



DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

MARK PAYNE
DIRECTOR

June 28, 2017

Elizabeth V. Kirkman
2709 Water Ridge Parkway, Suite 200
Charlotte, North Carolina 28217

Exempt from Review – Physician Office

Record #: 2308
Business Name: Mercy Health Services, Inc.
Business #: 1215
Project Description: Construct a physician office building and expand existing, adjacent parking deck
County: Mecklenburg

Dear Ms. Kirkman:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of June 16, 2017, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(9) and (a)(4). Therefore, you may proceed to develop 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 Agency’s position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by the Agency and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Gloria C. Hale
Project Analyst

Martha J. Frisone
Chief, Healthcare Planning and
Certificate of Need Section

HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

WWW.NCDHHS.GOV

TELEPHONE 919-855-3873

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



Ms. Elizabeth V. Kirkman

June 28, 2017

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



Carolinus HealthCare System

June 16, 2017

Ms. Martha Frisone, Chief
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
N. C. Department of Health & Human Services
809 Ruggles Dr.
Raleigh, NC 27603



RE: Exemption Request for Physician Office Building in Pineville, North Carolina (Mecklenburg County)

Dear Ms. Frisone:

Mercy Health Services, Inc., wholly owned by The Charlotte-Mecklenburg Hospital Authority, is planning to construct and operate a 149,000 square foot physician office building located at 10660 Park Road, Pineville, NC (Pineville Medical Plaza II). There will be no new institutional health services offered or developed in the new building without first obtaining the necessary certificate of need approval. The estimated cost of the medical office building is \$24,335,000.

In addition, Mercy Health Services, Inc. proposes to expand the existing parking deck located adjacent to the proposed medical office building. The expansion will add 314 parking spaces and the estimated cost is \$6,200,000.

Based upon the project as described above and pursuant to N.C.G.S. § 131E-184(a)(9) and N.C.G.S. § 131E-184(a)(4) this project is exempt from CON review. 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 CON 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