



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

Pat McCrory
Governor

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

Drexdal Pratt
Division Director

RESPONSE REQUIRED

April 10, 2015

D. Gray Angell, Jr.
142 Bermuda Village Drive
Bermuda Run, NC 27006

Conditional Approval

Project ID #: G-10372-15
Facility: Bermuda Village Health Center
Project Description: Construct addition and renovate existing facility in order to add 12 nursing facility beds
County: Davie
FID #: 932966

Dear Mr. Angell, Jr:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) 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 Agency shall not issue the certificate of need until all applicable conditions of approval have been met pursuant to G.S. 131E-187(a). The conditions are as follows:

1. Batangas Consulting, Inc. d/b/a Bermuda Village Health Center shall materially comply with all representations made in the certificate of need application and in supplemental information received on April 6, 2015. In those instances where representations conflict, Batangas Consulting, Inc. d/b/a Bermuda Village Health Center shall material comply with the last made representation.



Healthcare Planning and 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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2. Batangas Consulting, Inc. d/b/a Bermuda Village Health Center shall develop no more than 12 new nursing facility beds for a total licensed bed complement of no more than 15 nursing facility and 21 adult care home beds upon completion of the project.
3. Batangas Consulting, Inc. d/b/a Bermuda Village Health Center shall receive the Medicaid per diem reimbursement rates allowed by the Division of Medical Assistance, under the NC State Plan Section .0102.
4. Batangas Consulting, Inc. d/b/a Bermuda Village Health Center shall file the proposed budget for the facility with the Division of Medical Assistance no later than thirty days prior to the prospective certification date of the new beds.
5. The 12 additional nursing facility beds shall not be certified for participation in the Medicaid program prior to July 1, 2016, unless the Division of Medical Assistance determines that state funds are available in the current Medicaid budget to pay for the care and authorizes an earlier certification date.
6. For the first two years of operation following completion of the project, Bermuda Village Health Center 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 Healthcare Planning and Certificate of Need Section that the proposed increase is in material compliance with the representations in the certificate of need application.
7. Batangas Consulting, Inc. d/b/a Bermuda Village Health Center shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Healthcare Planning and Certificate of Need Section in writing prior to issuance of the certificate of need.

Response to the above conditions should be submitted to the Agency no later than 35 days from the date of the decision. Failure to respond within this time period may result in the Agency 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 \$3,660,080. 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 Agency.

The certificate of need will not be issued before the completion of this 30 day period ending May 11, 2015. 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 Agency because the review period was extended. The timetable for this project is as follows:

Completion of final drawings _____	12/28/2015
Contract award _____	12/28/2015
25% completion of construction _____	02/29/2016
50% completion of construction _____	05/03/2016
75% completion of construction _____	07/05/2016
Completion of construction _____	09/07/2016
Licensure of Facility _____	09/21/2016
Medicare/Medicaid Certification _____	10/01/2016
Occupancy/Offering Service _____	10/01/2016

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 this office if any clarification of this decision is required.

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

Sincerely,

Kim Randolph
Project Analyst

Martha J. Frisone
Assistant Chief, Certificate of Need

Attachment

cc: Nursing Home Licensure & Certification Section, DHSR
Construction Section, DHSR
Assistant Chief, Healthcare Planning

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:

D. Gray Angell, Jr.
142 Bermuda Village Drive
Bermuda Run, NC 27006

Project ID #: G-10372-15
FID #: 932966

This the 10th day of April, 2015.

Kim Randolph
Project Analyst, Certificate of Need