



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor

KODY H. KINSLEY • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

December 29, 2022

Denise M. Gunter

Denise.gunter@nelsonmullins.com

Exempt from Review

Record #: 4100
Date of Request: November 16, 2022
Facility Name: Onslow Memorial Hospital, Inc.
FID #: 923383
Business Name: Onslow Memorial Hospital, Inc.
Business #: 1354
Project Description: Acquire Information Technology/Data Processing Equipment
County: Onslow

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(a)(3). 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,

Gregory F. Yakaboski
Project Analyst

Micheala Mitchell
Chief

cc: 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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November 16, 2022

VIA EMAIL ONLY

Micheala Mitchell, 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: Capital Improvement Projects at Onslow County Hospital
Authority/Onslow Memorial Hospital (H0048)
Onslow County
FID #: 923383
Business #: 1354
Health Service Area VI

Dear Ms. Mitchell:

On behalf of Onslow County Hospital Authority (“OCHA”), the governing body of Onslow Memorial Hospital (“OMH”) in Jacksonville, North Carolina, I am providing prior written notice of certain projects (“Projects”) proposed to be undertaken at OMH. OCHA seeks the Agency’s written confirmation that none of the Projects described herein requires CON review.

Description of Projects

OMH is a 162-bed acute care, community hospital located at 317 Western Boulevard in Jacksonville. To continue providing state of the art care to its patients, OMH intends to update and modernize certain information technology, infrastructure and miscellaneous equipment. Each category is described below.

1. Information Technology

OMH proposes to acquire the Voalte platform solution, a unified care communications solution from Hillrom¹. Voalte connects care teams inside and outside the hospital on an encrypted platform, supporting HIPAA compliance. Voalte reduces communication failures, improves efficiency, increases patient throughput and creates a quieter environment by significantly reducing overhead pages.

The estimated capital cost for the Voalte platform is \$1,287,241. OMH's proposed acquisition of the Voalte platform is exempt from CON review under N.C. Gen. Stat. § 131E-184(a)(3), the data processing exemption.

2 Infrastructure

OMH proposes to acquire or replace some items that are critical to its infrastructure. These items and their costs are set forth in the table below.

Item	Notes	Estimated Cost
Emergency Generators (3):	Three generators are proposed; one is new and the other two are replacements	\$1,700,000
Emergency Switchboard	Replacing the emergency power panels	\$700,000
Auto Transfer Switches	Replacing the electrical switches that regulate commercial power and emergency power	\$1,300,000
Switchboard SH	Replacing power panels that service the main hospital tower	\$700,000
Emergency Power Distribution Equipment	Equipment that segregates emergency, normal and life safety electrical circuits.	\$650,000
Chiller	Allows for redundancy of current chillers that provides cooling for HVAC systems	\$300,000
Cooling Tower	Replacement that houses the chiller and related systems	\$150,000
Building Addition for chiller, cooling tower, emergency generators and switchboard	The new chiller, cooling tower, emergency generators, and switchboard require a larger footprint than the current units; therefore, some construction needs to be done to accommodate them.	\$2,800,000
Site Work for chiller, cooling tower,	The new chiller, cooling tower, emergency generators, and switchboard require a larger	\$500,000

¹ <https://www.hillrom.com/en/solutions/voalte-platform/>.

Item	Notes	Estimated Cost
emergency generators and switchboard	footprint than the current units; therefore, some site work needs to be done to accommodate them.	
Chilled Water & Condenser Water Pumps	The pumps used to support the new air handlers.	\$150,000
Chilled Water & Condenser Water Piping	The pumps used to support the new air handlers.	\$300,000
Mechanical / Electrical Backfeed Connections	This is cost of equipment and labor that will allow us to feed the facility as we are putting the new electrical equipment in and taking the old out.	\$700,000
Deaerator Replacement Tank	The deaerator tank in a boiler acts as a feed water tank to store cold and hot fluid in order to remove dissolved air or non-condensable gases from the fluid. Removing these gases from the feed protects the boiler or heater tubes from corrosion, thereby increasing the life of the equipment.	\$300,000

Each of these items is exempt from CON review pursuant to N.C. Gen. Stat. § 131E-184(a)(4). This provision exempts from CON review items such as “parking, heating or cooling systems, elevators, or other basic plant or mechanical improvements.” None of the foregoing items is integral to a project that involves the construction of a new health service facility or portion thereof and that is subject to CON review.

