



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

Roy Cooper  
Governor

Dempsey E. Benton  
Interim Secretary DHHS

Mark Payne, Director  
Health Service Regulation

January 24, 2017

Renee J. Montgomery  
Parker Poe  
301 Fayetteville Street, Suite 1400  
Raleigh, NC 27601

**Exempt from Review**

**Record #:** 2136  
**Facility Name:** Central Carolina Hospital  
**FID #:** 953084  
**Project Description:** Emergency Department Expansion and Renovation  
**Business Name:** DLP Central NC Holding Company, LLC  
**Business #:** 2546  
**County:** Lee

Dear Ms. Montgomery:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), confirms that based on your letter of December 28, 2016 the above referenced proposal was deemed exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(g). Therefore, you may proceed to expand and renovate the Emergency Department without a certificate of need.

You stated in your correspondence dated December 28, 2016 that you will surrender the certificate of need for Project J-10078-13 (renovate and expand the Emergency Department). Please do so by February 15, 2017.

You also need to contact the Agency's Acute and Home Care Licensure and Certification and Construction 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

**Healthcare Planning and Certificate of Need Section**

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

Telephone: 919-855-3873 • Fax: 919-715-4413

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

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

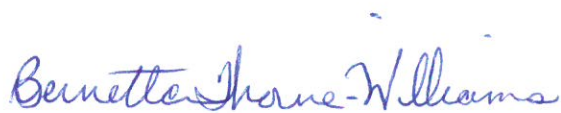
An Equal Opportunity/ Affirmative Action Employer



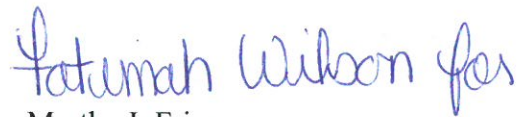
referenced above, a new determination as to whether a certificate of need is required would need to be made by the Agency. Changes in a project include, but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate; (3) modifications 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,



Bernetta Thorne-Williams  
Project Analyst



Martha J. Frisone  
Assistant Chief Certificate of Need

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



Record# 2136  
FID# 953084  
Bus# 440 2546

**Renee J. Montgomery**  
**Partner**  
Telephone: 919.890.4162  
Direct Fax: 919.835.4554  
reneemontgomery@parkerpoe.com

Atlanta, GA  
Charleston, SC  
Charlotte, NC  
Columbia, SC  
Greenville, SC  
Raleigh, NC  
Spartanburg, SC

December 28, 2016

Via Email ([Martha.Frisone@dhhs.nc.gov](mailto:Martha.Frisone@dhhs.nc.gov)) and U.S. Mail

Ms. Martha Frisone  
Assistant Section Chief  
Ms. Bernetta Thorne-Williams  
Project Analyst  
Healthcare Planning and Certificate of Need Section  
Division of Health Service Regulation  
North Carolina Department of Health and Human Services  
2704 Mail Service Center  
Raleigh, North Carolina 27699-2704



Re: ***Expansion and Renovation of Emergency Department  
at Central Carolina Hospital***

Dear Ms. Frisone and Ms. Thorne-Williams:

We represent DLP Central NC Holding Company, LLC d/b/a Central Carolina Hospital which owns and operates Central Carolina Hospital in Lee County, North Carolina. As you know, Central Carolina Hospital was acquired by our client in January of this year.

On May 31, 2013, a CON was issued to AMISUB of North Carolina, Inc. to renovate and expand the emergency department at Central Carolina Hospital (Project I.D. No. J-10078-13). The Agency has been updated on the status of this project, including progress reports that were submitted in March and November of this year.

The purpose of this letter is to request acknowledgement of an exemption from Certificate of Need review pursuant to the provisions of N.C. Gen. Stat. § 131E-184(g). Since the CON was issued for Project I.D. No. J-10078-13 in 2013, the Certificate of Need Law was amended to allow certain types of capital expenditures that exceed \$2 million without requiring a Certificate of Need. *See*, N.C. Gen. Stat. § 131E-184(g). This amendment was included in Session Law 2013-360, § 12G.3(b) and became effective for capital expenditures incurred on or after July 26, 2013.

