



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

September 24, 2021

Wenxi Li
wenxi.li@us.dlapiper.com

No Review

Record #: 3681
Date of Request: September 17, 2021
Facility Name: See Attachment A
FID #: See Attachment A
Business Name: See Attachment A
Business #: See Attachment A
Project Description: Change in indirect ownership
County: See Attachment A

Dear Ms. Li:

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.

Please do not hesitate to contact this office if you have any questions.

Sincerely,

Celia C. Inman

Micheala Mitchell
Chief

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

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

Attachment A

Project ID #	FID	County	Facility Name (per Access)	Owner (per Access)	Bus. ID
J-7580-06	060525	Wake	The Brier Creek Imaging, LLC	Brier Creek Imaging, LLC & Outpatient Imaging Affiliates, LLC	273 1368
J-11048-15	090950	Wake	Raleigh Radiology Wake Forest	Pinnacle Health Services of North Carolina, LLC & Outpatient Imaging Affiliates, LLC	1432 1368
J-11058-15	150392	Johnston	Raleigh Radiology Clayton	Pinnacle Health Services of North Carolina, LLC	1432
J-7289-05	050632	Wake	Pinnacle Health Services of North Carolina, LLC	Raleigh Radiology at Cedarhurst	1517
G-11725-19	190280	Forsyth	Wake Forest Baptist Imaging - Kernersville	Wake Forest Baptist Imaging, LLC	3048
G-7780-07	070052	Forsyth	NCBH Outpatient Imaging, LLC	NCBH Outpatient Imaging, LLC	1296



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September 15, 2021

North Carolina Department of Health and Human Services
Division of Health Service Regulation
Healthcare Planning and Certificate of Need Section
2704 Mail Service Center
Raleigh, NC 27699-2704

To the Director of Healthcare Planning and Certificate of Need Section:

I write on behalf of our client, Outpatient Imaging Affiliates, LLC ("OIA"), which, by and through its subsidiaries, owns and operates health care facilities located in North Carolina. OIA holds licenses that are issued by the North Carolina Department of Health and Human Services, Division of Health Service Regulation, Healthcare Planning and Certificate of Need Section ("the Department"). The purpose of this letter is to provide the Department notice of a proposed transaction (the "Proposed Transaction") involving OIA.

DESCRIPTION OF PROPOSED TRANSACTION

OIA partners with healthcare providers such as health systems, academic medical centers, and radiology groups to develop, market, and operate outpatient imaging centers across the United States (each a "Facility" and collectively, the "Facilities"). Six of these Facilities are located in North Carolina.

Currently, Brier Creek Imaging, LLC is 100% owned by Pinnacle Health Services of North Carolina, LLC, which in turn is 100% owned by Outpatient Imaging Affiliates, LLC. Outpatient Imaging Affiliates, LLC is 100% owned by OIA Acquisition Holdings, LLC, which is, in turn, directly owned by management and an affiliate of ICV Partners, LLC. Following the Proposed Transaction, Brier Creek Imaging, LLC will continue to be 100% owned by Pinnacle Health Services of North Carolina, LLC, which in turn will continue to be 100% owned by Outpatient Imaging Affiliates, LLC, which will then become 100% owned by OIA Acquisition, LLC, which will be owned 100% by OIA Intermediate, LLC, which will be owned 100% by OIA Parent, LLC. OIA Parent, LLC will be owned by management and an affiliate of The Cranemere Group Limited.

Currently, Wake Forest Baptist Imaging, LLC is 37.5% owned by Wake Forest University Health Sciences, 37.5% owned by North Carolina Baptist Hospital, and 25% owned by OIA of North Carolina, LLC. OIA of North Carolina, LLC is in turn 100% owned by Outpatient Imaging Affiliates, LLC, which in turn is 100% owned by OIA Acquisition Holdings, LLC, which is in turn directly owned by management and an affiliate of ICV Partners, LLC. Following the Proposed Transaction, Wake Forest Baptist Imaging, LLC will be owned 37.5% owned by Wake Forest University Health Sciences, 37.5% owned by North Carolina Baptist Hospital, and 25% owned by OIA of North Carolina, LLC. OIA of North Carolina, LLC will be 100% owned by



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Outpatient Imaging Affiliates, LLC, which will then become 100% owned by OIA Acquisition, LLC, which will be owned 100% by OIA Intermediate, LLC, which will be owned 100% by OIA Parent, LLC. OIA Parent, LLC will be owned by management and an affiliate of The Cranemere Group Limited.

