



North Carolina Department of Health and Human Services
Division of Health Service Regulation
Certificate of Need Section

2704 Mail Service Center • Raleigh, North Carolina 27699-2704
<http://www.ncdhhs.gov/dhsr/>

Drexdal Pratt, Director

Beverly Eaves Perdue, Governor
Albert A. Delia, Acting Secretary
June 26, 2012

Craig R. Smith, Section Chief
Phone: (919) 855-3873
Fax: (919) 733-8139

Ms. Denise M. Gunter
Nelson Mullins Riley & Scarborough LLP
380 Knollwood Street, Suite 530
Winston-Salem, NC 27103

RE: No Review / FirstHealth of the Carolinas, Inc. d/b/a FirstHealth Moore Regional Hospital / Convert three Level III Neonatal Special Care beds to three Medical-Surgical (Med-Surg) beds / Moore County
FID #943358

Dear Ms. Gunter:

The Certificate of Need (CON) Section received your letter of May 25, 2012 regarding the request by FirstHealth Moore Regional Hospital to convert three Level III Neonatal Special Care beds to three Med-Surg beds, without affecting the total bed complement of FirstHealth of the Carolinas d/b/a FirstHealth Moore Regional Hospital, and to transfer the three Med-Surg beds as part of a total of eight Med-Surg beds to be transferred to Hoke Community Hospital pursuant to Project ID#N-8497-10. Based on the CON law **in effect on the date of this response to your request**, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

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.

In addition, you should contact the Acute and Home Care Licensure and Certification Section to determine if they have any requirements for development of the proposed project. Please contact the CON Section if you have any questions. Also, in all future correspondence you should reference the Facility I.D.# (FID) if the facility is licensed.

Sincerely,

Tanya S. Rupp, Project Analyst

Craig R. Smith, Chief
Certificate of Need Section

cc: Medical Facilities Planning Section, DHSR



Nelson Mullins

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June 26, 2012

VIA EMAIL

Craig R. Smith, Chief
Martha J. Frisone, Assistant Chief
North Carolina Department of Health and Human Services
Division of Health Service Regulation
Certificate of Need Section
809 Ruggles Drive
Raleigh, North Carolina 27603

Re: No Review Request for FirstHealth Moore Regional Hospital/Convert 3 Level III neonatal special care beds to 3 Med-Surg Beds/Health Service Area V (Moore County)

Dear Craig and Martha:

FirstHealth of the Carolinas, Inc. d/b/a Moore Regional Hospital (Moore Regional) in Pinehurst has 16 Level III neonatal special care beds. These 16 Level III neonatal special care beds are part of Moore Regional's complement of 320 acute care beds. Utilization of these Level III beds has been declining over the last several years, while utilization of Moore Regional's med-surg beds has been increasing. The following chart reflects data from Moore Regional's Hospital License Renewal Applications from 2008 to 2012:

License Renewal Year	Level III Neonatal Days	Med-Surg Days
2012	2,537	58,369
2011	2,859	57,100
2010	3,122	55,247
2009	3,304	51,678
2008	3,925	54,032

As reflected in the chart, Moore Regional's Level III neonatal days declined by 1,388 days from 2008-2012, while med-surg days increased by 4,337 during the same period.

Craig R. Smith
Martha J. Frisone
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To account for the decline in neonatal special care utilization and to keep up with demand for the med-surg beds, Moore Regional has decided that it would like to decrease its Level III neonatal special care beds by 3 and therefore go from 16 Level III neonatal special care beds to 13 Level III neonatal special care beds. At the same time, Moore Regional would increase its med-surg beds from 203 to 206. Moore Regional would not be increasing its total licensed bed capacity of 320 acute care beds. Since both Level III neonatal special care beds and med-surg beds are considered acute care beds, this proposed change does not involve a change in bed capacity as defined in N.C. Gen. Stat. § 131E-176(5) and therefore would not be a new institutional health service as defined in N.C. Gen. Stat. § 131E-176(16)c. Moore Regional believes that 13 Level III neonatal special care beds should be sufficient to meet patient needs for the foreseeable future.

