



DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

MARK PAYNE
DIRECTOR

February 9, 2017

Brenda Page
Carolina Center for Specialty Surgery
1822 Brunswick Ave.
Charlotte, NC 28207

Exempt from Review

Record #: 2157
Facility Name: Carolina Center for Specialty Surgery
FID #: 050268
Business Name: Wavaco, LLC
Business #: 2042
Project Description: Renovation of existing ambulatory surgery facility in excess of \$2,000,000
County: Mecklenburg

Dear Ms. Page:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of January 30, 2017, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §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 and Home Care Licensure & 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

LOCATION: EDGERTON BUILDING • 809 RUGGLES DRIVE • RALEIGH, NC 27603

MAILING ADDRESS: 2704 MAIL SERVICE CENTER • RALEIGH, NC 27699-2704

AN EQUAL OPPORTUNITY/ AFFIRMATIVE ACTION EMPLOYER

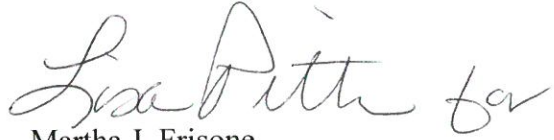


If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,



Gloria C. Hale
Project Analyst



Martha J. Frisone
Assistant Chief, Certificate of Need

cc: Construction Section, DHSR
Paige Bennett, Assistant Chief, Healthcare Planning, DHSR



January 30, 2017

Ms. Martha Frisone, Assistant Chief
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
809 Ruggles Drive
Raleigh, NC 27603

RE: Request for Exemption from Review to Renovate and Expand Carolina Center for Specialty Surgery

Dear Ms. Frisone:

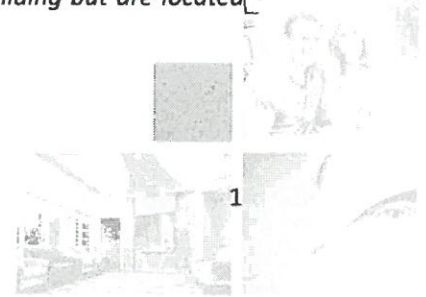
Pursuant to N.C.G.S. 131E-184(g), I am writing to inform you of Carolina Center for Specialty Surgery's plan to renovate and expand its facility.

Pursuant to N.C.G.S. 131E-184(g), "[t]he Department shall exempt from certificate of need review any capital expenditure that exceeds the two million dollar (\$2,000,000) threshold set forth in G.S. 131E-176(16)b. if any of the following conditions are met:

- (1) The sole purpose of the capital expenditure is to renovate, replace on the same site, or expand the entirety or a portion of an existing health service facility that is located on the main campus.
- (2) The capital expenditure does not result in (i) a change in bed capacity as defined in G.S. 131E-176(5) or (ii) the addition of a health service facility or any other new institutional health service facility or any other new institutional health service other than that allowed in G.S. 131E-176(16)b.
- (3) The licensed health service facility proposing to incur the capital expenditure shall provide written notice to the Department along with support documentation to demonstrate that it meets the exemption criteria of this subsection."

N.C.G.S. 131E-176(14n) states "'Main campus' means all of the following for the purposes of G.S. 131E-184(f) and (g) only:

- a. The site of the main building from which a licensed health service facility provides clinical patient services and exercises financial and administrative control over the entire facility, including the buildings and grounds adjacent to that main building.
- b. Other areas and structures that are not strictly contiguous to the main building but are located within 250 yards of the main building."



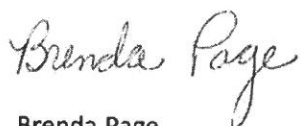
Carolina Center for Specialty Surgery's facility renovation and expansion project meets each of the applicable conditions set forth above. The estimated total capital cost of the project is \$3,427,130 (see Exhibit 1 for a capital cost worksheet). The project involves the renovation and expansion of an existing health service facility located at 1822 Brunswick Avenue, Charlotte, NC 28207, which is the site from which Carolina Center for Specialty Surgery provides clinical patient services. Please see also see a copy of Carolina Center for Specialty Surgery's license in Exhibit 2. Please see the existing floor plan for Carolina Center for Specialty Surgery in Exhibit 3 which indicates the office of the administrator, from which I direct the clinical, financial, and administrative operations of the facility. My responsibilities include, but are not limited to, monitoring financial performance, authorizing invoice payment, hiring and terminating staff, and directing patient billing.

