 2015 |
| Completion of Construction _____ | February 1, 2016 |
| Licensure of Nursing Facility _____ | April 1, 2016 |
| Medicare Certification (48 NF Beds Only) _____ | August 1, 2016 |
| Medicaid Certification (18 Relocated NF Beds Only) _____ | August 1, 2016 |

STATE OF NORTH CAROLINA

*Department of Health and Human Services
Division of Health Service Regulation*

CERTIFICATE OF NEED

for

Project Identification Number #O-10142-13

FID #130270

**ISSUED TO: New Hanover Regional Medical Center
2131 S. 17th Street
Wilmington, NC 28402**

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Develop a satellite emergency department and relocate Porter's Neck Imaging, which includes a CT scanner/ New Hanover County

CONDITIONS: See Reverse Side

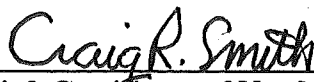
**PHYSICAL LOCATION: NHRMC FED
9110 Market Street
Wilmington, NC 28411**

MAXIMUM CAPITAL EXPENDITURE: \$15,142,616

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: March 1, 2014

This certificate is effective as of the 29th day of October, 2013



Chief, Certificate of Need Section
Division of Health Service Regulation

CONDITIONS:

1. New Hanover Regional Medical Center shall materially comply with all representations made in the certificate of need application.
2. New Hanover Regional Medical Center shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditure in Section VIII of the application or that would otherwise require a certificate of need.
3. New Hanover Regional Medical Center 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. The plan must be consistent with the applicant's representations in the written statement as described in paragraph one of Policy GEN-4.
4. New Hanover Regional Medical Center shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Certificate of Need Section in writing prior to issuance of the certificate of need.

A letter acknowledging acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Certificate of Need Section on October 16, 2013.

TIMETABLE:

| | |
|---|-------------------|
| Completion of Final Drawings and Specifications | February 1, 2014 |
| Contract Award | April 15, 2014 |
| 25% Completion of Construction | September 1, 2014 |
| 50% Completion of Construction | January 1, 2015 |
| 75% Completion of Construction | May 1, 2015 |
| Completion of Construction | September 1, 2015 |
| Occupancy/Offering of Service(s) | October 1, 2015 |

STATE OF NORTH CAROLINA

*Department of Health and Human Services
Division of Health Service Regulation*

CERTIFICATE OF NEED

for

Project Identification Number #J-10140-13

FID #923517

ISSUED TO: University of North Carolina Hospitals at Chapel Hill
110 Manning Drive
Chapel Hill, NC 27514

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Develop an eighth vascular interventional radiology procedure room and acquire a vascular interventional unit to operate at the existing hospital/ Orange County

CONDITIONS: See Reverse Side


PHYSICAL LOCATION: University of North Carolina Hospitals at Chapel Hill
110 Manning Drive
Chapel Hill, NC 27514

MAXIMUM CAPITAL EXPENDITURE: \$5,983,544

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 1, 2014

This certificate is effective as of the 28th day of October, 2013



Chief, Certificate of Need Section
Division of Health Service Regulation

CONDITIONS:

1. University of North Carolina Hospitals at Chapel Hill shall materially comply with all representations made in its certificate of need application.
2. University of North Carolina Hospitals at Chapel Hill shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditure in Section VIII of the application and which would otherwise require a certificate of need.
3. University of North Carolina Hospitals at Chapel Hill shall acquire no more than one angiography imaging equipment system to operate in the eighth vascular intervention radiology procedure room in the existing hospital.
4. University of North Carolina Hospitals at Chapel Hill shall submit a plan of energy efficiency and water conservation to the Construction Section, DHSR, that conforms to the rules, codes and standards implemented by the Construction Section of the Division of Health Service Regulation.
5. Prior to issuance of the certificate of need, University of North Carolina Hospitals at Chapel Hill shall acknowledge acceptance of and agree to comply with all conditions stated herein in writing to the Certificate of Need Section.

