



NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

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

February 15, 2019

Elizabeth Frock Runyon
211 Friday Center Drive, Suite G014
Chapel Hill, NC 27517

Exempt from Review

Record #: 2873
Facility Name: UNC Hospitals
FID #: 923517
Business Name: UNC Hospitals at Chapel Hill
Business #: 1900
Project Description: Upgrade of Cancer Center Pharmacy
County: Orange

Dear Ms. Runyon:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of February 6, 2019, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(g). 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 Acute and Home Care Licensure and Certification Sections 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 Agency. 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,

[Handwritten signature of Bernetta Thorne-Williams]

Bernetta Thorne-Williams
Project Analyst

[Handwritten signature of Martha J. Frisone]

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

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR
Melinda Boyette, Administrative Assistant, Healthcare Planning, 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
www.ncdhhs.gov/dhsr • TEL: 919-855-3873





James T. Hedrick Building  
 211 Friday Center Drive,  
 Suite G014  
 Chapel Hill, NC 27517

February 6, 2019

VIA ELECTRONIC MAIL

Ms. Bernetta Thorne-Williams  
 Healthcare Planning and Certificate of Need Section  
 Division of Health Service Regulation, DHHS  
 2704 Mail Services Center  
 Raleigh, NC 27699-2704  
 bernetta.williams@dhhs.nc.gov

Re: Notification of Exemption / Upgrade of Cancer Hospital Pharmacy / UNC Hospitals  
 Main Campus / FID # 932517 / Orange County

Dear Ms. Thorne-Williams:

UNC Hospitals is providing this prior written notice of a project exempt from review regarding renovation and upgrade of its current Cancer Hospital Pharmacy space on UNC Hospitals' main campus in Chapel Hill.

This exemption is pursuant to the Main Campus Exemption provision of N.C. Gen. Stat. § 131E-184(g), which provides that:

*(g) The Department shall exempt from certificate of need review any capital expenditure that exceeds the two million dollar (\$2,000,000) threshold set forth in G.S. 131E-176(16)b. if all of the following conditions are met:*

- (1) The sole purpose of the capital expenditure is to renovate, replace on the same site, or expand the entirety or a portion of an existing health service facility that is located on the main campus.*
- (2) The capital expenditure does not result in (i) a change in bed capacity as defined in G.S. 131E-176(5) or (ii) the addition of a health service facility or any other new institutional health service other than that allowed in G.S. 131E-176(16)b.*
- (3) The licensed health service facility proposing to incur the capital expenditure shall provide prior written notice to the Department, along with supporting documentation to demonstrate that it meets the exemption criteria of this subsection.*

According to N.C. Gen. Stat. § 131E-176(14n), "main campus" means all of the following for purposes of G.S. 131E- 184(f) and (g) only:

- a. *The site of the main building from which a licensed health service facility provides clinical patient services and exercises financial and administrative control over the entire facility, including the buildings and grounds adjacent to that main building.*
- b. *Other areas and structures that are not strictly contiguous to the main building but are located within 250 yards of the main building.*

This project meets all criteria outlined above for the Main Campus Exemption to CON Law. Specifically, the sole purpose of the capital expenditure is to renovate and upgrade the existing Cancer Center Pharmacy to meet all applicable codes and regulations, including USP 800 regulations. These USP 800 regulations describe practice and quality standards for handling hazardous drugs in health care settings to help promote patient safety, worker safety, and environmental protection.

Please see Exhibits 1 and 2 for a floorplan showing the location of this space within the hospital. Exhibit 1 outlines the areas marked for demolition, and Exhibit 2 details the plans for renovation. The upgraded space will continue to provide necessary medication to patients in the Cancer Hospital and will meet with all applicable regulations, including USP 800. The capital expenditure will not result in any change in bed capacity or add any other health service facility or new institutional health service. Finally, this correspondence serves as prior written notice of UNC Hospitals' intention to incur the capital expenditure for this renovation.

The renovation is planned for the Cancer Hospital pharmacy, which is on UNC Hospitals main campus, and which is the site of the main building from which UNC Hospitals provides clinical patient services and exercises financial and administrative control over the entire facility.

UNC Hospitals anticipates that it will spend approximately \$2,085,299 for the necessary upgrades. A cost estimate is attached as Exhibit 3.

