

**Certificate of Need
Certificates Issued
August 2025**

[illegible]

State of North Carolina

Department of Health and Human Services
Division of Health Service Regulation

Certificate of Need

for

Project ID #: G-12608-25

FID #: 250156

ISSUED TO: Duke University Health System, Inc.

Pursuant to G.S. 131E-177(6), the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the certificate holder) to develop the project described below. The certificate holder shall develop the project in a manner consistent with the representations in the 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 G.S. 131E-189(a). The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by G.S. 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in G.S. 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 G.S. 131E-189 for any of the reasons provided in that section.

SCOPE: Acquire a fixed MRI scanner pursuant to the 2025 SMFP need determination / Alamance County

CONDITIONS: See Reverse Side

PHYSICAL LOCATION: Duke Imaging Mebane
Gregory Poole Lane
Mebane, NC 27302

CAPITAL EXPENDITURE: \$7,388,000

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: March 1, 2026

This certificate is effective as of August 26, 2025



Micheala Mitchell, Chief

CONDITIONS:

1. Duke University Health System, Inc. (hereinafter certificate holder) shall materially comply with all representations made in the certificate of need application.
2. The certificate holder shall acquire no more than one fixed MRI scanner pursuant to the need determination in the 2025 SMFP for a total of one fixed MRI scanner at Duke Imaging Mebane.
3. Progress Reports:
 - a. Pursuant to G.S. 131E-189(a), the certificate holder shall submit periodic reports on the progress being made to develop the project consistent with the timetable and representations made in the application on the Progress Report form provided by the Healthcare Planning and Certificate of Need Section. The form is available online at: <https://info.ncdhhs.gov/dhsr/coneed/progressreport.html>.
 - b. The certificate holder shall complete all sections of the Progress Report form.
 - c. The certificate holder shall describe in detail all steps taken to develop the project since the last progress report and should include documentation to substantiate each step taken as available.
 - d. The first progress report shall be due on March 1, 2026.
4. The certificate holder 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.
5. The certificate holder 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. The certificate holder shall execute or commit to a contract for design services for the project no later than two years following the issuance of this certificate of need.
7. The certificate holder shall develop and implement strategies to provide culturally competent services to members of its defined medically underserved community that are consistent with representations made in the certificate of need application.
8. The certificate holder 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 and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on August 21, 2025.

Timetable

Milestone		Date <i>mm/dd/yyyy</i>
1	Drawings Completed	09/30/2025
2	Construction / Renovation Contract(s) Executed	12/15/2025
3	25% of Construction / Renovation Completed (25% of the cost is in place)	01/30/2026
4	50% of Construction / Renovation Completed	03/30/2026
5	75% of Construction / Renovation Completed	05/15/2026
6	Construction / Renovation Completed	06/15/2026
7	Equipment Ordered	12/30/2025
8	Equipment Installed	06/01/2026
9	Equipment Operational	07/01/2026
10	Building / Space Occupied	07/01/2026
11	Services Offered	07/01/2026
12	Medicare and / or Medicaid Certification Obtained	11/01/2026

State of North Carolina

Department of Health and Human Services
Division of Health Service Regulation

Certificate of Need

for

Project ID #: E-12625-25

FID #: 933080

ISSUED TO: County of Catawba

Pursuant to G.S. 131E-177(6), the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the certificate holder) to develop the project described below. The certificate holder shall develop the project in a manner consistent with the representations in the 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 G.S. 131E-189(a). The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by G.S. 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in G.S. 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 G.S. 131E-189 for any of the reasons provided in that section.

