



NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

JOSH STEIN • Governor
DEV DUTTA SANGVAI • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

December 9, 2025

Amer Iqbal
amer@raoclinic.org

No Review – Qualified Urban Ambulatory Surgical Facility

Record #: 5013
Date of Request: November 20, 2025
Facility Name: North Carolina Surgery Center
Facility Address: 1700 Kildaire Farm Road, Suite 110
Cary NC 27511
Business Name: North Carolina Surgery Center, LLC.
Business #: 4027
Project Description: Develop a qualified urban ambulatory surgical facility
County: Wake

Dear Mr. Iqbal:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your correspondence regarding the development of a qualified urban ambulatory surgical facility. Pursuant to NCGS §131E-176(21a), a qualified urban ambulatory surgical facility is an ambulatory surgical facility that meets all of the following criteria:

- a. Is licensed by the Department to operate as an ambulatory surgical facility.
b. Has a single specialty or multispecialty ambulatory surgical program.
c. Is located in a county with a population greater than 125,000 according to the 2020 federal decennial census or any subsequent federal decennial census.

Based on the representation in your request and 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. As a reminder, it is unlawful to offer or develop a new institutional health service without first obtaining a certificate of need. The Department reserves the right to impose sanctions, including civil penalties and the revocation of a license, upon any entity that

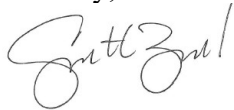
NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION

LOCATION: 1915 Health Services Way, Raleigh, NC 27607
MAILING ADDRESS: 1915 Health Services Way, 2704 Mail Service Center, Raleigh, NC 27699-2704
www.ncdhs.gov/dhsr • TEL: 919-855-3873

offers or develops a new institutional health service without first obtaining a certificate of need.

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Cynthia Bradford".

Cynthia Bradford
Project Analyst

A handwritten signature in cursive script, appearing to read "Micheala Mitchell".

Micheala Mitchell
Chief

cc: Acute and Home Care Licensure and Certification Section, DHSR
Construction Section, DHSR
Healthcare Planning, DHSR

From: [Mitchell, Micheala L](#)
To: [Stancil, Tiffany C](#)
Subject: FW: [External] Request for CON Exemption Determination – North Carolina Surgery Center, LLC (Wake County ASC)
Date: Thursday, November 20, 2025 2:51:46 PM

Tiffany,

Would you mind logging this and assigning to Cindy as two of the counties are in her area?

Thank you,

Micheala

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

From: Amer Iqbal <amer@raoclinic.org>
Sent: Thursday, November 20, 2025 2:22 PM
To: Mitchell, Micheala L <Micheala.Mitchell@dhhs.nc.gov>
Cc: con.info@dhhs.nc.gov
Subject: [External] Request for CON Exemption Determination – North Carolina Surgery Center, LLC (Wake County ASC)

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Dear Ms. Mitchell,

On behalf of North Carolina Surgery Center, LLC, I respectfully request an official written determination from the Division of Health Service Regulation's Healthcare Planning and Certificate of Need Section confirming that our proposed Ambulatory Surgery Center (ASC) located at 1700 Kildaire Farm Road, Suite 110, Cary, NC 27511 (Wake County) is exempt from Certificate of Need (CON) review under Session Law 2023-7 and the associated amendments to N.C.G.S. § 131E-176.

I. Statutory Basis for the Exemption

Session Law 2023-7 (Medicaid Expansion & Healthcare Access Act) created the category of Qualified Urban Ambulatory Surgical Facility (QUASF) and amended:

- N.C.G.S. § 131E-176(9b) — excluding QASFs from the definition of a “health service facility,” and
- N.C.G.S. § 131E-176(16)b — excluding QASFs from the definition of a “new institutional health service.”

Because CON review is required only for “new institutional health services,” a facility meeting the QUSAF criteria is not subject to CON review.

Definition of a Qualified Urban Ambulatory Surgical Facility

Under Session Law 2023-7 and amended N.C.G.S. § 131E-176, a QUSAF is an ASC that:

1. Is or will be licensed by DHR as an Ambulatory Surgical Facility;
2. Operates a single-specialty or multispecialty surgical program; and
3. Is located in a county with a population of at least 125,000, based on the 2020 U.S. Census or later.

Effective Date

The QUSAF exemption becomes effective November 21, 2025.

II. Statutory 4% Self-Pay and Medicaid Revenue Requirement (N.C.G.S. § 131E-147.5)

We acknowledge and understand the requirement contained in N.C.G.S. § 131E-147.5, which becomes effective concurrently with the QUSAF exemption.

Under § 131E-147.5:

- A QUSAF must ensure that at least four percent (4%) of its total earned surgical revenue is derived from self-pay and Medicaid surgical cases; and
- The facility must annually report this percentage to the Department as required by subsection (b).

North Carolina Surgery Center, LLC intends to fully comply with this statutory requirement and will implement the necessary internal tracking and reporting mechanisms to meet the self-pay/Medicaid revenue threshold once operational.

III. Applicability to North Carolina Surgery Center, LLC

North Carolina Surgery Center, LLC intends to develop a multispecialty Ambulatory Surgery Center at:

1700 Kildaire Farm Road
Suite 110
Cary, NC 27511
Wake County

Wake County is one of North Carolina's 13 most populous counties and exceeds the statutory population threshold.

The facility will:

- Be licensed as an Ambulatory Surgery Facility under Article 6, Chapter 131E;
- Offer multispecialty surgical services;
- Operate within a qualifying county; and
- Comply with the 4% self-pay/Medicaid revenue requirement and annual reporting obligations.

Accordingly, the project qualifies as a Qualified Urban Ambulatory Surgical Facility and should be exempt from Certificate of Need review under Session Law 2023-7 and amended N.C.G.S. § 131E-176.

IV. Request

We respectfully request:

1. A written determination confirming that the proposed ASC at 1700 Kildaire Farm Road, Suite 110, Cary, NC 27511 meets the criteria of a QUASF and is therefore exempt from CON review; and
2. A formal Letter of Exemption / No Review Required for our records.

We are prepared to provide any additional documentation the Department may require.

Thank you for your consideration. I look forward to your written confirmation.

Sincerely,

Amer Iqbal
Chief Operating Officer
Rao Clinic, PLLC
North Carolina Surgery Center, LLC

Digital Signature:

/s/ Amer Iqbal
Amer Iqbal

(810) 813-4094 (mobile)

amer@raoclinic.org

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