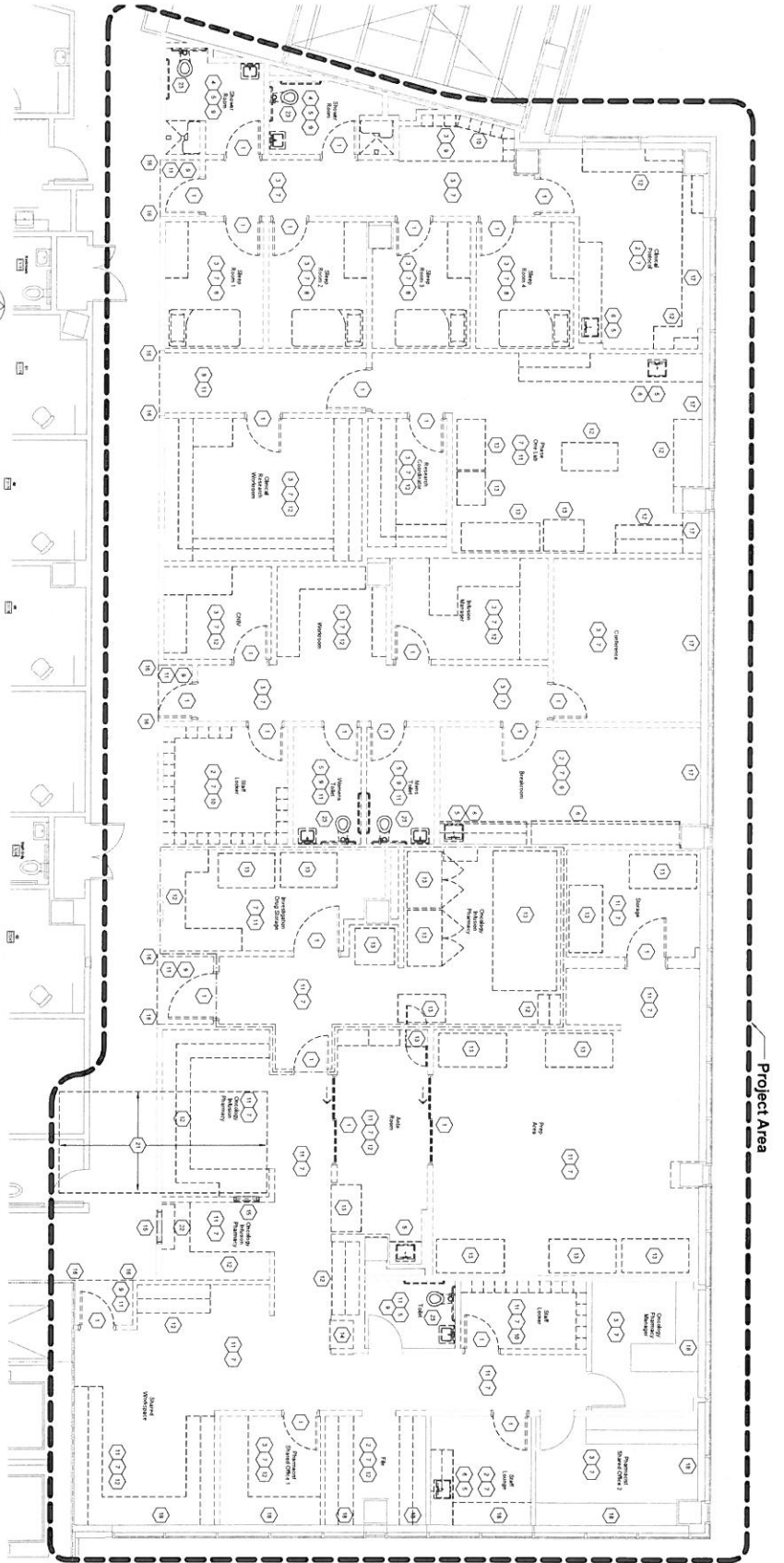
In consideration of the above, we understand that this project is exempt from CON review, and UNC Hospitals is requesting confirmation that the proposed main campus renovation/upgrade is exempt from CON review pursuant to N.C. Gen. Stat. § 131E-184(g).

Please do not hesitate to contact me at 984-215-3622 if you need any additional information. Thank you for your prompt consideration of this matter.

