



DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

MARK PAYNE
DIRECTOR

VIA EMAIL ONLY

March 13, 2018

Maureen Demarest Murray
Maureen.Murray@smithmoorelaw.com

Exempt from Review – Physician Office

Record #: 2542
Business Name: Blue Ridge Healthcare Hospitals, Inc. d/b/a Carolinas Healthcare System Blue Ridge
Business #: 2125
Project Description: Acquire an existing physician office building
County: Burke

Dear Ms. Murray:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of March 7, 2018, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(9). 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 Acute and Home Care Licensure and Certification Section to determine if they have any requirements for development of the proposed physician office.

It should be noted that this Agency’s position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by the Agency and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Julie M. Faenza
Project Analyst

Martha J. Frisone
Chief, Healthcare Planning and
Certificate of Need Section

cc: Acute and Home Care Licensure and Certification Section, DHSR
Sharetta Blackwell, Program Assistant, Healthcare Planning, DHSR

HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

WWW.NCDHHS.GOV

TELEPHONE 919-855-3873

LOCATION: EDGERTON BUILDING • 809 RUGGLES DRIVE • RALEIGH, NC 27603

MAILING ADDRESS: 2704 MAIL SERVICE CENTER • RALEIGH, NC 27699-2704

AN EQUAL OPPORTUNITY/ AFFIRMATIVE ACTION EMPLOYER



March 7, 2018

Martha Frisone, Chief
Lisa Pittman, Assistant Chief
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
NC Department of Health and Human Services
2704 Mail Service Center
Raleigh, NC 27699-2704



Re: Acquisition of Medical Office Building by Blue Ridge Healthcare Hospitals, Inc.
d/b/a Carolinas Healthcare System Blue Ridge

Dear Ms. Frisone and Ms. Pittman:

We represent Blue Ridge Healthcare Hospitals, Inc. d/b/a Carolinas Healthcare System Blue Ridge (“Blue Ridge”). Blue Ridge plans to acquire a medical office building located on Highway 321 at 2134 14th Ave Cir NW, Hickory, NC 28601 in Burke County from the current owner, D&H Real Estate, LLC (“D&H”). Blue Ridge has for some time and currently leases space in the medical office building from D&H to operate a hospital based pain treatment and management clinic and space that is subleased to Blue Ridge Radiology, a medical group affiliated with Blue Ridge, to operate its freestanding radiology center and practice. D&H is interested in selling the medical office building to Blue Ridge and Blue Ridge is interested in the opportunity to reduce the future cost of operating the space and accomplish more control over use of the space by becoming the owner of the medical office building. Blue Ridge will not be developing any new institutional health service as part of the acquisition.

Development or acquisition of a medical office building is exempt from certificate of need review under N.C.G.S. §131E-184(a)(9), regardless of cost, provided prior written notice is given to the Healthcare Planning and Certificate of Need Section. The pain treatment and management clinic and Blue Ridge Radiology’s radiology center and practice will remain in the medical office building and no changes to their services are contemplated as part of this proposed acquisition.

Martha Frisone, Chief
Lisa Pittman, Assistant Chief
March 7, 2018
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We would appreciate your prompt acknowledgment that this proposed acquisition is exempt from certificate of need review under N.C.G.S. §131E-184(a)(9). Please let us know if you have any questions.

With kindest personal regards, I am

Very truly yours,

SMITH MOORE LEATHERWOOD LLP

A handwritten signature in cursive script, reading "Maureen Demarest Murray".

Maureen Demarest Murray

MDM/pah