

**Certificate of Need
Certificates Issued
November 2017**

County	Project ID	Facility	FID	Facility Type	Project Description	Application Review Date	Decision Date	Certificate Issue Date	Approved Capital Expenditure
Caldwell	E-011376-17	Fresenius Kidney Care Caldwell County	170327	ESRD	Develop a new 14-station dialysis station facility by relocating 14 stations from BMA Lenoir	8/1/2017	10/27/2017	11/28/2017	\$1,959,630
Caldwell	E-011377-17	BMA Lenoir	170328	ESRD	Relocate the facility which will be certified for only 20 dialysis stations (the remaining 14 stations will be relocated to create a new 14-station facility - see Project ID #E-11376-17)	8/1/2017	10/27/2017	11/28/2017	\$2,624,459
Chatham	J-011378-17	Chatham County Rehabilitation Center	130367	NH	Relocate 25 NF beds from Legion Road Healthcare in Orange County to Chatham County Rehabilitation Center which is a change of scope for Project I.D. #J-10168-13 (develop a new 90-bed nursing facility in Chatham County) for a total of 115 NF beds upon completion of both projects	8/1/2017	10/16/2017	11/16/2017	
Durham	J-011359-17	Duke Health Center South Durham	170278	DXCTR	Develop a new diagnostic center by relocating existing equipment and acquiring new equipment	7/1/2017	9/28/2017	11/6/2017	\$45,000
Edgecombe	L-011374-17	Fresenius Kidney Care Boice-Willis	170325	ESRD	Develop a new 10-station dialysis facility by relocating 10 stations from BMA East Rocky Mount	8/1/2017	10/27/2017	11/28/2017	\$1,679,472
Mecklenburg	F-011375-17	Fresenius Kidney Care Mallard Creek	170326	ESRD	Develop a new 12-station dialysis facility by relocating 12 stations from BMA North Charlotte	8/1/2017	10/13/2017	11/17/2017	\$1,850,220
Mecklenburg	F-011296-17	The Barclay of SouthPark	170065	NH	Develop a new combination NF as part of a new CCRC by relocating 22 NF beds (12 from Pavillion, 10 from Royal Park), relocating 20 ACH beds from Wilora Lake, developing 80 Policy LTC-1 ACH beds. 24 of the ACH beds will be in a memory care SCU	3/1/2017	5/24/2017	11/17/2017	\$41,803,856
Orange	J-011365-17	University of North Carolina Hospitals	923517	HOSPITAL	Acquire proton therapy equipment and install on the Chapel Hill campus	7/1/2017	9/28/2017	11/3/2017	

STATE OF NORTH CAROLINA

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

CERTIFICATE OF NEED

for

Project ID #: E-11376-17

FID #: 170327

**ISSUED TO: Bio-Medical Applications of North Carolina, Inc.
3390 Dunn Road
Eastover, NC 28312**

Pursuant to N.C. Gen. Stat. §131E-175, 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, as documented by the periodic progress reports required by 10A NCAC 14C .0209. 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 new 14-station dialysis facility by relocating 14 stations from BMA Lenoir/ Caldwell County

CONDITIONS: See Reverse Side

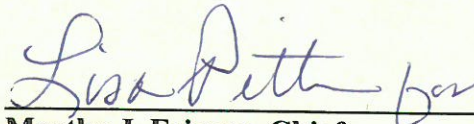
**PHYSICAL LOCATION: Fresenius Kidney Care Caldwell County
3060 Hickory Blvd.
Hudson, NC 28638**

MAXIMUM CAPITAL EXPENDITURE: \$1,959,630

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: June 1, 2018

This certificate is effective as of the 28th day of November, 2017



Martha J. Frisone, Chief

CONDITIONS:

1. **Bio-Medical Applications of North Carolina, Inc., d/b/a Fresenius Kidney Care Caldwell County shall materially comply with all representations made in the certificate of need application.**
2. **Pursuant to Policy ESRD-2, Bio-Medical Applications of North Carolina, Inc. shall develop a new kidney disease treatment center to be known as Fresenius Kidney Care Caldwell County by relocating 14 dialysis stations from BMA Lenoir.**
3. **Bio-Medical Applications of North Carolina, Inc., d/b/a Fresenius Kidney Care Caldwell County shall install plumbing and electrical wiring through the walls for no more than 14 dialysis stations, which shall include any isolation or home hemodialysis stations.**
4. **Upon completion of this project, Bio-Medical Applications of North Carolina, Inc. shall take the necessary steps to decertify 14 dialysis stations at BMA Lenoir for a total of no more than 20 dialysis stations at BMA Lenoir.**
5. **Bio-Medical Applications of North Carolina, Inc. 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 acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on November 1, 2017.

