



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

April 11, 2019

Andrea Gymer

[amgymer@novanthealth.org](mailto:amgymer@novanthealth.org)

**Exempt from Review**

**Record #:** 2911  
**Facility Name:** Novant Health Forsyth Medical Center  
**FID #:** 923174  
**Business Name:** Novant Health, Inc.  
**Business #:** 1341  
**Project Description:** Master Facility Plan Phase 1: Infrastructure Upgrades and Facility Renovations  
**County:** Forsyth

Dear Ms. Gymer:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of April 8, 2019, 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;

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  
[www.ncdhhs.gov/dhsr](http://www.ncdhhs.gov/dhsr) • TEL: 919-855-3873

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(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,



Celia C. Inman  
Project Analyst



Martha J. Frisone  
Chief, Healthcare Planning and  
Certificate of Need Section

cc: Construction Section, DHSR  
Acute and Home Care Licensure and Certification Section, DHSR



April 8, 2019

Ms. Martha J. Frisone, Chief  
Healthcare Planning & Certificate of Need Section  
Division of Health Service Regulation, NC DHHS  
2704 Mail Service Center  
Raleigh, North Carolina 27699-2704

**RE: Novant Health Forsyth Medical Center Master Facility Plan Phase 1: Infrastructure Upgrades & Facility Renovations; FID# 923174; Forsyth County**

Dear Ms. Frisone:

Pursuant to N.C.G.S § 131E-184(g), I am writing to provide prior written notice that Novant Health Forsyth Medical Center (NHFMC) intends to begin a major infrastructure and facility renovation project, referred to as the Master Facility Plan, on its main campus in Winston-Salem, North Carolina. The Master Facility Plan is a long term plan which will be phased in over multiple years. This letter concerns Phase 1 of the project.

The upgrades planned in Phase 1 include:

- Kitchen remodel and expansion;
- Infrastructure upgrades (including HVAC, air handling unit (AHU) and a Chiller) ;
- Patient room modernizations;
- Women's Center enhancements; and
- The demolition of the Whitaker Rehabilitation Center building.

NHFMC was founded in 1887 and opened at its current location on Silas Creek Parkway in 1964. This Phase 1 of the Master Facility Plan is the most significant capital investment at the medical center since the North Tower of the hospital opened in 2007. With NHFMC's growth in recent decades, the hospital often was required to focus on enhancing patient facing areas as it grew. However, much of Phase 1 centers on enhancing infrastructure so that NHFMC will be in the best position to continue growing while maintaining the high quality of care expected by patients, their families, physicians and the community.

#### ***Kitchen Remodel and Expansion***

The current kitchen at NHFMC located on the ground floor is 53% below the national benchmark in kitchen size based on the size of the facility. NHFMC is proposing to add approximately 14,000 square feet in this expansion which will address infrastructures needs, provide additional dry good storage, and enable realignment of internal workflows to meet current food and nutrition service standards.



### ***Infrastructure Upgrades***

The infrastructure upgrades includes the replacement of HVAC systems, AHU, and Chillers which is exempt pursuant to N.C.G.S § 131E-184(a)(4). The HVAC system, AHU, and Chiller upgrades do not involve the construction of a new health service facility or portion thereof that is subject to CON review. This replacement is necessary due to the age and obsolescence of the current systems.

NHFMC is in need of infrastructure upgrades to meet the growing needs of the facility and to maintain sustainability in the future. NHFMC has five chillers that range in age from 12 – 28 years old. The oldest are at the ends of their useful life and none of the chillers are operating at peak efficiency. The current Air Handling Unit (AHU system) is also past its useful life with some of the system dating back to the original 1964 General Tower construction at NHFMC. In addition, medical gas, plumbing, and electrical systems will be upgraded as part of the infrastructure improvements.

### ***Patient Room Modernizations***

As part of Phase 1, NHFMC intends to renovate and modernize patient bed rooms. Existing rooms will be upgraded with attention to lighting, paint and noise mitigation. In addition some patient care rooms in the intermediate and critical care units that are significantly undersized will be renovated to better accommodate patient, family and clinical team needs.

### ***Women's Center Enhancements***

NHFMC is also embarking on projects to enhance its Women's Center. This includes redesigning and realigning the women's services departments and functional areas to enhance the experience for patients and families. The North Tower entryway will undergo major improvements as well as infrastructure and aesthetics will be improved as part of the Phase 1 Master Facility Plan. This includes renovating the first floor of the Women's Center for an obstetrical emergency department ("OB ED"). The OB ED will have 8 triage/exam rooms. It will not be a separately-licensed emergency department but rather will function as an extension of the main ED at NHFMC. The OB ED will be staffed 24/7 by a physician and be compliant with all applicable EMTALA regulations.

### ***Demolition of the Whitaker Rehabilitation Center Building***

In October 2018, Novant Health transitioned the Whitaker Rehabilitation beds from the Whitaker Rehabilitation Building to a new freestanding hospital to form the Novant Health Rehabilitation Hospital, affiliated with Encompass Health. Since that time, the Whitaker Rehabilitation building has been vacant. Given the age of the building (it was built in 1972) and the fact that it is not appropriately designed for tertiary care, NHFMC intends to demolish the structure. The demolition of the Whitaker Rehabilitation building allows for future growth and expansion on the NHFMC campus.