The project consists of renovation and expansion only and does not involve a change in bed capacity as defined in G.S. 131E-176(5) or the addition of a health service facility or a new institutional health service. The project will not increase the number of operating rooms or gastrointestinal endoscopy rooms. The project will not result in the acquisition of major medical equipment or the offering of health services not currently provided. Rather, the construction will enhance the physical space and services of the facility.

The project will expand the facility to include space for on-site sterile processing, which was previously conducted off-site through a contracted service arrangement. The expanded spaces also include storage and additional pre- and post-operative spaces to accommodate patient growth. Additionally, the project includes minor aesthetic updates to existing spaces including passages and staff rooms. Finally, a new patient monitoring system will be deployed as part of the project. Please see Exhibit 4 for the proposed line drawings.

Based on the above facts, we are requesting that you confirm in writing that Carolina Center for Specialty Surgery's renovation and expansion is exempt from certificate of need review and that we may proceed as planned with this project.

Sincerely,



Brenda Page
Director of Surgical Services
Carolina Center for Specialty Surgery
Attachment

Exhibit 1

| Carolina Center for Specialty Surgery | | |
|--|-------------------------------------|---------------------|
| Exemption Request | | |
| Capital Cost Worksheet | | |
| | | |
| 1 | Purchase Price of Land | \$ - |
| 2 | Closing Costs | \$ - |
| 3 | Site Preparation | \$ - |
| 4 | Construction/Renovation Contract(s) | \$ 2,149,232 |
| 5 | Landscaping | \$ - |
| 6 | Architect / Engineering Fees | \$ 232,050 |
| 7 | Medical Equipment | \$ - |
| 8 | Non Medical Equipment | \$ 596,604 |
| 9 | Furniture | \$ - |
| 10 | Consultant Fees | \$ 3,000 |
| 11 | Financing Costs | \$ - |
| 12 | Interest during Construction | \$ - |
| 13 | Other (See below) | \$ 446,244 |
| 14 | Total Capital Cost | \$ 3,427,130 |
| | | |
| | | |
| 13 | Other includes: | |
| | Project Management Fees/Mileage | \$ 140,481 |
| | Contingency | \$ 305,763 |
| | Total | \$ 446,244 |

Exhibit 2

State of North Carolina

Department of Health and Human Services Division of Health Service Regulation

Effective January 01, 2017, license is issued to

Waveco, LLC

to operate an ambulatory surgical clinic known as

Carolina Center for Specialty Surgery

located at 1822 Brunswick Avenue

Charlotte, Mecklenburg County, North Carolina.

*This license is issued subject to the statutes of the
State of North Carolina, is not transferable and shall expire
midnight December 31, 2017.*

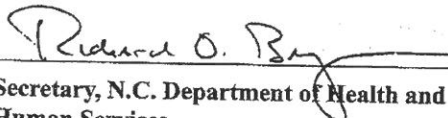
Facility ID: 050268

License Number: AS0058

Surgical Operating Rooms: 2

Endoscopy Rooms: 0

Authorized by:


