



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER  
GOVERNOR

MANDY COHEN, MD, MPH  
SECRETARY

MARK PAYNE  
DIRECTOR

**RESPONSE REQUIRED**

July 27, 2017

Elizabeth Kirkman  
2709 Water Ridge Parkway, Suite 200  
Charlotte, NC 28217

**Conditional Approval**

Project ID #: F-11349-17  
Facility: Carolinas HealthCare System Huntersville Surgery Center  
Project Description: Separately license CHS Huntersville Surgery Center, which is currently licensed as part of Carolinas HealthCare System University, as a freestanding ambulatory surgical facility  
County: Mecklenburg  
FID #: 170239

Dear Ms. Kirkman:

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, N.C. Gen. Stat. §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 N.C. Gen. Stat. §131E-187(a). The conditions are as follows:

1. The Charlotte-Mecklenburg Hospital Authority shall materially comply with all representations made in the certificate of need application.
2. The Charlotte-Mecklenburg Hospital Authority 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 or that would otherwise require a certificate of need.

**HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION**

WWW.NCDHHS.GOV

TELEPHONE 919-855-3873

LOCATION: EDGERTON BUILDING • 809 RUGGLES DRIVE • RALEIGH, NC 27603

MAILING ADDRESS: 2704 MAIL SERVICE CENTER • RALEIGH, NC 27699-2704

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3. The Charlotte-Mecklenburg Hospital Authority shall develop an ambulatory surgical facility that shall be licensed for no more than one ambulatory surgical operating room upon completion of this project and Project I.D. #F-11106-15.
4. The Charlotte-Mecklenburg Hospital Authority shall develop no more than one room in the facility that meets licensure requirements for an operating room under the ambulatory surgical facility rules upon completion of this project and Project I.D. #F-11106-15.
5. Carolinas HealthCare System Huntersville Surgery Center shall meet all criteria to receive accreditation of the ambulatory surgical facility from JCAHO, AAAHS or a comparable accreditation authority within two years following completion of the facility.
6. Following completion of this project, Carolinas HealthCare System University shall reduce the number of licensed operating rooms operated under its license by one, such that at the completion of this project and Project I.D. #F-11106-15, Carolinas HealthCare System University shall not be licensed for more than eight operating rooms, including seven shared operating rooms, one dedicated C-section operating room, and one gastrointestinal endoscopy room.
7. The procedure rooms shall not be used for procedures that should be performed only in an operating room based on current standards of practice.
8. Procedures performed in the minor procedure rooms shall not be reported for billing purposes as having been performed in an operating room and shall not be reported on the hospital's license renewal application as procedures performed in an operating room.
9. The Charlotte-Mecklenburg Hospital Authority shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Healthcare Planning and 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 **\$355,000**. If a cost overrun occurs that exceeds the approved capital expenditure amount, a new certificate of need may be required as determined by N.C. Gen. Stat. §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 N.C. Gen. Stat. §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).]

Elizabeth Kirkman

July 27, 2017

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N.C. Gen. Stat. §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:

Lisa G. Corbett  
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 **August 28, 2017**. 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:

- |   |                   |
|---|-------------------|
| 1. Drawings Completed   | February 16, 2018 |
| 2. Construction/Renovation Contract(s) Executed                           | April 6, 2018     |
| 3. 25% of Construction/Renovation Completed (25% of the cost is in place) | April 20, 2018    |
| 4. 50% of Construction/Renovation Completed                               | May 11, 2018      |
| 5. 75% of Construction/Renovation Completed                               | June 1, 2018      |
| 6. Construction/Renovation Completed                                      | June 22, 2018     |
| 7. Services Offered   | July 1, 2018      |

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,

Gloria C. Hale  
Project Analyst

Fatimah Wilson  
Team Leader, Certificate of Need

Attachment

cc: Construction Section, DHSR  
Acute & Home Care Licensure & Certification Section, DHSR  
Paige Bennett, Assistant Chief, 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:

Elizabeth Kirkman  
2709 Water Ridge Parkway, Suite 200  
Charlotte, NC 28217

This the 27<sup>th</sup> day of July, 2017.

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Gloria C. Hale  
Project Analyst, Certificate of Need