



North Carolina Department of Health and Human Services  
Division of Health Service Regulation

Pat McCrory  
Governor

Richard O. Brajer  
Secretary DHHS

Mark Payne  
Assistant Secretary for Audit and  
Health Service Regulation

**RESPONSE REQUIRED**

February 5, 2016

James Roskelly  
1200 North Elm Street  
Greensboro, NC 27401

**Conditional Approval**

Project ID #: G-11104-15  
Facility: Cone Health  
Project Description: Relocate the acute care beds and operating rooms from Women's Hospital to the Cone Campus on Elm Street. As part of this project, 23 acute care beds and 4 ORs will be de-licensed. Upon completion of this project and Project ID# G-11103-15, the hospital (all campuses) will be licensed for 754 acute care beds and 46 ORs (4 dedicated IP, 29 shared and 13 dedicated OP)  
County: Guilford  
FID #: 943494

Dear Mr. Roskelly:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) has conditionally approved the above referenced certificate of need application. This decision was made after a review of the applications submitted for this cycle and after consideration of the Certificate of Need Law, G.S. 131E-175 et. seq. and regulations promulgated there under, the State Medical Facilities Plan, and other applicable information. Attached to this letter are the required findings made with respect to your application. The applicant shall not proceed with the construction, offering or development of this project until the certificate of need is issued. Further, the Agency shall not issue the certificate of need until all applicable conditions of approval have been met pursuant to G.S. 131E-187(a). The conditions are as follows:

1. The Moses H. Cone Memorial Hospital and The Moses H. Cone Memorial Hospital Operating Corporation shall materially comply with all representations made in the certificate of need application and the clarifying information received on January 28, 2016.

**Healthcare Planning and Certificate of Need Section**

[www.ncdhhs.gov](http://www.ncdhhs.gov)

Telephone 919-855-3873 • Fax 919-715-4413

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

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In those instances where representations conflict, The Moses H. Cone Memorial Hospital and The Moses H. Cone Memorial Hospital Operating Corporation shall materially comply with the last-made representation.

2. The Moses H. Cone Memorial Hospital and The Moses H. Cone Memorial Hospital Operating Corporation shall de-license 23 acute care beds and 4 operating rooms from The Moses H. Cone Memorial Hospital/Women’s Hospital at project completion.
3. At completion of this project and the concurrently filed Project ID #G-11103-15, Cone Health, License #H0159, will be licensed for a total of no more than 754 acute care beds and 46 operating rooms, shown as follows.

Cone Health-Greensboro  
 Licensed Acute Care Beds and Operating Rooms

	Moses Cone	Wesley Long	Moses Cone Surgery Center	Wesley Long Surgery Center	Total
Acute Care Beds	579	175	0	0	754
Operating Rooms*	18	10	8	5	41
Excluded Operating Rooms**	5	0	0	0	5
<b>Total Operating Rooms**</b>	<b>23</b>	<b>10</b>	<b>8</b>	<b>5</b>	<b>46</b>

\* Excludes open heart and trauma

\*\*Includes four dedicated open heart ORs and one trauma OR

4. The Moses H. Cone Memorial Hospital and The Moses H. Cone Memorial Hospital Operating Corporation shall not acquire, as part of this project, any equipment that is not included in the project’s proposed capital expenditure in Section VIII of the application that would otherwise require a certificate of need.
5. The Moses H. Cone Memorial Hospital and The Moses H. Cone Memorial Hospital Operating Corporation shall develop and implement an Energy Efficiency and Sustainability Plan for the project that conforms to or exceeds energy efficiency and water conservation standards incorporated in the latest editions of the North Carolina State Building Codes. The plan must be consistent with the applicants’ representations in the written statement as described in paragraph one of Policy GEN-4.
6. The Moses H. Cone Memorial Hospital and The Moses H. Cone Memorial Hospital Operating Corporation shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Certificate of Need Section in writing prior to issuance of the certificate of need.

**Response to the above conditions should be submitted to the Agency no later than 35 days from the date of the decision. Failure to respond within this time period may result in the Agency making a determination not to issue a certificate of need for the project referenced above.**

The conditional approval is valid only for a capital expenditure of \$134,460,190. If a cost overrun occurs that exceeds the approved capital expenditure amount, a new certificate of need may be required as determined by G.S. 131E-176(16)(e).

The applicant should be aware that according to the Certificate of Need law any affected person shall have thirty (30) days after the date of decision to file a petition for a contested case on this approval. Further, if you are aggrieved by the conditions of the decision you may file a petition for a contested case hearing in accordance with G.S. 150B, Article 3, as amended. This petition must be filed with the Office of Administrative Hearings, 6714 Mail Service Center, Raleigh, North Carolina 27699-6714 within thirty (30) days of the date of this decision. [Note: Effective October 1, 2009, OAH requires a filing fee with submittal of petitions for contested cases. Please direct all questions regarding this fee to OAH Clerk's Office (919-431-3000).]

G.S. 150B-23 provides that a party filing a petition must also serve a copy of the petition on all parties to the petition. Therefore, if you file a petition for a contested case hearing, you must serve a copy of the petition on the Department of Health and Human Services by mailing a copy of your petition to:

Emery Milliken  
Department of Health and Human Services,  
Office of Legal Affairs,  
Adams Building – Room 154  
2001 Mail Service Center  
Raleigh, North Carolina, 27699-2001

It is requested that a copy of the petition also be served on the Agency.

The certificate of need will not be issued before the completion of this 30 day period ending March 7, 2016. If a contested case request is received within the thirty (30) day period, the certificate will not be issued until the appeal is resolved (10A NCAC 14C .0208).

The timetable for completion of the project is the timetable outlined in the certificate of need application, unless an adjustment has been made by the Agency because the review period was extended. The timetable for this project is as follows:

Contract Award _____	August 1, 2017
Approval of Final Drawings by the Construction Section, DHSR _____	November 30, 2017
25% Completion of Construction _____	March 30, 2018
50% Completion of Construction _____	January 31, 2019
75% Completion of Construction _____	July 31, 2019
Completion of Construction _____	May 29, 2020
Occupancy/Offering of Service/Operation of Equipment _____	September 30, 2020

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If the decision is appealed, the timetable set forth in this letter will be adjusted accordingly before the Certificate of Need is issued. Please contact this office if any clarification of this decision is required.

Please refer to the Project ID # and Facility ID # (FID) in all correspondence.

Sincerely,

Celia C. Inman  
Project Analyst

Fatimah Wilson  
Team Leader, Certificate of Need

Attachment

cc: Acute & Home Care Licensure & Certification Section, DHSR  
Construction Section, DHSR  
Kelli Fisk, Program Assistant, Healthcare Planning, DHSR

**CERTIFICATE OF SERVICE**

I hereby certify that I have served the foregoing notice of **conditional approval** on the following person by placing a copy in an official depository of the United States Postal Service in a postage-paid, first class envelope addressed as follows:

James Roskelly  
1200 North Elm Street  
Greensboro, NC 27401

Project ID #: G-11104-15  
FID #: 943494

This the 5<sup>th</sup> day of February, 2016.

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Celia C. Inman  
Project Analyst, Certificate of Need