

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

Pat McCrory Governor

Aldona Z. Wos, M.D. Ambassador (Ret.) Secretary DHHS

> **Drexdal Pratt Division Director**

September 13, 2013

Jeffrey Shovelin, Director of Corporate Planning Vidant Health Post Office Box 2068 Greenville, North Carolina 27835-6028

No Review

Facility or Business: Vidant Medical Center

Project Description: Renovate Ultrasound Suite

County:

Pitt

FID #:

933410

Dear Mr. Shovelin:

The Certificate of Need Section (CON Section) received your letter of August 14, 2013 regarding the above referenced proposal. Based on the CON law in effect on the date of this response to your request, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

Moreover, you need to contact Construction Section and Acute and Home Care Licensure and Certification Section of the Division of Health Service Regulation to determine if they have any requirements for development of the proposed project.

It should be noted that this determination is binding only for the facts represented by you. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by the Certificate of Need Section. Changes in a project include, but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate; (3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.



Certificate of Need Section

Jeffrey Shovelin September 13, 2013 Page 2

Please contact the CON Section if you have any questions. Also, in all future correspondence you should reference the Facility I.D. # (FID) if the facility is licensed.

Sincerely,

Jane Rhoe-Jones, Project Analyst

Craig R. Smith, Chief

Certificate of Need Section

cc: Construction Section, DHSR

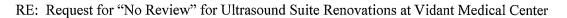
Acute and Home Care Licensure and Certification Section, DHSR



Jus

August 14, 2013

Ms. Jane Rhoe-Jones Certificate of Need Section Division of Health Service Regulation NC Department of Health and Human Services 2704 Mail Service Center Raleigh, NC 27699-2704



Dear Ms. Rhoe-Jones:

Vidant Medical Center (VMC) plans to renovate the existing ultrasound suite in the hospital's existing radiology department. VMC believes that the proposed additional equipment is not subject to review under North Carolina's Certificate of Need (CON) laws.

The proposed project includes the renovation of approximately 2,600 square feet in the existing radiology suite (see Appendix A for current and proposed floor plans). The reason for the renovations is to bring the ultrasound rooms up to today's standards and patient expectations as well as to add needed support space. The project will be secured through accumulated reserves. The total capital costs for the proposed project is estimated to be \$646,689 (see Appendix B for the Capital Cost Sheet). These costs include all expenses associated with the renovations. There is no equipment associated with the proposed project.

VMC's proposed project does not meet any of the definitions of a new institutional health service as defined by G.S. 131E-176(16) since the total capital expenditure for the project is less than \$2,000,000 and does not include any new equipment or services. Therefore, VMC believes the proposed project is exempt from review and requests approval of a no review status for the proposed project.

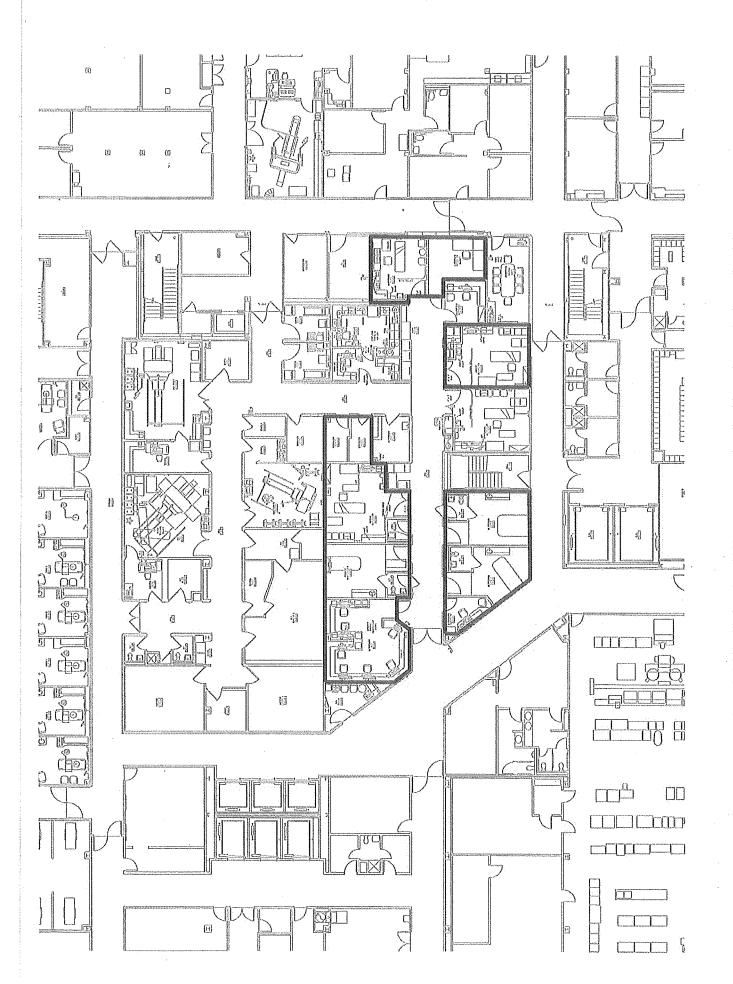
If you require additional information or clarification, please contact me at (252)-847-3631.

