



North Carolina Department of Health and Human Services
Division of Health Service Regulation

Pat McCrory
Governor

Aldona Z. Vos, M.D.
Ambassador (Ret.)
Secretary DHHS

Drexdal Pratt
Division Director

RESPONSE REQUIRED

September 19, 2014

Stacie McEntyre
615 Douglas Street
Durham, NC 27705

Conditional Approval

Project I.D. #: J-10307-14
Facility: Veritas Collaborative
Project Description: Develop 25 new adult, psychiatric beds dedicated to eating disorder treatment, pursuant to an adjusted need determination in the 2014 SMFP
County: Durham
FID #: 140239

Dear Ms. McEntyre:

The Certificate of Need (CON) Section, Division of Health Service Regulation, Department of Health and Human Services has conditionally approved the above referenced certificate of need application. This decision was made after a review of the applications submitted for this cycle and after consideration of the Certificate of Need Law, G.S. 131E-175 et. seq. and regulations promulgated there under, the State Medical Facilities Plan, and other applicable information. Attached to this letter are the required findings made with respect to your application. The applicant shall not proceed with the construction, offering or development of this project until the certificate of need is issued. Further, the Department shall not issue the certificate of need until all applicable conditions of approval that can be satisfied before issuance of the certificate of need have been met pursuant to G.S. 131E-187(a). The conditions are as follows:

1. Veritas Collaborative, LLC shall materially comply with all representations made in the certificate of need application.
2. Veritas Collaborative, LLC shall develop no more than 25 inpatient psychiatric beds for adult eating disorder patients.



Certificate of Need Section

www.ncdhhs.gov

Telephone 919-855-3873 • Fax 919-733-8139

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

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3. Veritas Collaborative, LLC shall accept patients requiring involuntary admission for this type of inpatient psychiatric service provided at the facility.
4. Veritas Collaborative, LLC shall submit to the Certificate of Need Section an annual report for each of the three full calendar years following the issuance of the certificate of need to document that at least 2.0% of annual gross revenue amounts to charity/indigent care as that term was defined by Veritas Collaborative, LLC. The report shall be submitted to the Certificate of Need Section no later than April 15 of the following year and shall contain at least the following information:
 - a) The total number of patient days of care
 - b) The total number of patients served
 - c) Total gross revenue
 - d) The total dollar amount of charity care
5. Prior to Issuance of the Certificate of Need, Veritas Collaborative, LLC shall submit to the Certificate of Need Section written documentation of how they will meet the needs of medically unstable or psychiatrically unstable patients.
6. Veritas Collaborative, LLC shall develop and submit to the Certificate of Need Section governing body policies as required within 10A NCAC 27G.0201 in relation to the addition of NGFT treatment at its facility. The governing body policies will include quality assurance and quality improvement for the NGFT with methods for monitoring and evaluating the quality and appropriateness of client care including delineation of client outcomes and utilization of services. See 10A NCAC 27G.0201(a)(7)(c). The governing body policies will include a medical preparedness plan to be utilized in a medical emergency in relation to the NGFT treatment. See 10 A NCAC.27G.0201(a)(9).
7. Veritas Collaborative, LLC shall employ necessary staff for the addition of NGFT treatment at its facility. Veritas will maintain a job description for the necessary staff specifying the minimum level of education, competency, work experience and other qualifications for the position. The specific duties and responsibilities of the position will be included in the job description. See 10A NCAC.27G.0202(a).
8. Veritas Collaborative, LLC shall not provide intravenous (IV) services unless it first obtains a declaratory ruling authorizing the provision of such services pursuant to N.C. Gen. Statute § 150B-4 and the rules of the North Carolina Department of Health and Human Services (NCDHHS), Division of Health Service Regulation (DHSR).
9. Veritas Collaborative, 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.

Response to the above conditions should be submitted to the CON Section no later than 35 days from the date of the decision. Failure to respond within this time period may result in the CON Section making a determination not to issue a certificate of need for the project referenced above.

The conditional approval is valid only for a capital expenditure of \$9,125,033. If a cost overrun occurs that exceeds the approved capital expenditure amount, a new certificate of need may be required as determined by G.S. 131E-176(16)(e).

The applicant should be aware that according to the Certificate of Need Law any affected person shall have thirty (30) days after the date of decision to file a petition for a contested case on this approval. Further, if you are aggrieved by the conditions of the decision you may file a petition for a contested case hearing in accordance with G.S. 150B, Article 3, as amended. 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. [Note: Effective October 1, 2009, OAH requires a filing fee with submittal of petitions for contested cases. Please direct all questions regarding this fee to 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:

Emery Milliken
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 Certificate of Need Section.

The certificate of need will not be issued before the completion of this 30 day period ending October 20, 2014. If a contested case request is received within the thirty (30) day period, the certificate will not be issued until the appeal is resolved (10A NCAC 14C .0208). 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 CON Section because the review period was extended.

Stacie McEntyre
Page 4
September 19, 2014

The timetable for this project is as follows:

Obtain Funds Necessary to Undertake Project _____	March 1, 2015
Approval of Final Drawings by the Construction Section, DHSR _____	August 1, 2015
Construction Contract Awarded _____	September 15, 2015
25% Completion of Construction _____	December 15, 2015
50% Completion of Construction _____	April 1, 2016
75% Completion of Construction _____	August 1, 2016
Completion of Construction _____	December 15, 2016
Occupancy/Offering of Service _____	January 1, 2017
Joint Commission Accreditation _____	January 1, 2018

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 us if any clarification of this decision is required.

Please refer to the Project I.D. # and Facility I.D. # (FID) in all correspondence.

Sincerely,

Fatimah Wilson, Project Analyst

Lisa Pittman, Team Leader
Certificate of Need Section

FW:LP:mw

Attachment

cc: Medical Facilities Planning Branch, DHSR
Acute & Home Care Licensure & Certification Section, DHSR
Construction Section, DHSR

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing notice of **conditional approval** on the following person by placing a copy in an official depository of the United States Postal Service in a postage-paid, first class envelope addressed as follows:

Stacie McEntyre
615 Douglas Street
Durham, NC 27705

Project I.D. # J-10307-14
FID #140239

This the 19th day of September, 2014.

Fatimah Wilson
Project Analyst