



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

ROY COOPER • Governor  
MANDY COHEN, MD, MPH • Secretary  
MARK PAYNE • Director, Division of Health Service Regulation

May 2, 2019

Jeffrey Shovelin  
P.O. Box 6028  
Greenville, NC 27835-6028

**No Review**

**Record #:** 2926  
**Facility Name:** Halifax Regional Medical Center, Inc.  
**FID #:** 923223  
**Business Name:** Vidant Health  
**Business #:** 2131  
**Project Description:** Change in corporate level control of Halifax Regional Medical Center  
**County:** Halifax

Dear Mr. Shovelin:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your correspondence 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 that correspondence is not governed by, and therefore, does not currently require a certificate of need. 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.

You may need to contact the Agency's Acute and Home Care Licensure and Certification Section to determine if they have any requirements for development of the proposed project.

This determination is binding only for the facts represented in your correspondence. If changes are made in the project or in the facts provided in the correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by this office.

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 • TEL: 919-855-3873

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Please do not hesitate to contact this office if you have any questions.

Sincerely,



Tanya M. Saporito  
Project Analyst



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

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



HRMC 923223  
NR 2926

April 29, 2019

Ms. Martha Frisone, Chief,  
Healthcare Planning and Certificate of Need,  
Division of Health Service Regulation  
NC Department of Health and Human Services  
2704 Mail Service Center  
Raleigh, NC 27699-2704

**Re: Notice of Change of Control of Halifax Regional Medical Center, Inc. / Request for “No Review” Status**

Dear Ms. Frisone,

The purpose of this letter is to provide you notice of the upcoming change of control transaction between Halifax Regional Medical Center, Inc., a North Carolina nonprofit corporation (“HRMC”), which owns the acute care hospital known as Halifax Regional Medical Center, and University Health Systems of Eastern Carolina, Inc. d/b/a Vidant Health, a North Carolina nonprofit corporation (“Vidant Health”). The proposed change of control is anticipated to be effective on June 1, 2019 (the “Change of Control”).

As of the effective date of the Change of Control, HRMC’s Board of Directors will be appointed by Vidant Health’s subsidiary East Carolina Health, d/b/a Vidant Community Hospitals, as required by HRMC’s amended Articles of Incorporation and Bylaws (with such amendments effective upon the Change of Control). HRMC will otherwise continue to exist in its current form and own and operate HRMC’s hospital. There will be no change in legal business name, d/b/a, tax identification number, or address of HRMC as a result of the Change of Control. HRMC will continue to maintain its own licenses, permits, certification numbers, and accreditations.

Vidant Health believes the transaction is exempt from Certificate of Need (CON) review. Specifically, § 131E-184 states:

- “(a) Except as provided in subsection (b), the Department shall exempt from certificate of need review a new institutional health service if it receives prior written notice from the entity proposing the new institutional health service, which notice includes an explanation of why the new institutional health services required, for any of the following: (8) To acquire an existing health service facility, including equipment owned by the health service facility at the time of acquisition”

HRMC meets the definition of a health service facility since, according to § 131E-176(9b), a “health service facility means a hospital”. Therefore, the proposed change of control of HRMC qualifies as an acquisition of an existing healthcare facility, and is therefore exempt from CON review based on 131E-184(a)(8). Vidant Health is requesting that the CON Section issue a letter determining the change of control of HRMC is exempt from CON review. If you have any questions or concerns, please feel free to contact me at (252) 847-3631.

Sincerely,

Jeffrey Shovelin  
Administrator, Corporate Planning  
Vidant Health  
PO Box 6028, Greenville NC 27835-6028  
(252)847-3631  
jshoveli@vidanthealth.com

cc: William Mahone, Halifax Regional Medical Center  
Sherry Jensen, Halifax Regional Medical Center