Jeffrey Shovelin

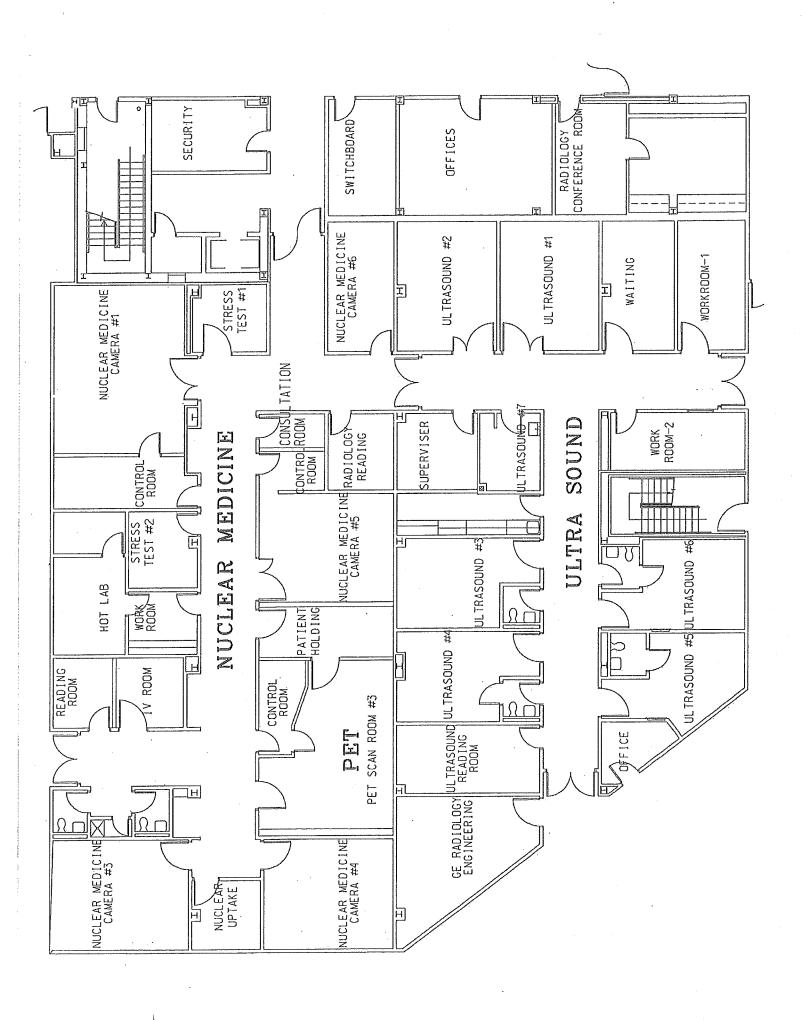
Director of Corporate Planning

Vidant Health

Appendix A Current and Proposed Drawings



JITRASOUND (RENOVATIONS)



Appendix B Capital Cost Sheet

CAPITAL COST SUMMARY Ultrasound (Renovations)

Site Costs		
(1) Full purchase price of land	\$ 0	
Acres 0 Price per Acre \$		
(2) Closing costs	\$ 0	
(3) Site Inspection and Survey	\$ 0	
(4) Legal fees and subsoil investigation	\$ 0 \$ 0 \$ 0	
(5) Site Preparation Costs [Include]		
Soil Borings		
Clearing and Grading		
Roads and Parking		ψ V
Sidewalks		
Water and Sewer		
Excavation and Backfill		
Termite Treatment		
Sub-Total Site Preparation Costs	\$ 0	
(6) Other (Specify)	\$ 0	
(7) Sub-Total Site Costs	3 0	s o
		J U
Construction Contract		
(8) Cost of Materials [Include]		
General Requirements		
Concrete/Masonry		
Woods/Doors & Windows/Finishes		
Thermal & Moisture Protection		
Equipment/Specialty Items		
Mechanical/Electrical		
Sub-Total Cost of Materials	\$ 225,151	,
(9) Cost of Labor	\$ 337,725	,
(10) Other		r No. a de de de d
(11) Sub-Total Construction Contract		\$ 562,876
Miscellaneous Project Costs		
(12) Building Purchase	\$ 0	
(13) Fixed Equipment Purchase/Lease		
(14) Movable Equipment Purchase/Lease	\$ 0	
(15) Furniture	\$ 25,000	1
(16) Landscaping	\$ 25,000 \$ 0	
(17) Consultant Fees		7
Architect and Engineering Fees	\$ 58,813	
Legal Fees		
Market Analysis		·
CON Preparation		. '
Sub-Total Consultant Fees		r
(18) Financing Costs (e.g. Bond, Loan, etc.)	\$ 0	
(19) Interest During Construction	\$ 0	
(20) Other (Specify)	\$ 0	
(21) Sub-Total Miscellaneous		\$ 83,813
(22) Total Project Capital Cost (Sum A-C above)		\$ 646,689
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I certify that, to the best of my knowledge, the above construction related costs of the proposed project named above are complete and correct.

Asignature of Licensed Architect or Engineer) State of N.C.-Lic.# 5977