TIMETABLE:

- | | |
|--------------------------------------------------------------------------------------|---------------------------|
| 1. Drawings Completed | April 18, 2018 |
| 2. Construction/Renovation Contract(s) Executed | May 18, 2018 |
| 3. 25% of Construction/Renovation Completed
(25% of the cost is in place) | July 2, 2018 |
| 4. 50% of Construction/Renovation Completed | August 16, 2018 |
| 5. 75% of Construction/Renovation Completed | September 30, 2018 |
| 6. Construction/Renovation Completed | November 14, 2018 |
| 7. Equipment Ordered | October 17, 2018 |
| 8. Equipment Operational | December 22, 2018 |
| 9. Building/Space Occupied | December 31, 2018 |
| 10. Services Offered | December 31, 2018 |
| 11. Medicare and/or Medicaid Certification Obtained | December 31, 2018 |

STATE OF NORTH CAROLINA

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

CERTIFICATE OF NEED

for

Project ID #: E-11377-17

FID #: 170328

**ISSUED TO: Bio-Medical Applications of North Carolina, Inc.
3390 Dunn Road
Eastover, NC 28312**

Pursuant to N.C. Gen. Stat. §131E-175, 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, as documented by the periodic progress reports required by 10A NCAC 14C .0209. 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 the facility which will be certified for only 20 dialysis stations (the remaining 14 stations will be relocated to create a new 14-station facility – see Project I.D. #E-11376-17)/ Caldwell County

CONDITIONS: See Reverse Side

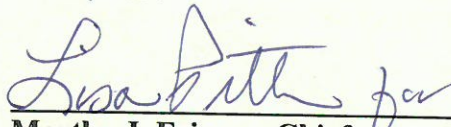
**PHYSICAL LOCATION: BMA Lenoir
125 Hospital Avenue
Lenoir, NC 28645**

MAXIMUM CAPITAL EXPENDITURE: \$2,624,459

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: June 1, 2018

This certificate is effective as of the 28th day of November, 2017



Martha J. Frisone, Chief

CONDITIONS:

1. **Bio-Medical Applications of North Carolina, Inc., d/b/a BMA Lenoir shall materially comply with all representations made in the certificate of need application.**
2. **Pursuant to Policy ESRD-2, Bio-Medical Applications of North Carolina, Inc., d/b/a BMA Lenoir, shall relocate 20 dialysis stations to a new replacement facility.**
3. **Bio-Medical Applications of North Carolina, Inc., d/b/a BMA Lenoir shall install plumbing and electrical wiring through the walls for no more than 20 dialysis stations, which shall include any isolation or home hemodialysis stations.**
4. **Bio-Medical Applications of North Carolina, Inc. 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 acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on November 1, 2017.

TIMETABLE:

1. Drawings Completed	February 17, 2018
2. Construction/Renovation Contract(s) Executed	March 19, 2018
3. 25% of Construction/Renovation Completed (25% of the cost is in place)	May 18, 2018
4. 50% of Construction/Renovation Completed	July 17, 2018
5. 75% of Construction/Renovation Completed	August 31, 2018
6. Construction/Renovation Completed	October 15, 2018
7. Equipment Ordered	October 17, 2018
8. Equipment Operational	December 22, 2018
9. Building/Space Occupied	December 31, 2018
10. Services Offered	December 31, 2018
11. Medicare and/or Medicaid Certification Obtained	December 31, 2018

STATE OF NORTH CAROLINA

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

CERTIFICATE OF NEED

for

Project ID #: J-11378-17

FID #: 130367

ISSUED TO: Liberty Healthcare Properties of Chatham, LLC
Liberty Commons Nursing and Rehabilitation Center of Chatham County,
LLC
2334 South 41st Street
Wilmington, NC 28403

Pursuant to N.C. Gen. Stat. §131E-175, 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, as documented by the periodic progress reports required by 10A NCAC 14C .0209. 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 25 NF beds from Legion Road Healthcare in Orange County to Chatham County Rehabilitation Center which is a change of scope for Project I.D. #J-10168-13 (develop a new 90-bed nursing facility in Chatham County) for a total of 115 NF beds upon completion of both projects/ Chatham County

CONDITIONS: See Reverse Side

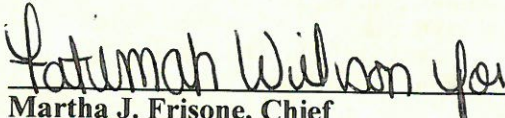
PHYSICAL LOCATION: Chatham County Rehabilitation Center
985-995 US Hwy 15 501 N.
Farrington, NC 27312

MAXIMUM CAPITAL EXPENDITURE: \$0

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: June 1, 2018

This certificate is effective as of the 16th day of November, 2017


Martha J. Frisone, Chief

CONDITIONS:

