



North Carolina Department of Health and Human Services
Division of Health Service Regulation
Office of the Director

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March 22, 2013

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

Exempt from Review

Facility: Duke University Health System d/b/a Duke University Hospital
Project Description: Acquisition of inventory management software
County: Durham
FID #: 943138


Dear Ms. Cummer:


In response to your correspondence of March 19, 2013, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(3). Therefore, you may proceed to offer, develop or establish the above referenced project without a certificate of need.

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.

If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,


Michael J. McKillip
Project Analyst


Craig R. Smith, Chief
Certificate of Need Section



Mckillip, Mike

From: Catharine Cummer [catharine.cummer@duke.edu]
Sent: Tuesday, March 19, 2013 9:04 AM
To: Mckillip, Mike
Subject: DUHS IT Project

Dear Mike,

I am writing to inform you of a planned capital expenditure by Duke University Health System of approximately \$1.6 million to upgrade the existing CareFusion Pyxis Supply Technologies (PST) software from version 8.1 (v8.1) to version 9.2 (v9.2). This is software used throughout DUHS hospitals for supply cabinet inventory management. The upgrade/replacement is necessary because the current version of Pyxis software has an end-of-life date of April 1, 2014, and Pyxis no longer sells the v8.1. All new equipment that is purchased from this point forward, including for the Duke Medical Pavilion building, will therefore have version 9.2.

It is our understanding that, given the nature of this project its cost, this project is not a new institutional health service which requires a certificate of need, and that, even if the cost exceeded \$2 million, the project would still be exempt from review both as necessary to provide data processing equipment and also as replacement of existing equipment. GS 131E-184. We would appreciate it if you could confirm our understanding that this project does not require a certificate of need. If you need further information, please let me know.

Thank you very much for your attention to this request.

Yours,
Catharine

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