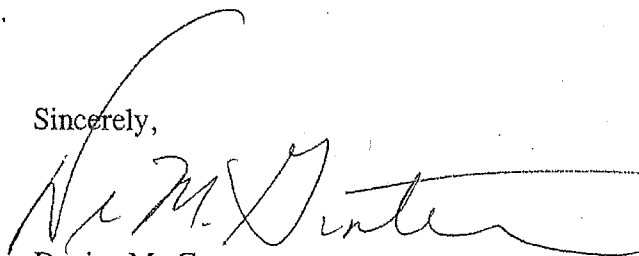
These three med-surg beds would be implemented at FirstHealth Hoke Community Hospital, as part of the eight beds which Moore Regional is permitted to move to Hoke County pursuant to the CON for Project I.D. No. N-8497-10, issued on April 11, 2012. All costs to implement these beds would be included in the capital costs for Project I.D. No. N-8497-10. As part of the proposal outlined in this letter, Moore Regional would not acquire any major medical equipment as defined in N.C. Gen. Stat. § 131E-176(14o) or any CON-regulated equipment as defined in N.C. Gen. Stat. § 131E-176(16)f1. Likewise, Moore Regional would not be constructing, developing or otherwise establishing a new health service facility, *see* N.C. Gen. Stat. § 131E-176(16)a., or offering a health service listed in N.C. Gen. Stat. § 131E-176(16)f., as part of this proposal.

Accordingly, we would appreciate the CON Section's written confirmation that the above-referenced plan to convert three Level III neonatal special care beds to three med-surg beds does not require a CON.

Thank you for your time and consideration.

With best personal regards,

Sincerely,

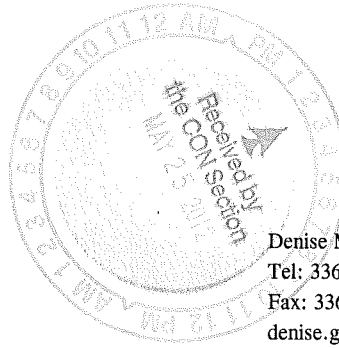


Denise M. Gunter

cc: Azzie Conley, Chief of the Acute and Home Care Licensure and Certification Section

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May 25, 2012

VIA HAND DELIVERY

Craig R. Smith, Chief
Martha J. Frisone, Assistant Chief
North Carolina Department of Health and Human Services
Division of Health Service Regulation
Certificate of Need Section
809 Ruggles Drive
Raleigh, North Carolina 27603

Re: No Review Request for FirstHealth Moore Regional Hospital/Convert 3 Level III NICU beds to 3 Med-Surg Beds/Health Service Area V (Moore County)

Dear Craig and Martha:

FirstHealth of the Carolinas, Inc. d/b/a Moore Regional Hospital (Moore Regional) in Pinehurst has 16 Level III NICU beds. These 16 Level III NICU beds are part of Moore Regional's complement of 320 acute care beds. Utilization of these Level III beds has been declining over the last several years, while utilization of Moore Regional's med-surg beds has been increasing. The following chart reflects data from Moore Regional's Hospital License Renewal Applications from 2008 to 2012:

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As reflected in the chart, Moore Regional's Level III neonatal days declined by 1,388 days from 2008-2012, while med-surg days increased by 4,337 during the same period.

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To account for the decline in NICU utilization and to keep up with demand for the med-surg beds, Moore Regional has decided that it would like to decrease its Level III NICU beds by 3 and therefore go from 16 Level III NICU beds to 13 Level III NICU beds. At the same time, Moore Regional would increase its med-surg beds from 203 to 206. Moore Regional would not be increasing its total licensed bed capacity of 320 acute care beds. Since both Level III NICU beds and med-surg beds are considered acute care beds, this proposed change does not involve a change in bed capacity as defined in N.C. Gen. Stat. § 131E-176(5) and therefore would not be a new institutional health service as defined in N.C. Gen. Stat. § 131E-176(16)c. Moore Regional believes that 13 Level III NICU beds should be sufficient to meet patient needs for the foreseeable future.


These three med-surg beds would be implemented at FirstHealth Hoke Community Hospital, as part of the eight beds which Moore Regional is permitted to move to Hoke County pursuant to the CON for Project I.D. No. N-8497-10, issued on April 11, 2012. All costs to implement these beds would be included in the capital costs for Project I.D. No. N-8497-10. As part of the proposal outlined in this letter, Moore Regional would not acquire any major medical equipment as defined in N.C. Gen. Stat. § 131E-176(14o) or any CON-regulated equipment as defined in N.C. Gen. Stat. § 131E-176(16)f1. Likewise, Moore Regional would not be constructing, developing or otherwise establishing a new health service facility, *see* N.C. Gen. Stat. § 131E-176(16)a., or offering a health service listed in N.C. Gen. Stat. § 131E-176(16)f., as part of this proposal.

Accordingly, we would appreciate the CON Section's written confirmation that the above-referenced plan to convert three Level III NICU beds to three med-surg beds does not require a CON.

Thank you for your time and consideration.

With best personal regards.

Sincerely,

Denise M. Gunter
Denise M. Gunter 

cc: Azzie Conley, Chief of the Acute and Home Care Licensure and Certification Section