1. Liberty Healthcare Properties of Chatham, LLC and Liberty Commons Nursing and Rehabilitation Center of Chatham County, LLC shall materially comply with all conditions of approval on the certificate of need for Project ID #J-10168-13, except as specifically modified by the conditions of approval for this application, Project ID #J-11378-17.
2. Liberty Healthcare Properties of Chatham, LLC and Liberty Commons Nursing and Rehabilitation Center of Chatham County, LLC shall materially comply with all representations made in the certificate of need application and the supplemental information received October 5, 2017 and October 10, 2017. In those instances where representations conflict, Liberty Healthcare Properties of Chatham, LLC and Liberty Commons Nursing and Rehabilitation Center of Chatham County, LLC shall materially comply with the last made representation.
3. Liberty Healthcare Properties of Chatham, LLC and Liberty Commons Nursing and Rehabilitation Center of Chatham County, LLC shall relocate no more than 25 NF beds from Legion Road Healthcare in Orange County to Chatham County Rehabilitation Center.
4. Chatham County Rehabilitation Center will be licensed for no more than 115 NF beds upon completion of this project and Project ID #J-10168-13.
5. Liberty Properties of Orange County, LLC shall take steps to de-certify 25 NF beds at Legion Road Healthcare.
6. The Medicaid per diem reimbursement rates for the new nursing facility beds shall be equal to the rates for the facility's existing beds as of the date on which the additional beds are certified.
7. The Chatham County Rehabilitation Center additional nursing facility beds shall not be certified for participation in the Medicaid program prior to July 1, 2020 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.
8. For the first two years of operation following completion of the project, Liberty Healthcare Properties of Chatham, LLC and Liberty Commons Nursing and Rehabilitation Center of Chatham County, 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 Healthcare Planning and Certificate of Need Section that the proposed increase is in material compliance with the representations in the certificate of need application.
9. 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, Liberty Healthcare Properties of Chatham, LLC and Liberty Commons Nursing and Rehabilitation Center of Chatham County, LLC 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.
10. Liberty Healthcare Properties of Chatham, LLC and Liberty Commons Nursing and Rehabilitation Center of Chatham County, LLC 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 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 Agency on October 23, 2017.

TIMETABLE:

1. Drawings Completed	May 1, 2018
2. Land Acquired	November 1, 2017
3. Construction/Renovation Contract(s) Executed	September 1, 2018
4. 25% of Construction/Renovation Completed (25% of the cost is in place)	August 1, 2019
5. 50% of Construction/Renovation Completed	December 1, 2019
6. 75% of Construction/Renovation Completed	April 1, 2020
7. Construction/Renovation Completed	August 1, 2020
8. Licensure Obtained	September 1, 2020
9. Services Offered	October 1, 2020
10. Medicare and/or Medicaid Certification Obtained	October 1, 2020
11. Final Annual Report Due	December 30, 2023

STATE OF NORTH CAROLINA

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

CORRECTED CERTIFICATE OF NEED

for

Project ID #: J-11359-17

FID #: 170278

**ISSUED TO: Private Diagnostic Clinic, PLLC
4825 Creekstone Drive, Suite 250
Durham, NC 27703**

Pursuant to N.C. Gen. Stat. §131E-175, 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, as documented by the periodic progress reports required by 10A NCAC 14C .0209. 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 new diagnostic center by relocating existing equipment and acquiring new equipment/ Durham County

CONDITIONS: See Reverse Side

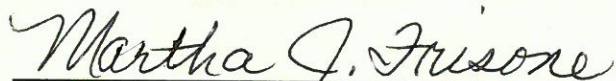
**PHYSICAL LOCATION: Duke Health Center South Durham
234 Crooked Creek Parkway
Durham, NC 27713**

MAXIMUM CAPITAL EXPENDITURE: \$45,000

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: March 30, 2018

This certificate is effective as of the 31st day of October, 2017
The corrected certificate was issued on November 6, 2017


Martha J. Frisone, Chief

CONDITIONS:

1. Private Diagnostic Clinic, PLLC shall materially comply with all representations made in the certificate of need application.
2. Private Diagnostic Clinic, PLLC shall acquire no more than one PFT/body plethysmography (Body Box), one ultrasound machine, one EMG, nineteen LED slit lamps, one Humphrey Field Analyzer, one B-Scan ultrasound machine, one Topcon Autorefractor and supporting equipment, one Spectrails 6-mode unit, one slit lamp with imaging system Nikon Camera, and one flat film radiology unit to be located at Duke Health Center South Durham.
3. Private Diagnostic Clinic, PLLC shall not relocate any existing services or equipment other than those services and equipment that are outlined in Section C of the application to Duke Health Center South.
4. Private Diagnostic Clinic, PLLC, as part of this project, shall acquire not acquire any equipment that is not included in the project's proposed capital expenditures in Section F of the application and that would otherwise require a certificate of need.
5. 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, Private Diagnostic Clinic, PLLC 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. Private Diagnostic Clinic, PLLC shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Agency in writing prior to insurance 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 Agency on October 19, 2017.

