



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER  
GOVERNOR

MANDY COHEN, MD, MPH  
SECRETARY

MARK PAYNE  
DIRECTOR

May 31, 2017

Elizabeth Kirkman  
CHS Strategic Services Group  
2709 Water Ridge Parkway, Suite 200  
Charlotte, North Carolina 28217

**No Review**

**Record #:** 2285  
**Facility Name:** Carolinas HealthCare System University  
**FID #:** 923516  
**Business Name:** The Charlotte-Mecklenburg Hospital Authority  
**Business #:** 1770  
**Project Description:** Perform aesthetic upgrades to the Emergency Department  
**County:** Mecklenburg

Dear Ms. Kirkman:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your letter of May 24, 2017 regarding the above referenced proposal. 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.

However, you need to contact the Agency's Construction and Acute and Home Care Certification and Licensure 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 in your correspondence. 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 this office. 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

**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

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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.

Please contact this office if you have any questions. Also, in all future correspondence you should reference the Facility ID # (FID) if the facility is licensed.

Sincerely,



Gloria C. Hale  
Project Analyst



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

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



Carolinus HealthCare System



May 24, 2017

Ms. Martha Frisone, Assistant Chief  
Healthcare Planning and Certificate of Need Section  
Division of Health Service Regulation  
809 Ruggles Drive  
Raleigh, NC 27603

**RE: No Review Request to Verify Non-Reviewability of Project to Renovate The Charlotte-Mecklenburg Hospital Authority d/b/a Carolinus HealthCare System University's Emergency Department**

Dear Ms. Frisone:

The Charlotte-Mecklenburg Hospital Authority d/b/a Carolinus HealthCare System University ("CHS University") proposes to do aesthetic upgrades to its existing Emergency Department located on the main campus in Charlotte, NC, Mecklenburg County.

CHS University plans to do aesthetic upgrades to the existing Emergency Department including: updated flooring, wall finishes, cabinetry, millwork, lighting, furniture and nursing station upgrades. The project will be phased in order to minimize the amount of exam rooms taken down during renovations. The proposed capital cost is under \$2,000,000 (see Attachment). Through this letter, CHS University requests confirmation from the Department of Health and Human Services, Division of Health Service Regulation, Healthcare Planning and Certificate of Need Section (the "Agency") that the aesthetic project described herein is not subject to certificate of need review.

This proposed project does not trigger any of the new institutional health service definitions in N.C. Gen. Stat. § 131E-176(16). The construction costs associated with aesthetic upgrades to the CHS University Emergency Department will not exceed \$2,000,000, and thus will not trigger the capital cost threshold in N.C. Gen. Stat. § 131E-176(16)(b).

Based on the above facts, CHS University requests that you confirm in writing that CHS University's aesthetic upgrade project is exempt from certificate of need review and that we may proceed as planned with this project.

Sincerely,

A handwritten signature in black ink, reading "Elizabeth V. Kirkman". The signature is written in a cursive style with a large initial "E".

Elizabeth V. Kirkman  
Assistant Vice-President  
CHS Strategic Services Group

cc: William H. Leonard, President, CHS University

Attachment

**PROPOSED TOTAL CAPITAL COST OF PROJECT**

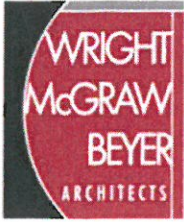
**Project name:** CHSU ED Renovation  
**Provider/Company:** WMBA

(1) Purchase price of land	0
(2) Closing costs	0
(3) Site Preparation	0
(4) Construction/Renovation Contract	1,284,061
(5) Landscaping	0
(6) Architect/Engineering Fees	116,200
(7) Medical Equipment	0
(8) Non Medical Equipment	47,100
(9) Furniture	138,300
(10) Consultant Fees (CON Fees, Legal Fees, Design Fees)	0
(11) Financing Costs	0
(12) Interest During Construction	0
(13) Other (IS, Security, Internal Allocation)	414,173
(14) <b>Total Capital Cost</b>	<b>\$1,999,834</b>

*I certify that, to the best of my knowledge, the above construction related costs of the proposed project named above are complete and correct.*

*Todd R. McGrain* 05.23.17  
 (Signature of Licensed Architect or Engineer) DATE





May 23, 2017

Mr. Craig R. Smith, Chief  
Certificate of Need Section  
Division of Health Services Regulation  
2704 Mail Service center  
Raleigh, NC 27699-2704

Re: CHS University ED Renovation  
Concord, NC

Mr. Smith,

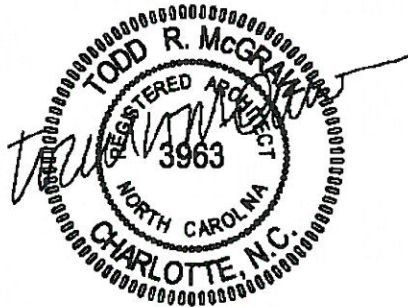
Having worked with Carolinas Healthcare System to develop the design for the referenced project, Wright McGraw Beyer Architects, p.a. is pleased to provide the cost certification letter. The probable cost is based on the drawings included with the CON submittal. The estimated construction cost reflects our experience with similar healthcare project. Wright McGraw Beyer Architects, p.a. certifies to the best of our knowledge the construction cost of \$1,284,061.00.

Please call me if you have any questions or comments.

Sincerely,

Wright McGraw Beyer Architects, p.a.

Todd McGraw, AIA, NCARB, LEED AP  
Managing Principal  
North Carolina License #3963



H:\2948-01 CHS University ED Aesthetics Renovation\01-Predesign\I.B - Statements of Probable Cost\2942903\_Cost Certification Letter.docx