



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

**JOSH STEIN** • Governor

**DEVPUTTA SANGVAI** • Secretary

**MARK PAYNE** • Director, Division of Health Service Regulation

**VIA EMAIL ONLY**

June 24, 2025

Lisa Griffin  
llgriffin@novanthealth.org

**Exempt from Review**

**Record #:** 4813  
**Date of Request:** May 27, 2025  
**Facility Name:** Novant Health Presbyterian Medical Center  
**FID #:** 943501  
**Business Name:** Novant Health, Inc.  
**Business #:** 1341  
**Project Description:** Construct a 48-bed observation unit on the main campus  
**County:** Mecklenburg

Dear Lisa Griffin:

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,

Chalice L. Moore  
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

May 27, 2025



**VIA EMAIL**

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

2085 Frontis Plaza Boulevard  
Winston-Salem, NC 27103

**Re: Novant Health Presbyterian Medical Center  
Notice of Exemption for Observation Bed Unit  
Charlotte, North Carolina (FID # 943501; License # H0010; Mecklenburg County)**

Dear Ms. Mitchell:

This letter serves as notice of Novant Health Presbyterian Medical Center's (NHPMC) intention to construct a new 48-bed observation unit on its main campus located in Charlotte, North Carolina pursuant to N.C.G.S. §131E-184(g). This new observation unit will be constructed in existing space vacated by cancer services relocated to the nearby Novant Health Heart & Vascular Institute and Cancer Center Building on its main campus. The observation unit will be located in approximately 25,000 square feet on the first floor of NHPMC's main campus, adjacent to the Emergency Department. See Attachment A for a NHPMC campus map. The total capital costs of the new observation unit will exceed \$4,119,200.

All 48 observation beds will be unlicensed bedrooms designed for observation services. The new unit will centralize where patients are monitored and evaluated to determine if they require inpatient admission. The new unit marks NHPMC's ongoing efforts improve the patient safety and satisfaction.

Construction is planned in two phases. The first phase will comprise 24 observation beds and support space and is anticipated to open by the end of 2025. The second phase of 24 observation beds is expected to open in Summer 2026. Attachment B contains a site map and line drawings of the observation unit.

The project will not increase the number of licensed beds, operating rooms, or other regulated assets. NHPMC will file a certificate of need application for any additional new institutional health services that would be developed in any newly constructed space.

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 monetary 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*

Ms. Micheala Mitchell

May 27, 2025

Page 2

*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."*

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 NHPMC observation unit meets each of the applicable conditions set forth above:

- The estimated capital cost of the project exceeds \$4,119,200.
- The sole purpose of the capital expenditure is to expand an existing health service facility, NHPMC, on the main campus located at 200 Hawthorne Lane, Charlotte, North Carolina, 28204.
- NHPMC provides clinical patient services and exercises financial and administrative control from its location detailed above. The NHPMC President's office is located on the main floor of the hospital in Administration.
- 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.

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.

Sincerely,

DocuSigned by:  
*Bryan Dunn*  
867A9532E8AD4F5...

Bryan Dunn

Senior Vice President, Corporate Strategy & Development

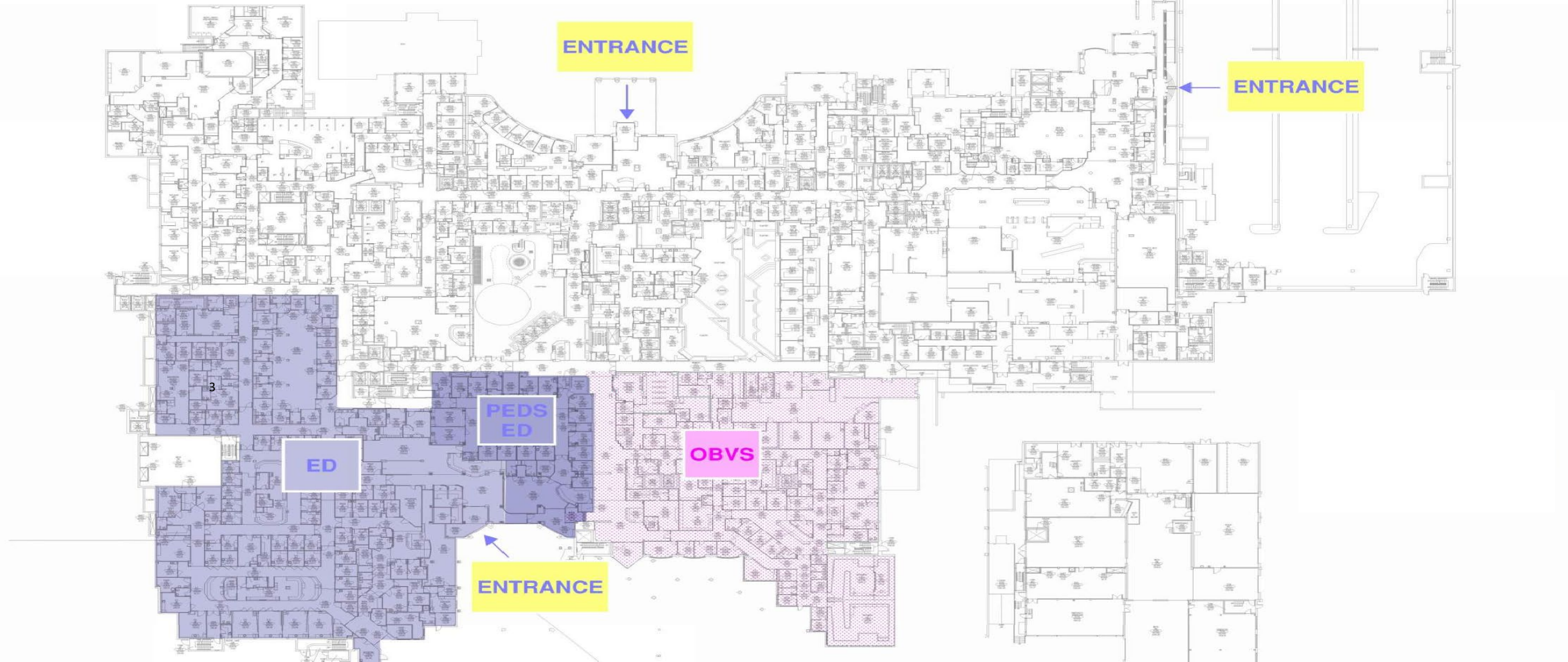
Novant Health Enterprises | Novant Health, Inc

