



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

Pat McCrory
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Ambassador (Ret.)
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Drexdal Pratt
Division Director

March 18, 2015

Elizabeth Kirkman
Assistant Vice President
CHS Management Company
2709 Water Ridge Parkway, Suite 200
Charlotte, North Carolina 28217

Exempt from Review

Facility: Stanly Regional Medical Center
Project Description: Upgrade core information system
County: Stanly
FID #: 953472

Dear Ms. Kirkman:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of March 9, 2015, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(3). 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.

Healthcare Planning and Certificate of Need Section

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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Ms. Elizabeth Kirkman
March 18, 2015
Page 2

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

Sincerely,



Gloria C. Hale
Project Analyst



Martha J. Frisone, Assistant Chief
Certificate of Need

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR
Assistant Chief, Healthcare Planning



Carolinus HealthCare System



Edward J. Brown III
Chairman

Michael C. Tarwater, FACHE
Chief Executive Officer

Joseph G. Piemont
President & COO

March 9, 2015

Ms. Martha Frisone,
Assistant Chief, Certificate of Need
Division of Health Service Regulation
North Carolina Department of Health & Human Services
809 Ruggles Drive
Raleigh, North Carolina 27603

RE: Exemption Request for Stanly Regional Medical Center (“Stanly”) to upgrade its existing core information system

Dear Ms. Frisone:

This letter serves as notification of Stanly Regional Medical Center’s intent to upgrade its existing core information system standard applications, infrastructure, hardware and services to ensure compatibility, consistency and quality of care. Pursuant to N.C.G.S. 131 E-184 (a)(3), this project is exempt from certificate of need review. Stanly is implementing this upgrade in order to migrate to common information system platforms with Carolinus HealthCare System. This will allow for ease of access with coordinated treatment planning among providers, improved transition of care across care settings, improved medication history, reconciliation, and error checking and reduction in documentation efforts/systems. In addition, this project will allow Stanly to leverage existing and future technologies as well as transform the care for their patients in all care settings. The core information system upgrade includes the following components:

1. Applications

- Electronic medical records, computerized physician order entry, medication administration, employee health and payroll, registration and scheduling, decision support, medical records, lab specimen management, operating room management, materials management, radiology and imaging, electronic dictation and pharmacy.

2. Hardware

- Desktop and laptop computers, exam room wall-units and computers, laser, label, registration, and multi-function printers, scanners for registration, medication administration, medical records, nursing carts, imaging stations, nurse call and code blue systems and biomedical devices.
- Network and telephone infrastructure and application hosting servers to support technology requirements.
- IS security including virus and spam protection, web-filtering, secure remote access, encryption, virtual private networks and secure mail.

3. Services

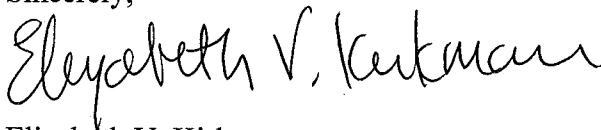
- Data conversion and consulting.
- HIPAA training and education.

The new hardware and software will be installed over the next eighteen to twenty-four months. The estimated total capital cost of this project is \$9.3 million.

Based upon the project as described above and pursuant to N.C.G.S. 131E-184(a)(3), this letter serves as notification of our intent to proceed with this project. We would appreciate your written concurrence that this project is exempt from certificate of need review.

If you have any questions or require further information regarding this project, please contact me at 704-446-8475.

Sincerely,



Elizabeth V. Kirkman
Assistant Vice President,
CHS Management Company

cc: Al Taylor, President/Stanly Regional Medical Center