A letter acknowledging acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Certificate of Need Section on October 29, 2013.

TIMETABLE:

| | |
|---|--------------------|
| Approval of Final Drawings and Specifications by the Construction Section, DHSR | November 15, 2013 |
| 25% Completion of Construction | March 15, 2014 |
| Ordering Equipment | April 15, 2014 |
| 75% Completion of Construction | June 15, 2014 |
| Completion of Construction | August 30, 2014 |
| Operation of Equipment | September 25, 2014 |
| Occupancy/Offering of Service(s) | October 1, 2014 |

STATE OF NORTH CAROLINA

Department of Health and Human Services
Division of Health Service Regulation

CERTIFICATE OF NEED

for

Project Identification Number #N-10147-13

FID #110709

ISSUED TO: Southeastern Regional Medical Center
300 West 27th Street
Lumberton, NC 28358

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Change of Scope for Project ID #N-8716-11 (relocate 4 ORs to a new ambulatory surgical facility) by relocating two GI endoscopy procedure rooms// Robeson County

CONDITIONS: See Reverse Side

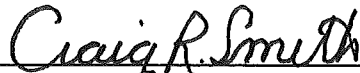
PHYSICAL LOCATION: Southeastern Ambulatory Surgery Center
4901 Dawn Drive
Lumberton, NC 28360

MAXIMUM CAPITAL EXPENDITURE: \$0

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: March 1, 2014

This certificate is effective as of the 29th day of October, 2013



Chief, Certificate of Need Section
Division of Health Service Regulation

CONDITIONS:

1. Southeastern Regional Medical Center d/b/a Southeastern Ambulatory Surgery Center shall materially comply with the representations made in this certificate of need application, Project ID# N-10147-13, and the certificate of need application Project ID# N-8716-11 as amended by this project. In those instances in which representations conflict, Southeastern Regional Medical Center d/b/a Southeastern Ambulatory Surgery Center shall materially comply with the last made representation.
2. Southeastern Regional Medical Center d/b/a Southeastern Ambulatory Surgery Center shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditure in Section VIII of the application or that would otherwise require a certificate of need.
3. The average facility fee charged by Southeastern Ambulatory Surgery Center shall be no more than \$2,212 in Project Year One, \$2,267 in Project Year Two, and \$2,324 in Project Year Three.
4. Southeastern Regional Medical Center shall be licensed for no more than one (1) GI endoscopy room upon project completion.
5. Upon licensure of the two GI endoscopy rooms at SASC, Southeastern Regional Medical Center shall take the necessary steps to de-license four existing GI Endoscopy procedure rooms at SRMC.
6. Southeastern Regional Medical Center d/b/a Southeastern Ambulatory Surgery Center shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Certificate of Need Section in writing prior to the issuance of the certificate of need.

A letter acknowledging acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Certificate of Need Section on October 18, 2013.

TIMETABLE:

| | |
|--|-------------------|
| Completion of Final Drawings and Specifications _____ | November 1, 2013 |
| Approval of Final Drawings and Specifications by the Construction Section, DHSR _____ | December 1, 2013 |
| Obtaining Funds necessary to Undertake Project _____ | December 29, 2013 |
| 50% Completion of Construction _____ | May 1, 2014 |
| 75% Completion of Construction _____ | July 1, 2014 |
| Completion of Construction _____ | September 1, 2014 |
| Occupancy/Offering of Service(s) _____ | October 1, 2014 |

STATE OF NORTH CAROLINA

*Department of Health and Human Services
Division of Health Service Regulation*

CERTIFICATE OF NEED

for

Project Identification Number #N-10141-13

FID #101139

**ISSUED TO: Scottish Pines Rehabilitation and Nursing Center
2501 Blue Ridge Road, Suite 500
Raleigh, NC 27607**

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Acquire 50 NF beds from Scotland Memorial Hospital and relocate them to the replacement facility approved in Project ID #N-8612-10/ Scotland County

