

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

Beverly Eaves Perdue, Governor  
Lanier M. Cansler, Secretary

[www.ncdhhs.gov/dhsr](http://www.ncdhhs.gov/dhsr)

Craig R. Smith, Section Chief  
Phone: 919-855-3875  
Fax: 919-733-8139

March 9, 2012

Thomas A. Bradshaw  
Vice President, Operations  
Wayne Memorial Hospital  
Post Office Box 8001  
Goldsboro, North Carolina 27533

RE: No Review / Wayne Memorial Hospital / Relocation of Wayne Area Diabetes and Education Center (WADEC) from Wayne Memorial Hospital to proposed Medical Office Building / Wayne County  
FID # 933535


Dear Mr. Bradshaw:


The Certificate of Need (CON) Section received your letter of February 27, 2012 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.

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,

  
Jane Rhoe-Jones  
Project Analyst

  
Craig R. Smith, Chief  
Certificate of Need Section

cc: Medical Facilities Planning Section, DHSR  
Acute and Home Care Licensure and Certification Section, DHSR  
Construction Section, DHSR



*Same*

February 27, 2012

Mr. Craig R. Smith, Chief  
Certificate of Need Section  
Division of Health Service Regulation  
2704 Mail Service Center  
Raleigh, NC 27699-2704

**RE: Wayne Memorial Hospital's No Review Request for Developing  
Hospital-Based Services in a Medical Office Building**

Dear Mr. Smith:

Wayne Memorial Hospital (WMH), a hospital in Goldsboro, North Carolina, intends to construct a Medical Office Building (MOB) on the hospital campus to house physician offices. Concurrent with the submission of this No Review Request, WMH is submitting an Exemption Request notifying the CON Section of its intent to develop the exempt physician office services, pursuant N.C. GEN. STAT. § 131E-184(a)(9).

While the majority of the building will house physician offices and therefore be exempt under the CON law, WMH currently plans to relocate one hospital-based service to the MOB. Specifically, WMH intends to upfit approximately 3,000 square feet of space in the MOB to accommodate the existing diabetes education center (Wayne Area Diabetes & Education Center). While the development of the MOB is otherwise exempt from review, WMH recognizes that the hospital-based portion of the building would not be exempt from review. Therefore, the purpose of this letter is to request confirmation that the relocation of this hospital-based service into the MOB is not subject to CON review, as the service does not involve a "new institutional health service" as defined by N.C. GEN. STAT. § 131E-176(16) nor does the total project cost to develop this services exceed \$2 million, inclusive of site costs, construction costs, architect and engineering fees, furniture and equipment, and contingencies.

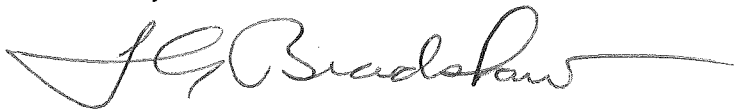
Please see Attachment 1 for a letter from the project architect certifying the cost to construct and upfit the portion of the MOB to house hospital-based services. The total cost associated with the hospital-based service is \$448,000, well below the \$2 million dollar threshold. This cost includes all construction costs,

Mr. Craig Smith, Chief  
Certificate of Need Section  
February 27, 2012  
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including the building shell and upfit, as noted in the letter in Attachment 1. Further, no costs for furniture or equipment will be incurred, as this is an existing service and these items will be relocated from the current office within the hospital.

Based upon the project as described above, WMH requests that the Certificate of Need Section confirm that the relocation of the hospital-based service outlined in this letter does not constitute a "new institutional health service" and therefore does not require a Certificate of Need. If you have any questions or require further information regarding this request, please contact me at (919) 731-6142.

Sincerely,

A handwritten signature in cursive script, reading "T. A. Bradshaw", with a long horizontal flourish extending to the right.

Thomas A. Bradshaw  
Vice President, Operations

# Attachment 1



**Clark Patterson Lee**  
DESIGN PROFESSIONALS

February 6, 2012

**Via Email**

Mr. Thomas A. Bradshaw, Vice-President ([tom.bradshaw@waynehealth.org](mailto:tom.bradshaw@waynehealth.org))  
Wayne Memorial Hospital  
2700 Wayne Memorial Drive  
Goldsboro, North Carolina 27534

Re: **WAYNE AREA DIABETES & EDUCATION CENTER (WADEC)**  
Wayne Memorial Hospital  
Goldsboro, North Carolina

Dear Tom:

At your requested, we reviewed the scope of work for the Wayne Area Diabetes & Education Center (WADEC) upfit proposed in the new Wayne Health Physicians Network building located on the main campus of Wayne Memorial Hospital in Goldsboro, North Carolina.

I certify that I am a licensed architect in the State of North Carolina. To the best of my knowledge, information, and belief, and based on historical cost data, our experience with costs on comparative health care projects, and a preliminary cost estimate prepared by the hospital's Construction Manager, we believe the probable construction cost for the WADEC Upfit project should be \$448,000.00. This figure includes the pro-rated cost of the building shell/site improvements and the interior renovation scope of work shown in the attached drawing.

Please review these figures for conformance with your understanding of the scope of work and if you have any questions, please do not hesitate to contact us.

Sincerely,

**Clark Patterson Lee**

Timothy S. Knapp, AIA, LEED AP  
Vice-President

TSK/mlb

Enclosures: As noted

J/Projects/Wayne Memorial/Campus MOB/D/D01/CON/2012-001\_WADEC

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