July 22, 2013

Sandy Godwin, Executive Director of Planning
Cape Fear Valley Health System
1638 Owen Drive
Fayetteville, NC 28304

No Review
Facility or Business: Cape Fear Valley Medical Center
Project Description: HVAC System Upgrade
County: Cumberland
FID #: 943057

Dear Ms. Godwin:

The Certificate of Need Section (CON Section) received your letter of May 6, 2013 regarding the above referenced proposal. Based on the CON law in effect on the date of this response to your request, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

Moreover, you need to contact the Construction Section of the Division of Health Service Regulation 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 Certificate of Need Section. 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.
Please contact the CON Section if you have any questions. Also, in all future correspondence you should reference the Facility I.D. # (FID) if the facility is licensed.

Sincerely,

[Signature]

Gregory F. Yakaboski
Project Analyst

Craig R. Smith
Chief
Certificate of Need Section

cc: Medical Facilities Planning Section, DHSR
Construction Section, DHSR (Not Hospice Home Care/ Home Health)
May 6, 2013

Greg Yakaboski, Project Analyst
Division of Health Service Regulation
Certificate of Need Section
2704 Mail Service Center
Raleigh, NC 27699-2704

SUBJECT: HVAC system at Cape Fear Valley Medical Center Campus

Dear Mr. Yakaboski:

Cape Fear Valley Health System is proposing to upgrade and expand the HVAC system that produces conditioned air for the hospital. This upgrade is needed to improve the reliability of the cooling system and its ability to provide adequate cooling capacity for the facility at all times. The total capital expenditure associated with the project is estimated to be $730,000.

We believe that this project does not meet the definition of a new institutional health service as defined in GS131E-176 (16) and that it does not require CON review or approval.

Cape Fear Valley requests that the Division of Health Service Regulation make a determination that the upgrade a sprinkler system on the Care Fear Valley Medical Center Campus does not constitute a new institutional health service and is thus exempt from certificate of new review.

If you have any questions concerning this request please do not hesitate to call me at (910) 615-6852.

Sincerely,

Sandy T. Godwin
Executive Director for Corporate Planning
Cape Fear Valley Health System