Sincerely,



Elizabeth Frock Runyon  
System Director of Regulatory Affairs  
UNC Health Care



**GENERAL DEMOLITION NOTES**

1. The owner is responsible for obtaining all necessary permits.
2. Verify to include existing or any attachments to the structure and the existing conditions.
3. See Planning, Marketing & Planning and the Planning drawings for further demolition details.
4. All demolition work shall be completed and signed prior to the start of construction.
5. All items to be demolished shall be properly disposed of by the Contractor under special site visit.
6. Existing work to be demolished shall be clearly marked with red paint or spray paint.
7. All work shall be completed and signed by the Contractor.
8. The Contractor shall verify and confirm the demolition of the structure and the existing conditions.
9. The Contractor shall verify and confirm the demolition of the structure and the existing conditions.
10. All items to be demolished shall be properly disposed of by the Contractor.
11. See Schedule of Values.

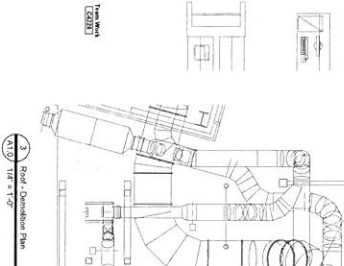
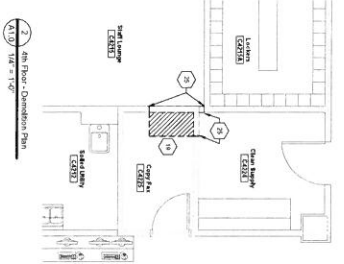
**LEGEND**

- EXISTING REMAIN, TO BE DEMOLISHED
- EXISTING REMAIN, TO BE REFINISHED
- DEMOLITION NOTE

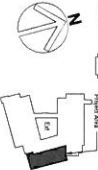
**WALL LEGEND**

Material	Description
1	EXISTING UNFINISHED GYP BOARD
2	EXISTING FINISHED GYP BOARD
3	EXISTING UNFINISHED CONCRETE
4	EXISTING FINISHED CONCRETE
5	EXISTING UNFINISHED BRICK
6	EXISTING FINISHED BRICK
7	EXISTING UNFINISHED BLOCK
8	EXISTING FINISHED BLOCK
9	EXISTING UNFINISHED STUCCO
10	EXISTING FINISHED STUCCO
11	EXISTING UNFINISHED METAL
12	EXISTING FINISHED METAL
13	EXISTING UNFINISHED GLASS
14	EXISTING FINISHED GLASS
15	EXISTING UNFINISHED WOOD
16	EXISTING FINISHED WOOD
17	EXISTING UNFINISHED OTHER
18	EXISTING FINISHED OTHER
19	EXISTING UNFINISHED OTHER
20	EXISTING FINISHED OTHER
21	EXISTING UNFINISHED OTHER
22	EXISTING FINISHED OTHER
23	EXISTING UNFINISHED OTHER
24	EXISTING FINISHED OTHER
25	EXISTING UNFINISHED OTHER
26	EXISTING FINISHED OTHER

Material	Description
1	EXISTING UNFINISHED GYP BOARD
2	EXISTING FINISHED GYP BOARD
3	EXISTING UNFINISHED CONCRETE
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11	EXISTING UNFINISHED METAL
12	EXISTING FINISHED METAL
13	EXISTING UNFINISHED GLASS
14	EXISTING FINISHED GLASS
15	EXISTING UNFINISHED WOOD
16	EXISTING FINISHED WOOD
17	EXISTING UNFINISHED OTHER
18	EXISTING FINISHED OTHER
19	EXISTING UNFINISHED OTHER
20	EXISTING FINISHED OTHER
21	EXISTING UNFINISHED OTHER
22	EXISTING FINISHED OTHER
23	EXISTING UNFINISHED OTHER
24	EXISTING FINISHED OTHER
25	EXISTING UNFINISHED OTHER
26	EXISTING FINISHED OTHER



