



North Carolina Department of Health and Human Services
Division of Health Service Regulation

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Drexdal Pratt
Division Director

March 20, 2013

Dee Jay Zerman
Hedrick Building, Suite 1068
211 Friday Center Drive
Chapel Hill, NC 27517

Exempt from Review

Facility: UNC Hospitals
Project Description: Upgrading paths of egress per recommendation of the Department of Insurance and State Construction Office.
County: Orange
FID #: 923517

Dear Ms. Zerman:

In response to your letter of March 11, 2013, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(1). 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 Acute Care Licensure and Certification Section, DHSR Sections of the Division of Health Service Regulation to determine if they have any requirements for development of the proposed project.

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.

If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,



Certificate of Need Section

www.ncdhhs.gov


Telephone 919-855-3873

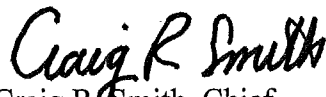
Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

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Gene DePorter Project Analyst
Certificate of Need Section


Craig R. Smith, Chief
Certificate of Need Section

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



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March 8, 2013

Mr. F. Gene DePorter
Certificate of Need Section
Division of Health Service Regulation
Department of Health and Human Services
Mail Service Center 2704
Raleigh, NC 27699-2704

Re: Request for a Determination of Exemption from Review / DOI and SCO
required exiting corrections / UNC Hospitals / Orange County

Dear Mr. DePorter:

UNC Hospitals is requesting a determination of Exemption from Review regarding an expenditure that is required to allow for basic plant improvements involving the upgrading of stairwells, exit corridors, and other paths of egress, pursuant to NCGS 131E-184 Exemptions from Review. UNC Hospitals is requesting the determination of Exemption from Review as the project involves upgrading various paths of egress as per recommendations from the Department of Insurance and the State Construction Office.

These upgrades are required to remain in compliance with the safety regulations that are overseen by the Department of Insurance and the State Construction Office pursuant to their regulatory authority. The total cost for these exiting corrections and improvements is estimated to be less than approximately \$5.5M. This project does not involve the addition of any licensed beds, major medical equipment, licensed programs, health services, or any health care service renovations.

UNC Hospitals is requesting confirmation that the proposed exiting corrections are exempt from review pursuant to G.S. 131E-184. G.S. 131E-184(a) allows the CON Section to exempt from review a new institutional health service if it receives prior written notice from the entity proposing the new institutional health service, which included an explanation of why the new institutional health service is required, for any of the following: ... (4) To provide parking, heating or cooling systems, elevators, or other basic plant or mechanical improvements, unless these activities are integral portions of a project that involves the construction of a new health service facility or portion thereof and that is subject to certificate of need review.... As described above, this project involves exiting corrections and improvements to existing UNC Hospitals' facilities. Additionally, the project is not

an integral portion of a new health service facility, and does not involve the construction of a new health service facility or the creation of a new health service.

Please do not hesitate to contact me a 919-966-1129 if you need any additional information. Thank you for your prompt consideration of this matter.

Sincerely,

A handwritten signature in cursive script that reads "Dee Jay Zerman".

Dee Jay Zerman
Director of Regulatory Planning
UNC Health Care System
Hedrick Building
211 Friday Center Drive, Suite 1068
Chapel Hill, NC 27517