

ROY COOPER • Governor

KODY H. KINSLEY • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

April 25, 2022

Denise M. Gunter

Denise.gunter@nelsonmullins.com

Exempt from Review

Record #: 3884

Date of Request: April 19, 2022

Facility Name: FirstHealth Moore Regional Hospital-Hoke Campus

FID #: 100390

Business Name: FirstHealth of the Carolinas, Inc.

Business #: 737

Project Description: Renovate and expand emergency department on the main hospital campus

County: Hoke

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(g). 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

Micheala Mitchell Chief

Micheala Mitchell

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

& (POC) & (Date) Page 2

cc: Construction Section, DHSR

Acute and Home Care Licensure and Certification Section, DHSR



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April 19, 2022

VIA EMAIL ONLY

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

Re: FirstHealth Moore Regional Hospital – Hoke

FID# 100390 License # H0287 Hoke County

Health Service Area V

Dear Ms. Mitchell:

On behalf of FirstHealth Moore Regional Hospital – Hoke ("FirstHealth Hoke") in Raeford, North Carolina, I am writing to request a certificate of need exemption pursuant to N.C. Gen. Stat. § 131E-184(g), the Main Campus Exemption. Specifically, FirstHealth Hoke proposes to renovate and expand its emergency department on the main campus at a capital expenditure greater than \$2 million (the "Project"). The CON (Project I.D. No. N-8497-10) for FirstHealth Hoke, a separately licensed hospital, is attached as **Exhibit A.**

In this Project, the size of the emergency department will increase from 8,773 square feet to 13,738 square feet and include a total of 22 emergency department beds. The current eight-bed medical and surgical unit will be renovated to accommodate the additional emergency department space, and the hospital's footprint will expand to accommodate a new eight-bed medical and surgical unit and additional administrative office space. Construction of the medical and surgical unit and administrative office space should be complete by September 2022. Following its completion, work will begin to expand the emergency department into the former medical and surgical unit. Renovation and expansion of the emergency department is slated to be complete by November 2022.

Ms. Mitchell April 19, 2022 Page 2

FirstHealth Hoke's busy hospital emergency department currently cares for more than 35,000 patients each year, so this Project will enable FirstHealth Hoke to continue to meet the needs of residents of Hoke County and the surrounding areas.

This letter demonstrates that the Project qualifies for the Main Campus Exemption because:

- (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; and
- (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 other than that allowed by G.S. 131E-176(16)(b).

The emergency department of FirstHealth Hoke is located on the first floor of the hospital on the main campus. Attached as **Exhibit B** is a campus map showing the location of the emergency department. This is the site of the main building from which FirstHealth Hoke provides clinical patient services and exercises administrative and financial control over the entire facility. The administrative offices, including finance, are located on the first floor. There will be no increase in bed capacity as defined in G.S. § 131E-176(5) or the addition of a health service facility or any other new institutional health service other than that allowed by G.S. § 131E-176(16)(b).

Accordingly, FirstHealth Hoke respectfully requests that the Agency issue its written determination that the Project described in this letter is exempt from CON review.

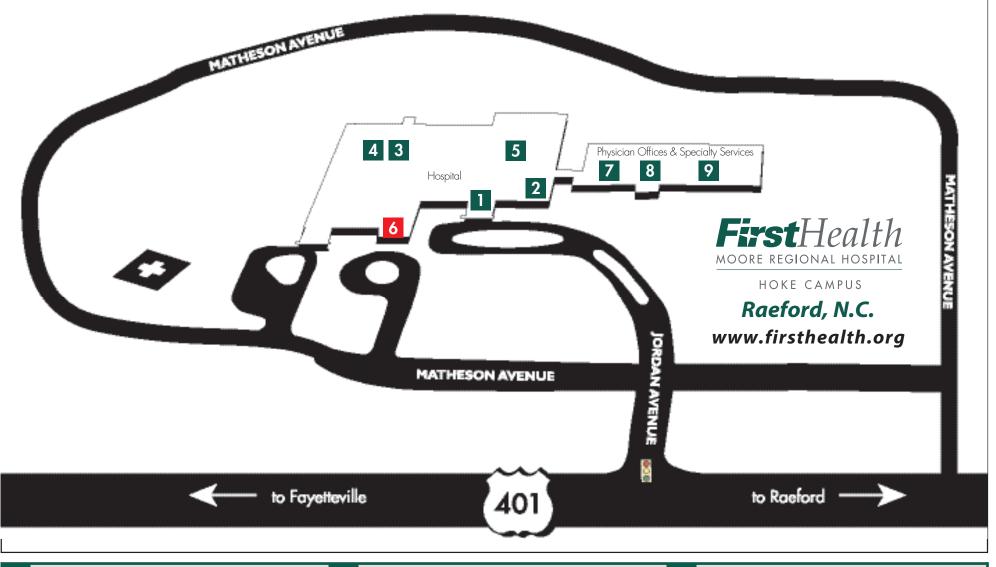
Please let me know if you have any questions or need further information. We appreciate the Agency's time and prompt consideration of this request.

