



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

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

November 30, 2018

Jeffery Shovelin  
P.O. Box 6028  
Greenville, NC 27835-6028

**Exempt from Review**

**Record #:** 2790  
**Facility Name:** Vidant Medical Center  
**FID #:** 933410  
**Business Name:** 1443  
**Business #:** Pitt County Memorial Hospital, Inc.  
**Project Description:** Relocate and expand the existing inpatient hemodialysis unit  
**County:** Pitt

Dear Mr. Shovelin:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of November 20, 2018, 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 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.

Sincerely,

Fatimah Wilson  
Team Leader

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

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER



VIDANT HEALTH™



Bus # 144B  
Record # 2770

November 20, 2018

Ms. Jane Rhoe-Jones  
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: Request for Exemption Pursuant to G.S. 131E-184(g) / Pitt County Memorial Hospital, Incorporated  
d/b/a Vidant Medical Center / Existing Facility Renovations / Pitt / FID #: 933410

Dear Ms. Rhoe-Jones:

Pitt County Memorial Hospital, Incorporated d/b/a Vidant Medical Center (VMC) plans to renovate a vacated inpatient unit (1East) to relocate and expand its existing inpatient hemodialysis unit. 1 East was vacated as part of the completed Cancer Center/65 Bed certificate of need project (Q-10060-12). After evaluating several options on how best to utilize the vacated space, it was determined the best use for the space was the relocation and expansion of existing inpatient hemodialysis services. Currently VMC has 16 inpatient hemodialysis stations and 1 apheresis station. 12 of the 16 inpatient dialysis stations and the 1 apheresis station are in the existing Hemodialysis Unit (HDU) located in the main hospital. The remaining 4 inpatient dialysis stations are located in the Heart Tower, physically connected to the main hospital.

The existing HDU is located a great distance from all the existing inpatient bed towers. Transporting inpatients that need dialysis that distance is cumbersome and inefficient for staff. It also is not ideal for patients and their privacy as these patients are transported through a main high traffic corridor to get from the bed towers to the HDU. In addition, the HDU is small and "land locked". VMC needs to increase the number of inpatient dialysis stations in order to accommodate the increased need for this service. The proposed project will relocate the existing HDU to 1 East, an area physically closer to the bed towers and is space that can accommodate additional inpatient dialysis stations, adequate equipment storage, better space for cleaning equipment, and expanded and enhanced space for patients and families. At the completion of the proposed project, VMC's HDU will expand to 19 inpatient dialysis stations and 1 apheresis station for a total of 20 stations (net increase of 7 stations). Including the Heart Center, VMC will increase to 23 inpatient dialysis stations and 1 apheresis station.

The total capital cost of the proposed project is estimated at \$4,638,459, with \$3,249,976 in design and construction costs, \$1,034,860 for minor equipment replacements furniture, and \$353,623 in IS, security, biomed and signage costs. Reference the attached capital cost estimate. The project is expected to be completed by January 2020. Even though the project exceeds \$2,000,000, VMC believes that the proposed project is not subject to review under North Carolina's Certificate of Need (CON) laws. VMC's proposed project meets the requirements found in G.S. 131E-184(g). This statute states:

- (g) The 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 all 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 prior written notice to the Department along with supporting documentation to demonstrate that it meets the exemption criteria of this subsection.

Specifically:

- a) VMC is an existing health service facility. Reference a copy of the hospital's current license attached to this letter.
- b) The sole purpose of the capital expenditure is to renovate existing space that is located on the main campus. Reference the attached floor and site plans. Also reference the attached letter from Brian Floyd, President of VMC, certifying financial and administrative control of the entire licensed health service facility is exercised at the site of the proposed renovations and construction.
- c) The project does not result in a change (increase or decrease) in bed capacity nor does the project result in the addition of any other new institutional health service facilities or services. VMC currently provides inpatient dialysis services as part of its normal compliment of services and will continue to do so following completion of the proposed project.
- d) By this letter, VMC is providing prior written notice to the Department, along with supporting documentation to demonstrate that it meets the exemption criteria of this subsection.

VMC believes its proposal meets the requirements identified above and is therefore exempt from review. Therefore, VMC requests approval of a no review status for the proposed project. If you require additional information or clarification, please contact me at (252)-847-3631.

