



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

November 8, 2023

Emily Cromer

[Emily.Cromer@unchealth.unc.edu](mailto:Emily.Cromer@unchealth.unc.edu)

**Exempt from Review**

**Record #:** 4310  
**Date of Request:** November 3, 2023  
**Facility Name:** UNC REX Hospital  
**FID #:** 953429  
**Business Name:** Rex Hospital, Inc.  
**Business #:** 1554  
**Project Description:** Construct a new parking deck and relocate and expand the chiller plant  
**County:** Wake

Dear Emily Cromer:

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)(4). 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,

Crystal Kearney  
Project Analyst

Micheala Mitchell  
Chief

cc: Construction 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

**From:** [Mckillip, Mike](#)  
**To:** [Stancil, Tiffany C](#)  
**Subject:** FW: [External] UNC Rex Exemption Notices  
**Date:** Friday, November 3, 2023 12:50:11 PM  
**Attachments:** [2023.11 Rex Bed Tower Main Campus CON Exemption Notice.pdf](#)  
[2023.11 Rex Chiller & Parking CON Exemption Notice.pdf](#)

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Happy Friday, Tiffany!

These are both Wake County so they can go to Crystal. Thanks.

Mike

**Michael McKillip**

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

Office: 919-855-3877 (I am in the office on Wednesday and Friday, and can best be reached by email on Monday, Tuesday and Thursday.)  
[mike.mckillip@dhhs.nc.gov](mailto:mike.mckillip@dhhs.nc.gov)

809 Ruggles Drive, Edgerton  
2704 Mail Service Center  
Raleigh, NC 27699

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**From:** Cromer, Emily <Emily.Cromer@unchealth.unc.edu>  
**Sent:** Friday, November 3, 2023 12:36 PM  
**To:** Mitchell, Micheala L <Micheala.Mitchell@dhhs.nc.gov>; Mckillip, Mike <mike.mckillip@dhhs.nc.gov>  
**Subject:** [External] UNC Rex Exemption Notices

**CAUTION:** External email. Do not click links or open attachments unless verified. Report suspicious emails with the Report Message button located on your Outlook menu bar on the Home tab.

Micheala and Mike,

Attached are two exemption notices for UNC Rex Hospital:

1. Rex Bed Tower Main Campus CON Exemption
2. Rex Chiller & Parking CON Exemption

Please confirm receipt and of course, let me know if you have any questions.

Thank you – have a great weekend!

Emily

Emily Cromer  
Director of Regulatory Affairs & Facility Strategy  
UNC Health  
(984) 215-6213  
[emily.cromer@unchealth.unc.edu](mailto:emily.cromer@unchealth.unc.edu)

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November 3, 2023

VIA ELECTRONIC MAIL

Micheala Mitchell, Chief  
Mike McKillip, Team Leader  
CON Section  
Division of Health Service Regulation  
2704 Mail Services Center  
Raleigh, NC 27699-2704

Re: Rex Hospital, Inc.'s Exemption Notice Regarding New Parking Deck and Chiller Relocation and Expansion

Dear Ms. Mitchell and Mr. McKillip:

Pursuant to N.C. Gen. Stat. § 131E-184(a)(4), Rex Hospital, Inc. ("UNC Rex") gives this prior written notice of a proposed exempt project. UNC Rex is planning to construct a new parking deck and to relocate and expand the existing chiller plant on the UNC Rex main campus located at 4420 Lake Boone Trail in Raleigh, North Carolina. See Exhibit 1. The new parking deck and expanded chiller plant are needed to support the planned construction of a CON-exempt bed tower on UNC Rex's main campus pursuant to N.C. Gen. Stat. § 131E-184(g).<sup>1</sup>

This planned project (the "Exempt Project") falls within the provisions in N.C. Gen. Stat. § 131E-184(a)(4), which exempts projects "[t]o provide parking, heating or cooling systems, elevators, or other basic plant or mechanical improvements, unless these activities are integral portions of a project that involves the construction of a new health service facility or portion thereof and that is subject to certificate of need review."

In accordance with Section 131E-184(a)(4), the sole purpose of the project is to provide parking and heating or cooling systems. As noted above, the Exempt Project is an integral portion of UNC Rex's CON-exempt construction of a new bed tower on UNC Rex's main campus pursuant to G.S. 131E-184(g). As such, the Exempt Project is not related to any project that is subject to certificate of need review.

Finally, in accordance with Section 131E-184(a), this correspondence serves as prior written notice to the Agency of UNC Rex's planned Exempt Project.

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<sup>1</sup> UNC Rex is submitting a separate Main Campus Exemption notice regarding the planned bed tower construction pursuant to G.S. 131E-184(g).

## **Conclusion**

It is our understanding and belief that all aspects of this project to construct a new parking deck and to relocate and expand the existing chiller plant on UNC Rex's main campus are exempt from CON review pursuant to N.C. Gen. Stat. § 131E-184(a)(4), and UNC Rex requests written confirmation of such understanding. Please do not hesitate to contact me at [emily.cromer@unhealth.unc.edu](mailto:emily.cromer@unhealth.unc.edu) if you have any questions, and thank you in advance for your attention to this matter.

Sincerely,

*Emily Cromer*

Emily Cromer  
Director of Regulatory Affairs & Facility Strategy  
UNC Health

# UNC Rex CAMPUS PLAN

08/01/2023

