April 6, 2022

Melissa K. Shearer
Melissa.shearer@conehealth.com

Exempt from Review

Record #: 3840
Date of Request: March 3, 2022
Facility Name: Alamance Regional Medical Center
FID #: 954565
Business Name: Alamance Regional Medical Center, Inc.
Business #: 49
Project Description: Relocate the Norville Breast Center within the main campus
County: Alamance

Dear Ms. Shearer:

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,

Gregory F. Yakaboski, Project Analyst

Micheala Mitchell, Chief

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

In response to your request for additional information:

- The request is made on behalf of Alamance Regional Medical Center.
- The hospital license number for Alamance Regional Medical Center is #H0272 and the FID is 954565.
- Alamance Regional Medical Center is located at 1240 Huffman Mill Rd., Burlington, NC 27215. The phone number is 336-538-7450.
- The business owner is Alamance Regional Medical Center, Inc.
  - For informational purposes, Alamance Regional Medical Center, Inc. is 100% owned by ARMC Health Care. ARMC Health Care is 100% owned by The Moses H. Cone Memorial Hospital (the ultimate parent corporation of Cone Health).
- Alamance Regional Medical Center, Inc. is located at 1240 Huffman Mill Rd., Burlington, NC 27215. The phone number is 336-538-7450.
- The request is to relocate a hospital department to a medical office building on the main campus.

Please let me know if you need any additional information.

Thanks,

Andrew

Andrew Hall, DHA

Cone Health | Strategy and Planning
Assistant Director, Strategic Business and Market Planning
Direct Dial: 336.663.5609 | Fax: 336.663.5611
Website: conehealth.com

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April 15, 2021

Ms. Lisa Pittman, Assistant Chief, Certificate of Need
Ms. Celia C. Inman, Project Analyst
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation, NC DHHS
2704 Mail Service Center
Raleigh, NC 27699-2704

Re: Relocation of Norville Breast Center

Dear Ms. Pittman and Ms. Inman:

I am writing to you to provide prior written notice of a pending project at Alamance Regional Medical Center (ARMC). ARMC intends to relocate the Norville Breast Center, a comprehensive women’s imaging center, including mammography and breast ultrasound, from its current location within the main building on the ARMC campus to the Grandview Building, a medical office building on the main campus of ARMC. Please see Attachment 1 for a campus map showing the existing location of the Norville Breast Center and the location of the Grandview Building on the ARMC campus.

The Norville Breast Center is a hospital department and will remain a hospital department after being relocated to the Grandview Building. The proposed project will exceed $2 million. The capital budget is detailed in Attachment 2. N.C.G.S. § 131E-184(g) provides an exemption for certain projects that exceed $2 million providing 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.

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.
The sole purpose of the capital expenditure is to relocate the Norville Breast Center and renovate space within the Grandview Building to accommodate the department. The Grandview Building is on the main campus as defined in N.C.G.S. 131E-176(14n), as the building is located within 250 yards of the main building from which a licensed health service facility provides clinical patient services and is not more than one right-of-way from the main hospital building. The capital expenditure will not result in a change in bed capacity, the addition of a health service facility, or the addition of a new institutional health service.

Based on the above information, Cone Health believes that the project is exempt from Certificate of Need review and requests written confirmation of the exempt nature of the project. If you have any questions about the request, please feel free to contact me at melissa.shearer@conehealth.com.

Sincerely,

Melissa K. Shearer
Executive Director
Strategy and Planning

Enclosure
Attachment 1

Map of Alamance Regional Medical Center Campus
Map of Alamance Regional Medical Center Campus

Current Location

Grandview Building
Attachment 2

Capital Cost Worksheet
## Norville Breast Center
### Projected Capital Cost Form

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Purchase Price</td>
<td>n/a</td>
</tr>
<tr>
<td>Purchase Price of Land</td>
<td>n/a</td>
</tr>
<tr>
<td>Closing Costs</td>
<td>n/a</td>
</tr>
<tr>
<td>Site Preparation</td>
<td>n/a</td>
</tr>
<tr>
<td>Construction/Renovation Contract(s)</td>
<td>$1,860,000</td>
</tr>
<tr>
<td>Landscaping</td>
<td>n/a</td>
</tr>
<tr>
<td>Architect / Engineering Fees</td>
<td>$167,400</td>
</tr>
<tr>
<td>Medical Equipment</td>
<td>$445,000</td>
</tr>
<tr>
<td>Non-Medical Equipment</td>
<td>$65,100</td>
</tr>
<tr>
<td>Furniture</td>
<td>$148,800</td>
</tr>
<tr>
<td>Consultant Fees (specify)</td>
<td>n/a</td>
</tr>
<tr>
<td>Financing Costs</td>
<td>n/a</td>
</tr>
<tr>
<td>Interest during Construction</td>
<td>n/a</td>
</tr>
<tr>
<td>Other (Test &amp; Balance)</td>
<td>$10,000</td>
</tr>
<tr>
<td><strong>Total Capital Cost</strong></td>
<td><strong>$2,696,300</strong></td>
</tr>
</tbody>
</table>

### Certification by a Licensed Architect or Engineer

I certify that, to the best of my knowledge, the projected capital cost for the proposed project is complete and correct.

[Signature of Licensed Architect or Engineer]

Date Signed: **4/3/2021**

### Certification by an Officer or Agent for the PropONENT

I certify that, to the best of my knowledge, the projected total capital cost for the proposed project is complete and correct and that it is our intent to carry out the proposed project as described.

[Signature of Officer/Agent]

Date Signed: **April 15, 2021**

Executive Vice President

Title of Officer/Agent