CONDITIONS: See Reverse Side

**PHYSICAL LOCATION: Scottish Pines Rehabilitation and Nursing Center
620 Johns Road
Laurinburg, NC 28352**

MAXIMUM CAPITAL EXPENDITURE: \$2,766,535

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 28, 2014

This certificate is effective as of the 29th day of October, 2013

Craig R. Smith

**Chief, Certificate of Need Section
Division of Health Service Regulation**

CONDITIONS:

1. Scottish Pines Land Company, LLC and Century Care of Laurinburg, Inc. shall materially comply with all representations made in its certificate of need application.
2. Scottish Pines Land Company, LLC and Century Care of Laurinburg, Inc. shall construct a 50-bed addition to Scottish Pines Rehabilitation and Nursing Center (formerly Century Care of Laurinburg) for a total licensed bed complement of no more than 149-beds upon completion of the project.
3. Scottish Pines Land Company, LLC and Century Care of Laurinburg, Inc. shall take the necessary steps to de-license 50 NF beds at The Edwin Morgan Center following completion of the proposed bed addition at Scottish Pines Rehabilitation and Nursing Center.
4. Scottish Pines Land Company, LLC and Century Care of Laurinburg, Inc. shall submit all patient charges and actual per diem reimbursement for each source of patient payment to the Certificate of Need at year end for each of the first two operating years following licensure of the beds in the new facility.
5. For the first two full federal fiscal years of operation following completion of the project, actual private pay charges shall not be increased more than 5% of the projected private pay charges provided in Section X of the application without first obtaining a determination from the Certificate of Need Section that the proposed increase is in material compliance with the representations made in the certificate of need application.
6. Scottish Pines Land Company, LLC and Century Care of Laurinburg, Inc. shall receive Medicaid per diem rates allowed by the Division of Medical Assistance, under the NC State Plan Section .0102.
7. Scottish Pines Land Company, LLC and Century Care of Laurinburg, Inc. shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Certificate of Need Section, in writing prior to issuance of the certificate of need.

A letter acknowledging acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Certificate of Need Section on October 30, 2013.

TIMETABLE:

| | |
|--|--------------------|
| Preliminary Drawings submitted to the Construction Section, DHSR _____ | November 11, 2013 |
| Construction Loan Executed _____ | November 11, 2013 |
| Permanent Loan Executed _____ | November 11, 2013 |
| Construction Contract Awarded _____ | November 15, 2013 |
| Final Drawings Submitted to the Construction Section, DHSR _____ | December 11, 2013 |
| Building Permit Obtained _____ | December 16, 2013 |
| Site Preparation _____ | December 19, 2013 |
| Footings Foundation Poured _____ | January 16, 2014 |
| 25% Completion of Construction _____ | April 4, 2014 |
| 50% Completion of Construction _____ | May 26, 2014 |
| 75% Completion of Construction _____ | July 23, 2014 |
| Completion of Construction _____ | September 1, 2014 |
| Licensure of Facility _____ | September 16, 2014 |
| Medicare/Medicaid Certification _____ | September 30, 2014 |

STATE OF NORTH CAROLINA

Department of Health and Human Services

Division of Health Service Regulation

CERTIFICATE OF NEED

For

Project Identification Number #J-10021-12

FID # 923421

**ISSUED TO: Duke University Health System
d/b/a Duke Raleigh Hospital**

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Develop a 12-bed inpatient rehabilitation unit at Duke Raleigh Hospital/Wake County

CONDITIONS: See Reverse Side

**PHYSICAL LOCATION: Duke Raleigh Hospital
3400 Wake Forest Road
Raleigh, NC 27609**

MAXIMUM CAPITAL EXPENDITURE: \$4,267,956

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 15, 2014

This certificate is effective as of the 22nd day of October, 2013



Chief, Certificate of Need Section
Division of Health Service Regulation

CONDITIONS:

