

ROY COOPER • Governor

MANDY COHEN, MD, MPH • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

December 9, 2020

Sandy T. Godwin

stgodwin@capefearvalley.com

Exempt from Review

Record #: 3449

Date of Request: December 4, 2020

Facility Name: Cape Fear Valley Medical Center

FID #: 943057

Business Name: Cumberland County Hospital System, Inc.

Business #: 578

Project Description: Construct 117,278 square feet of new space to expand hospital-based ancillary and

support services on the main hospital campus

County: Cumberland

Dear Ms. Godwin:

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

Dange Mesopout

Martha J. Frusone

Lisa Pittman

Assistant Chief, Certificate of Need

cc: Construction Section, DHSR

Acute and Home Care Licensure and Certification Section, DHSR

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



BEHAVIORAL HEALTH CARE

BLADEN COUNTY HOSPITAL

CAPE FEAR VALLEY MEDICAL CENTER

CAPE FEAR VALLEY
REHABILITATION CENTER

HEALTH PAVILION NORTH

HIGHSMITH-RAINEY SPECIALTY HOSPITAL

HOKE HOSPITAL

BLOOD DONOR CENTER

BREAST CARE CENTER

CANCER CENTER

CAPE FEAR VALLEY MEDICAL GROUP

CARELINK

CAPE FEAR VALLEY HOMECARE & HOSPICE, LLC

CUMBERLAND COUNTY EMS

FAMILY BIRTH CENTER

HEART & VASCULAR CENTER

HEALTHPLEX

LIFELINK CRITICAL CARE TRANSPORT

SLEEP CENTER

December 3, 2020

Ms. Martha Frisone

Chief, Healthcare Planning & Certificate of Need Section 117,278

Division of Health Service Regulation

N.C. Department of Health and Human Services

809 Ruggles Drive

Raleigh, NC 27626-0530

RE: Request for Exemption from Review to construct and expand ancillary and support space of Cape Fear Valley Medical Center Pursuant to N.C. Gen. Stat. § 131E-184(g)

Facility Name: Cape Fear Valley Medical Center

Facility ID: 943057 License Number: H0213 County: Cumberland

Dear Ms. Frisone:

Please accept this letter as notification of Cumberland County Hospital System, Inc. doing business as Cape Fear Valley Medical Center's (CFVMC) intent to construct and expand hospital ancillary and support space on CFVMC's main campus pursuant to N.C. Gen. Stat. § 131E-184(g). CFVHS intends to construct approximately 117,278 square feet of space to house the following hospital-based ancillary and support spaces:

- Auditorium and meeting spaces,
- Dietary services,
- Replacement space for CFVMC's hospital-based Neurosciences outpatient clinic,
- Residency didactic space, and
- Administrative offices

The project will allow CFVMC to expand and modernize the identified spaces which are needed to better accommodate the needs of its patients, visitors, and residents. The total capital cost of the project is estimated to exceed \$2,000,000.

Under N.C. Gen. Stat. § 131 E-184(g), the Certificate of Need law provides that an applicant's proposal to replace or expand the entirety or a portion of an existing health service facility on the same main campus site that exceeds the \$2,000,000 threshold set forth in N.C. Gen. Stat. § 131E-176(16b) is nonetheless exempt from review if all of the following conditions are met:



BEHAVIORAL HEALTH CARE

BLADEN COUNTY HOSPITAL

CAPE FEAR VALLEY

CAPE FEAR VALLEY
REHABILITATION CENTER

HEALTH PAVILION NORTH

HIGHSMITH-RAINEY SPECIALTY HOSPITAL

HOKE HOSPITAL

BLOOD DONOR CENTER

BREAST CARE CENTER

CANCER CENTER

CAPE FEAR VALLEY MEDICAL GROUP

CARELINK

CAPE FEAR VALLEY
HOMECARE & HOSPICE, LLC

CUMBERLAND COUNTY EMS

FAMILY BIRTH CENTER

HEART & VASCULAR CENTER

HEALTHPLEX

LIFELINK CRITICAL CARE TRANSPORT

SLEEP CENTER

 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;

- (2) the capital expenditure does not result in (i) a change in bed capacity as defined in N.C. Gen. Stat. § 131E-176(5) or (ii) the addition of a health service facility or any other new institutional health service other than that allowed in N.C. Gen. Stat. § 131E-176(16)b; and
- (3) the licensed health service facility proposing to incur the capital expenditure provides prior written notice to the Department, along with supporting documentation to demonstrate that it meets the exemption criteria of N.C. Gen. Stat. § 131 E-184(g).