TIMETABLE:

1. Financing Obtained	November 2, 2017
2. Equipment Ordered	November 2, 2017
3. Equipment Installed	December 15, 2017
4. Equipment Operational	December 22, 2017
5. Building/Space Occupied	December 1, 2017
6. Services Offered	January 1, 2018
7. Final Annual Report Due	April 1, 2021

STATE OF NORTH CAROLINA

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

CERTIFICATE OF NEED

for

Project ID #: L-11374-17

FID #: 170325

**ISSUED TO: Bio-Medical Applications of North Carolina, Inc.
3390 Dunn Road
Eastover, NC 28312**

Pursuant to N.C. Gen. Stat. §131E-175, 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, as documented by the periodic progress reports required by 10A NCAC 14C .0209. 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 new 10-station dialysis facility by relocating 10 stations from BMA East Rocky Mount/ Edgecombe County

CONDITIONS: See Reverse Side

**PHYSICAL LOCATION: Fresenius Kidney Care – Boice Willis
1794 East Raleigh Boulevard
Rocky Mount, NC 27802**

MAXIMUM CAPITAL EXPENDITURE: \$1,679,472

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: April 1, 2018

This certificate is effective as of the 28th day of November, 2017



Martha J. Frisone, Chief

CONDITIONS:

1. **Bio-Medical Applications of North Carolina, Inc. d/b/a Fresenius Kidney Care Boice-Willis shall materially comply with all representations made in the certificate of need application and any supplemental responses. In the event that representations conflict, Bio-Medical Applications of North Carolina, Inc. shall materially comply with the last made representation.**
2. **Pursuant to Policy ESRD-2, Bio-Medical Applications of North Carolina, Inc. shall develop a new kidney disease treatment center to be known as Fresenius Kidney Care Boice-Willis by relocating 10 dialysis stations from BMA East Rocky Mount.**
3. **Bio-Medical Applications of North Carolina, Inc. d/b/a Fresenius Kidney Care Boice-Willis shall install plumbing and electrical wiring through the walls for no more than 10 dialysis stations which shall include any isolation stations.**
4. **Upon completion of this project, Bio-Medical Applications of North Carolina, Inc. shall take the necessary steps to decertify 10 dialysis stations at BMA East Rocky Mount for a total of no more than 20 dialysis stations at BMA East Rocky Mount upon completion of this project.**
5. **Bio-Medical Applications of North Carolina, Inc. d/b/a Fresenius Kidney Care Boice-Willis 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 acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on October 31, 2017.

TIMETABLE:

- | | |
|-----------------------------------------------------------|------------------------|
| 1. Services Offered | January 1, 2019 |
| 2. Medicare and/or Medicaid Certification Obtained | January 1, 2019 |

STATE OF NORTH CAROLINA

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

CERTIFICATE OF NEED

for

Project ID #: F-11375-17

FID #: 170326

**ISSUED TO: Bio-Medical Applications of North Carolina, Inc.
3390 Dunn Road
Eastover, NC 28303**

Pursuant to N.C. Gen. Stat. §131E-175, 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, as documented by the periodic progress reports required by 10A NCAC 14C .0209. 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 new 12-station dialysis facility by relocating 12 stations from BMA North Charlotte/ Mecklenburg County

CONDITIONS: See Reverse Side

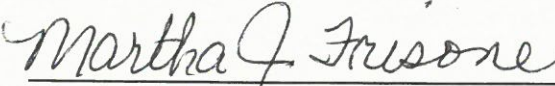
**PHYSICAL LOCATION: Fresenius Kidney Care Mallard Creek
2210 West Arbors Drive
Charlotte, NC 28262**

MAXIMUM CAPITAL EXPENDITURE: \$1,850,220

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE:

This certificate is effective as of the 14th day of November, 2017



Martha J. Frisone, Chief

CONDITIONS:

1. **Bio-Medical Applications of North Carolina, Inc. d/b/a Fresenius Kidney Care Mallard Creek shall materially comply with all representations made in the certificate of need application.**
2. **Pursuant to Policy ESRD-2, Bio-Medical Applications of North Carolina, Inc. d/b/a Fresenius Kidney Care Mallard Creek shall develop a new kidney disease treatment center to be known as FKC Mallard Creek by relocating 12 dialysis stations from BMA North Charlotte.**
3. **Bio-Medical Applications of North Carolina, Inc. d/b/a Fresenius Kidney Care Mallard Creek shall install plumbing and electrical wiring through the walls for no more than 12 dialysis stations, which shall include any isolation stations.**
4. **Upon completion of this project, Bio-Medical Applications of North Carolina, Inc. shall take the necessary steps to decertify 12 dialysis stations at BMA North Charlotte for a total of no more than 28 dialysis stations at BMA North Charlotte upon completion of this project and Project I.D. #F-11243-16 (add 4 stations).**
5. **Bio-Medical Applications of North Carolina, Inc. d/b/a Fresenius Kidney Care Mallard Creek 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 acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on November 9, 2017.