Secretary, N.C. Department of Health and
Human Services



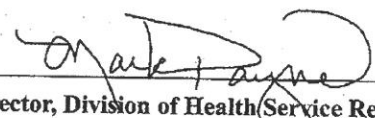
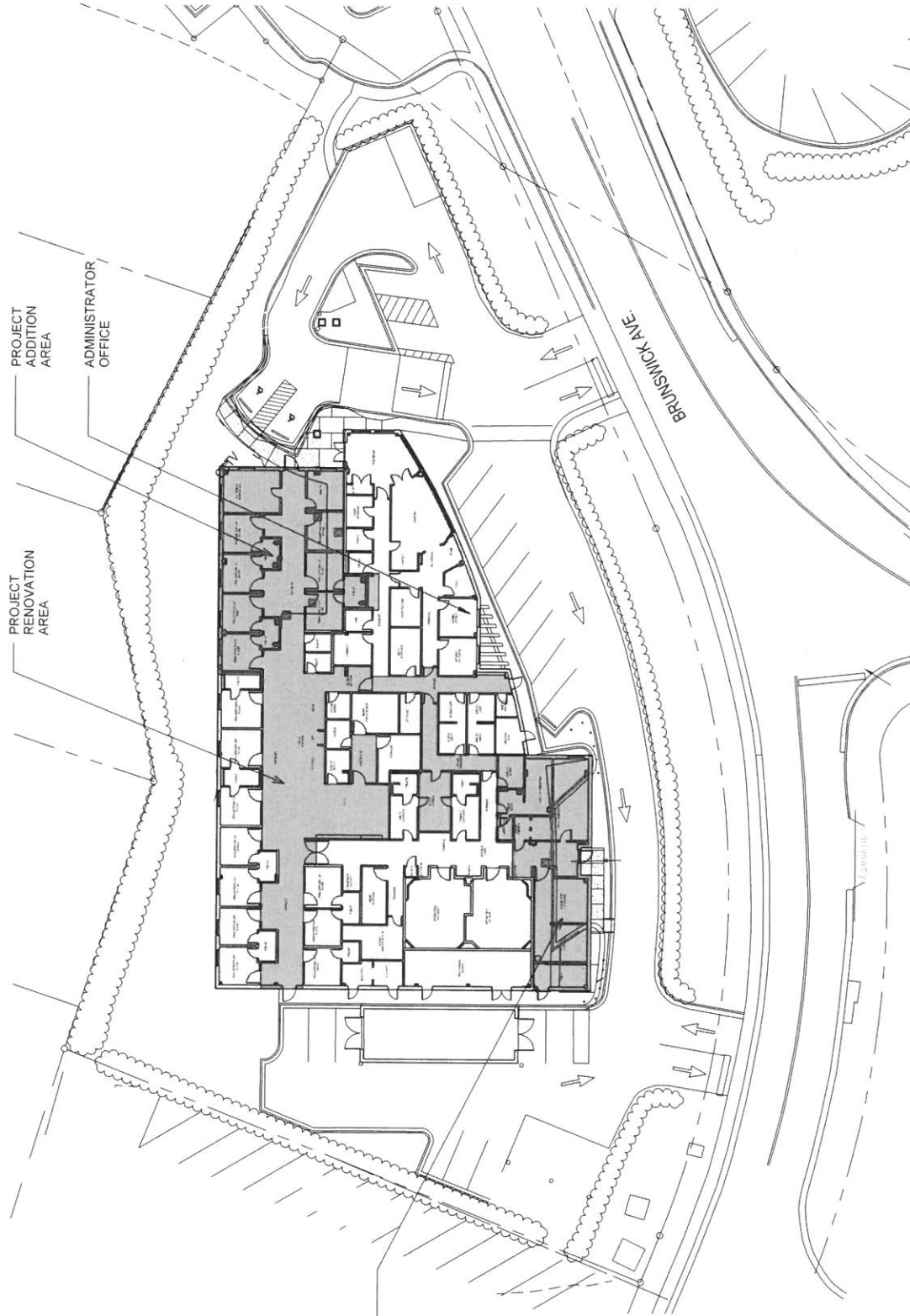