Further, pursuant to N.C. Gen. Stat. § 131E-176(14n), "main campus" as referenced in N.C. Gen. Stat. § 131E-184(g), means the following:

- a. The site of the main building from which a licensed health service facility provides clinical patient services and exercises financial and administrative control over the entire facility, including the buildings and grounds adjacent to that main building.
- b. Other areas and structures that are not strictly contiguous to the main building but are located within 250 yards of the main building.

The CFVMC project meets each of the applicable conditions set forth above.

- The estimated capital cost of the project exceeds \$2,000,000.
- The sole purpose of the capital expenditure is to expand the existing health service facility on the main campus located at 1638 Owen Drive, North Carolina 28302. Please see Exhibit 1 for a site plan. The proposed expansion will be located on the main campus, which is the site from which CFVMC provides clinical patient services and exercises financial and administrative control over the entire facility (Hospital License # H0213, FID # 943057, please see Exhibit 2 for the hospital license). CFVMC's Facility Executive's office is located in the main hospital building.
- The proposed project will not result in a change in bed capacity (increase or decrease) as defined in N.C. Gen. Stat. § 131E-176(5) or the addition of a health service facility or a new institutional health service other than that allowed in N.C. Gen. Stat. § 131E-176(16b). The project will not increase the number of operating rooms or gastrointestinal rooms. The project will not result in the acquisition of major medical equipment or the offering of health services not currently provided.
- This letter constitutes the required prior written notice under N.C. Gen. Stat. § 131 E-184(g)(3).



BEHAVIORAL HEALTH CARE

BLADEN COUNTY HOSPITAL

CAPE FEAR VALLEY MEDICAL CENTER

CAPE FEAR VALLEY REHABILITATION CENTER

HEALTH PAVILION NORTH

HIGHSMITH-RAINEY SPECIALTY HOSPITAL

HOKE HOSPITAL

BLOOD DONOR CENTER

BREAST CARE CENTER

CANCER CENTER

CAPE FEAR VALLEY
MEDICAL GROUP

CARELINK

CAPE FEAR VALLEY HOMECARE & HOSPICE, LLC

CUMBERLAND COUNTY EMS

FAMILY BIRTH CENTER

HEART & VASCULAR CENTER

HEALTHPLEX

LIFELINK CRITICAL CARE TRANSPORT

SLEEP CENTER

Based on the above facts, the project is exempt from Certificate of Need review. We are requesting that you confirm in writing that CFVMC's previously described project is exempt from Certificate of Need review and that CFVMC may proceed as planned with this project.

Please contact me at 910.615.6852 or stgodwin@capefearvalley.com regarding any questions concerning this request.

Sincerely,

Sandy T. Godwin Corporate Director

Financial, Strategic Planning & Analytics

Landy J. Adwin

Cape Fear Valley Health System

Exhibits

Exhibit 1 Site Plan & Construction Rendering





giving. healing.







Exhibit 2 CFVMC License

State of Aurth Carolina Department of Health and Human Services Division of Health Service Regulation

Effective January 01, 2020, this license is issued to Cumberland County Hospital System, Inc.

to operate a hospital known as

Cape Fear Valley Medical Center

located in Fayetteville, North Carolina, Cumberland County.

This license is issued subject to the statutes of the State of North Carolina, is not transferable and shall remain in effect until amended by the issuing agency.

Facility ID: 943057
License Number: H0213

Bed Capacity: 634

General Acute 524, Rehabilitation 78, Psych 28, Substance Abuse 4,

Dedicated Inpatient Surgical Operating Rooms:

5

Dedicated Ambulatory Surgical Operating Rooms:

0

Shared Surgical Operating Rooms:

14

Dedicated Endoscopy Rooms:

4

Authorized by:

Secretary, N.C. Department of Health and Human Services TO THE STATE OF TH

Director, Division of Health Service Regulation

From: <u>Karin Sandlin</u>
To: <u>Tanya, Saporito</u>

Cc: Waller, Martha K; Frisone, Martha; Sandy Godwin

Subject: [External] Exemption Request for Cape Fear Valley Medical Center

Date: Friday, December 4, 2020 2:41:58 PM

Attachments: 12.4.2020 CFVMC Exemption Request - construct and expand ancillary and support space.pdf

CAUTION: External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to Report Spam.

Hi Tanya,

Attached please find an exemption request submitted by Cumberland County Hospital System, Inc. doing business as Cape Fear Valley Medical Center ("CFVMC") to construct and expand hospital ancillary and support space on the main campus of CFVMC.

Please let me know if you have any questions.

Thank you,

Karin Sandlin

President, Clarity Strategic Services

4208 Six Forks Road, Suite 1000, Raleigh, 27609

Mobile: 919-271-8200

ksandlin@claritysservices.com www.claritystrategicservices.com