TIMETABLE:

- | | |
|----------------------------------------------------------------------------------|---------------------------|
| 1. Construction/Renovation Contract(s) Executed | May 18, 2018 |
| 2. 25% of Construction/Renovation Completed (25% of the cost is in place) | July 2, 2018 |
| 3. 50% of Construction/Renovation Completed | June 1, 2018 |
| 4. 75% of Construction/Renovation Completed | September 30, 2018 |
| 5. Construction/Renovation Completed | November 14, 2018 |
| 6. Services Offered | December 31, 2018 |
| 7. Medicare and/or Medicaid Certification Obtained | December 31, 2018 |
| 8. Final Annual Report Due | March 31, 2022 |

STATE OF NORTH CAROLINA

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

CERTIFICATE OF NEED

for

Project ID #: F-11296-17

FID #: 170065

ISSUED TO: Barclay Properties of SouthPark, LLC, Barclay Senior Living SouthPark, LLC, Liberty Healthcare Properties of Matthews, LLC, Liberty Commons Nursing and Rehabilitation Center, Liberty Healthcare Properties of Ballantyne, LLC, and Liberty Commons Nursing and Rehabilitation Center of Ballantyne, LLC

Pursuant to N.C. Gen. Stat. §131E-175, 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, as documented by the periodic progress reports required by 10A NCAC 14C .0209. 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 new combination NF as part of a new CCRC by relocating 22 NF beds (12 from Pavilion Health Center, 10 from Royal Park of Matthews), relocating 20 ACH beds from Wilora Lake Healthcare Center, and developing 80 Policy LTC-1 ACH beds. Twenty-four of the ACH beds will be in a memory care unit/ Mecklenburg County

CONDITIONS: See Reverse Side


PHYSICAL LOCATION: The Barclay of SouthPark
6010 Fairview Road
Charlotte, NC 28210

MAXIMUM CAPITAL EXPENDITURE: \$41,803,856

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: June 1, 2018

This certificate is effective as of the 17th day of November, 2017


Martha J. Frisone, Chief

CONDITIONS:

1. **Barclay Properties of SouthPark, LLC, Barclay Senior Living SouthPark, LLC, Liberty Healthcare Properties of Matthews, LLC, Liberty Commons Nursing and Rehabilitation Center, Liberty Healthcare Properties of Ballantyne, LLC, and Liberty Commons Nursing and Rehabilitation Center of Ballantyne, LLC (hereinafter the certificate holders) shall materially comply with all representations made in the certificate of need application and any supplemental responses. In the event that representations conflict, the certificate holders shall materially comply with the last made representation.**
2. **The certificate holders shall develop a new combination NF as part of a new CCRC by relocating 22 NF beds (12 from Pavilion Health Center, 10 from Royal Park of Matthews), relocating 20 ACH beds from Wilora Lake Healthcare Center, and developing 80 Policy LTC-1 ACH beds. Twenty-four of the ACH beds will be in a memory care unit.**
3. **Upon completion of the project, The Barclay of SouthPark shall be licensed for no more than 22 skilled nursing facility beds and 100 adult care home beds.**
4. **The 80 Policy LTC-1 adult care beds shall not participate in the Medicaid program or serve State-County Special Assistance recipients.**
5. **The 80 Policy LTC-1 adult care home beds shall be used exclusively to meet the needs of persons with whom the facility has continuing care contracts (in compliance with the Department of Insurance statutes and regulations) who have lived in a non-nursing or adult care unit of the continuing care facility for a period of at least 30 days. Exceptions shall be allowed when one spouse or sibling is admitted to the adult care home unit at the time the other spouse or sibling moves into a non-nursing or adult care unit, or when the medical condition requiring nursing or adult care home care was not known to exist or be imminent when the individual became a party to the continuing care contract.**
6. **The 80 Policy LTC-1 adult care home beds shall be developed on the same site with the 393 independent living units.**
7. **For the first two years of operation following completion of the project, the certificate holders shall not increase 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.**
8. **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 holders 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.**

TIMETABLE:

1. Construction/Renovation Contract(s) Executed	December 1, 2018
2. 25% of Construction/Renovation Completed (25% of the cost is in place)	October 1, 2019
3. 50% of Construction/Renovation Completed	March 1, 2020
4. 75% of Construction/Renovation Completed	August 1, 2020
5. Construction/Renovation Completed	January 1, 2021
6. Licensure Obtained	February 1, 2021
7. Services Offered	March 1, 2021
8. Medicare and/or Medicaid Certification Obtained	March 1, 2021
9. Final Annual Report Due	June 1, 2024

STATE OF NORTH CAROLINA

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

CERTIFICATE OF NEED

for

Project ID #: J-11365-17

FID #: 923517

**ISSUED TO: University of North Carolina Hospitals at Chapel Hill
UNC HCS, Hedrick Building
211 Friday Center Drive, Suite G014
Chapel Hill, NC 27517**

Pursuant to N.C. Gen. Stat. §131E-175, 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, as documented by the periodic progress reports required by 10A NCAC 14C .0209. 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 proton therapy equipment/ Wake County

CONDITIONS: See Reverse Side


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

MAXIMUM CAPITAL EXPENDITURE: \$39,080,263

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: April 1, 2018

This certificate is effective as of the 31st day of October, 2017



Martha J. Frisone, Chief

CONDITIONS:

1. University of North Carolina Hospitals at Chapel Hill shall materially comply with all representations made in the certificate of need application.
2. University of North Carolina Hospitals at Chapel Hill shall acquire one unit of proton therapy equipment.
3. 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 expenditures in Section Q of the application and that would otherwise require a certificate of need.
4. University of North Carolina Hospitals at Chapel Hill 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.
5. 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, University of North Carolina Hospitals at Chapel Hill 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. University of North Carolina Hospitals at Chapel Hill 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 acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on October 18, 2017.

