



North Carolina Department of Health and Human Services  
Division of Health Service Regulation  
Certificate of Need Section

2704 Mail Service Center • Raleigh, North Carolina 27699-2704  
<http://www.ncdhhs.gov/dhsr/>

Drexdal Pratt, Director

Beverly Eaves Perdue, Governor  
Albert A. Delia, Acting Secretary

Craig R. Smith, Section Chief  
Phone: (919) 855-3873  
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March 16, 2012

Doug Whitman  
Long Term Management Services  
2334 S. 41<sup>st</sup> Street  
Wilmington, NC 28403

RE: No Review / Bermuda Commons Nursing and Rehabilitation Center (Liberty Commons Nursing and Rehabilitation Center of Davie County LLC) / Construction of a new wing for 10 existing adult care beds; temporary conversion of adult care rooms to skilled nursing rooms to accommodate the new construction / Davie County

Dear Mr. Whitman:


The Certificate of Need (CON) Section received your letter of December 19, 2011 regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request**, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

It should be noted that this determination is binding only for the facts represented by you. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by the Certificate of Need Section. Changes in a project include, but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate; (3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.

In addition, you should contact the Construction Section to determine if they have any requirements for development of the proposed project. Please contact the CON Section if you have any questions. Also, in all future correspondence you should reference the Facility I.D.# (FID) if the facility is licensed.

Sincerely,

  
Gebrette Miles,  
Project Analyst

  
Craig R. Smith, Chief  
Certificate of Need Section

cc: Construction Section, DHSR





# Long Term Care Management Services

*Caring with Excellence*

*Salvador*



2334 S. 41<sup>st</sup> Street • Wilmington, NC 28403  
(910) 332-1982 • FAX: (910) 815-3111

December 19, 2011

Craig Smith, Section Chief  
Gebrette Miles, Analyst  
NC Department of Health and Human Services  
Division of Health Service Regulation  
Certificate of Need Section  
2704 Mail Service Center  
Raleigh, NC 27699-2704

RE: Exempt from Review/ Bermuda Commons Nursing and Rehabilitation Center (Liberty Commons Nursing and Rehabilitation Center of Davie County LLC), License #NH0560, located in Advance, Davie County; construction of addition for existing 10 adult care beds, and conversion of adult care rooms to skilled nursing rooms to convert skilled nursing semi-private beds to skilled nursing private beds; no change in bed count

Dear Mr. Smith and Ms. Miles:

I am writing to request a letter from the Certificate of Need Section acknowledging that the above referenced proposal is exempt from certificate of need review. Pursuant to North Carolina General Statutes § 131E-176(b), "New institutional health service" is defined as either "a) the construction, development, or other establishment of a new health service facility, or b) the obligation by any person of a capital expenditure exceeding two million dollars (\$2,000,000) to develop or expand a health service or a health service facility, or which relates to the provision of a health service."

So long as the proposed project costs do not exceed two million dollars (including all expenses identified in the aforementioned statute), thereby not falling under the definition as a "new institutional health service," this proposal would then not fall under the requirements of North Carolina General Statutes § 131E-178(d), which states that "No person shall offer or develop a new institutional health service without first obtaining a certificate of need from the Department." The details of our proposal are as follows.

This building is licensed for a total of 127 beds as follows: 117 skilled nursing facility beds and 10 adult care beds. The bed count in this proposal will remain the same for skilled (117 beds) and for adult care (10 beds). We currently have no adult care residents living in our 10 licensed

adult care beds, so we have 10 empty adult care beds at this time. We would propose to do two things:

1. Phase One: After the appropriate approvals by the Construction Section and Licensure Section, we propose to convert our adult care beds (5 adult care semi-private rooms with 10 adult care beds) to 5 skilled nursing private rooms, placing our 10 licensed adult care beds on temporary hold until construction of a new addition is complete. We would relocate 5 skilled nursing beds from other skilled nursing semi-private rooms by simply changing 5 skilled nursing semi-private rooms to skilled nursing private rooms. This would allow the facility to offer 10 additional skilled nursing private rooms, which will better serve the needs of our skilled nursing residents. The cost to accomplish this Phase One room conversion portion of the proposal would be minimal and would be based on any changes that the Construction Section will require us to make. This will not increase the bed count.
2. Phase Two: On October 27, 2011, our architect submitted schematic drawings to the Construction Section (Project #NH-2359) proposing to construct a new 10-bed adult care wing at Bermuda Commons and relocate our 10 adult care beds to the new wing. After plans are approved by the Construction Section, local building permit approval is obtained, and financing is secured, we plan to proceed with construction. The cost to construct this addition will be well under two million dollars. This will not increase the bed count.

The total cost of both phases of this project is well under two million dollars. The purpose of this request is to create more skilled nursing private beds to meet the demand of our residents. We believe that the proposal falls outside the scope of a requirement for a certificate of need and respectfully request that the North Carolina Department of Health and Human Services provide a letter recognizing the project as being exempt from a certificate of need requirement.

Thank you for your consideration of this matter. If you should have any further questions regarding our proposal, please feel free to contact me.

Sincerely,



Doug Whitman  
Development Director  
DWhitman@LibertyHCare.com  
910.512.2988