3. Miscellaneous Equipment

The following table identifies the various pieces of equipment OMH proposes to acquire and their costs. The table includes explanatory notes where applicable.

Equipment	Notes	Location	Estimated Cost
Radiographic/Fluoroscopic System	This replaces older equipment	Rad/Fluoro Room 1	\$750,000
DXH 900 Hematology Instruments	This replaces older equipment	Lab	\$216,596
Replacement Fetal Monitor	Replaces older and unsupported equipment	Labor and Delivery	\$400,000
Replacement Nursing Stretchers	Replaces older and unfixable equipment	Nursing	\$150,000

Equipment	Notes	Location	Estimated Cost
Replacement ER Stretchers	Replaces older and unfixable equipment	Emergency Room	\$150,000
ENT Navigation System	New equipment	OR/ASC	\$134,723
Telemetry Upgrade Project	No construction is required	Emergency Room	\$1,446,279
BiPap Device	BiPap is Bilevel Positive Airway Pressure; this device is a type of ventilator that helps with breathing by pushing air into the lungs.	Emergency Room	\$93,096
Bruker MALDI-TOF	Bruker is a manufacturer of lab equipment. MALDI stands for matrix assisted laser desorption ionization. MALDI coupled with time of flight (TOF) mass spectrometry is used to sequence proteins, map biomolecules in tissues, identify microorganisms, and analyze several thousand biochemical assays in a day.	Lab	\$355,125

None of these items is regulated equipment under the CON law. See N.C. Gen. Stat. § 131E-176(16)f1. 1-9. No item qualifies as major medical equipment under N.C. Gen. Stat. § 131E-176(14o). Accordingly, no item requires CON review.

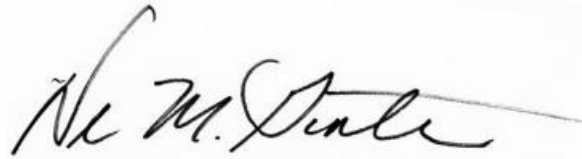
Conclusion

For the reasons stated in this letter, the Projects do not require CON review. We would appreciate the Agency's written confirmation as soon as possible. Please do not hesitate to let me know if you require further details.

Micheala Mitchell
November 16, 2022
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Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Denise M. Gunter". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Denise M. Gunter

cc: Lisa Pittman
Derek Hunter
(via email only)

From: [Denise Gunter](#)
To: [Stancil, Tiffany C](#)
Subject: [External] FW: Notice of Exempt Acquisition Onslow Memorial
Date: Wednesday, November 16, 2022 12:41:48 PM
Attachments: [Notice of Exempt Acquisition 4868-6664-3262 11-14-2022 4871-7162-5791 v.1.pdf](#)

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

This is the second letter. Thanks.

From: Denise Gunter
Sent: Wednesday, November 16, 2022 12:06 PM
To: Yakaboski,Greg <greg.yakaboski@dhhs.nc.gov>; tiffany.c.hunt@dhhs.nc.gov
Cc: Mitchell, Micheala L <micheala.mitchell@dhhs.nc.gov>; Pittman,Lisa <lisa.pittman@dhhs.nc.gov>; Derek L. Hunter (dhunter@ncdoj.gov) <dhunter@ncdoj.gov>
Subject: Notice of Exempt Acquisition Onslow Memorial

Greg and Tiffany,

Attached for filing is another letter for Onslow Memorial for certain capital expenditure projects. Could you please confirm that you have received this?

Thanks and best regards.



DENISE M. GUNTER **PARTNER**
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