SCOPE: Develop no more than one additional dedicated C-section operating room for a total of no more than two dedicated C-section operating rooms / Catawba County

CONDITIONS: See Reverse Side

PHYSICAL LOCATION: Catawba Valley Medical Center
810 Fairgrove Church Road SE
Hickory, NC 28602

CAPITAL EXPENDITURE: \$1,979,555

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 1, 2026

This certificate is effective as of August 26, 2025



Micheala Mitchell, Chief

CONDITIONS:

- 1. County of Catawba d/b/a Catawba Valley Medical Center (hereinafter certificate holder) shall materially comply with all representations made in the certificate of need application.**
- 2. The certificate holder shall develop no more than one additional dedicated C-section operating room at Catawba Valley Medical Center.**
- 3. Upon completion of the project, Catawba Valley Medical Center shall be licensed for a total of no more than two dedicated C-section operating rooms.**
- 4. Progress Reports:**
 - a. Pursuant to G.S. 131E-189(a), the certificate holder shall submit periodic reports on the progress being made to develop the project consistent with the timetable and representations made in the application on the Progress Report form provided by the Healthcare Planning and Certificate of Need Section. The form is available online at: <https://info.ncdhhs.gov/dhsr/coneed/progressreport.html>.**
 - b. The certificate holder shall complete all sections of the Progress Report form.**
 - c. The certificate holder shall describe in detail all steps taken to develop the project since the last progress report and should include documentation to substantiate each step taken as available.**
 - d. The first progress report shall be due on February 1, 2026.**
- 5. The certificate holder 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.**
- 6. The certificate holder 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 and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on July 23, 2025.

Timetable

Milestone		Date <i>mm/dd/yyyy</i>
1	Financing Obtained	11/01/2025
2	Drawings Completed	12/01/2025
3	Construction / Renovation Contract(s) Executed	12/15/2025
4	25% of Construction / Renovation Completed (25% of the cost is in place)	02/01/2026
5	50% of Construction / Renovation Completed	03/15/2026
6	75% of Construction / Renovation Completed	05/01/2026
7	Construction / Renovation Completed	06/15/2026
9	Equipment Ordered	02/01/2026
10	Equipment Installed	06/20/2026
11	Equipment Operational	06/25/2026
12	Services Offered	07/01/2026

State of North Carolina

Department of Health and Human Services
Division of Health Service Regulation

Certificate of Need

for

Project ID #: M-12590-25

FID #: 250146

ISSUED TO: Hospice & Palliative Care Charlotte Region

Pursuant to G.S. 131E-177(6), the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the certificate holder) to develop the project described below. The certificate holder shall develop the project in a manner consistent with the representations in the 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 G.S. 131E-189(a). The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by G.S. 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in G.S. 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 G.S. 131E-189 for any of the reasons provided in that section.

SCOPE: Develop a hospice home care office pursuant to the 2025 SMFP need determination / Cumberland County

CONDITIONS: See Reverse Side

PHYSICAL LOCATION: VIA Health Partners-Cumberland County
3400 Walsh Parkway
Fayetteville, NC 28311

CAPITAL EXPENDITURE: \$85,000

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 1, 2026

This certificate is effective as of August 28, 2025



Micheala Mitchell, Chief

CONDITIONS:

1. Hospice & Palliative Care Charlotte Region (hereinafter certificate holder) shall materially comply with all representations made in the certificate of need application.
2. The certificate holder shall develop one new hospice home care office, VIA Health Partners-Cumberland County, in Cumberland County pursuant to the 2025 SMFP need determination.
3. Upon completion of the project, the certificate holder shall be licensed for no more than one hospice home care office in Cumberland County.
4. Progress Reports:
 - a. Pursuant to G.S. 131E-189(a), the certificate holder shall submit periodic reports on the progress being made to develop the project consistent with the timetable and representations made in the application on the Progress Report form provided by the Healthcare Planning and Certificate of Need Section. The form is available online at: <https://info.ncdhhs.gov/dhsr/coneed/progressreport.html>.
 - b. The certificate holder shall complete all sections of the Progress Report form.
 - c. The certificate holder shall describe in detail all steps taken to develop the project since the last progress report and should include documentation to substantiate each step taken as available.
 - d. The first progress report shall be due on February 1, 2026.
5. The certificate holder 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.
6. The certificate holder shall develop and implement strategies to provide culturally competent services to members of its defined medically underserved community that are consistent with representations made in the certificate of need application.
7. The certificate holder 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 and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on July 30, 2025.

