



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

Pat McCrory
Governor

Richard O. Brajer
Secretary DHHS

Mark Payne
Assistant Secretary for Audit and
Health Service Regulation

April 11, 2016

Denise M. Gunter
380 Knollwood Street
Suite 530
Winston-Salem, NC 27103

Exempt from Review

Record #: 1920
Facility Name: FirstHealth Moore Regional Hospital
FID #: 943358
Business Name: FirstHealth of the Carolinas, Inc.
Business #: 736
Project Description: Acquire data processing equipment
County: Moore

Dear Ms. Gunter:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of March 15, 2016, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(3). 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 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

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

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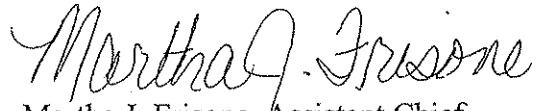
However, you need to contact the Agency's Construction and Acute Care Licensure and Certification Sections to determine if they have any requirements for development of the proposed project.

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 Care Licensure and Certification Section, DHSR

Nelson Mullins

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March 15, 2016

Hand Delivered

Martha J. Frisone, Assistant Chief
North Carolina Department of Health and Human Services
Healthcare Planning and Certificate of Need Section
809 Ruggles Drive
Raleigh, North Carolina 27603

Re: FirstHealth of the Carolinas, Inc. ("FirstHealth") ^{NA 1920}
Moore County _{Bus id 736}
Health Service Area V

Dear Ms. Frisone:

Pursuant to N.C. Gen. Stat. § 131E-184(a)(3), I am writing to advise that FirstHealth intends to purchase and install the Epic electronic health records (EHR) system. The cost to implement Epic is estimated to be more than \$2 million. As you may know, the American Recovery and Reinvestment Act of 2009 requires health care providers to demonstrate their "meaningful use" (MU) of certified EHR technology to achieve the following:

- Improve quality, safety, efficiency and reduce health disparities;
- Engage patients and families;
- Improve care coordination, and population and public health; and
- Maintain privacy and security of patient health information.

In addition to meeting the federal mandate, the enterprise-wide implementation of the Epic system will allow all FirstHealth entities to exchange patient data and coordinate care across all settings in a unified manner. In addition, FirstHealth's existing EHR vendor is not pursuing MU changes in the system FirstHealth currently uses.

N.C. Gen. Stat. § 131E-184(a) provides that the Department "shall exempt from certificate of need review a new institutional health service if it receives prior written notice

Martha J. Frisone

March 15, 2016

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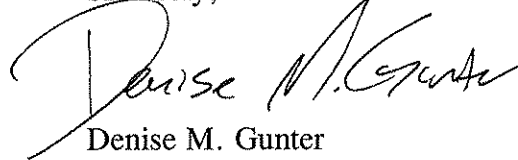
from the entity proposing the new institutional health service, which notice includes an explanation of why the new institutional health service is required, for any of the following:

(3) to provide data processing equipment."

Pursuant to N.C. Gen. Stat. § 131E-184(a)(3), FirstHealth respectfully requests that the Agency confirm in writing that the purchase and installation of the Epic system is exempt from CON review.

Thank you for your time and attention.

Sincerely,


Denise M. Gunter

w/permission
