



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

August 2, 2023

Ms. Lori Dove
Dove01@srmc.org

Exempt from Review

Record #: 4237
Date of Request: May 24, 2023
Facility Name: Southeastern Regional Medical Center
FID #: 923461
Business Name: Southeastern Regional Medical Center
Business #: 1685
Project Description: Renovation of the 4th floor bed tower unit of the main hospital
County: Robeson

Dear Ms. Love:

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

Micheala Mitchell
Chief

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
MAILING ADDRESS: 809 Ruggles Drive, 2704 Mail Service Center, Raleigh, NC 27699-2704
<https://info.ncdhhs.gov/dhsr/> • TEL: 919-855-3873

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER



300 West 27th Street
PO Box 1408
Lumberton, NC 28359

O 910-671-5878

May 24, 2023

VIA ELECTRONIC MAIL

Ms. Bernetta Thorne-Williams
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation, DHHS
2704 Mail Services Center
Raleigh, NC 27699-2704
bernetta.williams@dhhs.nc.gov

Re: Notification of Exemption / Renovation of Space for Women's Service Line / UNC Health Southeastern Main Campus / FID # 56-0530233 / Robeson County

Dear Ms. Thorne-Williams:

UNC Health Southeastern is providing this prior written notice of a project exempt from review regarding renovation of its current space in its bed tower which is located on the 4th floor of UNC Health Southeastern's main campus.

This exemption is pursuant to the Main Campus Exemption provision of N.C. Gen. Stat. § 131E-184(g), which provides that:

(g) The Department shall exempt from certificate of need review any capital expenditure that exceeds the two million dollar (\$2,000,000) threshold 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.*
- (3) The licensed health service facility proposing to incur the capital expenditure shall provide prior written notice to the Department, along with supporting documentation to demonstrate that it meets the exemption criteria of this subsection.*

According to N.C. Gen. Stat. § 131E-176(14n), "main campus" means all the following for 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.*

This project meets all criteria outlined above for the Main Campus Exemption to CON Law. Specifically, the sole purpose of the capital expenditure is to renovate the existing 4th floor bed tower unit of UNC Health Southeastern's main campus to provide updated and much needed space for the Maternal Child Health service line. Please see Exhibit 1 for a floorplan showing the location of this space within the hospital. The capital expenditure will not result in any change in bed capacity or add any other health service facility or new institutional health service. Finally, this correspondence serves as prior written notice of UNC Health Southeastern's intention to incur the capital expenditure for this renovation.

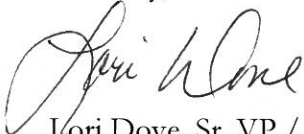
The renovation is planned for the UNC Health Southeastern's main campus, which is the site of the main building from which UNC Health Southeastern provides clinical patient services and exercises financial and administrative control over the entire facility.

UNC Health Southeastern anticipates that it will spend approximately \$22,860,000.00 to renovate this patient space. A cost estimate form is attached as Exhibit 2.

In consideration of the above, we understand that this project is exempt from CON review, and UNC Health Southeastern is requesting confirmation that the proposed main campus renovation is exempt from CON review pursuant to N.C. Gen. Stat. § 131E-184(g).

Please do not hesitate to contact me at 910-674-9526 if you need any additional information. Thank you for your prompt consideration of this matter.

Sincerely,



Lori Dove, Sr. VP / COO
UNC Health Southeastern
Dove01@srmc.org
910-674-9526

Exhibit

Project Capital Cost

4th Floor Scope				BUDGET
Predevelopment & Due Diligence Costs				\$335,000
Permits, Fees & Inspections				\$300,000
Design & Management				\$1,900,000
Construction - Inpatient				\$14,000,000
Furniture - Budget				\$450,000
Equipment - Budget				\$1,800,000
Technology - Budget				\$700,000
Moving /Storage				\$260,000
Signage				\$80,000
Artwork				\$50,000
Recommended Project Contingency		15.00%		\$2,985,000
Subtotal 4th Floor Scope:				\$22,860,000

Certification by a licensed Architect or Engineer

I certify that, to the best of my knowledge, the projected capital cost for the proposed project is complete and correct.



Signature of licensed Architect or Engineer

April 18, 2023

Date signed

Certification by an officer or agent for the proponent

I certify that, to the best of my knowledge, the projected total capital cost for the proposed project is complete and correct and that it is our intent to carry out the proposed project as described.

Signature of Officer/Agent

Date signed

Title of Officer/Agent