

State of North Carolina

Department of Health and Human Services
Division of Health Service Regulation

Certificate of Need

for

Project ID #: G-12220-22

FID #: 70435

ISSUED TO: Digestive Health Specialists, P.A.

Pursuant to G.S. 131E-177(6), the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the certificate holder) to develop the project described below. The certificate holder shall develop the project in a manner consistent with the representations in the application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein, as documented by the periodic progress reports required by G.S. 131E-189(a). The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by G.S. 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in G.S. 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 G.S. 131E-189 for any of the reasons provided in that section.

SCOPE: Relocate existing facility and add no more than one GI endoscopy room for a total of no more than three GI endoscopy rooms/ Forsyth County

CONDITIONS: See Reverse Side

PHYSICAL LOCATION: Digestive Health Specialists, P.A.
195 Kimel Park Drive
Winston-Salem, NC 27103

CAPITAL EXPENDITURE: \$1,310,823

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: March 1, 2023

This certificate is effective as of September 7, 2022



Micheala Mitchell, Chief

CONDITIONS:

- 1. Digestive Health Specialists, P.A. (hereinafter certificate holder) shall materially comply with all representations made in the certificate of need application.**
- 2. The certificate holder shall develop a GI endoscopy Ambulatory Surgical Facility (ASF) by relocating an existing ASF with two GI endoscopy rooms and adding no more than one GI endoscopy room for a total of no more than three GI endoscopy rooms.**
- 3. Upon completion of the project, Digestive Health Specialists, P.A. located on Kimel Park Drive in Winston-Salem, shall be licensed for no more than three GI endoscopy rooms.**
- 4. Progress Reports:**
 - a. Pursuant to G.S. 131E-189(a), the certificate holder shall submit periodic reports on the progress being made to develop the project consistent with the timetable and representations made in the application on the Progress Report form provided by the Healthcare Planning and Certificate of Need Section. The form is available online at:
<https://info.ncdhhs.gov/dhsr/coneed/progressreport.html>.**
 - b. The certificate holder shall complete all sections of the Progress Report form.**
 - c. The certificate holder shall describe in detail all steps taken to develop the project since the last progress report and should include documentation to substantiate each step taken as available.**
 - d. The first progress report shall be due on March 1, 2023.**
- 5. The certificate holder shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditure in Sections F and Q of the application and that would otherwise require a certificate of need.**
- 6. For the first three years of operation following completion of the project, the certificate holder shall not increase charges more than 5% of the charges projected in Section Q 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. No later than three months after the last day of each of the first three full years of operation following initiation of the services authorized by this certificate of need, the certificate holder shall submit, on the form provided by the Healthcare Planning and Certificate of Need Section, an annual report containing the:**
 - a. Payor mix for the services authorized in this certificate of need.**

- b. Utilization of the services authorized in this certificate of need.
 - c. Revenues and operating costs for the services authorized in this certificate of need.
 - d. Average gross revenue per unit of service.
 - e. Average net revenue per unit of service.
 - f. Average operating cost per unit of service.
8. The certificate holder 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.

A letter acknowledging of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on September 6, 2022.

Timetable

Milestone		Date <i>mm/dd/yyyy</i>
1	Drawings Completed	01/01/2023
2	Construction / Renovation Contract(s) Executed	02/01/2023
3	25% of Construction / Renovation Completed (25% of the cost is in place)	03/01/2023
4	50% of Construction / Renovation Completed	04/01/2023
5	75% of Construction / Renovation Completed	05/01/2023
6	Construction / Renovation Completed	06/01/2023
7	Building / Space Occupied	06/15/2023
8	Licensure Obtained	07/01/2023
9	Services Offered	07/01/2023
10	First Annual Report Due*	04/01/2025

State of North Carolina

Department of Health and Human Services
Division of Health Service Regulation

Certificate of Need

for

Project ID #: M-12218-22

FID #: 220398

ISSUED TO: Changing Paths NC II, LLC

Pursuant to G.S. 131E-177(6), the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the certificate holder) to develop the project described below. The certificate holder shall develop the project in a manner consistent with the representations in the application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein, as documented by the periodic progress reports required by G.S. 131E-189(a). The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by G.S. 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in G.S. 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 G.S. 131E-189 for any of the reasons provided in that section.

SCOPE: Develop a 54-bed chemical dependency treatment facility/ Sampson County

CONDITIONS: See Reverse Side

PHYSICAL LOCATION: Changing Paths
205 Martha Lane
Clinton, NC 28328

CAPITAL EXPENDITURE: \$2,521,459

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: December 1, 2022

This certificate is effective as of September 13, 2022



Micheala Mitchell, Chief

CONDITIONS:

- 1. Changing Paths NC II, LLC (hereinafter certificate holder) shall materially comply with all representations made in the certificate of need application.**
- 2. The certificate holder shall develop a chemical dependency treatment facility with no more than 54 adult chemical dependency treatment beds.**
- 3. Upon completion of the project, Changing Paths shall be licensed for no more than 54 adult chemical dependency treatment beds.**
- 4. Progress Reports:**
 - a. Pursuant to G.S. 131E-189(a), the certificate holder shall submit periodic reports on the progress being made to develop the project consistent with the timetable and representations made in the application on the Progress Report form provided by the Healthcare Planning and Certificate of Need Section. The form is available online at: <https://info.ncdhhs.gov/dhsr/coneed/progressreport.html>.**
 - b. The certificate holder shall complete all sections of the Progress Report form.**
 - c. The certificate holder shall describe in detail all steps taken to develop the project since the last progress report and should include documentation to substantiate each step taken as available.**
 - d. The first progress report shall be due on December 1, 2022.**
- 5. No later than three months after the last day of each of the first three full fiscal years of operation following initiation of the services authorized by this certificate of need, the certificate holder shall submit, on the form provided by the Healthcare Planning and Certificate of Need Section, an annual report containing the:**
 - a. Payor mix for the services authorized in this certificate of need.**
 - b. Utilization of the services authorized in this certificate of need.**
 - c. Revenues and operating costs for the services authorized in this certificate of need.**
 - d. Average gross revenue per unit of service.**
 - e. Average net revenue per unit of service.**
 - f. Average operating cost per unit of service.**
- 6. The certificate holder 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.**
- 7. The certificate holder 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.**

A letter acknowledging of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on August 16, 2022.

(M-12218-22 Con't)

Timetable

Milestone		Date <i>mm/dd/yyyy</i>
1	Financing Obtained	12/03/2022
2	Drawings Completed	01/02/2023
4	Construction / Renovation Contract(s) Executed	02/01/2023
8	Construction / Renovation Completed	02/28/2023
9	Equipment Ordered	02/01/2023
10	Equipment Installed	02/28/2023
11	Equipment Operational	03/01/2023
12	Building / Space Occupied	03/05/2023
13	Licensure Obtained	03/19/2023
14	Services Offered	04/01/2023
16	Facility or Service Accredited	03/18/2024
17	First Annual Report Due*	04/01/2025