KEY PLAN - 3rd FLOOR  
N/E



ISSUE DATE: 01/14/19  
DRAWN BY: JLS  
SHEET NUMBER: A1.0

UNC HOSPITALS  
Cancer Hospital Pharmacy  
CHAPEL HILL, NORTH CAROLINA



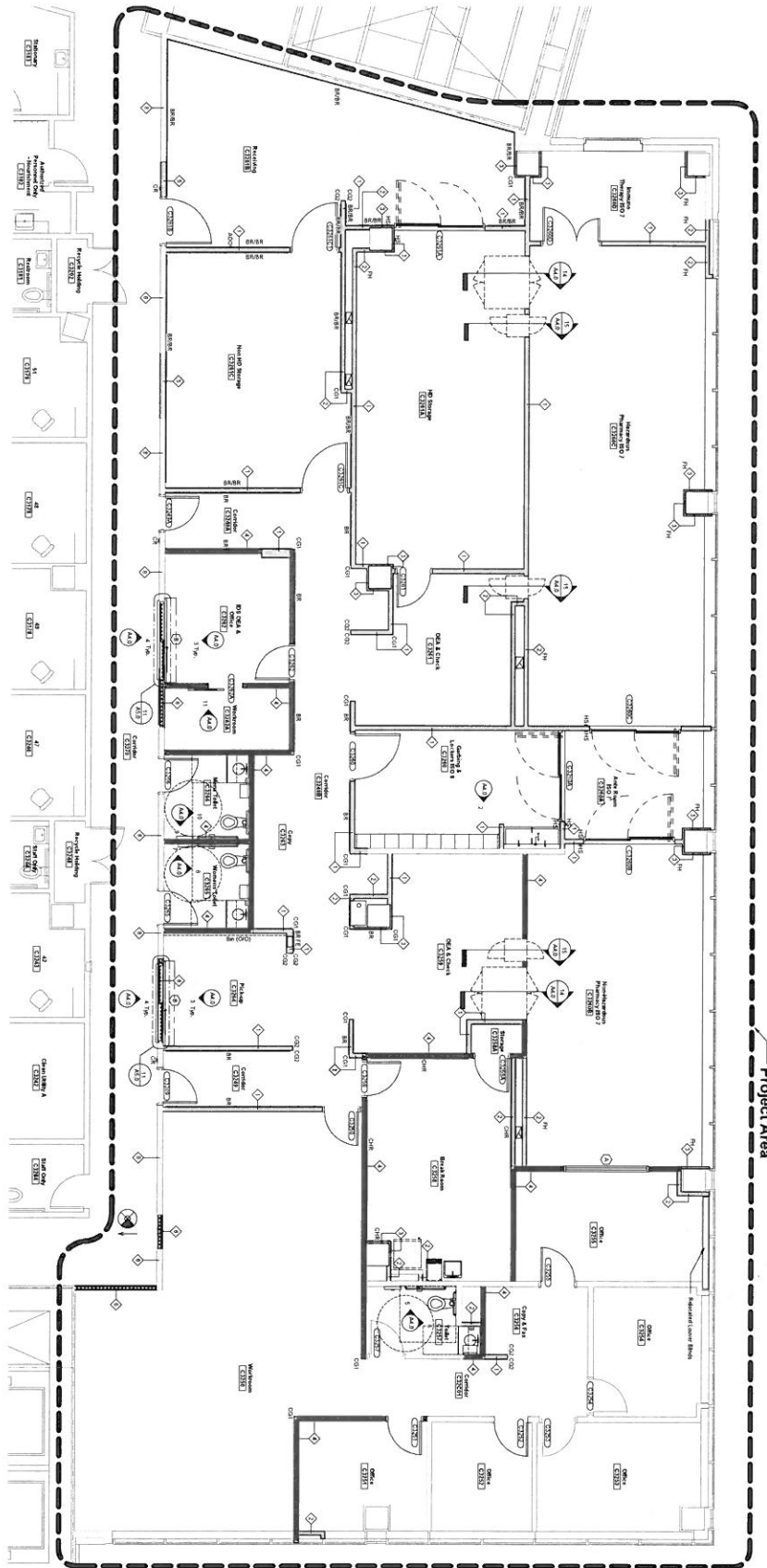
UNC HOSPITALS  
**Cancer Hospital Pharmacy**  
CHAPEL HILL, NORTH CAROLINA

**MHAworks**  
PLANNING. ARCHITECTURE. INTERIORS

501 WASHINGTON STREET, SUITE G  
DURHAM, NORTH CAROLINA 27701  
p 919-882-2870  
f 919-882-1560  
www.mhaworks.com

DURHAM  
GREENVILLE





**GENERAL RENOVATION NOTES**

1. The floor is being changed from 1/2\"/>

**WALL LEGEND**

Symbol	Description
[Symbol]	EXISTING UNFINISHED WALL
[Symbol]	EXISTING 1/2\"/>



KEY PLAN - 3rd FLOOR  
N.T.S.