Timetable

Milestone		Date <i>mm/dd/yyyy</i>
1	Financing Obtained	11/1/2025
2	Drawings Completed	12/1/2025
3	Equipment Ordered	1/15/2026
4	Equipment Installed	3/1/2026
5	Equipment Operational	3/15/2026
6	Building / Space Occupied	3/1/2026
7	Licensure Obtained	4/1/2026
8	Services Offered	4/1/2026
9	Medicare and / or Medicaid Certification Obtained	6/1/2026
10	Facility or Service Accredited	4/1/2026

State of North Carolina

Department of Health and Human Services
Division of Health Service Regulation

Certificate of Need

for

Project ID #: M-12623-25

FID #: 011019

ISSUED TO: Bio-Medical Applications of North Carolina, Inc.

Pursuant to G.S. 131E-177(6), the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the certificate holder) to develop the project described below. The certificate holder shall develop the project in a manner consistent with the representations in the 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 G.S. 131E-189(a). The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by G.S. 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in G.S. 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 G.S. 131E-189 for any of the reasons provided in that section.

SCOPE: Add no more than 6 in-center dialysis stations pursuant to Condition 2 of the facility need methodology for a total of no more than 40 in-center stations upon completion of this project and Project ID# M-12586-25 (relocate 6 stations) / Cumberland County

CONDITIONS: See Reverse Side

PHYSICAL LOCATION: FMC Services of West Fayetteville
6959 Nexus Court
Fayetteville, NC 27610

CAPITAL EXPENDITURE: \$0

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 1, 2026

This certificate is effective as of August 28, 2025



Micheala Mitchell, Chief

CONDITIONS:

1. Bio-Medical Facilities of North Carolina, Inc. (hereinafter certificate holder) shall materially comply with all representations made in the certificate of need application.
2. Pursuant to Condition 2 of the facility need determination in the 2025 SMFP, the certificate holder shall develop no more than six additional dialysis stations for a total of no more than 40 stations at the FMC Services of West Fayetteville upon completion of this project, and Project ID# M-12586-25.
3. The certificate holder shall develop and implement strategies to provide culturally competent services to members of its defined medically underserved community that are consistent with representations made in the certificate of need application.
4. Progress Reports:
 - a. Pursuant to G.S. 131E-189(a), the certificate holder shall submit periodic reports on the progress being made to develop the project consistent with the timetable and representations made in the application on the Progress Report form provided by the Healthcare Planning and Certificate of Need Section. The form is available online at: <https://info.ncdhhs.gov/dhsr/coneed/progressreport.html>.
 - b. The certificate holder shall complete all sections of the Progress Report form.
 - c. The certificate holder shall describe in detail all steps taken to develop the project since the last progress report and should include documentation to substantiate each step taken as available.
 - d. The first progress report shall be due February 1, 2026.
5. The certificate holder 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 and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on July 29, 2025.

Timetable

Milestone		Date <i>mm/dd/yyyy</i>
1	Services Offered	12/31/2027
2	Medicare and / or Medicaid Certification Obtained	12/31/2027
3	Facility or Service Accredited	12/31/2027

State of North Carolina

Department of Health and Human Services
Division of Health Service Regulation

Certificate of Need

for

Project ID #: F-12635-25

FID #: 943184

ISSUED TO: CaroMont Health, Inc.
Gaston Memorial Hospital, Incorporated

Pursuant to G.S. 131E-177(6), the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the certificate holder) to develop the project described below. The certificate holder shall develop the project in a manner consistent with the representations in the 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 G.S. 131E-189(a). The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by G.S. 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in G.S. 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 G.S. 131E-189 for any of the reasons provided in that section.