TIMETABLE:

- | | |
|---------------------------------------------------------------------------|--------------------|
| 1. Construction/Renovation Contract(s) Executed | April 1, 2019 |
| 2. 25% of Construction/Renovation Completed (25% of the cost is in place) | July 1, 2019 |
| 3. 50% of Construction/Renovation Completed | September 30, 2019 |
| 4. 75% of Construction/Renovation Completed | December 30, 2019 |
| 5. Construction/Renovation Completed | March 31, 2020 |
| 6. Equipment Operational | March 31, 2021 |
| 7. Services Offered | July 1, 2021 |
| 8. Final Annual Report Due | October 1, 2024 |

STATE OF NORTH CAROLINA

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

CERTIFICATE OF NEED

for

Project ID #: F-11370-17

FID #: 923316

**ISSUED TO: Lutheran Home-Albemarle, Inc and
Lutheran Home Albemarle Property, Inc
P.O. Box 947
Salisbury, NC 28145**

Pursuant to N.C. Gen. Stat. §131E-175, 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, as documented by the periodic progress reports required by 10A NCAC 14C .0209. 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 and relocate no more than 17 ACH beds from Forrest Oakes Healthcare Center in Stanly County and construct an addition, for a total of no more than 27 ACH and 76 NF beds at Trinity Place and 60 NF beds and no ACH beds at Forrest Oakes Healthcare Center/ Stanly County

CONDITIONS: See Reverse Side


**PHYSICAL LOCATION: Trinity Place
24724 South Business Highway 52
Albemarle, NC 28001**

MAXIMUM CAPITAL EXPENDITURE: \$2,554,560

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: March 15, 2018

This certificate is effective as of the 1st day of November, 2017


Martha J. Frisone, Chief

CONDITIONS:

1. Lutheran Home-Albemarle, Inc. and Lutheran Home Albemarle Property, Inc. shall materially comply with all representations made in the certificate of need application and any supplemental responses. In the event that representations conflict, Lutheran Home-Albemarle, Inc. and Lutheran Home Albemarle Property, Inc. shall materially comply with the last made representation.
2. Lutheran Home-Albemarle, Inc. and Lutheran Home Albemarle Property, Inc. shall relocate 17 adult care home beds from Forrest Oaks Healthcare Center to Trinity Place, pursuant to Policy LTC-2, for no more than 27 adult care home beds at Trinity Place upon project completion.
3. Lutheran Home-Albemarle, Inc. and Lutheran Home Albemarle Property, Inc. shall provide care to recipients of State/County Special Assistance with Medicaid, commensurate with representations made in the application.
4. For the first two years of operation following completion of the project, Lutheran Home-Albemarle, Inc. and Lutheran Home Albemarle Property, Inc. shall not increase private pay charges more than 5% of the projected private pay charges provided in Section IX 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.
5. 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, Lutheran Home-Albemarle, Inc. and Lutheran Home Albemarle Property, Inc. 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. Lutheran Home-Albemarle, Inc. and Lutheran Home Albemarle Property, Inc. 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 acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on October 13, 2017.

TIMETABLE:

- | | |
|------------------------------------------------------------------------------|------------------|
| 1. Construction/Renovation Contract(s) Executed | December 1, 2017 |
| 2. 25% of Construction/Renovation Completed
(25% of the cost is in place) | April 15, 2018 |
| 3. 50% of Construction/Renovation Completed | June 1, 2018 |
| 4. 75% of Construction/Renovation Completed | August 1, 2018 |
| 5. Construction/Renovation Completed | October 1, 2018 |
| 6. Services Offered | October 1, 2018 |
| 7. Medicare and/or Medicaid Certification Obtained | October 1, 2018 |
| 8. Final Annual Report Due | January 1, 2021 |

STATE OF NORTH CAROLINA

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

CERTIFICATE OF NEED

for

Project ID #: G-11381-17

FID #: 170364

**ISSUED TO: Digestive Health Specialists, P.A.
2025 Frontis Plaza Blvd., Suite 200
Winston-Salem, NC 27103**

Pursuant to N.C. Gen. Stat. §131E-175, 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, as documented by the periodic progress reports required by 10A NCAC 14C .0209. 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 ASC with one licensed GI endoscopy room in an existing medical office building/ Stokes County

CONDITIONS: See Reverse Side

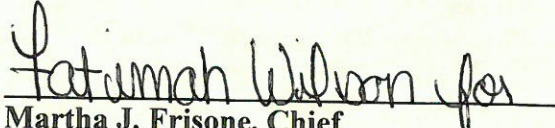
**PHYSICAL LOCATION: Digestive Health Specialists, P.A.
434 Kirby Road
King, NC 27021**