Ms. Martha Frisone  
Ms. Bernetta Thorne-Williams  
December 28, 2016  
Page 2

Between the issuance of the CON to Central Carolina in May of 2013 and the amendment of the CON law to allow certain expansions as mentioned above, Central Carolina incurred no capital expenditures for the expansion and renovation of its emergency department. In fact, the progress reports submitted this year indicate that there had been no capital expenditures incurred. Therefore, we believe that the exemption should be applicable to allow the hospital to proceed with this project without relying upon the previously issued Certificate of Need.

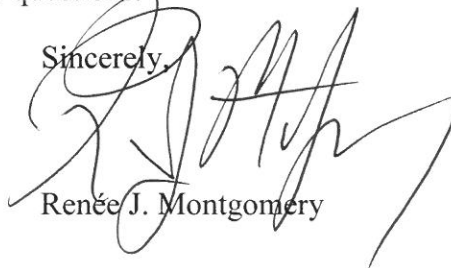
Central Carolina Hospital is willing to surrender the Certificate of Need that was issued in May of 2013 provided that it receives an acknowledgement of an exemption for the project that it intends to pursue which involves renovating and expanding its emergency department. The sole purpose of the proposed capital expenditure is to renovate and expand its existing emergency department which is located on its main campus. The emergency department will be expanded by extending the facility to a parking lot. The capital expenditure will not result in a change in bed capacity or the addition of a health service facility or any other new institutional health service. *See* N.C. Gen. Stat. § 131E-184(g)(1) and (2).

We are attaching schematic drawings showing that the proposed renovation and expansion will be at the site of Central Carolina Hospital. It is estimated that the capital cost for the project will be \$12,051,000 million and will involve renovation of approximately 9,600 square feet of the existing emergency department area and a 13,400 square foot expansion to accommodate the facility growth and current needs.

Please confirm that Central Carolina Hospital can proceed with the renovation and expansion of its emergency department without relying upon the previously issued Certificate of Need. As set forth above, Central Carolina Hospital is willing to surrender that Certificate of Need provided that it receives this confirmation.

Please let us know if you have any questions.

Sincerely,



Renee J. Montgomery

RJM:klb

**SQUARE FOOTAGE INFORMATION**  
28 EXAM POSITIONS  
13 OFFICES

578 SF = 1/2 SF OF 1,153 DROP OFF CANOPY  
420 SF = 1/2 SF OF 840 AMBULANCE CANOPY  
ADDITION  
12,354 SF RENOVATION  
2,077 SF TOTAL EMERGENCY DEPARTMENT  
22,430 SF

**PARTIAL FIRST FLOOR**  
1" = 10'-0"



C.T. JEAN

CONTROR

REVISIONS

DATE

BY

NO.

DESCRIPTION

DATE

BY

NO.

DESCRIPTION

DATE

BY

EXISTING EXAM  
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A0.0)

SUPPORTIVE COUNTERS (SEE  
SHEET A0.0)

