



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

RESPONSE REQUIRED

November 29, 2018

Sandy Godwin
1638 Owen Drive
Fayetteville 28302

Conditional Approval

Project ID #: M-11563-18
Facility: Cape Fear Valley Medical Center-Health Pavilion North
Project Description: Replace existing linear accelerator
County: Cumberland
FID #: 030360

Dear Ms. Godwin:

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. Written notice of all findings and conclusions upon which the decision was based will be provided to the applicants within five business days after the date of the decision in accordance with N.C. Gen. Stat. §131E-186. 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 that can be satisfied before issuance of the certificate of need have been met pursuant to N.C. Gen. Stat. §131E-187(a). The conditions are as follows:

- 1. Cumberland County Hospital System, Inc. shall materially comply with all representations made in the certificate of need application and any supplemental responses. In the event that representations conflict, Cumberland County Hospital System, Inc. shall materially comply with the last made representation.**
- 2. Cumberland County Hospital System, Inc. shall acquire no more than one linear accelerator to replace one existing linear accelerator located at Cape Fear Valley Medical Center – Health Pavilion North. The applicant shall dispose of the existing linear accelerator being replaced by removing it from North Carolina.**

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: 2701 Mail Service Center, Raleigh, NC 27699-2701
www.ncdhhs.gov/dhsr/ • TEL: 919-855-3750 • FAX: 919-733-2757

3. **Cumberland County Hospital System, Inc. shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditures in Section Q of the application and that would otherwise require a certificate of need.**
4. **No later than three months after the last day of each of the first three full years of operation following initiation of the services authorized by this certificate of need, Cumberland County Hospital System, Inc. shall submit, on the form provided by the Healthcare Planning and Certificate of Need Section, an annual report containing the:**
 - a. **Payor mix for the services authorized in this certificate of need.**
 - b. **Utilization of the services authorized in this certificate of need.**
 - c. **Revenues and operating costs for the services authorized in this certificate of need.**
 - d. **Average gross revenue per unit of service.**
 - e. **Average net revenue per unit of service.**
 - f. **Average operating cost per unit of service.**
5. **Cumberland County Hospital System, Inc. 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 CON Section 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 **\$3,479,154**. 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, P.O. Drawer 27447, Raleigh, North Carolina 27611-7447 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).]

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 MSC
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 December 31, 2018. 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 _____ January 30, 2019
2. Construction/Renovation Contract(s) Executed _____ February 22, 2019
3. 25% of Construction/Renovation Completed
(25% of the cost is in place) _____ April 5, 2019
4. 50% of Construction/Renovation Completed _____ May 1, 2019
5. 75% of Construction/Renovation Completed _____ June 7, 2019
6. Construction/Renovation Completed _____ August 16, 2019
7. Equipment Ordered _____ January 5, 2019
8. Equipment Installed _____ July 15, 2019
9. Equipment Operational _____ September 27, 2019
10. Building/Space Occupied _____ August 16, 2019
11. Services Offered _____ October 1, 2019
12. Final Annual Report Due _____ January 1, 2023

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 us if any clarification of this decision is required.

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

Sincerely,



Tanya Saporito
Project Analyst



Fatimah Wilson
Team Leader, Certificate of Need

Attachment

Sandy Godwin
November 29, 2018
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cc: Acute & Home Care Licensure & Certification Section, DHSR
Melinda Boyette, Administrative Assistant, Healthcare Planning, DHSR
Construction Section, DHSR

CERTIFICATE OF SERVICE

This is to certify that the undersigned has this day served the foregoing **Conditional Approval** upon the following by depositing a copy hereof, postage prepaid, in the United States mail, addressed as follows:

Sandy Godwin
1638 Owen Drive
Fayetteville 28302
Project ID #: M-11563-18

This the 29th day of November, 2018.


Tanya Saporito, Project Analyst