Currently, Pinnacle Health Services of North Carolina, LLC is 100% owned by Outpatient Imaging Affiliates, which is in turn 100% owned by OIA Acquisition Holdings, LLC. OIA Acquisition Holdings, LLC is directly owned by management and an affiliate of ICV Partners, LLC. Following the Proposed Transaction, Pinnacle Health Services of North Carolina, LLC will be 100% owned by Outpatient Imaging Affiliates, LLC, which will then become 100% owned by OIA Acquisition, LLC, which will be owned 100% by OIA Intermediate, LLC, which will be owned 100% by OIA Parent, LLC. OIA Parent, LLC will be owned by management and an affiliate of The Cranemere Group Limited.

It is our understanding upon review of the pertinent regulations and communications with Ms. Inman in your Department, that where a great-grandparent company of a regulated entity undergoes a transaction, the regulated entity need not obtain a CON for the transaction. Instead, the regulated entity must submit written notice, prior to the closing of the transaction, of the upstream ownership change to the Department and the Department would notify the regulated entity that it is either (a) "exempt" from the CON requirement, or (b) that "no review" of the CON is required. This letter serves as notice to the Department of the upstream, indirect ownership change.

Enclosed for your reference as Exhibit A is a listing of the Facilities located in North Carolina that will be included in the Proposed Transaction.

Enclosed herewith as Exhibit B is an ownership chart showing the ownership structure of the Company before and after the Proposed Transaction. As you can see, the Proposed Transaction will not result in any change in the Facility's name or federal tax identification number. If any additional information is required, please contact me directly.

Thank you in advance for your attention to this matter. If you have any questions regarding this Transaction, please contact me at (202) 799-4051 or wenxi.li@us.dlapiper.com.



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Best regards,

A handwritten signature in blue ink that reads 'Wenxi Li'.

Wenxi Li

Enclosures: Exhibit A – OIA Affiliates Facilities in North Carolina
Exhibit B – Ownership Structure Charts

cc: Kristi Kung (via email: kristi.kung@us.dlapiper.com)



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EXHIBIT A

OIA-AFFILIATED FACILITIES IN NORTH CAROLINA

FACILITY NAME	LEGAL ENTITY	FACILITY ID NO.	CON #	LOCATION
Cardinal Points Brier Creek	Brier Creek Imaging, LLC	060525	PID # J-7580-06	Raleigh, NC
Cardinal Points Wake Forest	Pinnacle Health Services of North Carolina, LLC	090950	PID # J-11048-15	Wake Forest, NC
Cardinal Points Clayton	Pinnacle Health Services of North Carolina, LLC	150392	PID # J-11058-15	Clayton, NC
Cardinal Points Midtown	Pinnacle Health Services of North Carolina, LLC	050632	PID # J-7289-05	Raleigh, NC
Wake Forest Baptist Imaging - Kernersville	Wake Forest Baptist Imaging, LLC	190280	PID # G-11725-19	Kernersville, NC
Wake Forest Baptist Imaging	Wake Forest Baptist Imaging, LLC	070052	PID # G-7780-07	Winston-Salem, NC



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EXHIBIT B

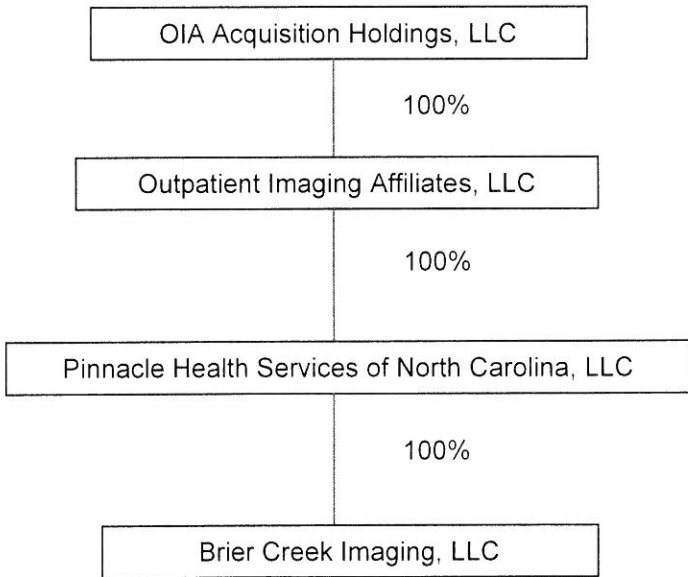
OWNERSHIP STRUCTURE CHARTS

Please see attached.

