



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

JOSH STEIN • Governor

DEV DUTTA SANGVAI • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

April 16, 2025

Emily Cromer
emily.cromer@unchealth.unc.edu

Exempt from Review – Physician Office or Medical Office Building

Record #: 4751

Date of Request: April 8, 2025

Business Name: University of North Carolina Health Care System

Business #: 3196

Project Description: Develop a new medical office building at the intersection of NC Hwy 55 and Hopson Road

County: Durham

Dear Ms. Cromer:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that the project described above is exempt from certificate of need review in accordance with G.S. 131E-184(a)(9). Therefore, you may proceed to offer, develop or establish the project described above without a certificate of need.

It should be noted that this Agency's position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by the Agency and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Cynthia Bradford
Project Analyst

Micheala Mitchell
Chief

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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AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER



April 8, 2025

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: UNC Health's Exemption Notice Regarding New Medical Office Building

Dear Ms. Mitchell and Mr. McKillip:

Pursuant to N.C. Gen. Stat. § 131E-184(a), University of North Carolina Health Care System ("UNC Health") gives this prior written notice of a proposed exempt project. UNC Health is planning construction of a new medical office building in south Durham County.

Exemption Provisions

This planned MOB (the "Exempt Project") falls within the exemption provisions provided in § 131E-184(a)(9):

- “(a) Except as provided in subsection (b) of this section, the Department shall exempt from certificate of need review a new institutional health service if it receives prior written notice from the entity proposing the new institutional health service, which notice includes an explanation of why the new institutional health service is required, for any of the following:
- (9) To develop or acquire a physician office building regardless of cost, unless a new institutional health service other than defined in G.S. 131E-176(16)b. is offered or developed in the building.

Project Summary

The new MOB will be located in south Durham County at the convergence of North Carolina Highway 55 and Hopson Road in Durham. There will be no institutional health services offered in the MOB without first obtaining the appropriate certificate of need approval.

In accordance with Section 131E-184(g)(3), this correspondence serves as prior written notice to the Agency of Rex's planned Exempt Project.

Conclusion

It is our understanding and belief that all aspects of this project to develop a new MOB are exempt from CON review pursuant to N.C. Gen. Stat. § 131E-184(g), and UNC Health requests written confirmation of such understanding. Please do not hesitate to contact me at emily.cromer@unchealth.unc.edu if you have any questions, and thank you in advance for your attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Emily Cromer". The script is fluid and cursive, with the first letter of each word being capitalized and prominent.

Emily Cromer
Director of Regulatory Affairs & Facility Strategy
UNC Health

From: [Mckillip, Mike](#)
To: [Stancil, Tiffany C](#)
Cc: [Mitchell, Micheala L](#); [Bradford, Cynthia L](#)
Subject: FW: [External] MOB Exemption Letter
Date: Wednesday, April 9, 2025 8:47:43 AM
Attachments: [image001.png](#)
[2025.04 UNCH Durham MOB Exemption Notice.pdf](#)

Hi Tiffany,

This Durham County physician office building exemption letter request goes to Cindy. 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

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

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From: Cromer, Emily <Emily.Cromer@unchealth.unc.edu>

Sent: Tuesday, April 8, 2025 7:38 PM

To: Mitchell, Micheala L <Micheala.Mitchell@dhhs.nc.gov>; Mckillip, Mike

<mike.mckillip@dhhs.nc.gov>

Subject: [External] MOB Exemption Letter

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Hi Micheala and Mike,

I hope you're both doing well. Attached is an exemption letter for development of a new MOB in Durham. Because this MOB will be located on the same campus as UNC approved hospital in Durham County, we wanted to hold off on submitting this until we had a CON in hand for the 2024 Durham County beds project given that it included the relocation of the site for the hospital (and therefore for this MOB). We are filing a CON application next week for approval to develop some hospital-based services in a portion of this exempt MOB. I know it's a quick turnaround, but if there's any way to expedite the review of this request so that we could include a response along with that application, I would appreciate it.

Please let me know if you have any questions, and thank you!

Emily

Emily Cromer | Director of Regulatory Affairs & Facility Strategy

UNC Health

p (984) 215-6213 | m (919) 884-6213

emily.cromer@unchealth.unc.edu



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