Director, Division of Health Service Regulation

Exhibit 3

COLOR KEY

- EXISTING BUILDING
- PROPOSED WORK



SITE PLAN

CAROLINA CENTER FOR SPECIALTY SURGERY EXPANSION

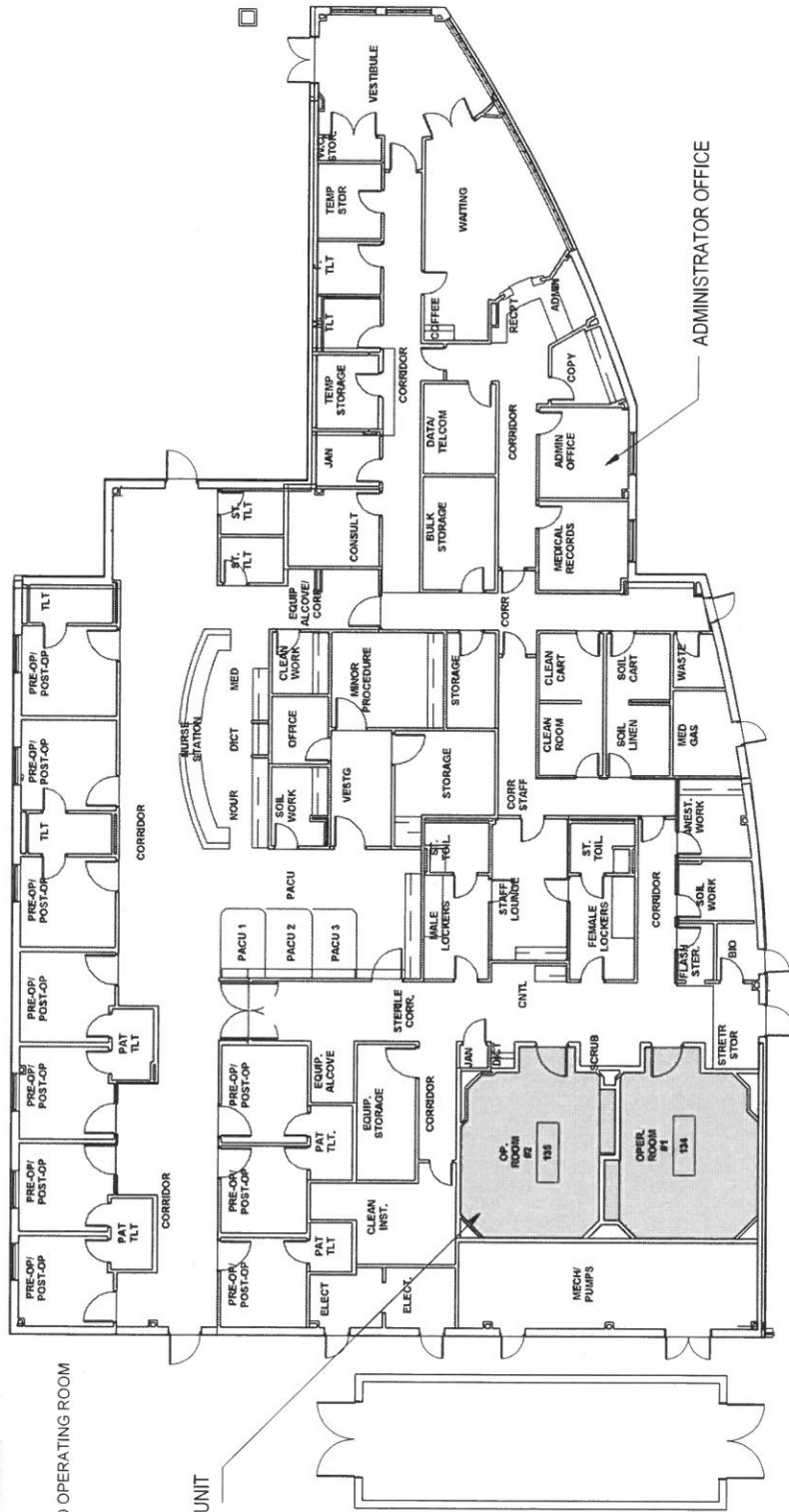
01/25/17

COLOR KEY

EXISTING BUILDING

LICENSED OPERATING ROOM

OPERATING UNIT
(2 ORS)



EXISTING PLAN

CAROLINA CENTER FOR SPECIALTY SURGERY EXPANSION

01/25/17

Exhibit 4

NEW FLOOR PLAN LEGEND

- COLOR KEY**
- EXISTING BUILDING
 - PROPOSED WORK
 - LICENSED OPERATING ROOM

- EXISTING TO REMAIN
- NEW CONSTRUCTION
- ROOM NAME AND NUMBER DESIGNATION
- NEW DOOR
- EXISTING DOOR



PROPOSED PLAN

CAROLINA CENTER FOR SPECIALTY SURGERY EXPANSION

01/25/17

