



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

RESPONSE REQUIRED

September 19, 2018

Barbara Freedy
2085 Frontis Plaza Boulevard
Winston-Salem, NC 27103

Conditional Approval

Project ID #: F-11523-18
Facility: Novant Health Huntersville Medical Center
Project Description: Develop a second dedicated C-section OR
County: Mecklenburg
FID #: 990440

Dear Ms. Freedy:

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. The Presbyterian Hospital shall materially comply with all representations made in the certificate of need application.**
- 2. The Presbyterian Hospital shall develop one additional dedicated C-section OR for a total of two dedicated C-section ORs at Novant Health Huntersville Medical Center.**

3. **Novant Health Huntersville Medical Center shall be licensed for no more than two dedicated C-section ORs, six shared ORs and three GI endoscopy procedure rooms upon completion of this project and Project ID #F-11110-15 (Relocate 48 acute care beds and one OR from Novant Health Presbyterian Medical Center to Novant Health Huntersville Medical Center for a total of 139 beds and 7 ORs).**
4. **The Presbyterian Hospital shall not acquire as part of this project 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, The Presbyterian Hospital 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 Presbyterian Hospital 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 **\$1,296,294**. 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.

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 **October 19, 2019**. 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:

1. Drawings Completed _____ November 15, 2019
2. Construction/Renovation Contract(s) Executed _____ November 18, 2019
3. 25% of Construction/Renovation Completed _____ December 16, 2019
(25% of the cost is in place)
4. 50% of Construction/Renovation Completed _____ January 13, 2020
5. 75% of Construction/Renovation Completed _____ February 10, 2020
6. Construction/Renovation Completed _____ March 6, 2020
7. Equipment Ordered _____ November 18, 2019
8. Equipment Installed _____ February 25, 2020
9. Equipment Operational _____ March 1, 2020
10. Building/Space Occupied _____ March 15, 2020
11. Services Offered _____ April 1, 2020
12. Final Annual Report Due _____ April 1, 2024

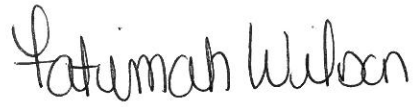
If the decision is appealed, the timetable set forth in this letter will be adjusted accordingly before the Certificate of Need is issued. Please contact this office if any clarification of this decision is required.

Please refer to the Project ID # and Facility ID # (FID) in all correspondence.

Sincerely,



Celia C. Inman
Project Analyst



Fatimah Wilson
Team Leader

Attachment

cc: Construction Section, DSHR
Acute & Home Care Licensure & Certification Section, DSHR
Melinda Boyette, Administrative Assistant, Healthcare Planning, DSHR

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:

Barbara Freedy
2085 Frontis Plaza Boulevard
Winston-Salem, NC 27103

This 19th day of September, 2018.

A handwritten signature in cursive script that reads "Celia C. Inman". The signature is written in black ink and is positioned above a horizontal line.

Celia C. Inman
Project Analyst, Certificate of Need