



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

August 20, 2014

Catharine W. Cummer, Regulatory Counsel, Strategic Planning
Duke University Health System
3100 Tower Blvd, Suite 1300
Durham NC 27707

Exempt from Review

Facility: Duke University Health System d/b/a Duke Regional Hospital
Project Description: Replace and refurbish air handling systems
County: Durham
FID #: 923142

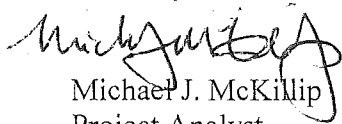
Dear Ms. Cummer:

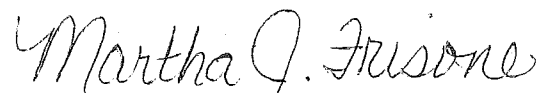
In response to your correspondence of August 7, 2014, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-131E-184(a)(4). Therefore, you may proceed to offer, develop or establish the above referenced project without a certificate of need.

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.

If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,


Michael J. McKillip
Project Analyst


Martha J. Frisone, Interim Chief
Certificate of Need Section

Cc: Construction Section, DHSR



Certificate of Need Section

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-733-8139

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

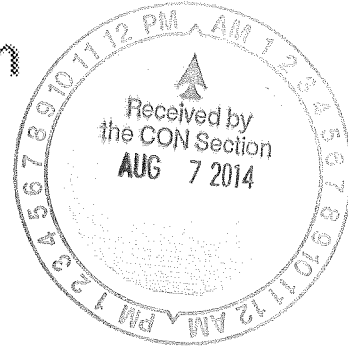
Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

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Duke University Health System

Catharine W. Cummer
Regulatory Counsel, Strategic Planning



August 7, 2014

Via Electronic Mail

Michael J. McKillip, Project Analyst
Certificate of Need Section
Division of Health Service Regulation
2704 Mail Service Center
Raleigh, NC 27699-2704

Re: Cooling system project at Duke Regional Hospital

Dear Mr. McKillip:

I am writing to notify you of a project proposed by Duke Regional Hospital ("DRH") and to request the Section's written confirmation that this project is exempt from certificate of need review.

DRH proposes to spend approximately \$4.2M to replace and refurbish components of its air handling systems #5 and #6. These two systems provide conditioned air and ventilation to some of the most critical clinical services in the hospital, including Perioperative Services, Women's Services, Pharmacy, Radiology, and Laboratory Services. These air handling systems were installed during the original construction of the hospital almost 40 years ago. While various components of these systems, such as motors and starters, have been replaced over the years, air handling systems #5 and #6 are now beyond their normal life expectancy. The renovations are therefore needed to ensure the reliability of the air and ventilation systems.

Although this project will cost more than two million dollars, it is our understanding that it is exempt from certificate of need review pursuant to Section 131E-184(4), as it is needed "[t]o provide parking, heating or cooling systems, elevators, or other basic plant or mechanical improvements, unless these activities are integral portions of a project that involves the construction of a new health service facility or portion therefor and that is subject to certificate of need review." This project is not integral to any other construction project that would otherwise require a CON.

Michael J. McKillip
August 7, 2014

We would appreciate your review of this request and confirmation of our understanding.
Please let me know if you have any questions or if we can provide you any further information.

Very truly yours,



Catharine W. Cummer