



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 7, 2015

Terrill Johnson Harris
300 N. Greene Street, Suite 1400
Greensboro, NC 27401

Exempt from Review

Record #: 1680
Facility Name: Wilmington Health
FID #: 943565
Business Name: Wilmington Health
Business #: 28
Project Description: Renovate and expand ambulatory surgical facility on same site
County: New Hanover

Dear Ms. Harris:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of July 201, 2015, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(g). 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 Acute & Home Care Licensure and Certification Sections 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 Agency. 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.

Healthcare Planning and Certificate of Need Section

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-715-4413

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

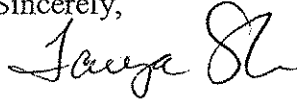
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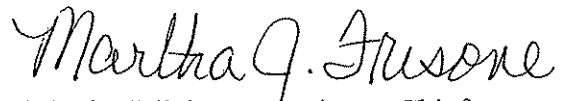


If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,



Tanya S. Rupp
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

NR 101-1680
Bus 1238

300 N. Greene Street
Suite 1400
Greensboro, NC 27401

July 16, 2015

Received by
the CON Section
JUL 20 2015

Martha Frisone, Assistant Chief of CON
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
NC Department of Health and Human Services
2704 Mail Service Center
Raleigh, NC 27699-2704

Re: Wilmington Health – Notice of Exemption for Renovation of Ambulatory
Surgery Center

Dear Martha:

We appreciate your meeting with us on May 1, 2015, with respect to licensure and CON questions following the issuance of a CON to Wilmington Health to convert its existing specialty ambulatory surgery center to multi-specialty. The conversation with you, June Ferrell, and Azzie Conley was helpful and informative. Following Wilmington Health's implementation of its CON and analysis of the types of and codes for multi-specialty procedures appropriate to be performed in its existing facility, Wilmington Health has determined that significant renovations are needed to its procedure rooms to be prepared for the future.

This letter provides prior written notice of Wilmington Health's intention to pursue a renovation and expansion project on its main campus under the exemption provision in N.C. Gen. Stat. § 131E-184(g). The sole purpose of Wilmington Health's project is to renovate, replace, and expand on the same site its existing health service facility located on its main campus. The project does not include a change in bed capacity, the addition of a health service facility, an increase in the number of operating rooms or gastrointestinal endoscopy rooms, the acquisition of major medical equipment, or any other new institutional health service. The project also does not constitute a change in project because the project authorized by the CON issued in June 2014 was complete as of July 24, 2014, and the renovation project that Wilmington Health is planning would not begin until after July 24, 2015.

Wilmington Health has determined that renovations to its ambulatory surgery center are needed to maintain superior infection control standards, facilitate efficient case management and patient flow in light of the additional specialty physicians who will be performing procedures in the three procedure rooms, which were developed more than 20 years ago, and enhance the patient experience and patient satisfaction. The cost of the renovations is not yet determined, but we anticipate that the cost will exceed \$2 million.

Martha Frisone, Assistant Chief of CON
July 16, 2015
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Financial control and administrative control over the existing licensed ambulatory surgery center are exercised at the site of the proposed renovations. The physical address is 1202 Medical Center Drive, Wilmington, North Carolina. This is the only location for the ambulatory surgery center.

Pursuant to N.C. Gen. Stat. §131E-184(g), we request that you confirm in writing that Wilmington Health's renovation of its existing, licensed multi-specialty ambulatory surgery center on its main campus is exempt from certificate of need review. Please let me know if you have questions or need any additional information.

With kindest regards, I am

Very truly yours,

SMITH MOORE LEATHERWOOD LLP



Terrill Johnson Harris

cc: Jeff James
Chasity Chace