



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

December 5, 2018

James Roskelly
1200 North Elm Street
Greensboro, NC 27401

Exempt from Review

Record #: 2799
Facility Name: Cone Health
FID #: 943494
Business Name: The Moses H. Cone Memorial Hospital
Business #: 1811
Project Description: Renovate kitchen, cafeteria and dining room
County: Guilford

Dear Mr. Roskelly:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of November 30, 2018, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(f). 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 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.

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

Mr. James Roskelly
December 5, 2018
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Sincerely,

Gloria C. Hale

Gloria C. Hale
Team Leader

Martha J. Frisone

Martha J. Frisone
Chief, Healthcare Planning and
Certificate of Need Section

cc: Construction Section, DHR
Acute and Home Care Licensure and Certification Section, DHR
Melinda Boyette, Administrative Assistant, Healthcare Planning, DHR



November 30, 2018

Ms. Martha J. Frisone, Chief
Ms. Celia C. Inman, Project Analyst
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation, NC DHHS
2704 Mail Service Center
Raleigh, NC 27699-2704

Re: Kitchen and Dining Renovations at The Moses H. Cone Memorial Hospital (Lic #: H0159/FID: 943494)

Dear Ms. Frisone and Ms. Inman:

Pursuant to N.C.G.S. § 131E-184(g), I am writing to provide prior written notice that Cone Health intends to renovate the kitchen, cafeteria, and dining room located on the ground floor at The Moses H. Cone Memorial Hospital. The proposed project is intended to modernize the kitchen by replacing outdated equipment and redesigning the workflow of food preparation and service according to LEAN principles. The proposed project will also allow The Moses H. Cone Memorial Hospital to better meet its patients' expectations of on-demand dining in patient rooms, a capability not currently available due to limitations of the current kitchen design and workflow.

Cone Health believes the proposed project satisfies the criteria set out in N.C.G.S. 131E-184(g) and is therefore exempt as follows:

- 1) The sole purpose of the proposed project is to renovate a portion of an existing health service facility that is located on the main campus. The Moses H. Cone Memorial Hospital, located at 1200 North Elm Street, Greensboro, NC 27401-1020, is the main campus of Cone Health (Lic #: H0159/FID: 943494). As stated previously, the kitchen and dining area are located on the ground floor of The Moses H. Cone Memorial Hospital. Additionally, Mickey Foster serves as the President of The Moses H. Cone Memorial Hospital and Senior Vice President of Cone Health. In his role as President, he exercises administrative and financial

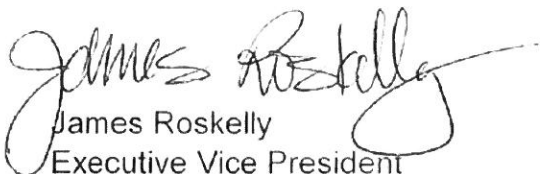
control of the facility and his office is located on the first floor of The Moses H. Cone Memorial Hospital.

- 2) The capital expenditure will neither result in a change in bed capacity as defined in N.C.G.S. 131E-176(5) nor the addition of a health service facility or new institutional health service. The sole purpose of the project is to renovate the kitchen and dining areas, both of which are non-health services.
- 3) Cone Health is providing this letter as prior written notice to the Department.

The proposed capital cost for this project is expected to exceed \$10 million. Cone Health will fund this project from its accumulated reserves. Capital costs were calculated by Cone Health management in consultation with experts in architecture, engineering, food service equipment, and construction management.

I look forward to receiving written confirmation that this project is exempt from Certificate of Need review under N.C.G.S. 131E-184(g). If you have any questions about this project, please contact me at (336) 832-8199.

Sincerely,



James Roskelly
Executive Vice President
Strategic Development

JR\jd