



**NC DEPARTMENT OF
HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

December 20, 2019

Catharine W. Cummer, Regulatory Counsel, Strategic Planning
Duke University Health System
3100 Tower Blvd, Suite 1300
Durham NC 27707

Exempt from Review – Physician Office

Record #: 3168
Business Name: Duke University Health System, Inc.
Business #: 640
Project Description: Develop a physician office building at 201 Sage Road in Chapel Hill
County: Orange

Dear Ms. Cummer:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of December 17, 2019, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §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 Agency’s Construction and the Acute and Home Care Licensure and Certification Sections 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 the Agency and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Michael J. McKillip
Project Analyst

Martha J. Frisone
Chief

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

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION
HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603
MAILING ADDRESS: 809 Ruggles Drive, 2704 Mail Service Center, Raleigh, NC 27699-2704
<https://info.ncdhhs.gov/dhsr/> • TEL: 919-855-3873

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

Received by Healthcare
Planning & CON Section
DEC 17 2019

 **Duke University Health System**

Catharine W. Cummer
Regulatory Counsel, Strategic Planning

December 17, 2019

Via Electronic Mail

Martha Frisone, Chief
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
2704 Mail Service Center
Raleigh, NC 27699-2704

Re: Duke University Health System notice of development of physician office building

Dear Ms. Frisone:

I am writing to inform you of the intended development by the Duke University Health System of a physician office building in Orange County at 201 Sage Road in Chapel Hill. DUHS will incur costs greater than \$2 million to upfit leased space in the building for physician services.

No new institutional health services will be offered at this site without a certificate of need. We therefore understand that this project is exempt from certificate of need review as the development of a physician office building under N.C.G.S. 131E-184(a)(9), and would appreciate your confirmation of this understanding.

Please let me know if you have any questions. Thank you very much.

Very truly yours,



Catharine W. Cummer