



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

Pat McCrory
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Ambassador (Ret.)
Secretary DHHS

Drexdal Pratt
Division Director

April 23, 2015

Lisa Hamby
810 Fairgrove Church Road SE
Hickory, NC 28602

Exempt from Review – Physician Office

Provider: Catawba Valley Medical Center
Project Description: Renovate existing physician office building
County: Catawba
FID #: 933080

Dear Ms. Hamby:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letters of January 20, 2015, and March 3, 2015, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(9). Therefore, you may proceed to offer, develop, or establish the above referenced project without a certificate of need.

However, you need to contact the Agency’s Construction and the Acute and Home Care Licensure and Certification Sections to determine if they have any requirements for development of the proposed physician office.

It should be noted that this Agency’s position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by the Agency and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Julie Halatek
Project Analyst

Martha J. Frisone
Assistant Chief, Certificate of Need

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR
Assistant Chief, Healthcare Planning



Healthcare Planning and Certificate of Need Section

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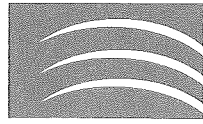
Telephone: 919-855-3873 • Fax: 919-733-8139

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

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

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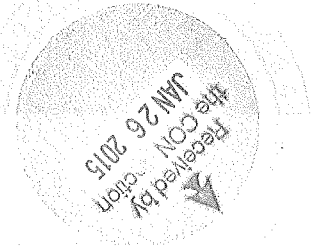




CATAWBA VALLEY MEDICAL CENTER

January 20, 2015

Ms. Martha Frisone, Interim Chief
Certificate of Need Section
Division of Health Service Regulation
2704 Mail Service Center
Raleigh, NC 27699-2704



RE: Exemption Request for Upfit of Medical Office Building in Conover, North Carolina, 3521 Graystone Place, Suite 3201 (HSA I – Catawba County)

Dear Ms. Frisone:

Catawba Valley Medical Center is planning to expand an existing medical practice, Catawba Valley Cardiology, in its current location at Graystone Place, Conover. Catawba Valley Medical Center is the owner of Graystone Place and will continue to operate Catawba Valley Cardiology upon completion of the planned expansion. There will be no new institutional health services offered or developed in the expanded space without first seeking the appropriate Certificate of Need approvals.

Based on the project described above and pursuant to N.C.G.S. 131E-184(a)(9), the project is exempt from Certificate of Need review. Please consider this letter as written notification of our intent to proceed with this project. We do, however, request your written confirmation that this project is exempt from Certificate of Need review. If you have any questions or need additional information, please contact me at (828) 326-3478.

Sincerely,

Lisa Hamby
Assistant to the President

cc: Scott Echelberger, Vice President
Catawba Valley Medical Center

Halatek, Julie F

From: Lisa Hamby <LHAMBY@catawbavalleymc.org>
Sent: Tuesday, March 03, 2015 12:47 PM
To: Halatek, Julie F
Subject: Re: Additional information needed - Exemption request

Dear Julie,

In response to your request for additional information, Catawba Valley Medical Center is proposing to renovate existing space within Graystone Medical Office Building. Graystone Medical Office Building currently houses Catawba Valley Cardiology in 6,900 square feet of the upper level. Plans call for relocating Catawba Valley Cardiology from the upper level to the lower level into approximately 8,875 square feet of space. This will allow the practice to expand from the current nine (9) exam rooms to twelve (12) exam rooms and the current five (5) medical offices to eight (8) medical offices. It will also provide for the addition of non-clinical space that will be used both as a conference room and staff lounge.

The renovation of Graystone Medical Office Building will also include the addition of an ADA-compliant elevator. Upon completion of construction, two existing physician practices will be relocated from the main hospital campus to the existing space vacated by Catawba Valley Cardiology: Catawba Valley Pulmonology and Catawba Valley Vascular Surgery.

As described above, total costs are projected to be \$2,980,443. A breakdown of those costs is provided below.

Catawba Valley Cardiology Project Costs	
A/E Fees	98,600.00
Miller Surveying	3,500.00
Info Systems & H4Us Cabling	7,105.19
Elevator Modernization	44,355.00
Construction	2,368,773.00
Asbestos Assessment (Pre-Construction)	1,096.00
Cabling	32,412.07
Cabling	2,183.45
Upfit (Includes Relocations)	349,000.00
Material Testing	25,000.00
Test & Balance	7,500.00
Sewer Inspection	3,220.00
Signage	5,000.00
Nurse Call	25,000.00
Asbestos – Abatement	4,138.00
Asbestos – Air Monitoring	3,560.00
TOTAL	\$2,980,442.71

Please let me know if you require additional information to make a determination.

Sincerely,

Lisa Hamby

Lisa E. Hamby
Assistant to the President
Catawba Valley Medical Center
828-326-3478
lhamby@catawbavalleymc.org

>>> "Halatek, Julie F" <julie.halatek@dhhs.nc.gov> 03/02/2015 2:55 PM >>>

Hi Lisa,

I am in receipt of your exemption request, dated January 20, 2015 and received here on January 26, 2015, regarding the planned expansion of Catawba Valley Cardiology. However, I need additional information to be able to determine whether the proposed expansion is exempt from review. Could you please describe in more detail what this expansion entails? The more details I have, the better I am able to make a determination as to whether it is exempt from review or not. Please feel free to reply via this email and that will suffice for additional information. And please let me know if you have any questions. Thanks!

Julie Halatek
N.C. Department of Health and Human Services
Project Analyst, Healthcare Planning and Certificate of Need Section - Division of Health Service Regulation
809 Ruggles Drive
Raleigh, NC 27603
(Office) 919.855.3873

julie.halatek@dhhs.nc.gov
www.ncdhhs.gov/dhsr

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