



North Carolina Department of Health and Human Services
Division of Health Service Regulation

Pat McCrory
Governor

Richard O. Brajer
Secretary DHHS

Mark Payne
Assistant Secretary for Audit and
Health Service Regulation

March 15, 2016

Elizabeth V. Kirkman
Assistant Vice President
CHS Management Company
2709 Water Ridge Parkway, Suite 200
Charlotte, North Carolina 28217

Exempt from Review

Record #: 1898
Facility Name: Carolinas Medical Center (CMC)
FID #: 943070
Business Name: The Charlotte-Mecklenburg Hospital Authority
Business #: 1772
Project Description: Upgrade portions of the emergency electrical power system
County: Mecklenburg

Dear Ms. Kirkman:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of March 7, 2016, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(4). Therefore, you may proceed to offer, develop or establish the above referenced project without a certificate of need.

However, you need to contact the Agency's Construction and Acute and Home Care Licensure and Certification Sections to determine if they have any requirements for development of the proposed project.

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;



Healthcare Planning and Certificate of Need Section

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-715-4413

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

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Ms. Elizabeth Kirkman
March 15, 2016
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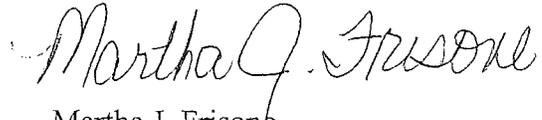
(3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.

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

Sincerely,



Gloria C. Hale
Project Analyst



Martha J. Frisone
Assistant Chief, Certificate of Need

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR
Kelli Fisk, Program Assistant, Healthcare Planning, DHSR



Carolinus HealthCare System



March 7, 2016

Ms. Martha Frisone,
Assistant Chief, Certificate of Need
Division of Health Service Regulation
North Carolina Department of Health & Human Services
809 Ruggles Drive
Raleigh, North Carolina 27603

RE: Exemption Request for The Charlotte-Mecklenburg Hospital Authority d/b/a Carolinas Medical Center ("CMC") to complete infrastructure upgrades to its existing electrical system

Dear Ms. Frisone:

This letter serves as notification of CMC's intent to complete several upgrades to its emergency electrical power system. Pursuant to N.C.G.S. 131 E-184 (a)(4), these projects are exempt from certificate of need review.

As a part of a master electrical plan for the CMC campus and CMC's five year capital planning for routine refurbishment and facility re-investment, CMC intends to implement several upgrades to its existing emergency power system:

1. K-wing, 2nd floor electrical room: Provide additional emergency power distribution points for portions of the hospital which are at functional limit due to internal densification of clinical services. The estimated capital cost is \$6,000,000.
2. North Loop: Provide connectivity from the Central Energy Plant to the North side of campus for redundancy and increased availability of services. The estimated capital cost is \$10,000,000-\$14,000,000.
3. Blythe Deck Generator Plant: Replace a portion of the aging Blythe Deck Generator system to increase redundancy and reliability in the Dickson Tower. The estimated capital cost is \$6,000,000-\$8,000,000.

These projects are expected to take place over the next five years.

Based upon the projects as described above and pursuant to N.C.G.S. 131E-184(a)(4), this letter serves as notification of our intent to proceed with these upgrades. We would appreciate your written concurrence that these projects are exempt from certificate of need review.

If you have any questions or require further information regarding these upgrades, please contact me at 704-446-8475.

Sincerely,

A handwritten signature in cursive script that reads "Elizabeth V. Kirkman". The signature is written in black ink and is positioned above the printed name.

Elizabeth V. Kirkman
Assistant Vice President,
CHS Management Company

cc: W. Spencer Lilly, President, Carolinas Medical Center