Sincerely,



Jeffrey Shovelin  
Administrator of Corporate Planning, Vidant Health  
PO Box 6028, Greenville, NC 27835-6028  
252-847-3631  
jshoveli@vidanthealth.com

## PROJECT CAPITAL COSTS

### A. Site Costs

(1) Full Purchase Price of Land	\$	-	
Acres_____ \$/Acre_____			
(2) Closing Costs	\$	-	
(3) Site Inspection and Survey	\$	-	
(4) Legal Fees and Subsoil Investigation	\$	-	
(5) Site Preparation [Include]			
Soil Borings			
Clearing and Grading			
Roads and Parking			
Sidewalks			
Water and Sewer			
Excavation and Backfill			
Termite Treatment			
<b>Subtotal Site Preparation Costs</b>	\$	-	
(6) Other (Testing)	\$	-	
(7) <b>Subtotal Site Costs</b>			\$ -

### B. Construction Contract

(8) Cost of Materials [Include]			
General Requirements			
Concrete/Masonry			
Woods/Doors & Windows/Finishes			
Thermal & Moisture Protection			
Equipment/Specialty Items			
Mechanical/Electrical			
<b>Subtotal Cost of Materials</b>	\$	1,439,580	
(9) Cost of Labor	\$	959,720	
(10) Other (Contingency)	\$	369,895	
(11) <b>Subtotal Construction Contract</b>			\$ 2,769,195

### C. Miscellaneous Project Costs

(12) Building Purchase	\$	-	
(13) Equipment/Furniture Lease/Purchase	\$	1,034,860	
(14) Equipment Purchase	\$	-	
(15) Furniture	\$	-	
(16) Landscaping	\$	-	
(17) Consultant Fees			
Architect/Engineering Fees	\$	480,781	
Legal Fees	\$	-	
Market Analysis	\$	-	
Other (Underwriter Fees & Other Fees)	\$	-	
Subtotal Consultant Fees	\$	480,781	
(18) Financing Costs (e.g. Bond, Loan, etc.)	\$	-	
(19) Interest During Construction	\$	-	
(20) Other (IS / Security / BioMed / Signage)	\$	353,623	
(21) <b>Subtotal Miscellaneous Project Costs</b>			\$ 1,869,264

<b><u>D. Total Capital Cost of Project (Sum A-C Above)</u></b>	\$		<b>4,638,459</b>
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# State of North Carolina

## Department of Health and Human Services Division of Health Service Regulation

*Effective March 20, 2018, this license is issued to  
Pitt County Memorial Hospital, Inc.*

*to operate a hospital known as  
Vidant Medical Center  
located in Greenville, North Carolina, Pitt County.*

*This license is issued subject to the statutes of the  
State of North Carolina, is not transferable and shall remain  
in effect until amended by the issuing agency.*

*Facility ID: 933410  
License Number: H0104*

***Bed Capacity: 974***

*General Acute 847, Rehabilitation 75, Psych 52,*

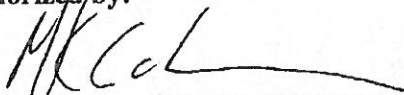
**Dedicated Inpatient Surgical Operating Rooms: 7**

**Dedicated Ambulatory Surgical Operating Rooms: 0**

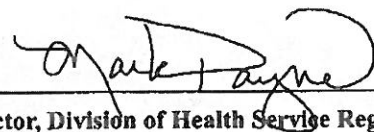
**Shared Surgical Operating Rooms: 26**

**Dedicated Endoscopy Rooms: 4**


Authorized by:

