



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

ROY COOPER • Governor

MANDY COHEN, MD, MPH • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

May 5, 2021

Denise M. Gunter

[Denise.gunter@nelsonmullins.com](mailto:Denise.gunter@nelsonmullins.com)

**Exempt from Review**

**Record #:** 3481  
**Date of Request:** April 19, 2021  
**Facility Name:** FirstHealth Moore Regional Hospital  
**FID #:** 943358  
**Business Name:** FirstHealth of the Carolinas, Inc.  
**Business #:** 737  
**Project Description:** Renovate the Women's and Children's Services area of the hospital main campus  
**County:** Moore

Dear Ms. Gunter:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that the above referenced proposal is exempt from certificate of need review in accordance with G.S. 131E-184(g). 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 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,

Tanya M. Saporito  
Project Analyst

Lisa Pittman  
Acting Chief, Certificate of Need

cc: Construction Section, DHSR  
Acute and Home Care Licensure and Certification Section, DHSR

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION  
HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603  
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April 19, 2021

**Via Email**

Lisa Pittman, Assistant Chief  
North Carolina Department of Health and Human Services  
Division of Health Service Regulation  
Healthcare Planning and Certificate of Need Section  
809 Ruggles Drive  
Raleigh, North Carolina 27603

Re: Facility Name: FirstHealth Moore Regional Hospital  
FID# 943358  
Business Name: FirstHealth of the Carolinas, Inc.  
Business# 727  
HSA: V  
Project Description: Main Campus Exemption for Women's and Children's  
Services  
County: Moore

Dear Ms. Pittman:

Pursuant to N.C. Gen. Stat. § 131E-184(g), I am providing prior written notice to the Agency of FirstHealth of the Carolinas, Inc.'s ("FirstHealth") plan to renovate and modernize women's and children's services (the "Project") on the main campus of FirstHealth Moore Regional Hospital ("FMRH") in Pinehurst.

**Background**

Women's and Children's Services are located on the second floor of FMRH, a licensed acute care hospital (License # H0100). The Project consists of the following:

- Construct four new Labor-Delivery-Recovery ("LDR") rooms, two of which will be designated isolation rooms. LDR rooms are not considered licensed beds;

- Add five new triage beds. These are temporary rooms in which patients are assessed to determine if they should be admitted. The triage beds are the equivalent of unlicensed observation beds;
- Relocation of four on-call rooms to improve staff programming;
- Enlarging women's and men's locker rooms;
- Adding an additional nurse's station;
- Moving the break room;
- Consolidating the lactation office into one space;
- Moving the sims skill lab<sup>1</sup> to the pediatric playroom; and
- Redesignating one operating room as a dedicated C-Section Room.

The Project is designed to enhance FMRH's well-regarded Women's and Children's program and meet increasing utilization. The Project will benefit patients and staff by improving workflow and upgrading the work environment for staff. The total estimated capital costs are \$4.75 million, which includes \$200,000 for new beds for the LDR rooms and triage beds, as well as bassinets. No major medical equipment as defined in N.C. Gen. Stat. § 131E-176(14o) will be acquired as part of this Project. Likewise, the Project does not propose to add any additional licensed beds, ORs, or other services and equipment that are specifically regulated under the CON Law. A copy of the floor plan showing the location of the affected areas is attached as **Exhibit A**.

### **Analysis**

N.C. Gen. Stat. § 131E-184(g) provides:

The Department shall exempt from certificate of need review any capital expenditure that exceeds the two million dollar (\$2,000,000) threshold as set forth in G.S. 131E-176(16)b. if all of the following conditions are met:

- (1) The sole purpose of the capital expenditure is to renovate, replace on the same site, or expand the entirety or a portion of an existing health service facility that is located on the main campus.
- (2) The capital expenditure does not result in (i) a change in bed capacity as defined in G.S. 131E-176(5) or (ii) the addition of a health service facility or any other new institutional health service other than that allowed in G.S. 131E-176(16)b.

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<sup>1</sup>A sims skill lab consists of realistic looking clinical sim lab room (in this case, an LDR room), manikins and equipment that allow learners to practice and develop clinical expertise without any risk of patient harm.

- (3) The licensed health service facility proposing to incur the capital expenditure shall provide prior written notice to the Department along with supporting documentation that it meets the exemption criteria of this subsection.

“Main campus” is defined in N.C. Gen. Stat. § 131E-176(14n) as:

Main campus – All of the following for the purposes of G.S. 131E-184(f) and (g) only:

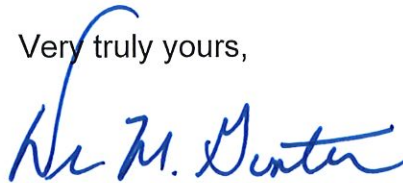
- a. The site of the main building from which a licensed health service facility provides clinical patient services and exercises financial and administrative control over the entire facility, including the buildings and grounds adjacent to that main building.
- b. Other areas and structures that are not strictly contiguous to the main building but are located within 250 yards of the main building.