SCOPE: Acquire no more than one electrophysiology (EP) lab for no more than two EP labs / Gaston County

CONDITIONS: See Reverse Side

PHYSICAL LOCATION: CaroMont Regional Medical Center
2525 Court Drive
Gastonia, NC 28054

CAPITAL EXPENDITURE: \$5,219,545

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 1, 2026

This certificate is effective as of August 26, 2025



Micheala Mitchell, Chief

CONDITIONS:

1. CaroMont Health, Inc. and Gaston Memorial Hospital, Inc. (hereinafter certificate holder) shall materially comply with all representations made in the certificate of need application.
2. The certificate holder shall acquire no more than one electrophysiology (EP) lab at CaroMont Regional Medical Center.
3. Upon completion of the project, CaroMont Regional Medical Center shall be licensed for no more than two electrophysiology (EP) labs.
4. **Progress Reports:**
 - a. Pursuant to G.S. 131E-189(a), the certificate holder shall submit periodic reports on the progress being made to develop the project consistent with the timetable and representations made in the application on the Progress Report form provided by the Healthcare Planning and Certificate of Need Section. The form is available online at: <https://info.ncdhhs.gov/dhsr/coneed/progressreport.html>.
 - b. The certificate holder shall complete all sections of the Progress Report form.
 - c. The certificate holder shall describe in detail all steps taken to develop the project since the last progress report and should include documentation to substantiate each step taken as available.
 - d. The first progress report shall be due on February 1, 2026.
5. The certificate holder 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.
6. The certificate holder 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.
7. The certificate holder 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 and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on July 25, 2025.

Timetable

Milestone		Date <i>mm/dd/yyyy</i>
1	Drawings Completed	1/1/2026
2	Construction / Renovation Contract(s) Executed	4/1/2026
3	25% of Construction / Renovation Completed (25% of the cost is in place)	6/1/2026
4	50% of Construction / Renovation Completed	8/1/2026
5	75% of Construction / Renovation Completed	10/1/2026
6	Construction / Renovation Completed	11/15/2026
7	Equipment Ordered	2/1/2026
8	Equipment Installed	12/1/2026
9	Equipment Operational	12/15/2026
10	Building / Space Occupied	12/15/2026
11	Services Offered	1/1/2027

State of North Carolina

Department of Health and Human Services
Division of Health Service Regulation

Certificate of Need

for

Project ID #: G-12626-25

FID #: 250356

ISSUED TO: Wake Forest Baptist Imaging, LLC

Pursuant to G.S. 131E-177(6), the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the certificate holder) to develop the project described below. The certificate holder shall develop the project in a manner consistent with the representations in the 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 G.S. 131E-189(a). The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by G.S. 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in G.S. 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 G.S. 131E-189 for any of the reasons provided in that section.

SCOPE: Acquire no more than one fixed MRI scanner pursuant to the 2025 SMFP need determination / Guilford County

CONDITIONS: See Reverse Side

PHYSICAL LOCATION: Atrium Health Wake Forest Baptist Imaging –
Friendly Center
3120 Northline Avenue, Suite 101
Greensboro, NC 27408

CAPITAL EXPENDITURE: \$3,878,507

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: December 1, 2025

This certificate is effective as of August 26, 2025



Micheala Mitchell, Chief

CONDITIONS:

- 1. Wake Forest Baptist Imaging, LLC (hereinafter certificate holder) shall materially comply with all representations made in the certificate of need application.**
- 2. The certificate holder shall acquire no more than one fixed MRI scanner pursuant to the need determination in the 2025 SMFP to be located at Atrium Health Wake Forest Baptist Imaging–Friendly Center.**
- 3. Upon completion of the project, Atrium Health Wake Forest Baptist Imaging–Friendly Center shall be licensed for no more than one fixed MRI scanner.**
- 4. Progress Reports:**
 - a. Pursuant to G.S. 131E-189(a), the certificate holder shall submit periodic reports on the progress being made to develop the project consistent with the timetable and representations made in the application on the Progress Report form provided by the Healthcare Planning and Certificate of Need Section. The form is available online at:
<https://info.ncdhhs.gov/dhsr/coneed/progressreport.html>.**
 - b. The certificate holder shall complete all sections of the Progress Report form.**
 - c. The certificate holder shall describe in detail all steps taken to develop the project since the last progress report and should include documentation to substantiate each step taken as available.**
 - d. The first progress report shall be due on December 1, 2025.**
- 5. The certificate holder 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.**
- 6. The certificate holder shall develop and implement strategies to provide culturally competent services to members of its defined medically underserved community that are consistent with representations made in the certificate of need application.**
- 7. The certificate holder 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 and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on July 25, 2025.

Timetable

Milestone		Date <i>mm/dd/yyyy</i>
1	Financing Obtained	11/15/2025
2	Drawings Completed	10/15/2025
3	Construction / Renovation Contract(s) Executed	11/01/2025
4	25% of Construction / Renovation Completed (25% of the cost is in place)	01/01/2026
5	50% of Construction / Renovation Completed	03/01/2026
6	75% of Construction / Renovation Completed	05/01/2026
7	Construction / Renovation Completed	06/15/2026
8	Equipment Ordered	12/01/2025
9	Equipment Installed	06/10/2026
10	Equipment Operational	06/24/2026
11	Services Offered	07/01/2026
12	Facility or Service Accredited	07/01/2027

State of North Carolina

Department of Health and Human Services
Division of Health Service Regulation

Certificate of Need

for

Project ID #: O-12587-25

FID #: 250140

ISSUED TO: **Novant Health, Inc.**
 Novant Health New Hanover Regional Medical Center, LLC

Pursuant to G.S. 131E-177(6), the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the certificate holder) to develop the project described below. The certificate holder shall develop the project in a manner consistent with the representations in the 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 G.S. 131E-189(a). The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by G.S. 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in G.S. 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 G.S. 131E-189 for any of the reasons provided in that section.

SCOPE: **Relocate 60 inpatient rehabilitation beds to a new building to be constructed on the Orthopedic Hospital campus / New Hanover County**

CONDITIONS: **See Reverse Side**

PHYSICAL LOCATION: **Novant Health New Hanover Rehabilitation Hospital**
 5301 Wrightsville Avenue
 Wilmington, NC 28403

CAPITAL EXPENDITURE: **\$92,353,967**

TIMETABLE: **See Reverse Side**

FIRST PROGRESS REPORT DUE: **February 1, 2026**

This certificate is effective as of August 28, 2025



Micheala Mitchell, Chief

CONDITIONS:

- 1. Novant Health New Hanover Regional Medical Center, LLC, and Novant Health, Inc., (hereinafter certificate holders) shall materially comply with all representations made in the certificate of need application. If representations conflict, the certificate holder shall materially comply with the last made representation.**
- 2. The certificate holder shall relocate no more than 60 inpatient rehabilitation beds from Novant Health New Hanover Regional Medical Center, to Novant Health New Hanover Rehabilitation Hospital for a total of no more than 60 inpatient rehabilitative beds upon project completion.**
- 3. Upon completion of the project, Novant Health New Hanover Rehabilitation Hospital shall be licensed for no more than 60 inpatient rehabilitation beds.**
- 4. Upon completion of the project, Novant Health New Hanover Regional Medical Center shall be licensed for no inpatient rehabilitation beds.**
- 5. Progress Reports:**
 - a. Pursuant to G.S. 131E-189(a), the certificate holder shall submit periodic reports on the progress being made to develop the project consistent with the timetable and representations made in the application on the Progress Report form provided by the Healthcare Planning and Certificate of Need Section. The form is available online at: <https://info.ncdhhs.gov/dhsr/coneed/progressreport.html>.**
 - b. The certificate holder shall complete all sections of the Progress Report form.**
 - c. The certificate holder shall describe in detail all steps taken to develop the project since the last progress report and should include documentation to substantiate each step taken as available.**
 - d. The first progress report shall be due on February 1, 2026.**
- 6. The certificate holder shall not acquire as part of this project any equipment that is not included in the project's proposed capital expenditure in Section Q of the application and that would otherwise require a certificate of need.**
- 7. The certificate holder 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.**
- 8. The certificate holder shall execute or commit to a contract for design services for the project no later than four years following the issuance of this certificate of need.**
- 9. The certificate holder 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 and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on July 28, 2025.