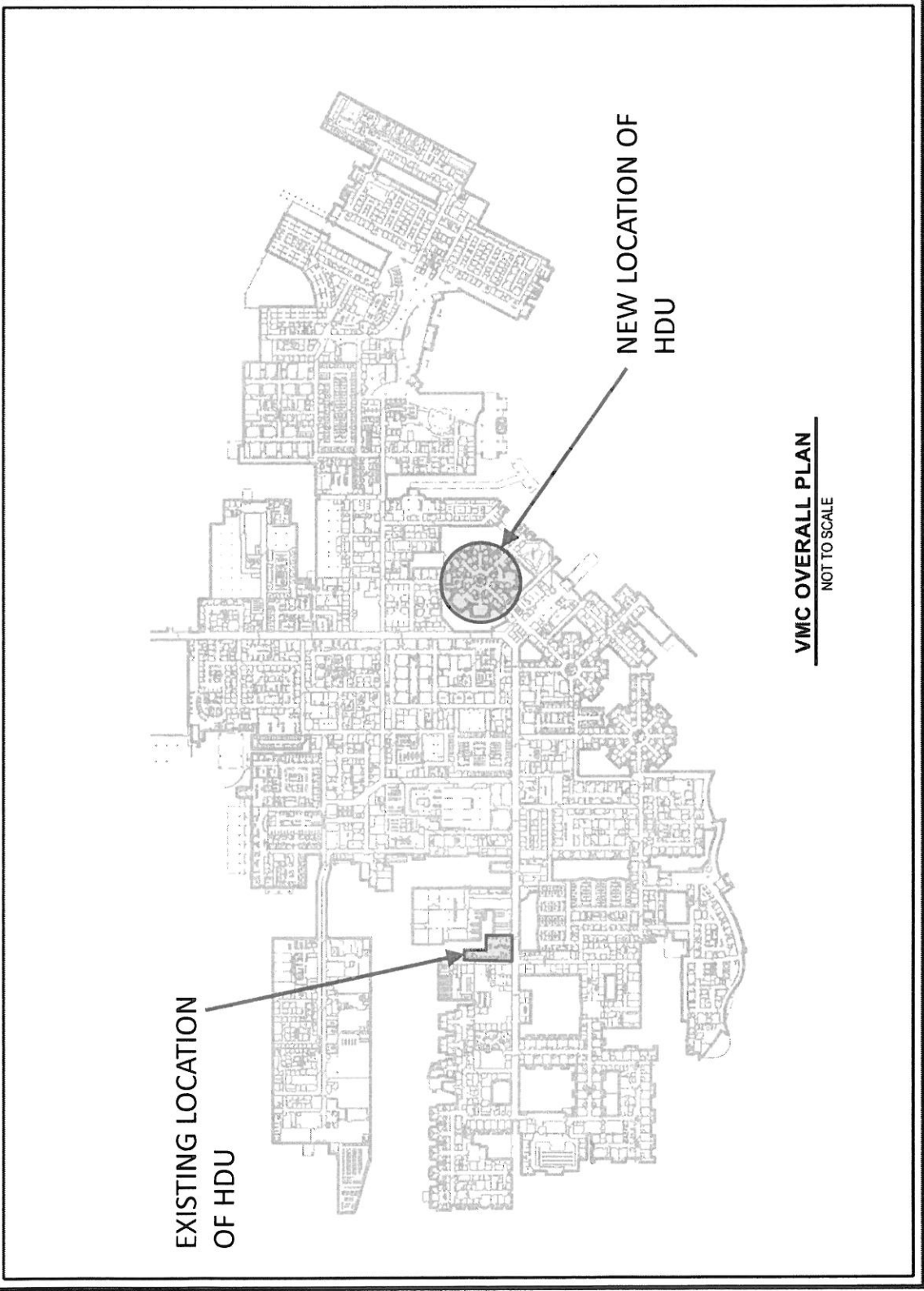


Secretary, N.C. Department of Health and  
Human Services



Director, Division of Health Service Regulation

 <b>VIDANT HEALTH</b>	FACILITIES + PROPERTIES 200 BAYVIEW DR GREENVILLE, NC 27634 252.837.4200	<b>VIDANT MEDICAL CENTER          HEMODIALYSIS UNIT          RELOCATION</b> GREENVILLE, NORTH CAROLINA	REVISIONS <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </table>																																																																	PROJECT NO. 4165 DATE 8-16-18 DRAWN BY JW SHEET NO.
			1																																																																	