MAXIMUM CAPITAL EXPENDITURE: \$60,000

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: June 1, 2018

This certificate is effective as of the 16th day of November, 2017


Martha J. Frisone, Chief

CONDITIONS:

1. Digestive Health Specialists, P.A. shall materially comply with all representations made in the certificate of need application.
2. Digestive Health Specialists, P.A. shall develop an ambulatory surgery center with no more than one licensed gastrointestinal endoscopy procedure room.
3. Upon completion of the project, Digestive Health Specialists, P.A. shall be licensed for no more than one gastrointestinal endoscopy procedure room.
4. Digestive Health Specialists, P.A. 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.
5. The procedure room shall not be used for procedures that should be performed only in an operating room based on current standards of practice.
6. Procedures performed in the procedure room shall not be reported for billing purposes as having been performed in an operating room and shall not be reported on the facility's license renewal application as procedures performed in an operating room.
7. Digestive Health Specialists, P.A. shall receive accreditation from the Joint Commission for the Accreditation of Healthcare Organizations, the Accreditation Association for Ambulatory Health Care or a comparable accreditation authority within two years following licensure of the facility.
8. For the first three years of operation following completion of the project, Digestive Health Specialists, P.A. shall not increase charges more than 5% of the charges projected 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.
9. 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, Digestive Health Specialists, P.A. 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.
10. Digestive Health Specialists, P.A. 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.

A letter acknowledging acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on November 7, 2017.

TIMETABLE:

- | | |
|----------------------------------------------------|-------------------|
| 1. Financing Obtained | March 5, 2018 |
| 2. Licensure Obtained | December 15, 2018 |
| 3. Services Offered | January 1, 2019 |
| 4. Medicare and/or Medicaid Certification Obtained | January 1, 2019 |
| 5. Facility or Service Accredited | June 30, 2019 |
| 6. Final Annual Report Due | March 31, 2021 |

STATE OF NORTH CAROLINA

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

CERTIFICATE OF NEED

for

Project ID #: F-11348-17

FID #: 050752

**ISSUED TO: Union Health Services, LLC
The Charlotte-Mecklenburg Hospital Authority
6068 Highway 74 West
Indian Trail, NC 28079**

Pursuant to N.C. Gen. Stat. §131E-175, 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, as documented by the periodic progress reports required by 10A NCAC 14C .0209. 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: Add a third OR pursuant to the need determination in the 2017 SMFP/ Union County

CONDITIONS: See Reverse Side


**PHYSICAL LOCATION: Union West Surgery Center
6068 Highway 74 West
Indian Trail, NC 28079**

MAXIMUM CAPITAL EXPENDITURE: \$4,100,000

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: June 1, 2018

This certificate is effective as of the 21st day of November, 2017


Martha J. Frisone, Chief

CONDITIONS:

1. Union Health Services, LLC and The Charlotte-Mecklenburg Hospital Authority shall materially comply with all representations made in the certificate of need application.
2. Union Health Services, LLC and The Charlotte-Mecklenburg Hospital Authority shall develop no more than one operating room for a total of no more than three operating rooms and one procedure room in its ambulatory surgical facility upon completion of this project.
3. Upon completion of this project, Union West Surgery Center shall be licensed for no more than three operating rooms and one procedure room.
4. Union Health Services, LLC and The Charlotte-Mecklenburg Hospital Authority 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.
5. Union Health Services, LLC and The Charlotte-Mecklenburg Hospital Authority shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditures in Section VII of the application and that would otherwise require a certificate of need.
6. 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, Union West Surgery Center 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.
7. Union Health Services, LLC and The Charlotte-Mecklenburg Hospital Authority 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.
8. For the first three years of operation following completion of the project, Union West Surgery Center shall not increase charges more than 5% of the charges projected in Section XI 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.
9. The procedure room shall not be used for procedures that should be performed only in an operating room based on current standards of practice.
10. Procedures performed in the procedure room shall not be reported for billing purposes as having been performed in an operating room and shall not be reported on the facility's license renewal application as procedures performed in an operating room.

A letter acknowledging acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on November 17, 2017.

TIMETABLE:

1. Drawings Completed	January 31, 2018
2. Construction/Renovation Contract(s) Executed	August 1, 2018
3. 25% of Construction/Renovation Completed (25% of the cost is in place)	September 30, 2018
4. 50% of Construction/Renovation Completed	October 31, 2018
5. 75% of Construction/Renovation Completed	November 30, 2018
6. Construction/Renovation Completed	January 31, 2019
7. Building/Space Occupied	March 1, 2019
8. Services Offered	March 1, 2019

STATE OF NORTH CAROLINA

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

CERTIFICATE OF NEED

for

Project ID #: J-11379-17

FID #: 080413

**ISSUED TO: The Cardinal at North Hills Healthcare, LLC
KSL Toledo Tenant, LLC
235 N. Edgeworth Street
Greensboro, NC 27401**

Pursuant to N.C. Gen. Stat. §131E-175, 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, as documented by the periodic progress reports required by 10A NCAC 14C .0209. 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 10 existing ACH beds from Magnolia Glen for a total of 55 ACH beds and 15 NF beds upon project completion/ Wake County