O-12587-25 (Con't)

Timetable

Milestone		Date <i>mm/dd/yyyy</i>
1	Drawings Completed	02/24/2026
2	Construction / Renovation Contract(s) Executed	03/10/2026
3	25% of Construction / Renovation Completed (25% of the cost is in place)	07/28/2026
4	50% of Construction / Renovation Completed	12/08/2026
5	75% of Construction / Renovation Completed	05/04/2027
6	Construction / Renovation Completed	10/01/2027
7	Equipment Ordered	11/04/2026
8	Equipment Installed	10/11/2027
9	Equipment Operational	12/20/2027
10	Building / Space Occupied	12/20/2027
11	Services Offered	01/01/2028

State of North Carolina

Department of Health and Human Services
Division of Health Service Regulation

Certificate of Need

for

Project ID #: J-12597-25

FID #: 070823

ISSUED TO: Rex Hospital, Inc.

Pursuant to G.S. 131E-177(6), the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the certificate holder) to develop the project described below. The certificate holder shall develop the project in a manner consistent with the representations in the 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 G.S. 131E-189(a). The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by G.S. 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in G.S. 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 G.S. 131E-189 for any of the reasons provided in that section.

SCOPE: Develop 24 observation beds / Wake County

CONDITIONS: See Reverse Side

PHYSICAL LOCATION: UNC Rex Holly Springs Hospital
704 Avent Ferry Road
Holly Springs, NC 27540

CAPITAL EXPENDITURE: \$18,488,013

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 1, 2026

This certificate is effective as of August 29, 2025



Micheala Mitchell, Chief

CONDITIONS:

1. Rex Hospital, Inc (hereinafter certificate holder) shall materially comply with all representations made in the certificate of need application.
2. The certificate holder shall develop 24 observation beds on the 7th floor of UNC Health Rex Holly Springs Hospital.
3. Progress Reports:
 - a. Pursuant to G.S. 131E-189(a), the certificate holder shall submit periodic reports on the progress being made to develop the project consistent with the timetable and representations made in the application on the Progress Report form provided by the Healthcare Planning and Certificate of Need Section. The form is available online at: <https://info.ncdhhs.gov/dhsr/coneed/progressreport.html>.
 - b. The certificate holder shall complete all sections of the Progress Report form.
 - c. The certificate holder shall describe in detail all steps taken to develop the project since the last progress report and should include documentation to substantiate each step taken as available.
 - d. The first progress report shall be due on February 1, 2026.
4. The certificate holder 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.
5. The certificate 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. The certificate holder 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 and agreeing to comply with all conditions stated in the conditional approval letter was received by the Agency on August 15, 2025.

Timetable

Milestone		Date <i>mm/dd/yyyy</i>
1	Financing Obtained	09/03/2025
2	Drawings Completed	12/19/2025
3	Construction / Renovation Contract(s) Executed	01/27/2026
4	25% of Construction / Renovation Completed (25% of the cost is in place)	05/15/2026
5	50% of Construction / Renovation Completed	06/26/2026
6	75% of Construction / Renovation Completed	07/24/2026
7	Construction / Renovation Completed	08/28/2026
8	Equipment Ordered	03/24/2026
9	Equipment Installed	08/31/2026
10	Equipment Operational	09/14/2026
11	Building / Space Occupied	10/19/2026
12	Services Offered	11/02/2026