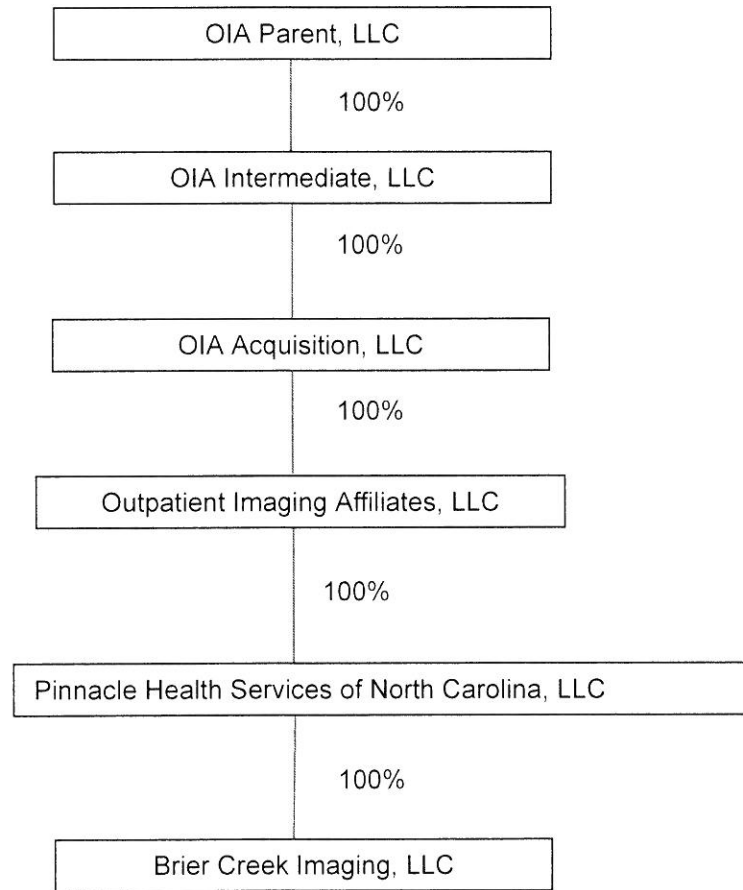


Ownership of Brier Creek Imaging, LLC

Prior to Proposed Transaction



After the Proposed Transaction

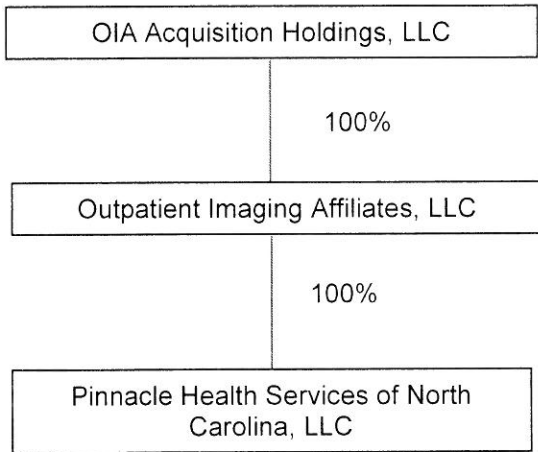




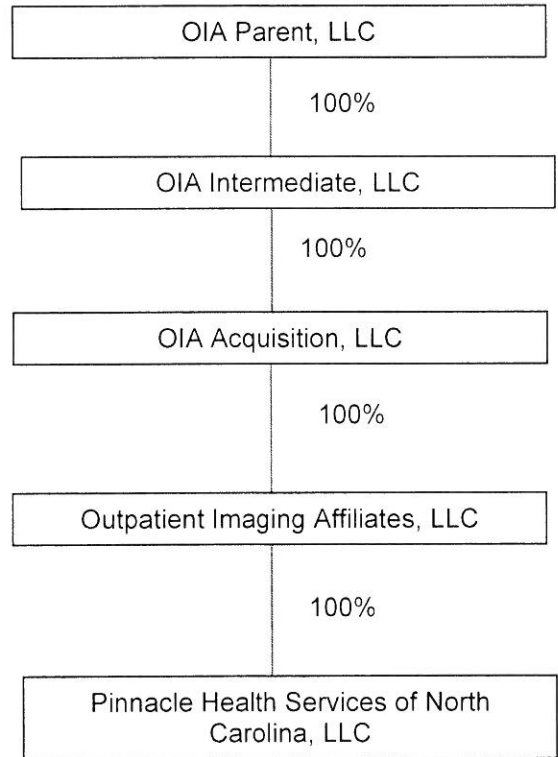
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Ownership of Pinnacle Health Services of North Carolina, LLC

Prior to Proposed Transaction



After the Proposed Transaction





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Ownership of Wake Forest Baptist Imaging, LLC (“WFBI”)

