



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

Pat McCrory
Governor

Richard O. Brajer
Secretary DHHS

Mark Payne
Assistant Secretary for Audit and
Health Service Regulation

RESPONSE REQUIRED

March 11, 2016

William Hyland
2321 West Morehead Street
Charlotte, NC 28208

Conditional Approval

Project ID #: F-11108-15
Facility: University City Dialysis
Project Description: Develop a new 10-station dialysis facility by relocating 10 dialysis stations from North Charlotte Dialysis
County: Mecklenburg
FID #: 150478

Dear Mr. Hyland:

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. DVA Healthcare Renal Care, Inc. d/b/a University City Dialysis shall materially comply with all representations made in the certificate of need application.
2. DVA Healthcare Renal Care, Inc. d/b/a University City Dialysis shall relocate no more than 10 dialysis stations from North Charlotte Dialysis Center.



Healthcare Planning and Certificate of Need Section

www.ncdhhs.gov

Telephone 919-855-3873 • Fax 919-715-4413

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

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

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3. DVA Healthcare Renal Care, Inc. d/b/a University City Dialysis shall install plumbing and electrical wiring through the walls for no more than 10 dialysis stations, which shall include any isolation or home hemodialysis stations.
4. DVA Healthcare Renal Care, Inc. shall take the necessary steps to decertify 10 dialysis stations at North Charlotte Dialysis Center for a total of no more than 27 dialysis stations at North Charlotte Dialysis Center upon completion of this project, and all of the following projects: Project I.D. #F-10219-13 (relocate 10 stations), Project I.D. #F-11019-15 (relocate 4 stations), and Project I.D. #F-11076-15 (add 10 stations).
5. Prior to the issuance of a certificate of need, DVA Healthcare Renal Care, Inc. d/b/a University City Dialysis shall provide to the Agency documentation of an intent to sign a written agreement or a written agreement with a transplantation center as required by 10A NCAC 14C .2202(b)(2) and .2204(11).
6. Prior to the issuance of a certificate of need, DVA Healthcare Renal Care, Inc. d/b/a University City Dialysis shall provide to the Agency documentation that power and water are available at proposed sites for the new facility as required by 10A NCAC 14C .2202(b)(3).
7. Prior to the issuance of a certificate of need, DVA Healthcare Renal Care, Inc. d/b/a University City Dialysis shall provide to the Agency a written commitment to pursue acquiring the primary site if and when the approval is granted and demonstrating that the primary and secondary sites are available for acquisition as required by 10A NCAC 14C .2202(b)(5).
8. DVA Healthcare Renal Care, Inc. d/b/a University City Dialysis shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Agency 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 \$2,501,856. 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 April 11, 2016. 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:

| | |
|---|--------------------|
| Final Drawings and Specifications sent to the Construction Department, DHSR | January 17, 2017 |
| Construction Contract Executed | April 1, 2017 |
| 25% Completion of Construction | May 31, 2017 |
| 50% Completion of Construction | July 16, 2017 |
| 75% Completion of Construction | September 15, 2017 |
| Order Equipment | September 15, 2017 |
| Completion of Construction | September 30, 2017 |
| Operation of Equipment | December 1, 2017 |
| Occupancy/Offering of Services | January 1, 2018 |
| Certification | 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 this office if any clarification of this decision is required.

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

Sincerely,

Julie Halatek
Project Analyst

Lisa Pittman
Team Leader, Certificate of Need

Attachment

cc: Acute & Home Care Licensure & Certification Section, DHSR
Construction Section, DHSR
Kelli Fisk, Program Assistant, Healthcare Planning, 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:

William Hyland
2321 West Morehead Street
Charlotte, NC 28208
Project ID #: F-11108-15
FID #: 150478

This the 11th day of March, 2016.

Julie Halatek
Project Analyst, Certificate of Need