As documented in this letter, the cost of the Project exceeds \$2 million. The replacement will take place on the main campus of FMRH, a licensed hospital (#H0100). The Project will be developed on the second floor of the hospital. This is the site of the main building from which FMRH, a licensed health service facility, provides clinical patient services and exercises financial and administrative control over the entire facility. See **Exhibit B**, attached hereto. The Project does not result in a change in bed capacity or the addition of a health service facility or any other new institutional health service other than allowed in N.C. Gen. Stat. § 131E-176(16)b. This letter constitutes the required prior written notice. Accordingly, the Project satisfies each requirement of N.C. Gen. Stat. § 131E-184(g)(1-3).

### **Conclusion**

For the above-stated reasons, FMRH respectfully requests written confirmation from the Agency that the Project is exempt from CON review pursuant to N.C. Gen. Stat. § 131E-184(g). Thank you for your time and consideration. If you have any questions or need additional information, please let me know.

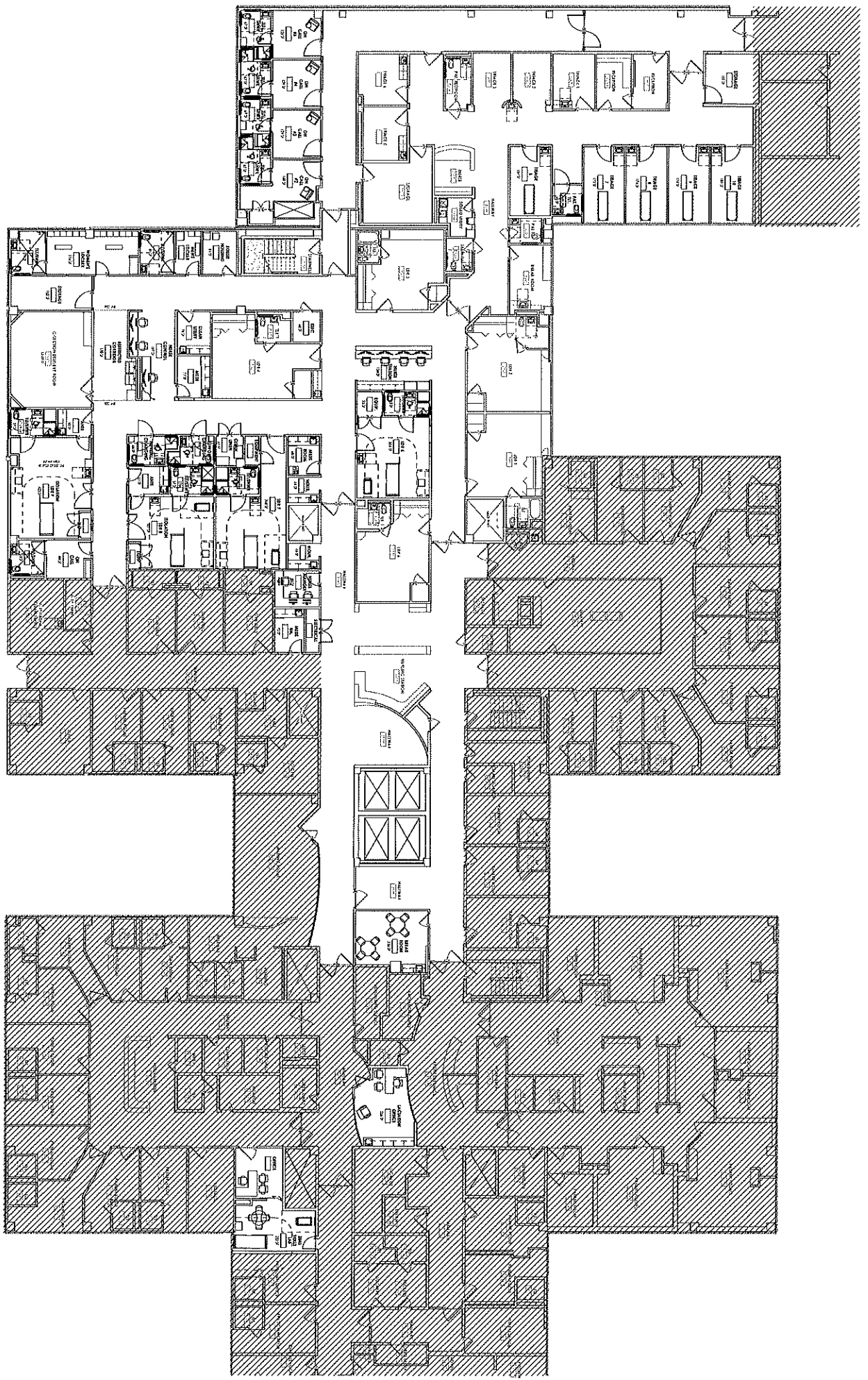
Very truly yours,



Denise M. Gunter

Enclosures

**FIRSTHEALTH OF THE CAROLINAS  
 WOMEN'S & CHILDREN'S RENOVATIONS**

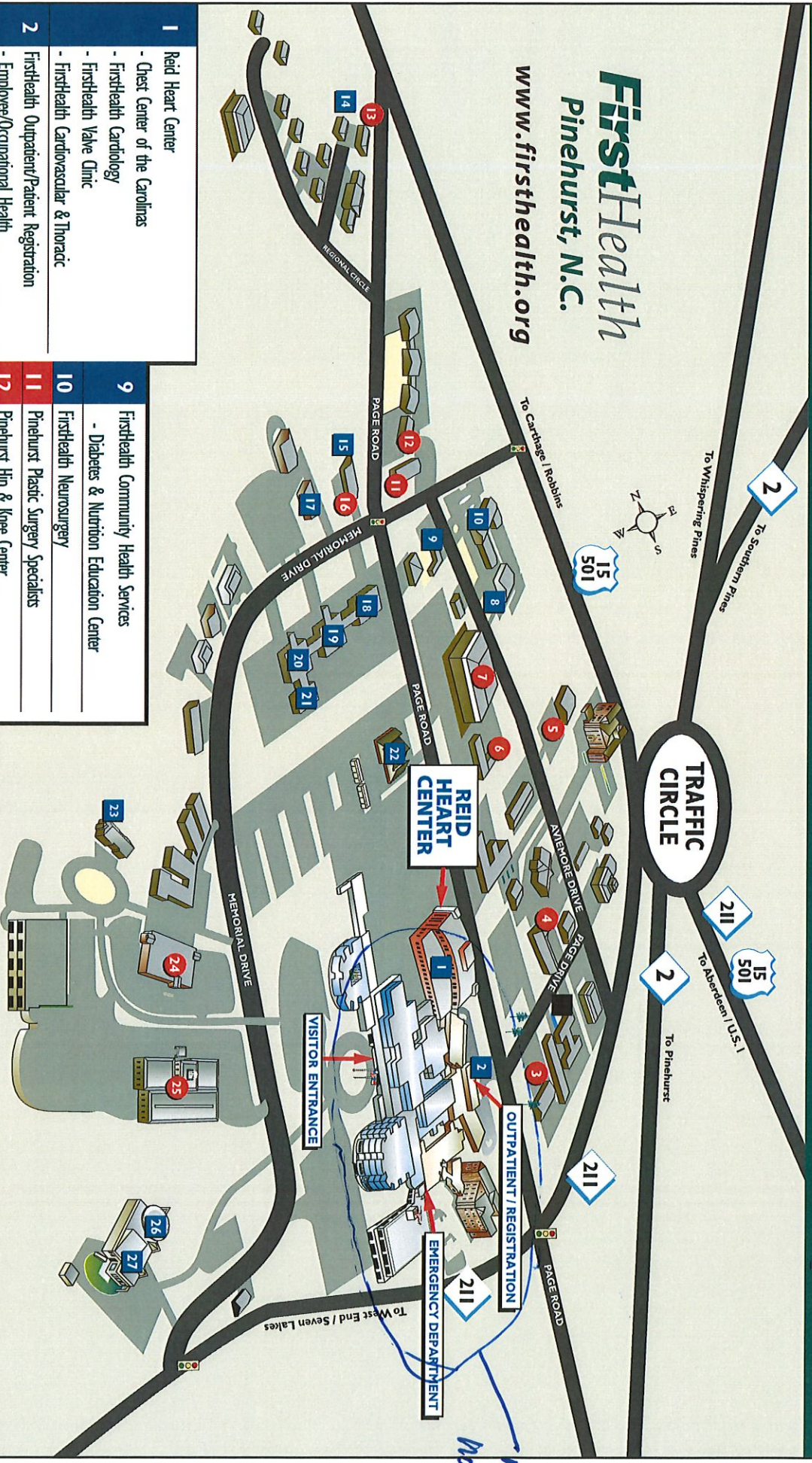


*Exhibit A*

# FirstHealth Moore Regional Hospital Area Map

**FirstHealth**  
Pinehurst, N.C.

[www.firsthealth.org](http://www.firsthealth.org)

