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June 1, 2015

Ms. Martha J. Frisone, Assistant Chief, Certificate of Need Ms. Celia C. Inman, Project Analyst Healthcare Planning and Certificate of Need Section Division of Health Service Regulation, NC DHHS 2704 Mail Service Center Raleigh, NC 27699-2704

Re: Written Comments for CON Project ID #J-11034-15

Dear Ms. Frisone and Ms. Inman:

In accordance with NCGS § 131E-185(a1)(1), please find enclosed written comments from Alamance Regional Medical Center regarding CON Project ID #J-11034-15, an application filed by University of North Carolina Hospitals at Chapel Hill (UNC Hospitals) to add four (4) acute care beds on the Hillsborough campus. Please let me know if you have any questions regarding these comments or if I can provide any additional information. Thank you for the opportunity to submit these comments.

Sincerely,

James Roskelly

Executive Vice President, Strategic Development

Cone Health

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Attachment

cc: Preston Hammock, President, ARMC and SVP, Cone Health

Written Comments Regarding Certificate of Need Application J-11034-15 to Add Four (4) Acute Care Beds to UNC Hospitals Hillsborough Campus in Orange County

Submitted by Alamance Regional Medical Center June 1, 2015

Alamance Regional Medical Center (ARMC), a licensed acute care hospital located in Burlington, NC and part of Cone Health, a six (6) hospital health system, submits the following written comments regarding the Certificate of Need application filed on April 15, 2015 by University of North Carolina Hospitals at Chapel Hill (UNC Hospitals, or, alternately, the Applicant) to add four (4) acute care beds to its campus in Hillsborough, NC pursuant to a need determination in the 2015 State Medical Facilities Plan (SMFP). It is the position of Alamance Regional Medical Center that the application may not conform to previously stated criteria for approval and the Agency should investigate the Applicant's compliance with the initial Certificate of Need for the project.

On April 15, 2009, UNC Hospitals filed a Certificate of Need application to establish a satellite campus in Hillsborough, Orange County, NC for its existing primary licensed acute care hospital in Chapel Hill, Orange County, NC. This project was assigned Project ID #J-8330-09 and Gregory F. Yakaboski and Craig R. Smith were assigned to review and co-sign the application findings respectively. On September 25, 2009, Messrs. Yakaboski and Smith issued the required agency findings for Project ID #J-8330-09. The initial agency ruling was conditional approval for the project. In the required agency findings, one of the conditions for approval was as follows: "University of North Carolina Hospitals at Chapel Hill shall not acquire the vascular interventional radiography equipment and one vascular ultrasound unit and shall not develop the vascular interventional radiography procedure room at the Second Campus in Hillsborough." The reason for the inclusion of this condition was the Applicant's failure to respond to 10A NCAC 14C .3100, the Criteria and Standards for Major Medical Equipment. This condition appears on the Certificate of Need issued for Project ID #J-8330-09.

In the application submitted April 15, 2015 (CON Project ID#J-11034-15), the Applicant states that the Hillsborough facility will operate "One Vascular Interventional Radiology (VIR)/Electrophysiology (EP) room" and "One VIR/EP unit." The inclusion of this equipment and space would seem to be in direct contradiction to the conditions placed upon the initial project. To Alamance Regional Medical Center's knowledge, there have been no declaratory ruling requests, material compliance requests, or any other petitions to the Agency around the inclusion of this equipment and space or the removal of the condition from the initial CON. Additionally, the Applicant does not respond to the Criteria and Standards for Major Medical Equipment in the current application. As such, the Applicant has made no justification for the presence of such equipment or procedural space. Therefore, Alamance Regional Medical Center respectfully requests that the Healthcare Planning and Certificate of Need Section ensure that UNC Hospitals complies with the conditions set forth in the initial CON and condition any potential approval of this application on the same.

² CON Application #J-11034-15, page 28

¹ Required State Agency Findings, CON Project ID# J-8330-09