



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

Pat McCrory
Governor

Richard O. Brajer
Secretary DHHS

Mark Payne, Director
Health Service Regulation

November 2, 2016

Tracey C. Cosby
115 Perimeter Center Place NE, Suite 600
Atlanta, GA 30346

No Review

Record #: 2088
Facility Name: Oak Grove Healthcare Center
FID #: 923379
Project Description: Convert semi-private rooms to private rooms with no change in bed capacity
County: Rutherford

Dear Ms. Cosby:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your letter of October 24, 2016 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 regarding the conversion of semi-private rooms to private rooms with no change in bed capacity 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.

However, you need to contact the Agency's Construction and Nursing Home Licensure and Certification Sections to determine if they have any requirements for development of the proposed project.

It should be noted that this determination is binding only for the facts represented in your correspondence. 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 this office. 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.

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

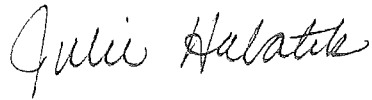
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Tracey C. Cosby
November 2, 2016
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Please contact this office if you have any questions. Also, in all future correspondence you should reference the Facility ID # (FID) if the facility is licensed.

Sincerely,



Julie Halatek
Project Analyst



Martha J. Frisone
Assistant Chief, Certificate of Need

cc: Construction Section, DHSR
Nursing Home Licensure and Certification Section, DHSR
Paige Bennett, Assistant Chief, Healthcare Planning, DHSR



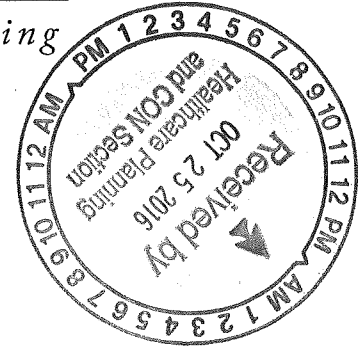
CONSULATE HEALTH CARE

At the Heart of Caring

October 24, 2016

VIA FEDERAL EXPRESS

Ms. Martha Frisone
Assistant Section Chief
NC Division of Health Service Regulation
Healthcare Planning and Certificate of Need Section
809 Ruggles Drive
Raleigh, NC 27603



**RE: Oak Grove Healthcare Center – Rutherford County
Exemption from Review**

Dear Ms. Frisone:

I am writing on behalf of Oak Grove HealthCare, LLC d/b/a Oak Grove Healthcare Center ("Oak Grove"), located at 518 Old US Highway 221, Rutherfordton, NC 28139-8670, which is licensed for 60 skilled nursing ("SNF") beds and 16 adult care home ("ACH") beds. Oak Grove plans to convert its semi-private SNF rooms to private SNF rooms (the "Conversion"). Following this conversion, Oak Grove will continue to have 60 license SNF beds. The conversion will take place upon approval from DHSR.

In a separate transaction a third party will relocate Oak Grove's 16 ACH beds to a different facility in the same county, upon DHHS approval. This transfer will afford Oak Grove the space to convert its semi-private SNF beds to private SNF beds. While we understand that this party will need to submit a certificate of need ("CON") application for the transfer and relocation of the 16 ACH beds, we understand the Conversion itself does not require CON review. Because the conversion does not involve the development of a new institutional health service or an acquisition, and is expected to involve an expenditure of \$100,000, we understand it is not an activity requiring a CON or CON review. We also understand that the proposed Conversion described above does not require any additional filings with your office prior to these changes taking place, and that we may proceed with consummating the proposed changes upon approval from the Licensure and Certification Section.

We respectfully request a letter of exemption from North Carolina's Certificate of Need Section for the proposed change in licensed beds, detailed above.


Ms. Martha Frisone

October 24, 2016

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Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me at (770) 730-1103 or tracey.c.cosby@consulatehc.com.

Sincerely,



Tracey C. Cosby

VP Regulatory Support Services

cc: Tim McEntire, NHA
Beverly Speroff
Edna Knight
Jessica Tobin Grozine
Grant Johnson
Cory Bennett