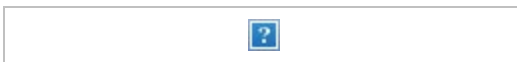


<b>1</b>	Reid Heart Center - Chest Center of the Carolinas - FirstHealth Cardiology - FirstHealth Valve Clinic - FirstHealth Cardiovascular & Thoracic
<b>2</b>	FirstHealth Outpatient/Patient Registration - Employee/Occupational Health
<b>3</b>	Pinehurst Neurology
<b>4</b>	Pinehurst Oral Surgery
<b>5</b>	Mid-South Orthopaedics
<b>6</b>	Pinehurst Dermatology
<b>7</b>	Pinehurst Medical Clinic
<b>8</b>	FirstHealth Rehabilitation-Avimore
<b>9</b>	FirstHealth Community Health Services - Diabetes & Nutrition Education Center
<b>10</b>	FirstHealth Neurosurgery
<b>11</b>	Pinehurst Plastic Surgery Specialists
<b>12</b>	Pinehurst Hip & Knee Center
<b>13</b>	Pinehurst Family Care Center
<b>14</b>	FirstHealth Cardiology
<b>15</b>	FirstHealth Outpatient Imaging
<b>16</b>	Pinehurst Radiology Associates
<b>17</b>	FirstCarolinaCare Insurance Company
<b>18</b>	FirstHealth Specialty Centers Building 18 - Infectious Diseases 18 - Transition Care Clinic 19 - Back & Neck Pain 19 - FirstHealth Patient Accounts 20 - Behavioral Services Clinic 21 - Wound Care & Hyperbarics
<b>22</b>	FirstHealth Outpatient Cancer Center
<b>23</b>	Dara Mclean House
<b>24</b>	Surgery Center of Pinehurst
<b>25</b>	Pinehurst Surgical
<b>26</b>	FirstHealth Fitness
<b>27</b>	FirstHealth Rehabilitation-Moore Rehab

**From:** [Denise Gunter](#)  
**To:** [Tanya, Saporito](#)  
**Subject:** [External] RE: follow up question about FHMRH exemption  
**Date:** Thursday, April 29, 2021 5:49:32 PM

**CAUTION:** External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to [Report Spam](#).

Tanya, please accept my apologies. I had my facts wrong. FirstHealth doesn't plan to re-designate an OR to C-Section Room. Rather, what they are going to do is bring an existing C-Section room (approved in 2018, H-011526-18 [https://info.ncdhhs.gov/dhsr/coneed/decisions/2018/oct/1113\\_moore\\_fmrh\\_find.pdf](https://info.ncdhhs.gov/dhsr/coneed/decisions/2018/oct/1113_moore_fmrh_find.pdf).) up to code, as part of the other renovations described in my letter. I'm not sure where the re-designation came from and I apologize. If you need me to re-submit the letter, please let me know.  
Thanks.



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**DENISE M. GUNTER PARTNER**  
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**From:** Tanya, Saporito <[tanya.saporito@dhhs.nc.gov](mailto:tanya.saporito@dhhs.nc.gov)>  
**Sent:** Wednesday, April 28, 2021 12:49 PM  
**To:** Denise Gunter <[denise.gunter@nelsonmullins.com](mailto:denise.gunter@nelsonmullins.com)>  
**Subject:** FW: follow up question about FHMRH exemption  
◀External Email▶ - From: [tanya.saporito@dhhs.nc.gov](mailto:tanya.saporito@dhhs.nc.gov)

Hi Denise,

I know you are swamped but wanted to follow up with this email from earlier this week.

Have a good day, and thank you!

**Tanya Saporito, J.D.**

Project Analyst

[Division of Health Service Regulation](#), Certificate of Need  
[NC Department of Health and Human Services](#)

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**From:** Tanya, Saporito

**Sent:** Monday, April 26, 2021 11:37 AM

**To:** Gunter, Denise <[denise.gunter@nelsonmullins.com](mailto:denise.gunter@nelsonmullins.com)>

**Subject:** follow up question about FHMRH exemption

Good morning and Happy Monday, Denise!

I have two follow-up questions about the exemption request you submitted last week:

1. Is the existing OR that FH wants to re-designate as a dedicated C-section OR currently an inpatient operating room used for open-heart, a shared inpatient/ambulatory operating room or an ambulatory operating room?
2. Does the existing OR that FH wants to re-designate as a dedicated C-section OR have a CON or does it pre-date CON?

Thank you in advance; I hope your day is amazing!

**Tanya Saporito, J.D.**

Project Analyst

[Division of Health Service Regulation](#), Certificate of Need

[NC Department of Health and Human Services](#)

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#StayStrongNC and get the latest at [nc.gov/covid19](https://nc.gov/covid19)

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