



DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

MARK PAYNE
DIRECTOR

RESPONSE REQUIRED

June 28, 2017

Rick Shrum
3000 New Bern Avenue
Raleigh, NC 27610

Conditional Approval

Project ID #: J-11301-17
Facility: WakeMed North Family Health & Women's Hospital
Project Description: Expand the Emergency Department and acquire a second CT scanner
County: Wake
FID #: 990974

Dear Mr. Shrum:

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, N.C. Gen. Stat. § 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 N.C. Gen. Stat. § 131E-187(a). The conditions are as follows:

1. WakeMed and WakeMed Property Services shall materially comply with all representations made in the certificate of need application.
2. Prior to issuance of the certificate of need, WakeMed and WakeMed Property Services shall provide in writing, confirmation that the addition of a second CT scanner at WakeMed North will not reduce the number of HECT units performed at WakeMed Brier Creek Healthplex below 5,100 HECT units during the third year of operation of this project.

HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION
WWW.NCDHHS.GOV

TELEPHONE 919-855-3873

LOCATION: EDGERTON BUILDING • 809 RUGGLES DRIVE • RALEIGH, NC 27603

MAILING ADDRESS: 2704 MAIL SERVICE CENTER • RALEIGH, NC 27699-2704

AN EQUAL OPPORTUNITY/ AFFIRMATIVE ACTION EMPLOYER



3. WakeMed and WakeMed Property Services shall not acquire, as part of this project at WakeMed North, any equipment that is not included in the project's proposed capital expenditure in Section VIII of the applicant and which would otherwise require a certificate of need.
4. WakeMed and WakeMed Property Services 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. WakeMed and WakeMed Property Services 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 **\$9,196,759**. If a cost overrun occurs that exceeds the approved capital expenditure amount, a new certificate of need may be required as determined by N.C. Gen. Stat. §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 N.C. Gen. Stat. §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).]

N.C. Gen. Stat. §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:

Lisa G. Corbett
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 **July 28, 2017**. 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:

Financing for Project Obtained _____	October 1, 2017
Schematics (i.e., Drawings) Completed _____	October 1, 2017
Land Acquired _____	October 1, 2017
Construction/Renovation Contract(s) Executed _____	November 1, 2017
25% of Construction/Renovation Completed (25% of the Cost in Place) _____	February 1, 2018
50% of Construction/Renovation Completed _____	April 15, 2018
Equipment Ordered _____	April 15, 2018
75% of Construction/Renovation Completed _____	June 1, 2018
Equipment Installed _____	August 1, 2018
Construction/Renovation Completed _____	August 15, 2018
Equipment Operational _____	September 1, 2018
Building/Space Occupied _____	September 1, 2018
Services Offered _____	October 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,

Jane Rhoe-Jones
Project Analyst

Lisa Pittman
Team Leader, Certificate of Need

Attachment

cc: Construction Section, DHSR
Acute & Home Care Licensure & Certification Section, DHSR
Paige Bennett, Assistant Chief, 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:

Rick Shrum
3000 New Bern Avenue
Raleigh, NC 27610

This the 28th day of June, 2017.

Jane Rhoe-Jones
Project Analyst, Certificate of Need