



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor

KODY H. KINSLEY • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

December 21, 2023

Robbie Roberts
rroberts@wakemed.org

No Review

Record #: 4338
Date of Request: December 14, 2023
Facility Name: WakeMed North Hospital
FID #: 990974
Business Name: WakeMed
Business #: 2018
Project Description: Renovate and upfit nine acute care beds to intensive care capabilities
County: Wake

Dear Robbie Roberts:

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.

If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Crystal Kearney, Project Analyst

Micheala Mitchell, Chief

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

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

December 14, 2023

Via Electronic Mail to Crystal.kearney@dhhs.nc.gov

Ms. Crystal Kearney, Project Analyst
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
2704 Mail Service Center
Raleigh, NC 27699-2704

Re: Request for Exemption from Review/Renovate Existing Acute Care Beds at WakeMed North Hospital/Wake County

Dear Ms. Kearney:

This letter is to inform the Healthcare Planning and Certificate of Need Section of WakeMed's intent to renovate and upfit nine (9) existing licensed acute care beds on the 4th Floor with intensive care capabilities at WakeMed North Hospital, located at 10000 Falls of Neuse Road, Raleigh, NC 27614. WakeMed North is currently licensed for 77 acute care beds; renovation of these beds will not result in a change in acute care bed capacity, nor will it change the beds' license category. The total capital cost to upfit these beds is estimated at \$3,661,974.

WakeMed believes that this project is exempt from certificate of need review, pursuant to N.C.G.S. §131E-176(16)b, which states:

Except as otherwise provided in G.S. 131E-184(e), the obligation by any person of a capital expenditure exceeding four million dollars (\$4,000,000) to develop or expand a health service or a health service facility, or which relates to the provision of a health service. The cost of any studies, surveys, designs, plans, working drawings, specifications, and other activities, including staff effort and consulting and other services, essential to the acquisition, improvement, expansion, or replacement of any plant or equipment with respect to which an expenditure is made shall be included in determining if the expenditure exceeds four million dollars (\$4,000,000). Beginning September 30, 2022, and on September 30 each year thereafter, the amount in this sub-subdivision shall be adjusted using the Medical Care Index component of the Consumer Price Index published by the U.S. Department of Labor for the 12-month period preceding the previous September 1.

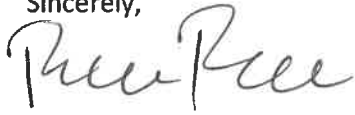
The proposed project does not constitute a "new institutional health service", as its capital cost is under the current CON cost threshold of \$3,931,600. Please see Attachment 1.

WakeMed would greatly appreciate the Agency's written confirmation that this project is exempt from certificate of need review.

Ms. Crystal Kearney
Page 2

Thank you for your attention to this matter. If you have questions or require additional information, please contact me at 919-350-8023 or rroberts@wakemed.org.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robbie Roberts".

Robbie Roberts
Manager, Market Planning

Attachments

December 11, 2023

Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
2704 Mail Center Service
Raleigh, NC 27699-2704

RE: 9-bed Med/Surg to Adult ICU Conversion – WakeMed North Hospital
Certified Cost Estimate

To Whom It May Concern:

This is to certify that I have reviewed the Capital Costs for the referenced project. Based on my understanding of the anticipated project cost accountabilities of the planned conversion of 9 medical/surgical beds to adult intensive care beds at WakeMed North Hospital, I believe the costs indicated are a reasonable estimate of the costs to be expected on a project of the scope and complexity defined.

	Hard Costs	Soft Costs	Total
9-bed Med/Surg to Adult ICU Conversion	\$ 1,475,096	\$ 2,186,878	\$ 3,661,974

Based on the above, the Anticipated Total Hard Costs of \$ 1,475,096 combined with the Associated Total Soft Costs of \$ 2,186,878 creates a TOTAL PROJECT BUDGET for the 9-bed med/surg to adult ICU conversion at WakeMed North Hospital of \$ 3,661,974.

Sincerely,



Angela P Wooten
Director, Ambulatory Facilities Development



12.11.2023

From: [Kearney, Crystal](#)
To: [Stancil, Tiffany C](#)
Subject: FW: [External] WakeMed Letter of No Review/Exemption Request
Date: Thursday, December 14, 2023 12:10:55 PM
Attachments: [North 4th Floor Renovation.pdf](#)
[Raleigh Medical Park New Parking Deck.pdf](#)

Good Morning Tiffany

I received this and was advised to forward to you. Have a good day

Crystal Kearney

Project Analyst, Certificate of Need

Division of Health Service Regulations, Healthcare Planning and Certificate of Need

NC Department of Health and Human Services

Office: 919-855-3883 (I am in the office on Monday and Tuesday, and can best be reached by email)

Crystal.kearney@dhhs.nc.gov

809 Ruggles Drive, Edgerton Building #228

2704 Mail Service Center

Raleigh, NC 27699-2704

From: DAINA DIMARCO <DDiMarco@wakemed.org>
Sent: Thursday, December 14, 2023 11:19 AM
To: Kearney, Crystal <crystal.kearney@dhhs.nc.gov>
Subject: [External] WakeMed Letter of No Review/Exemption Request

CAUTION: External email. Do not click links or open attachments unless verified. Report suspicious emails with the Report Message button located on your Outlook menu bar on the Home tab.

Hi Crystal,

Please find attached two (2) letters requesting no review/exemption for the following WakeMed projects:

- Raleigh Medical Park: Construction of a Parking Deck
- WakeMed North Hospital: Renovations to 4th Floor Acute Care Beds

If you have any questions or need additional information, please don't hesitate to contact me.

Thanks!

Daina

Daina DiMarco, MHA, MBA
WakeMed Corporate Planning
919-350-1221

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