



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

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

November 7, 2018

Elizabeth V. Kirkman  
2709 Water Ridge Parkway, Suite 200  
Charlotte, NC 28217

**Exempt from Review – Physician Office**

**Record #:** 2763  
**Business Name:** The Charlotte-Mecklenburg Hospital Authority  
**Business #:** 1770  
**Project Description:** Develop a physician office building  
**County:** Mecklenburg

Dear Ms. Kirkman:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of October 31, 2018, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §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 M. Faenza  
Project Analyst

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

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

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION

**HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION**

LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603  
MAILING ADDRESS: 2701 Mail Service Center, Raleigh, NC 27699-2701  
www.ncdhhs.gov/dhsr/ • TEL: 919-855-3750 • FAX: 919-733-2757



Atrium Health



October 31, 2018

Ms. Martha Frisone, Chief  
Healthcare Planning and Certificate of Need Section  
Division of Health Service Regulation  
N. C. Department of Health & Human Services  
809 Ruggles Dr.  
Raleigh, NC 27603

**RE: Exemption Request for Physician Office Building in Charlotte, North Carolina (Mecklenburg County)**

Dear Ms. Frisone:

The Charlotte-Mecklenburg Hospital Authority d/b/a Atrium Health (formerly Carolinas HealthCare System) is planning to upfit and operate a 114,000 square foot physician office building located at the intersection of Kenilworth Avenue and Harding Place, just north of Morehead Street, Charlotte, NC. A third party developer is constructing the building and the associated parking (81,000 square feet of underground parking). There will be no new institutional health services offered or developed in the new building without first obtaining the necessary certificate of need approval. The estimated cost of the upfit of the medical office building is \$27,000,000. This physician office building will be physically connected to a previously approved exemption request for physician office space at this same location (filed by Atrium on 6/4/19 and approved on 6/21/18).

Based upon the project as described above and pursuant to N.C.G.S. § 131E-184(a)(9) this project is exempt from CON review. This letter serves as notification of our intent to proceed with this project. We would appreciate your written concurrence that this project is exempt from CON review. If you have any questions or require further information regarding this project, please contact me at 704-446-8475.

Sincerely,

Elizabeth V. Kirkman  
Assistant Vice President  
Atrium Health Strategic Services Group