# Novant Health Presbyterian Medical Center

200 Hawthorne Lane, Charlotte, NC 28204 • 704-384-4000 • NovantHealth.org



Observation Unit Renovation *First Floor – Location of proposed Observation Unit*







NH PMC Observation Unit

**From:** [Mitchell, Micheala L](#)  
**To:** [Stancil, Tiffany C](#)  
**Cc:** [Waller, Martha K](#)  
**Subject:** FW: [External] Novant Health Presbyterian Observation Unit Exemption Letter  
**Date:** Tuesday, May 27, 2025 1:59:56 PM  
**Attachments:** [Signed NHPMC Obs Unit Exemption to Agency May 2025.pdf](#)

---

Tiffany,

Would you mind assigning this exemption to Chalice?

Thank you!

Micheala Mitchell, JD  
[NC Department of Health and Human Services](#)  
[Division of Health Service Regulation](#)  
Section Chief, Healthcare Planning and CON Section  
809 Ruggles Drive, Edgerton Building  
2704 Mail Service Center  
Raleigh, NC 27699-2704  
Office: 919 855 3879  
[Micheala.Mitchell@dhhs.nc.gov](mailto:Micheala.Mitchell@dhhs.nc.gov)

---

**From:** Griffin, Lisa L <llgriffin@novanthealth.org>  
**Sent:** Tuesday, May 27, 2025 1:54 PM  
**To:** Mitchell, Micheala L <Micheala.Mitchell@dhhs.nc.gov>  
**Cc:** Waller, Martha K <martha.waller@dhhs.nc.gov>; Dunn, Bryan W <BDunn@novanthealth.org>  
**Subject:** [External] Novant Health Presbyterian Observation Unit Exemption Letter

**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.

Ms. Mitchell,

Attached is a letter of exemption regarding a new observation bed unit at Novant Health Presbyterian Medical Center in Charlotte, NC.

Please let me or Bryan Dunn know if you have any questions or need additional information.

Regarrds,

***Lisa Griffin***  
Manager, Strategic Planning  
Novant Health | Novant Health Enterprises  
(704) 351 – 1132

**We are here to help you get the care you need. Visit [Novant Health](#) for up-to-date information.**

**Estamos aquí para ayudarle con el cuidado que usted necesita. Visite [Novant Health](#) para información actualizada.**

This message and any included attachments are from NOVANT HEALTH INC. and are intended only for the addressee(s). The information contained herein may include trade secrets or privileged or otherwise confidential information. Unauthorized review, forwarding, printing, copying, distributing, or using such information is strictly prohibited and may be unlawful. If you received this message in error, or have reason to believe you are not authorized to receive it, please promptly delete this message and notify the sender by email. If you believe that any information contained in this message is disparaging or harassing or if you find it objectionable please contact Novant Health, Inc. at 1-844-266-8268 or forward the email to [reports@novanthealth.org](mailto:reports@novanthealth.org).

---

Email correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties by an authorized State official. Unauthorized disclosure of juvenile, health, legally privileged, or otherwise confidential information, including confidential information relating to an ongoing State procurement effort, is prohibited by law. If you have received this email in error, please notify the sender immediately and delete all records of this email.