



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

Pat McCrory  
Governor

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

Drexal Pratt  
Division Director

**RESPONSE REQUIRED**

March 28, 2014

Elizabeth Kirkman  
2709 Water Ridge Parkway, Suite 200  
Charlotte, NC 28217

**Conditional Approval**

Project I.D. #: F-10215-13  
Facility: Carolinas Medical Center Mercy/Pineville  
Project Description: Add 34 acute care beds  
County: Mecklenburg  
FID #: 923352

Dear Ms. Kirkman:

The Certificate of Need (CON) Section, Division of Health Service Regulation, Department of Health and Human Services has conditionally approved the above referenced certificate of need application. This decision was made after a review of the applications submitted for this cycle and after consideration of the Certificate of Need Law, G.S. 131E-175 et. seq. and regulations promulgated there under, the State Medical Facilities Plan, and other applicable information. Written notice of all findings and conclusions upon which the decision was based will be provided to the applicants within five business days after the date of the decision in accordance with G.S. 131E-186. The applicant shall not proceed with the construction, offering or development of this project until the certificate of need is issued. Further, the Department shall not issue the certificate of need until all applicable conditions of approval that can be satisfied before issuance of the certificate of need have been met pursuant to G.S. 131E-187(a). The conditions are as follows:

1. The Charlotte-Mecklenburg Hospital Authority d/b/a Carolinas Medical Center-Mercy shall materially comply with all representations made in the certificate of need application.
2. The Charlotte-Mecklenburg Hospital Authority d/b/a Carolinas Medical Center-Mercy shall not acquire, as part of this project, any equipment that is not included in the



**Certificate of Need Section**

[www.ncdhhs.gov](http://www.ncdhhs.gov)

Telephone 919-855-3873 • Fax 919-733-8139

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

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

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project's proposed capital expenditure in Section VIII of the application and which would otherwise require a certificate of need.

3. The Charlotte-Mecklenburg Hospital Authority d/b/a Carolinas Medical Center-Mercy shall add no more than 34 acute care beds for a total of no more than 196 acute care beds upon project completion.
4. Prior to issuance of the certificate of need, The Charlotte-Mecklenburg Hospital Authority d/b/a Carolinas Medical Center-Mercy shall acknowledge acceptance of and agree to comply with all conditions stated herein in writing to the Certificate of Need Section.

**Response to the above conditions should be submitted to the CON Section no later than 35 days from the date of the decision. Failure to respond within this time period may result in the CON Section making a determination not to issue a certificate of need for the project referenced above.**

The conditional approval is valid only for a capital expenditure of \$1,999,775. If a cost overrun occurs that exceeds the approved capital expenditure amount, a new certificate of need may be required as determined by G.S. 131E-176(16)(e).

The applicant should be aware that according to the Certificate of Need Law any affected person shall have thirty (30) days after the date of decision to file a petition for a contested case on this approval. Further, if you are aggrieved by the conditions of the decision you may file a petition for a contested case hearing in accordance with G.S. 150B, Article 3, as amended. This petition must be filed with the Office of Administrative Hearings, P.O. Drawer 27447, Raleigh, North Carolina 27611-7447 within thirty (30) days of the date of this decision. [Note: Effective October 1, 2009, OAH requires a filing fee with submittal of petitions for contested cases. Please direct all questions regarding this fee to OAH Clerk's Office (919-431-3000).]

G.S. 150B-23 provides that a party filing a petition must also serve a copy of the petition on all parties to the petition. Therefore, if you file a petition for a contested case hearing, you must serve a copy of the petition on the Department of Health and Human Services by mailing a copy of your petition to:

Emery Milliken  
Department of Health and Human Services,  
Office of Legal Affairs,  
Adams Building – Room 154  
2001 MSC  
Raleigh, North Carolina, 27699-2001

It is requested that a copy of the petition also be served on the Certificate of Need Section.

Elizabeth Kirkman

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The certificate of need will not be issued before the completion of this 30 day period ending April 28, 2014. If a contested case request is received within the thirty (30) day period, the certificate will not be issued until the appeal is resolved (10A NCAC 14C .0208).

The timetable for completion of the project is the timetable outlined in the certificate of need application, unless an adjustment has been made by the CON Section because the review period was extended. The timetable for this project is as follows:

Completion of Final Drawings _____	May 20, 2014
Approval of Final Drawings and Specifications _____	July 4, 2014
25% Completion of Construction _____	August 13, 2014
50% Completion of Construction _____	September 17, 2014
75% Completion of Construction _____	October 22, 2014
Completion of Construction _____	November 26, 2014
Occupancy/Offering of Service _____	January 1, 2015

If the decision is appealed, the timetable set forth in this letter will be adjusted accordingly before the certificate of need is issued. Please contact us if any clarification of this decision is required.

Please refer to the Project I.D.# and Facility I.D.# (FID) in all correspondence.

Sincerely,

Bernetta Thorne-Williams, Project Analyst

Martha J. Frisone, Interim Chief  
Certificate of Need Section

BTW:MJF:pob

Attachment

cc: Medical Facilities Planning Branch, DHSR  
Acute & Home Care Licensure & Certification Section, DHSR  
Construction Section, DHSR

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing notice of conditional approval on the following persons by placing a copy in an official depository of the United States Postal Service in a postage-paid, first class envelopes addressed as follows:

Elizabeth Kirkman  
2709 Water Ridge Parkway, Suite 200  
Charlotte, NC 28217

Project I.D. # F-10215-13  
FID # 923352

Elizabeth Kirkman  
2709 Water Ridge Parkway, Suite 200  
Charlotte, NC 28217

Project I.D. # F-10221-13  
FID # 923516

I hereby certify that I have served the foregoing notice of disapproval on the following person by placing a copy in an official depository of the United States Postal Service in a postage-paid, first class envelope addressed as follows:

Laura MacFadden  
3600 Country Club Road, Suite 201  
Winston-Salem, NC 27105

Project I.D. # F-10214-13  
FID # 990440

This the 28<sup>th</sup> day of March, 2014.

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Bernetta Thorne-Williams  
Project Analyst