

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

November 3, 2021

Andrea Gymer amgymer@novanthealth.org

No Review	
Record #:	3717
Date of Request:	October 26, 2021
Facility Name:	Novant Health Presbyterian Medical Center
FID #:	943501
Business Name:	Novant Health, Inc.
Business #:	1341
Project Description:	Redesignate 12 existing acute care beds as NICU beds
County:	Mecklenburg

Dear Ms. Gymer:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your correspondence regarding the project described above. Based on the CON law **in effect on the date of this response to your request,** the project as described 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.

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.

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

Sincerely,

Julie M. Jaenza

Julie M. Faenza Project Analyst

Micheala Mitchell

Micheala Mitchell Chief

cc: 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

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

October 25, 2021



VIA EMAIL

2085 Frontis Plaza Boulevard Winston-Salem, NC 27103

Ms. Micheala Mitchell, Chief Healthcare Planning and Certificate of Need NC Division of Health Service Regulation 809 Ruggles Drive Raleigh, North Carolina 27603

Re: Novant Health Presbyterian Medical Center Notice of Exemption for Expansion of Neonatal Intensive Care Unit Charlotte, North Carolina (FID # 943501; Mecklenburg County)

Dear Ms. Mitchell:

This letter serves as notice of Novant Health Presbyterian Medical Center's ("NH Presbyterian") intention to renovate and expand its Neonatal Intensive Care Unit ("NICU") located on the 7th floor of the hospital in Charlotte, North Carolina. This project will encompass approximately 18,484 square feet once the project is complete. As part of this expansion, NH Presbyterian will redesignate twelve (12) existing general acute care beds to NICU beds, which are a category of general acute care beds.

NH Presbyterian is licensed for a total of 519 general acute care beds which currently includes 38 NICU beds. Upon completion of the project, NH Presbyterian will still be licensed for 519 total general acute care beds, which will then include 50 NICU beds. See Attachment A for NH Presbyterian's current hospital license.

See Attachment B for a line drawing of the NICU area indicating the floorplan "before" on the left side and "after" on the right side. The expansion will also include new lactation services space, waiting room, and new support, staff and office spaces. The total capital costs of the NICU expansion project is estimated to be \$ 5.5 million and the project is expected to be completed by the end of 2022.

As indicated above, the project will not increase the number of licensed beds or other regulated assets. NH Presbyterian will file a certificate of need application for any additional new institutional health services that would be developed.

Pursuant to N.C. G. S. §131E-184 (g), "[t]he Department shall exempt from certificate of need review any capital expenditure that exceeds the two million dollar (\$2,000,000} threshold set forth in G.S. 131E-176(16)b . if all of the following conditions are met:

- (1) 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 G.S. 131E- 176(5) or (ii) the addition of a health service facility or any other new institutional health service other than that allowed in G.S. 131E-176(16}b.

Micheala Mitchell October 25, 2021 Page 2

(3) The licensed health service facility proposing to incur the capital expenditure shall provide prior written notice to the Department, along with supporting documentation to demonstrate that it meets the exemption criteria of this subsection."

N.C. G. S. §131E-176(14n) states, "Main campus means all of the following for the purposes of G.S. 131E-184(f) and (g) only:

- *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 NH Presbyterian NICU Expansion 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 an existing health service facility, NH Presbyterian, on the main campus located at 200 Hawthorne Lane, Charlotte, NC 28204. As is shown on Exhibit B, the NICU expansion will encompass the 7th floor of the existing main hospital building.
- The capital expenditure will not result in a change in bed capacity or the addition of a health service facility or any other new institutional health service other than that allowed by G.S. § 131E-176(16)(b).
- This letter constitutes the required prior written notice.
- NH Presbyterian provides clinical patient services and exercises financial and administrative control from its location detailed above. The NH Presbyterian President's office is located on the main floor of the hospital in Administration.

Based on the foregoing, we respectfully request that the CON Section issue 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,

-DocuSigned by:

Andrea Gymer

Andrea Gymer Vice President, Strategic & Business Planning Novant Health, Inc

ATTACHMENT A



Effective January 01, 2021, this license is issued to The Presbyterian Hospital

to operate a hospital known as Novant Health Presbyterian Medical Center located in Charlotte, North Carolina, Mecklenburg 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: 943501 License Number: H0010

Bed Capacity: 624 General Acute 519, Psych 75, Hospice 14, Nursing: 16

Dedicated Inpatient Surgical Operating Rooms:6Dedicated Ambulatory Surgical Operating Rooms:6Shared Surgical Operating Rooms:29Dedicated Endoscopy Rooms:9

Authorized by:

Secretary, N.C. Department of Health and Human Services



Director, Division of Health Service Regulation

ATTACHMENT B





From:	<u>Griffin, Lisa L</u>
To:	Mitchell, Micheala L
Cc:	Waller, Martha K; Gymer, Andrea M; Cremeens, Cameron L
Subject:	[External] NH Presbyterian NICU Expansion Exemption Notice
Date:	Tuesday, October 26, 2021 7:07:13 AM
Attachments:	PMC NICU Expansion Exemption to Agency 10.25.21.pdf

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

Good morning,

Attached is an exemption letter regarding the expansion of the existing Neonatal Intensive Care Unit at NH Presbyterian Hospital in Charlotte. Please let me or Andrea Gymer know if you have any questions or need additional information.

Thank you in advance,

Lisa Griffin Manager, Strategic Planning Novant Health | Internal Consulting Group (704) 351 – 1132

We are here to help you get the care you need. Visit <u>Novant Health</u> or <u>Novant Health UVA</u> for upto-date information.

Estamos aquí para ayudarle con el cuidado que usted necesita. Visite <u>Novant Health</u> o <u>Novant</u> <u>Health UVA</u> para información actualizada.

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