**MHAworks**  
PLANNING ARCHITECTURE INTERIORS

501 WASHINGTON STREET, SUITE G  
DURHAM, NORTH CAROLINA 27701  
P 919-882-2870  
F 919-882-1986  
www.mhaworks.com

DURHAM  
GREENVILLE

UNC HOSPITALS  
**Cancer Hospital Pharmacy**  
CHAPEL HILL, NORTH CAROLINA

Professional Engineer Seal  
Professional Architect Seal

DATE: 01/11/19  
DRAWN BY: JDS  
CHECKED BY: JDS  
PROJECT: Cancer Hospital Pharmacy Renovation  
SHEET TITLE: Renovation Plan

ISSUE DATE: 01/11/19  
DRAWN BY: JDS  
CHECKED BY: JDS  
PROJECT: Cancer Hospital Pharmacy Renovation  
SHEET NUMBER: A2.0





**UNCH CANCER HOSPITAL PHARMACY**  
UNCH Cancer Hospital  
Third Floor



<b>DIVISION 1 - GENERAL</b>		<b>QTY</b>	<b>UNIT COST</b>	<b>UNIT</b>	<b>COST</b>
	General Conditions	40	\$6,000.00	Weeks	\$240,000.00
	Demolition	6380	\$5.00	SF	\$31,900.00

**Division Totals** \$271,900

<b>DIVISION 3 - CONCRETE</b>		<b>QTY</b>	<b>UNIT COST</b>	<b>UNIT</b>	<b>COST</b>
	Slab Cuts	2	\$2,500.00	EA	\$5,000.00

**Division Totals** \$5,000

<b>DIVISION 6 - WOOD</b>		<b>QTY</b>	<b>UNIT COST</b>	<b>UNIT</b>	<b>COST</b>
	Toilet Room Countertops	8	\$200.00	LF	\$1,500.00

**Division Totals** \$1,500

<b>DIVISION 7 - THERMAL &amp; MOSITURE</b>		<b>QTY</b>	<b>UNIT COST</b>	<b>UNIT</b>	<b>COST</b>
	Roof Patch	75	\$200.00	SF	\$15,000.00
	Roof Patch - Mobilization	1	\$1,500.00	EA	\$1,500.00

**Division Totals** \$16,500

<b>DIVISION 8 - DOORS &amp; WINDOWS</b>		<b>QTY</b>	<b>UNIT COST</b>	<b>UNIT</b>	<b>COST</b>
	Clean Room Sliding Doors	4	\$7,500.00	EA	\$30,000.00
	Wood Door / HM Frame / Hardware	18	\$1,400.00	EA	\$25,200.00
	Barn Door / Hardware	1	\$3,500.00	EA	\$3,500.00
	HM Window	1	\$1,375.00	EA	\$1,375.00
	Sliding Transaction Window	2	\$1,000.00	EA	\$2,000.00
	Fire Shutter	2	\$5,500.00	EA	\$11,000.00
	Access Panel Doors	4	\$300.00	EA	\$1,200.00

**Division Totals** \$74,275

<b>DIVISION 9 - FINISHES</b>		<b>QTY</b>	<b>UNIT COST</b>	<b>UNIT</b>	<b>COST</b>
	Metal Stud & Sheet Rock Walls	5000	\$8.00	SF	\$40,000.00
	Metal Stud Shaft Wall	200	\$10.00	SF	\$2,000.00
	Fan Enclosure above ceiling	100	\$10.00	SF	\$1,000.00
	Acoustical Panel Ceiling - APC 1	1510	\$6.50	SF	\$9,815.00
	Acoustical Panel Ceiling - APC 2	3875	\$3.50	SF	\$13,562.50
	GWB Ceiling	275	\$7.00	SF	\$1,925.00
	Carpet	1560	\$5.00	SF	\$7,800.00
	Sheet Vinyl with Integral Cove Base	4400	\$10.00	SF	\$44,000.00
	Floor Tile	116	\$14.00	SF	\$1,624.00
	Wall Tile	85	\$18.00	SF	\$1,530.00
	Accent Wall Tile	8	\$40.00	SF	\$320.00
	Rubber Base	410	\$2.25	LF	\$922.50
	White Rock - RSV1	4600	\$25.00	SF	\$115,000.00
	Paint	9500	\$2.00	SF	\$19,000.00

