

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

September 28, 2021

Denise M. Gunter Denise.gunter@nelsonmullins.com

No Review	
Record #:	3690
Date of Request:	September 23, 2021
Facility Name:	Novant Health Brunswick Medical Center
FID #:	061342
Business Name:	Novant Health Brunswick Medical Center
Business #:	2420
Project Description:	Assignment of Novant Health Triad Region, LLC's interests in Novant Health
	Brunswick Medical Center to Novant Health Coastal Region, LLC (Subsidiary of
	Novant Health, Inc.)
County:	Brunswick

Dear Ms. Gunter:

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, Dauge MSapout

Micheala Mitchell

Micheala Mitchell Chief

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



NELSON MULLINS RILEY & SCARBOROUGH LLP ATTORNEYS AND COUNSELORS AT LAW

Denise M. Gunter T: (336) 774-3322 F: (336) 774-3372 denise.gunter@nelsonmullins.com The Knollwood, 380 Knollwood Street Suite 530 Winston-Salem, North Carolina 27103 T: 336.774.3300 F: 336.774.3299 nelsonmullins.com

September 23, 2021

VIA EMAIL

Micheala Mitchell, Chief North Carolina Department of Health and Human Services Division of Health Service Regulation Healthcare Planning and Certificate of Need Section 809 Ruggles Drive Raleigh, North Carolina 27603

Re: Brunswick Community Hospital, LLC (d/b/a Novant Health Brunswick Medical Center) and Novant Health Brunswick Endoscopy Center, LLC Health Service Area V Brunswick County FID # 061342 Hospital License # H0250 ASC License #: AS0158

Dear Ms. Mitchell:

On behalf of Brunswick Community Hospital, LLC (d/b/a Novant Health Brunswick Medical Center) ("NHBMC") and its subsidiary, Novant Health Brunswick Endoscopy Center, LLC ("NHBEC")¹, I am writing to inform the Agency of an internal reorganization of NHBMC and NHBEC, and to seek the Agency's confirmation that a CON is not required for this internal reorganization.

Background

NHBMC has been part of the Novant Health family since 2006. Organized as a limited liability company, the sole member of NHBMC and its subsidiaries is currently Novant Health Triad Region, LLC, a wholly owned subsidiary of Novant Health, Inc. As the Agency is aware, on February 1, 2021, Novant Health also acquired New Hanover

¹ NHBMC has another subsidiary, Brunswick Medical Center Foundation (the "Foundation"). The Foundation does not provide health care services and is not regulated by CON.

Micheala Mitchell September 23, 2021 Page 2

Regional Medical Center in New Hanover County (the "NHRMC Transaction"). As part of the post-closing work on the NHRMC Transaction, Novant Health has decided to assign Novant Health Triad Region, LLC's membership interest in NHBMC and its subsidiaries to Novant Health Coastal Region, LLC. Novant Health Coastal Region, LLC is another wholly owned subsidiary of Novant Health, Inc.

Request

This is an internal reorganization that does not involve any capital costs and does not trigger any of the definitions of "new institutional health services" under N.C. Gen. Stat. §§ 131E-176(16) a.-v. NHBMC and NHBEC do not have any undeveloped CONs at the present time, and the reorganization will not impact NHBMC or NHBEC's material compliance with any existing CONs. Accordingly, we seek the Agency's written confirmation that the reorganization described in this letter does not require a CON.

As Novant Health would like to accomplish this reorganization in the near future, we respectfully request a response to this letter by October 1, 2021.

Please let me know if you need anything else to consider this request. Thank you for your time and attention.

Sincerely,

Juli

Denise M. Gunter

From:	Denise Gunter
То:	DHSR.CON.Public.Info.Request
Subject:	[External] Correspondence for Brunswick County
Date:	Thursday, September 23, 2021 11:55:52 AM
Attachments:	Letter regarding Brunswick reorg 4852-8434-1500 v.1.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 for processing is correspondence regarding Brunswick County. Could you please confirm that you have received this?

Thanks.

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