

August 18, 2009

DES HEALTH PLANNING RECEIVED

AUG 20 2009

Medical Facilities
Planning Section

Dan A. Myers, M.D., Chairman North Carolina State Health Coordinating Council c/o Medical Facilities Planning Section Division of Health Service Regulation 2714 Mail Service Center Raleigh, NC 27699-2714

Re: Response to Petition from Town of Holly Springs

Dear Dr. Myers:

This letter is in response to comments made by the Town of Holly Springs regarding the development of Harnett Health System's (HHS) 50-bed acute care hospital approved for Lillington, contained in its July 31, 2009 petition to the State Health Coordinating Council. In the petition, the Town of Holly Springs characterizes HHS' Lillington hospital as a facility that will not be built "any time soon", and cites references from the Dunn *Daily Record* which, taken at face value, imply that the facility may never be developed. In reality, nothing could be further from the truth.

HHS is currently working with the USDA and HUD to obtain financing and expects to be successful within the next six months. While the development schedule for the Lillington hospital has been delayed, HHS remains committed to bringing this project to completion, and expects construction to be finished by the end of 2011. HHS has continued with design development, and routinely communicates project status to the Certificate of Need Section in its progress reports.

In conclusion, HHS respects the Town of Holly Springs and take no position on its petition, but believes that this response was warranted to clarify potential misrepresentation regarding the status of the Lillington hospital. Thank you for your consideration of these comments.

Sincerely,

Kenneth E. Bryan, FACHE

President & Chief Executive Officer