**Division Totals** \$258,499

<b>DIVISION 10 - SPECIALTIES</b>		<b>QTY</b>	<b>UNIT COST</b>	<b>UNIT</b>	<b>COST</b>
	Rigid Sheet Vinyl RSV2	970	\$7.50	SF	\$7,275.00
	Bumper Rail - BR	80	\$25.00	LF	\$2,000.00
	Bumper Rail - BR/BR	90	\$50.00	LF	\$4,500.00
	Chair Rail	35	\$25.00	LF	\$875.00
	Corner Guard - CG1	16	\$40.00	EA	\$640.00
	Corner Guard - CG2	10	\$40.00	EA	\$400.00
	Plastic Lockers	30	\$125.00	EA	\$3,750.00
	Grab Bars - 42"	3	\$250.00	EA	\$750.00
	Grab Bars - 24"	3	\$250.00	EA	\$750.00
	Grab Bars - 20"	3	\$250.00	EA	\$750.00
	Mirrors	3	\$200.00	EA	\$600.00
	Toilet Accessory Install	16	\$50.00	EA	\$800.00
	Signage	37	\$150.00	EA	\$5,550.00
	Fire Extinguisher Cabinet	1	\$400.00	EA	\$400.00

**Division Totals** \$29,040

<b>DIVISION 11 - EQUIPMENT</b>		<b>QTY</b>	<b>UNIT COST</b>	<b>UNIT</b>	<b>COST</b>
	Pass Thru Install	5	\$250.00		\$1,250.00

**UNCH CANCER HOSPITAL PHARMACY**  
 UNCH Cancer Hospital  
 Third Floor



**Division Totals** **\$1,250**

<b>DIVISION 15 - MECHANICAL</b>		<b>QTY</b>	<b>UNIT COST</b>	<b>UNIT</b>	<b>COST</b>
	Mechanical	1	\$693,000.00	LS	\$693,000.00
	Fire Protection	1	\$66,700.00	LS	\$66,700.00
	Plumbing	1	\$80,000.00	LS	\$80,000.00

**Division Totals** **\$839,700**

<b>DIVISION 16 - ELECTRICAL</b>		<b>QTY</b>	<b>UNIT COST</b>	<b>UNIT</b>	<b>COST</b>
	Electrical	1	\$213,000.00	LS	\$213,000.00

**Division Totals** **\$213,000**

<b>BUILDING SUBTOTAL</b>		<b>\$1,710,664</b>
Bonds & Insurance	1.0%	\$17,107
Fee	5.0%	\$85,533
<b>ESTIMATED CONSTRUCTION COST</b>		<b>\$1,813,304</b>
<b>CONTINGENCY</b>	15%	\$271,996

**TOTAL CONSTRUCTION COST** **\$2,085,299**

**Total Estimated Costs w/ ALTERNATES** **\$2,085,299**  
under / over (\$859,299)

<b>ALTERNATES</b>		<b>QTY</b>	<b>UNIT COST</b>	<b>UNIT</b>	<b>COST</b>
	X	0	\$0.00		\$0.00
	X	0	\$0.00		\$0.00

**Alternate Totals** **\$0**

*Effective January 01, 2019, this license is issued to  
**University of North Carolina Hospitals at Chapel Hill***

*to operate a hospital known as  
**University of North Carolina Hospitals**  
located in Chapel Hill, North Carolina, Orange County.*

*This license is issued subject to the statutes of the  
State of North Carolina, is not transferable and shall remain  
in effect until amended by the issuing agency.*

*Facility ID: 923517*

***License Number: H0157***

***Bed Capacity: 916***

*General Acute 810, Rehabilitation 30 , Psych 76,*

**Dedicated Inpatient Surgical Operating Rooms: 6**

**Dedicated Ambulatory Surgical Operating Rooms: 11**

**Shared Surgical Operating Rooms: 29**

**Dedicated Endoscopy Rooms: 9**