**VMC OVERALL PLAN**  
 NOT TO SCALE



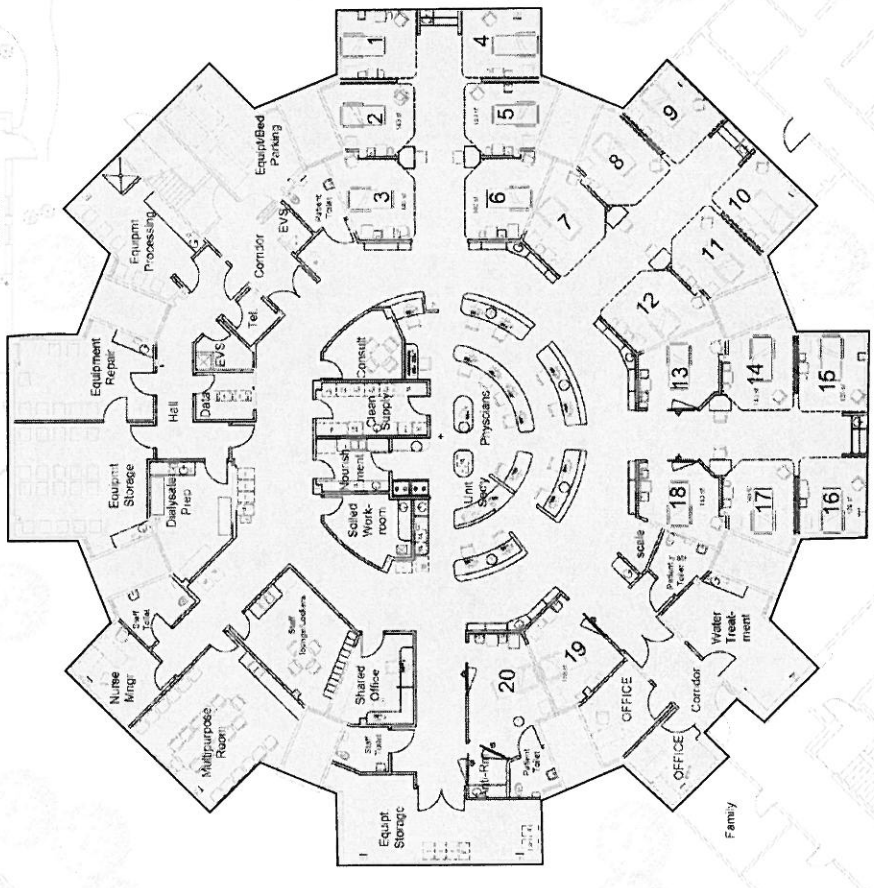
**VIDANT HEALTH**  
 FACILITIES & OPERATIONS  
 400 EAST WASHINGTON ROAD  
 GREENVILLE, N.C. 27634  
 (704) 838-2000  
 (704) 838-2000 FAX

**VIDANT MEDICAL CENTER**  
 GREENVILLE, NORTH CAROLINA  
**HEMODIALYSIS UNIT**  
**RELOCATION**

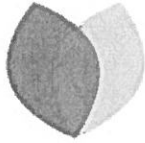
NO.	DATE	DESCRIPTION

PROJECT NO. 4166  
 DATE 8-16-18  
 DRAWN BY JW  
 PROJECT MANAGER  
 SHEET NO.

2



**NEW FLOOR PLAN**  
 (12,000 SF)



# VIDANT HEALTH™

November 20, 2018

Ms. Jane Rhoe-Jones  
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: Information for Request for Exemption Pursuant to G.S. 131E-184(g) / Pitt County Memorial Hospital, Incorporated  
d/b/a Vidant Medical Center / Existing Facility Renovations / Pitt / FID #: 933410


Dear Ms. Rhoe-Jones:

Please accept this letter as documentation that I, Brian Floyd, President of Vidant Medical Center (VMC), do hereby certify, as it relates to the proposed project, that:

1. Financial control of the entire licensed health service facility is exercised at the site of the proposed renovations and/or construction, and
2. Administrative control of the entire licensed health service facility is exercised at the site of the proposed renovations and/or construction.

If you require additional information or clarification, please contact Jeff Shovelin, Administrator of Corporate Planning for Vidant Health at (252)-847-3631. Thank you for your time and attention to this important project.

Sincerely,

  
Brian Floyd, MBA, RN  
President, Vidant Medical Center  
COO, Vidant Health Hospitals

Vidant Medical Center  
2100 Stantonsburg Road  
Greenville, NC 27834-2818  
PO Box 6028  
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