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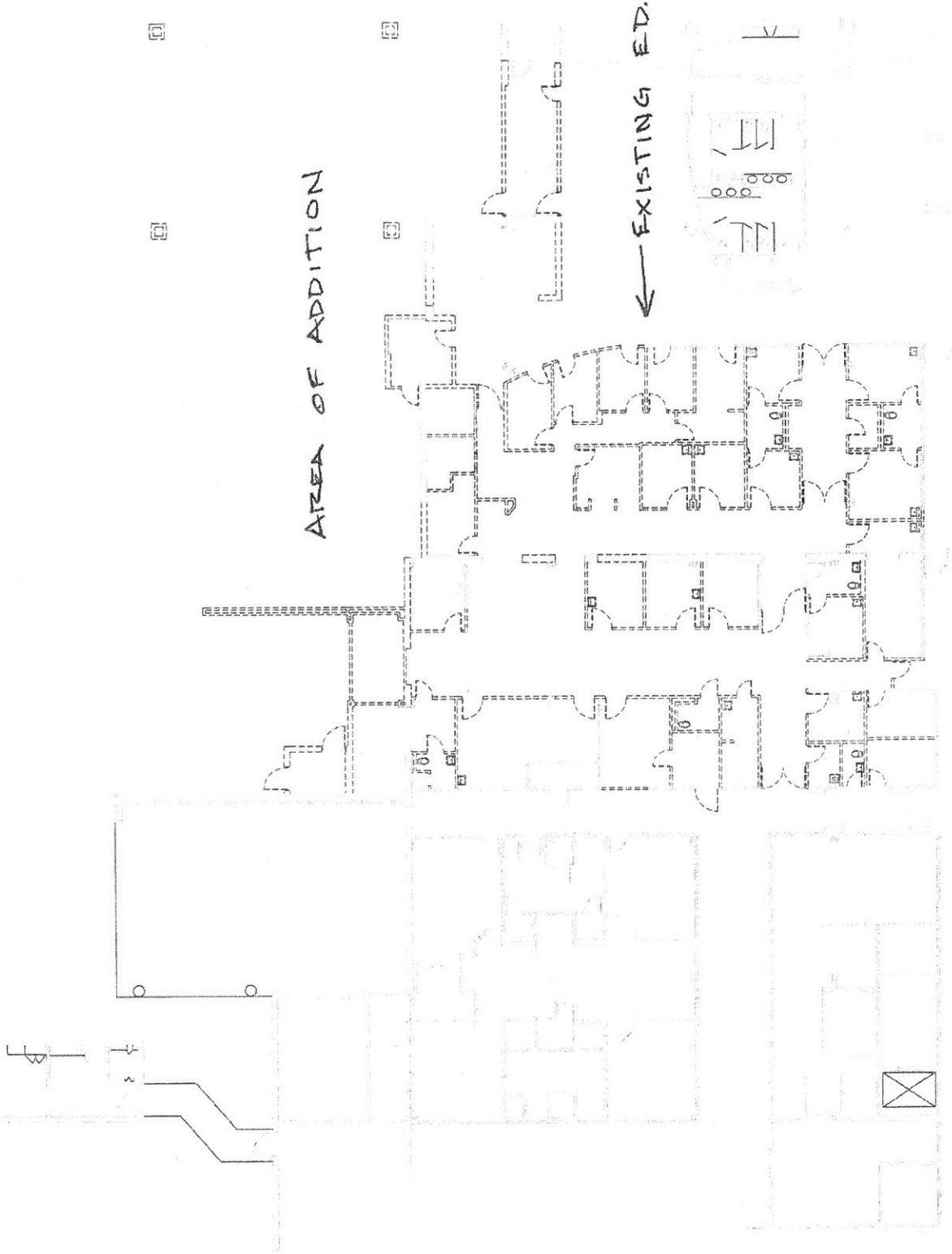
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*Effective January 01, 2017, this license is issued to*  
***DLP Central Carolina Medical Center, LLC***

*to operate a hospital known as*  
***Central Carolina Hospital***  
*located in Sanford, North Carolina, Lee 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: 953084*

***License Number: H0243***

***Bed Capacity: 137***

*General Acute 127, Psych 10,*

**Dedicated Inpatient Surgical Operating Rooms: 1**

**Dedicated Ambulatory Surgical Operating Rooms: 0**

**Shared Surgical Operating Rooms: 6**

**Dedicated Endoscopy Rooms: 1**

## Williams, Bernetta

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**From:** Montgomery, Renee J. <reneemontgomery@parkerpoe.com>  
**Sent:** Monday, January 23, 2017 3:42 PM  
**To:** Williams, Bernetta  
**Subject:** Exemption request for Central Carolina Hospital

Bernetta,

I have confirmed with my client that the CEO and CFO are both on site at the hospital and they are empowered to make the day to day decisions for the hospital.

I look forward to receiving the agency's response to Central Carolina's request for the exemption.

Thanks.

Renee

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### Renee Montgomery

Partner

Visit our healthcare blog:  
[healthlaw.parkerpoe.com](http://healthlaw.parkerpoe.com)



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