1. Duke University Health System, Inc. d/b/a Duke Raleigh Hospital shall materially comply with all representations made in its Certificate of Need Application, identified as Project I.D. # J-10021-12, and the supplemental information submitted on July 26, 2013 and August 1, 2013 except to the extent modified by this agreement. In those instances where representations conflict, Duke University Health System, Inc., d/b/a Duke Raleigh Hospital, shall materially comply with the last made representation.
2. Duke University Health System, Inc. d/b/a Duke Raleigh Hospital shall be licensed for no more than 12 rehabilitation beds and 186 acute care beds upon completion of the project.
3. Duke University Health System, Inc. d/b/a Duke Raleigh Hospital shall develop no more than 12 rehabilitation beds for a total of 12 rehabilitation beds upon project completion.
4. Duke University Health System, Inc., d/b/a Duke Raleigh Hospital shall not acquire, as part of this project, any equipment that is not included in the Project's proposed capital expenditure in Section VIII of the application and which would otherwise require a Certificate of Need.

TIMETABLE:

| | |
|--|--------------------|
| Completion of Preliminary Drawings _____ | December 16, 2013 |
| Submit Final Drawings & Specs to DHRS Construction Section _____ | February 3, 2014 |
| 25% Completion of Construction _____ | May 15, 2014 |
| 50% Completion of Construction _____ | July 1, 2014 |
| 75% Completion of Construction _____ | August 15, 2014 |
| Completion of Construction _____ | September 15, 2014 |
| Certification of Beds/Offering of Services _____ | October 1, 2014 |

STATE OF NORTH CAROLINA

*Department of Health and Human Services
Division of Health Service Regulation*

CERTIFICATE OF NEED

for

Project Identification Number #J-10139-13

FID #120578

**ISSUED TO: University of North Carolina Hospitals at Chapel Hill
Hedrick Building
211 Friday Center Drive, Suite 1068
Chapel Hill, NC 27514**

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Relocate no more than 12 adult inpatient psychiatric beds from Broughton Hospital to UNC Hospitals at WakeBrook for a total of no more than 28 beds upon completion of this project and Project I.D. # J-10069-12/ Wake County

CONDITIONS: See Reverse Side

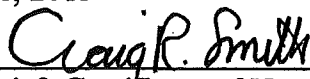
**PHYSICAL LOCATION: UNC Hospitals at WakeBrook
111 Sunnybrook Road
Raleigh, NC 27610**

MAXIMUM CAPITAL EXPENDITURE: \$3,827,498

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: May 15, 2014

This certificate is effective as of the 29th day of October, 2013



Chief, Certificate of Need Section
Division of Health Service Regulation

CONDITIONS:

1. University of North Carolina Hospitals at Chapel Hill shall materially comply with all representations made in the certificate of need application and supplemental information provided. In those instances where representations conflict, University of North Carolina Hospitals at Chapel Hill shall materially comply with the last made representation.
2. University of North Carolina Hospitals at Chapel Hill shall relocate no more than 12 inpatient psychiatric beds from Broughton Hospital pursuant to Policy PSY-1 to University of North Carolina Hospitals at WakeBrook for a total licensed bed complement of no more than 28 adult inpatient psychiatric beds upon completion of this project and Project I.D. # J-10069-12.
3. University of North Carolina Hospitals at Chapel Hill shall accept patients requiring involuntary admission for adult inpatient psychiatric services at University of North Carolina Hospitals at WakeBrook.
4. University of North Carolina Hospitals at Chapel Hill shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Certificate of Need Section in writing prior to issuance of the certificate of need.

A letter acknowledging acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Certificate of Need Section on October 25, 2013.

TIMETABLE:

| | |
|--------------------------------------|-------------------|
| Contract Award _____ | May 1, 2014 |
| 50% Completion of Construction _____ | December 30, 2014 |
| Completion of Construction _____ | June 7, 2015 |
| Licensure of Facility _____ | June 21, 2015 |
| Certification of Facility _____ | June 28, 2015 |