Sincerely.

Denise M. Gunter

Enclosures

FirstHealth Moore Regional Hospital-Hoke Campus Map



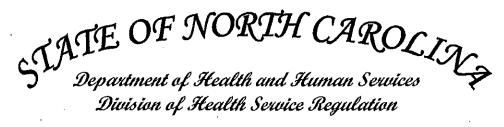
- Main Entrance
 - Conference Center
- 3 Imaging
 - Laboratory Services
 - Respiratory Therapy

- EMERGENCY DEPARTMENT ENTRANCE
- 7 FirstHealth Wound Care & Hyperbarics
- 8 FirstHealth Primary Care & Walk-in Clinic
- 8 FirstHealth Cardiology

9 FirstHealth Orthopaedics

(Pinehurst Surgical Orthopaedic Surgery)

9 FirstHealth ENT



CERTIFICATE OF NEED

Project Identification Number #N-8497-10

FID #100390

ISSUED TO: FirstHealth of the Carolinas, Inc. d/b/a FirstHealth Moore Regional Hospital 155 Memorial Drive Pinehurst, NC 28374

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat § 131E-189 for any of the reasons provided in that law.

FirstHealth of the Carolinas, Inc. d/b/a FirstHealth Moore Regional Hospital SCOPE: shall construct a hospital on US Highway 401 in Raeford with 8 acute care beds, 4 observation beds, one operating room, 24 hour emergency services, diagnostic imaging, laboratory and pharmacy services/ Hoke County

CONDITIONS:

See Reverse Side

PHYSICAL LOCATION: FirstHealth Hoke Community Hospital 6408 Fayetteville Road

Raeford, NC 28376

MAXIMUM CAPITAL EXPENDITURE:

\$37,828,216

TIMETABLE:

See Reverse Side

FIRST PROGRESS REPORT DUE:

October 1, 2012

This certificate is effective as of the 11th day of April, 2012.

Division of Health Service Regulation

CONDITIONS:

- 1. FirstHealth of the Carolinas, Inc. d/b/a FirstHealth Moore Regional Hospital shall materially comply with all representations made in its application as amended by the conditions of approval.
- 2. FirstHealth of the Carolinas, Inc. d/b/a FirstHealth Moore Regional Hospital shall withdraw its approved application for Project I.D. #N-8354-09 prior to issuance of the Certificate of Need for this project (Project I.D. #N -8497-10).
- 3. FirstHealth of the Carolinas, Inc. d/b/a FirstHealth Moore Regional Hospital shall develop and operate a hospital in Hoke County with no more than 8 licensed general acute care beds, including 1 licensed shared operating room, and 4 unlicensed observation beds.
- 4. Upon completion of this project and Project I.D. Nos. H-7121-04 and H-8012-07, FirstHealth of the Carolinas, Inc. d/b/a FirstHealth Moore Regional Hospital shall be licensed for not more than 320 acute care beds at both the Pinehurst and Hoke County hospitals. The Pinehurst hospital shall be licensed for not more than 312 acute care beds and the hospital in Hoke County for not more than 8 acute care beds.
- 5. Upon completion of the project, FirstHealth of the Carolinas, Inc. d/b/a FirstHealth Moore Regional Hospital shall be licensed for no more than 16 operating rooms as follows at the Pinehurst hospital: 15 shared surgical operating rooms, and at the hospital in Hoke County: 1 shared surgical operating room.
- 6. FirstHealth of the Carolinas, Inc. d/b/a FirstHealth Moore Regional Hospital shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditure in Section VIII of the application and which would otherwise require a certificate of need.

Condition 2 was satisfied by a letter from FirstHealth on February 28, 2011.

TIMETABLE:

| Approval of Site by the Construction Section, DHSR | September 1, 2012 |
|--|-------------------|
| 25% Completion of Construction | February 1, 2013 |
| 50% Completion of Construction | July 1, 2013 |
| 75% Completion of Construction | November 1, 2013 |
| Completion of Construction | March 1, 2014 |
| Occupancy/Offering of Service | April 1, 2014 |