



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

July 31, 2024

Robert A. Leandro

robleandro@parkerpoe.com

Exempt from Review

Record #: 4504
Date of Request: July 15, 2024
Facility Name: Harris Regional Hospital
FID #: 923046
Business Name: DLP Harris Regional Hospital, LLC
Business #: 868
Project Description: Renovate a portion of the hospital and an office building, and replace equipment on the main campus damaged by a natural disaster
County: Jackson

Dear Mr. Leandro:

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)(5). 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,

Ena Lightbourne, 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



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Atlanta, GA
Charleston, SC
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Columbia, SC
Greenville, SC
Raleigh, NC
Spartanburg, SC
Washington, DC

July 15, 2024

Via E-mail [micheala.mitchell@dhhs.nc.gov]

Michaela Mitchell, Chief
Healthcare Planning and Certificate of Need Section
N.C. Department of Health and Human Services
Division of Health Service Regulation
2704 Mail Service Center
Raleigh, NC 27699-2704

Re: No Review and Exemption Request for Harris Regional Hospital

Dear Ms. Mitchell:

Our firm represents Harris Regional Hospital ("Harris"). Harris is a licensed acute care hospital located in Jackson County, North Carolina. A portion of Harris and one of its medical office buildings experienced water damage as a result of a winter freeze event. As a result Harris is undertaking construction and renovations which will cost \$1,611,290.00. Harris will additionally be spending \$146,481.00 to replace telecommunications systems that were damaged during to the flooding and \$244,662.40 to replace equipment that was also damaged. None of the equipment Harris is replacing required a CON.

Under North Carolina CON law, the CON capital expenditure threshold for requiring a CON for a New Institutional Health Service is currently \$3,961,600.00. Additionally, N.C. Gen. Stat. § 131E-184(5) exempts from CON review expenditures to replace or repair facilities destroyed or damaged by accident or natural disaster. Thus, we believe that Harris's project does not require CON approval.

Please provide written confirmation that the Agency agrees with this analysis and that a CON is not required. Thank you for your consideration. If you have any questions please feel free to reach out to us directly.

Sincerely

A handwritten signature in blue ink that reads 'Robert A. Leandro'.

Robert A. Leandro

PPAB 8546085v1

From: [Mitchell, Micheala L](#)
To: [Stancil, Tiffany C](#)
Subject: FW: [External] Harris Regional Letter
Date: Monday, July 15, 2024 4:06:56 PM
Attachments: [Harris Regional Letter.pdf](#)

Thanks for catching that! This is the correct letter.

Micheala Mitchell, JD
[NC Department of Health and Human Services](#)
[Division of Health Service Regulation](#)
Section Chief, Healthcare Planning and CON Section
809 Ruggles Drive, Edgerton Building
2704 Mail Service Center
Raleigh, NC 27699-2704
Office: 919 855 3879
Micheala.Mitchell@dhhs.nc.gov

From: Leandro, Robert A. <robbleandro@parkerpoe.com>
Sent: Monday, July 15, 2024 3:58 PM
To: Mitchell, Micheala L <Micheala.Mitchell@dhhs.nc.gov>
Subject: [External] Harris Regional Letter

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Micheala,

I attached the wrong letter. My apologies. The correct letter is attached to this email.

Robert Leandro
Partner

Find our latest health care analysis [here](#)



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From: Mitchell, Micheala L <Micheala.Mitchell@dhhs.nc.gov>
Sent: Monday, July 15, 2024 3:13 PM
To: Leandro, Robert A. <robbleandro@parkerpoe.com>
Cc: Stancil, Tiffany C <Tiffany.Stancil@dhhs.nc.gov>
Subject: RE: [External] Haywood Regional Medical Center Letter

*****Caution: External email*****

Hey Robb,

Tiffany noticed that the material compliance request that you that you sent this afternoon appears to be the same as the one you sent us on Friday. Any difference between the two that we overlooked?

Thanks,

Micheala Mitchell, JD
[NC Department of Health and Human Services](#)
[Division of Health Service Regulation](#)
Section Chief, Healthcare Planning and CON Section
809 Ruggles Drive, Edgerton Building
2704 Mail Service Center
Raleigh, NC 27699-2704
Office: 919 855 3879
Micheala.Mitchell@dhhs.nc.gov

From: Leandro, Robert A. <robbleandro@parkerpoe.com>
Sent: Monday, July 15, 2024 2:57 PM
To: Mitchell, Micheala L <Micheala.Mitchell@dhhs.nc.gov>
Subject: [External] Haywood Regional Medical Center Letter

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Please find the attached notice for my client Haywood Regional. Let me know if you have any questions.

Best,
Robb

Robert Leandro
Partner

Find our latest health care analysis [here](#)



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