CONDITIONS: See Reverse Side

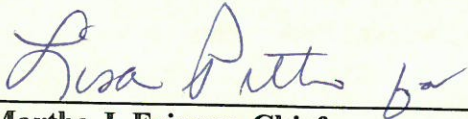
**PHYSICAL LOCATION: The Cardinal at North Hills
4030 Cardinal at North Hills Street
Raleigh, NC 27609**

MAXIMUM CAPITAL EXPENDITURE: \$50,000

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: April 1, 2018

This certificate is effective as of the 28th day of November, 2017



Martha J. Frisone, Chief

CONDITIONS:

1. The Cardinal at North Hills Healthcare, LLC and KSL Toledo Tenant, LLC shall materially comply with all representations made in the certificate of need application.
2. The Cardinal at North Hills Healthcare, LLC and KSL Toledo Tenant, LLC shall relocate no more than 10 unrestricted adult care home beds from Magnolia Glen to The Cardinal at North Hills, for a facility total of no more than 15 Policy NH-2 nursing care beds and 55 adult care home beds, which may include a 20-bed special care unit, following completion of the project. Also, following completion of the project, 45 of the ACH beds at The Cardinal at North Hills will continue to be subject to the conditions of Policy LTC-1, and the 10 beds to be relocated from Magnolia Glen will not be subject to those conditions.
3. Magnolia Glen will de-license 10 adult care home beds, and will be licensed for 56 adult care home beds following completion of the project.
4. The Cardinal at North Hills Healthcare, LLC and KSL Toledo Tenant, LLC shall provide care to recipients of State/County Special Assistance with Medicaid, commensurate with representations made in the application.
5. For the first two years of operation following completion of the project, The Cardinal at North Hills Healthcare, LLC and KSL Toledo Tenant, LLC shall not increase 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.
6. 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 Cardinal at North Hills Healthcare, LLC and KSL Toledo Tenant, LLC 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.
7. The Cardinal at North Hills Healthcare, LLC and KSL Toledo Tenant, LLC 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 acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on November 28, 2017.

TIMETABLE:

- | | |
|----------------------------|-----------------|
| 1. Services Offered | January 1, 2018 |
| 2. Final Annual Report Due | April 1, 2021 |

STATE OF NORTH CAROLINA

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

CERTIFICATE OF NEED

for

Project ID #: J-11353-17

FID #: 170274

**ISSUED TO: Duke University Health System, Inc.
3100 Tower Blvd., Suite 1300
Durham, NC 27707**

Pursuant to N.C. Gen. Stat. §131E-175, 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, as documented by the periodic progress reports required by 10A NCAC 14C .0209. 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 diagnostic center with 2 x-ray units, one CT scanner, one mammography unit, and one ultrasound unit/ Wake County

CONDITIONS: See Reverse Side

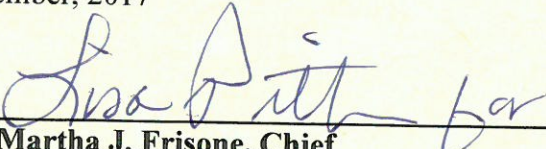
**PHYSICAL LOCATION: Duke Radiology at Heritage
3000 Rogers Road
Wake Forest, NC 27587**

MAXIMUM CAPITAL EXPENDITURE: \$8,097,781

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 1, 2018

This certificate is effective as of the 21st day of November, 2017


Martha J. Frisone, Chief

CONDITIONS:

1. Duke University Health System, Inc. shall materially comply with all representations made in the certificate of need application.
2. Duke University Health System, Inc. shall develop a diagnostic center with 2 x-ray units, one CT scanner, one mammography unit and one ultrasound unit.
3. Upon completion of the project, Duke Radiology at Heritage shall be licensed for no more than 2 x-ray units, one CT scanner, one mammography unit and one ultrasound unit.
4. Duke University Health System, Inc. shall not acquire as part of this project any equipment that is not included in the project's proposed capital expenditures in Section Q, Form F.1a of the application and that would otherwise require a certificate of need.
5. Duke University Health System, Inc. 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.
6. 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, Duke University Health System, Inc. 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.

Duke University Health System, Inc. 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 acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on November 16, 2017.

TIMETABLE:

- | | | |
|----|------------------------------------------------------------------------|--------------------|
| 1. | 25% of Construction/Renovation Completed (25% of the cost is in place) | January 2, 2018 |
| 2. | 50% of Construction/Renovation Completed | March 1, 2018 |
| 3. | 75% of Construction/Renovation Completed | April 13, 2018 |
| 4. | Construction/Renovation Completed | May 25, 2018 |
| 5. | Building/Space Occupied | July 1, 2018 |
| 6. | Medicare and/or Medicaid Certification Obtained | March 1, 2019 |
| 7. | Facility or Service Accredited | March 1, 2019 |
| 8. | Services Offered | July 1, 2018 |
| 9. | Final Annual Report Due | September 30, 2021 |