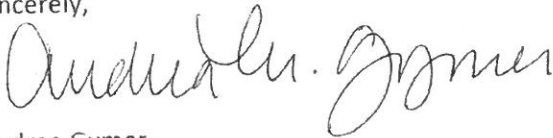
NHFMC believes the proposed projects satisfy the criteria set forth in N.C.G.S § 131E-184(g) and is therefore exempt as follows:

- 1) The sole purpose of the proposed project is to renovate a portion of an existing health service facility that is located on the main campus. NHFMC is located at 3333 Silas Creek Parkway, Winston-Salem, North Carolina 27103 (License # H0209; FID # 923174). As mentioned previously the kitchen remodel, infrastructure upgrades, patient room modernizations, Women's Center enhancements, and the demolition of the Whitaker Rehabilitation Center building are all located on the NHFMC main campus where clinical patient services are provided. Chad Setliff serves as the President and Chief Operating Officer of NHFMC. In his role as President, he exercises administrative and financial control of the facility and his office is located on the second floor of NHFMC.
- 2) The capital expenditure will neither result in a change in bed capacity as defined in N.C.G.S § 131E-176(5) nor the addition of a health service or new institutional health service. The sole purpose of the project is to renovate and upgrade infrastructure on the existing main campus of NHFMC.
- 3) NHFMC is providing this letter as prior written notice to the Department.

The proposed capital cost for the proposed Phase 1 Master Facility Plan is expected to exceed \$181 million. NHFMC will fund this project from its accumulated reserves. Capital Costs were calculated by Novant Health management in consultation with experts in architecture, engineering, and construction management.

I look forward to receiving written confirmation that this project is exempt from Certificate of Need under N.C.G.S § 131E-184(g). If you have any questions about this project, please contact me at (336) 277 – 1523.

Sincerely,



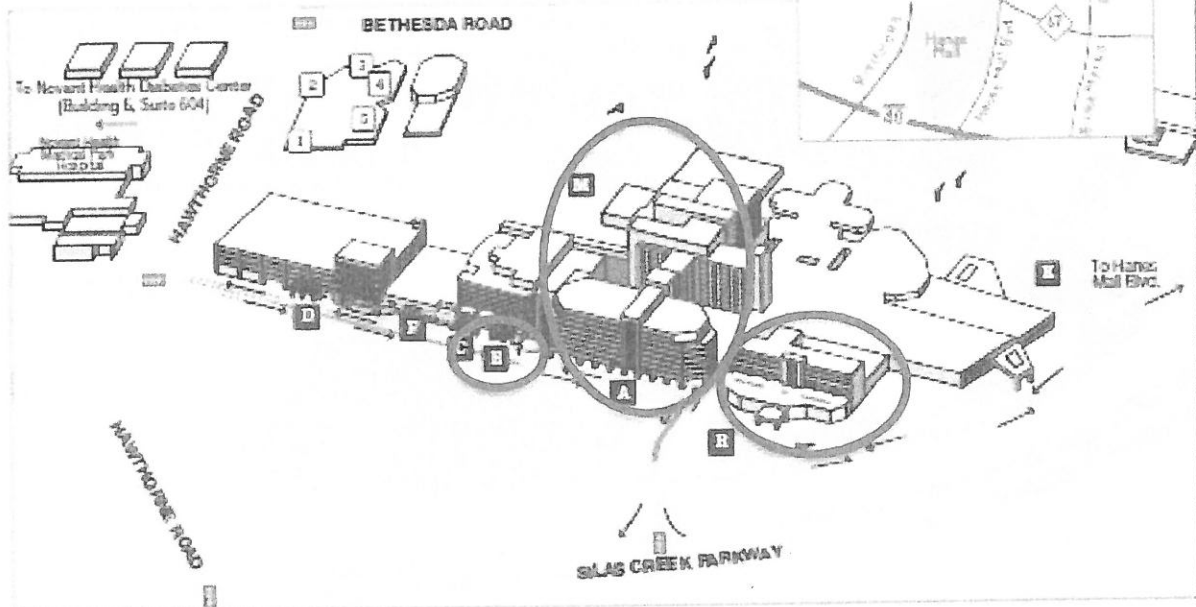
Andrea Gymer  
Vice President, Operational Planning & Innovation  
Novant Health, Inc.





# Campus map

## Novant Health Forsyth Medical Center



### Entrance **A**

- Administration
- Cashier/business office
- EKG
- Endoscopy lab
- IDPS
- Lab services
- Outpatient day center
- Patient registration
- Radiology
- SPPU (Day of surgery)
- Valet parking

### Entrance **B**

- All registration from 7pm to 30 pm and weekends (after 5:30 pm)
- Bowling center
- Community rooms
- Gynecatholysis unit
- Gyn surgery
- Prenatal care
- Novant Health Mays Aronow Women's Health & Wellness Center
- Valet parking

### Entrance **C**

- Cancer procedural
- Pharmacy/ask-a-nurse
- Valet parking

### Entrance **D**

- Handicapped
- Public parking deck

### Entrance **E**

- Emergency Services

### Entrance **F**

- Conference center

### Entrance **MC**

- Novant Health Cancer Center
- Patient parking (Radiology and Cancer Center only)
- PET/CT, nuclear medicine & MRI
- Novant Health Imaging
- Novant Health Oncology Specialists
- Valet parking

### Entrance **R**

- CHF clinic
- Infant audiology
- Heart & Wellness
- Rehabilitation services
- Wellness programs

### 1 Novant Health Hawthorne Outpatient Surgery

### 2 Novant Health Rehabilitation Center

### 3 Novant Health Wound Care

### 4 Forsyth Nutrition Center

### 5 Salem Room

3333 Silas Creek Parkway, Winston-Salem, NC 27103 • 336-716-5000 • NovantHealth.org

