



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER  
GOVERNOR

MANDY COHEN, MD, MPH  
SECRETARY

MARK PAYNE  
DIRECTOR

June 23, 2016

Thomas S. Stukes  
555 Fayetteville Street, Suite 1100  
Raleigh, NC 27601

**Exempt from Review – Acquisition of Facility**

**Record #:** 2306  
**Facility Name:** Wilkes Regional Medical Center  
**Type of Facility:** Hospital  
**FID #:** 944573  
**Acquisition by:** Wake Forest University Baptist Medical Center  
**Business #:** 1324  
**County:** Wilkes

Dear Mr. Stukes:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of June 19, 2017, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(8). Therefore, Wake Forest University Baptist Medical Center may proceed to acquire the above referenced health service facility without first obtaining a certificate of need. However, you need to contact the Agency's Acute and Home Care Licensure and Certification Section to obtain instructions for changing ownership of the existing facility. Note that pursuant to N.C. Gen. Stat. §131E-181(b): *"A recipient of a certificate of need, or any person who may subsequently acquire, in any manner whatsoever permitted by law, the service for which that certificate of need was issued, is required to materially comply with the representations made in its application for that certificate of need."*

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.

**HEALTHCARE PLANNING AND 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

AN EQUAL OPPORTUNITY/ AFFIRMATIVE ACTION EMPLOYER



Thomas S. Stukes  
June 23, 2017  
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If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,



Julie Halatek  
Project Analyst



Martha J. Frisone  
Chief, Healthcare Planning and  
Certificate of Need Section

cc: Acute and Home Care Licensure and Certification Section, DHSR  
Paige Bennett, Assistant Chief, Healthcare Planning, DHSR



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June 19, 2017

**FEDERAL EXPRESS OVERNIGHT DELIVERY**

Ms. Martha Frisone  
Chief, Healthcare Planning and Certificate of Need Section  
NC Division of Health Service Regulation  
North Carolina Department of Health and Human Services  
809 Ruggles Drive  
Raleigh, NC 27603



***RE: Wake Forest University Baptist Medical Center to Become Sole Member of WRMC Hospital Operating Corporation***

Dear Martha:

Our client, Wake Forest University Baptist Medical Center, a North Carolina nonprofit corporation ("WFUBMC"), hereby gives notice to the Healthcare Planning and Certificate of Need Section that on or about July 1, 2017, WFUBMC will become the sole member of WRMC Hospital Operating Corporation, a North Carolina nonprofit corporation ("WRMC") that operates Wilkes Regional Medical Center in North Wilkesboro, North Carolina. WRMC currently leases, and will continue to lease, from the Town of North Wilkesboro, the land and facilities where Wilkes Regional Medical Center is located. The reason for the corporate change is to allow WRMC to become a part of the WFUBMC system, which will be of substantial public benefit by improving the availability of high-quality health care in North Wilkesboro and surrounding areas.

We believe that this corporate change does not constitute one of the enumerated "new institutional health services" defined in N.C. Gen. Stat. § 131E-176(16) that requires certificate of need review and approval. To the extent that the Certificate of Need Section may have any concerns that this corporate change may constitute an otherwise reviewable acquisition of an existing health service facility, although we would disagree with such a determination, then this letter constitutes a notice of exemption pursuant to N.C. Gen. Stat. § 131E-184(a)(8). As you know, N.C. Gen. Stat. 131E-184(8) provides that if the Department receives prior written notice from an entity that it will "acquire an existing health service facility, including equipment owned by the health service facility at the time of the acquisition," the Department "shall" exempt such project from certificate of need review.

Please let me know if we need to provide any further information in order for you to confirm our understanding that the above transaction as discussed does not implicate certificate of need review. Thank you for your assistance in this matter. We respectfully request a written response from the agency.

Very truly yours,

**WOMBLE CARLYLE SANDRIDGE & RICE**  
*A Professional Limited Liability Company*



Thomas S. Stukes

cc: J. McLain Wallace, Jr., Sr. Vice President and General Counsel, WFUBMC