



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor

MANDY COHEN, MD, MPH • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

August 11, 2021

Denise M. Gunter

Denise.gunter@nelsonmullins.com

Exempt from Review

Record #: 3601
Date of Request: July 20, 2021
Facility Name: FirstHealth Moore Regional Hospital
FID #: 943358
Business Name: FirstHealth of the Carolinas, Inc.
Business #: 737
Project Description: Replace central energy plant at the hospital main campus
County: Moore

Dear Ms. Gunter:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that the above referenced proposal is exempt from certificate of need review in accordance with G.S. 131E-184(a)(4). 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.

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

Sincerely,

Tanya M. Saporito
Project Analyst

Lisa Pittman
Assistant Chief, Certificate of Need

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, 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: 809 Ruggles Drive, 2704 Mail Service Center, Raleigh, NC 27699-2704
<https://info.ncdhhs.gov/dhsr/> • TEL: 919-855-3873

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

Denise M. Gunter
T: (336) 774-3322 F: (336) 774-3372
denise.gunter@nelsonmullins.com

The Knollwood, 380 Knollwood Street Suite 530
Winston-Salem, North Carolina 27103
T: 336.774.3300 F: 336.774.3299
nelsonmullins.com

July 20, 2021

VIA EMAIL ONLY

Micheala Mitchell, Chief
North Carolina Department of Health and Human Services
Division of Health Service Regulation
Healthcare Planning and Certificate of Need Section
809 Ruggles Drive
Raleigh, North Carolina 27603

Re: FirstHealth of the Carolinas, Inc.
FirstHealth Moore Regional Hospital
FID # 943358
Business ID# 737
HSA V/Moore County
Replace Central Energy Plant

Dear Ms. Mitchell:

Pursuant to N.C. Gen. Stat. § 131E-184(a)(4), and on behalf of FirstHealth of the Carolinas, Inc. (“FirstHealth”), I am writing to request an exemption from the CON Law to allow FirstHealth to replace the Central Energy Plant (“CEP”) at FirstHealth Moore Regional Hospital (“FHMRH”) in Pinehurst, North Carolina.

The CEP is critical infrastructure than produces heating, cooling, and electrical power for multiple buildings at FHMRH. FHMRH cannot function without a CEP. Although modifications and expansions to the CEP have been made over the years, the oldest portions of the CEP are approximately thirty years old and have reached the end of their useful life. FirstHealth has therefore decided to construct a new CEP on the campus of FHMRH adjacent to the existing boiler plant. The estimated capital cost of the new CEP is approximately \$61 million and is expected to be completed in the Winter/Spring of 2023. The new CEP is not part of the construction of a new health service facility or portion thereof and that is subject to CON review.

Micheala Mitchell
July 20, 2021
Page 2

Upon prior written notice to the Agency, N.C. Gen. Stat. § 131E-184(a)(4) exempts from CON review the following:

To provide parking, heating or cooling systems, elevators, or other basic plant or mechanical improvements, unless these activities are integral portions of a project that involves the construction of a new health service facility or portion thereof and that is subject to certificate of need review.

N.C. Gen. Stat. § 131E-184(a)(4).

As demonstrated in this letter, the new CEP meets the statutory requirements. FirstHealth therefore respectfully requests that the Agency confirm in writing that the new CEP is exempt from CON review.

We thank the Agency for its time and consideration and look forward to receiving the Agency's written response at its earliest opportunity. If the Agency needs further information, please let us know.

Sincerely,

A handwritten signature in black ink, appearing to read "Denise M. Gunter", is written over a light gray rectangular background.

Denise M. Gunter