



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

<http://www.ncdhhs.gov/dhsr/>

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November 29, 2012

Stewart T. Smith
Johnson Development, LLC
2204 Lakeshore Drive, Suite 215
Birmingham, AL 35209

Exempt from Review – Physician Office

Provider: Blue Ridge HealthCare System, Inc.
Project Description: 23,120 square foot, one story physician office building to be developed on
Sugar Hill Road in Marion, NC
County: McDowell County

Dear Mr. Smith:

In response to your letter of November 7, 2012, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(9). Therefore, you may proceed to offer, develop or establish the above referenced project without a certificate of need.

However, you need to contact the Construction and the Acute and Home Care Licensure and Certification Sections of the Division of Health Service Regulation to determine if they have any requirements for development of the proposed physician office.

It should be noted that this Agency's position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by this Agency and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Julie Halatek
Project Analyst

Craig R. Smith, Chief
Certificate of Need Section



cc: Steven Lewis, Construction Section, DHSR
Azzie Conley, Acute and Home Care Licensure and Certification Section, DHSR

Johnson Development, LLC
2204 Lakeshore Drive, Suite 215
Birmingham, Al 35209
Phone: (205) 802-2309 Fax: (205) 802-2330
Email: ssmith@johnsondevelop.com

November 7, 2012

Fatimah Wilson, Project Analyst
Certificate of Need Section
DHHS, Division of Health Service Regulation
2704 Mail Service Center
Raleigh, North Carolina 27696-2704



Re: Notice of Exemption for Development of Physician Office Building

Dear Ms. Wilson:

This letter is to provide you with written notice pursuant to N.C. Gen. Stat. § 131E-184(a)(9) of the development of a physician office building. The physician office building will be developed by Johnson Development, LLC and owned by Blue Ridge HealthCare System, Inc. on land owned by Blue Ridge HealthCare System, Inc. on Sugar Hill Road in Marion, McDowell County. The physician office building will be one story and approximately 23,120 square feet. The estimated total project cost is 7,803,633. This includes not only construction but also the land purchase, all furnishings, signage, development, architectural fees, etc.

We would appreciate receiving written confirmation from you that this project is exempt under N.C. Gen. Stat. § 131E-184(a)(9). Should you have any questions or need any further information, please let us know.

Sincerely,

A handwritten signature in black ink, appearing to read "Stewart T. Smith". The signature is stylized and somewhat cursive.

Stewart T. Smith
Principal
Johnson Development, LLC