

**Technology and Equipment Committee
Agency Report
Adjusted Need Petition for
Linear Accelerator Equipment in the
2026 State Medical Facilities Plan**

Petitioner:

Wayne Memorial Hospital, Inc.
2700 Wayne Memorial Drive
Goldsboro, NC 27534

Contact:

Howard Whitfield, OT/L, MHA
Chief Operating Officer
919-731-6908
Howard.whitfield@unchealth.edu

Request:

Wayne Memorial Hospital (“Wayne”), Inc. requests an adjusted determination in the *2026 State Medical Facilities Plan (SMFP or “Plan”)* for one additional linear accelerator (LINAC) in Service Area (SA) 23 “to be designated for Wayne County, and/or with the stipulation that it can only be approved for an existing multimodality provider of cancer care that does not have” a LINAC.

Background Information:

Chapter Two of the *SMFP* notes that during the summer, the Agency accepts petitions that “involve requests for adjustments to need determinations in the *Proposed SMFP*. Petitioners may submit a written petition requesting an adjustment to the need determination in the *Proposed SMFP* if they believe that special attributes of an SA or institution give rise to resource requirements that differ from those provided by the standard methodologies and policies.” Any person may submit a certificate of need (CON) application for a need determination in the *SMFP*. The CON review could be competitive and there is no guarantee that the Petitioner would be the approved applicant.

According to the standard LINAC methodology, an SA generates a need determination when it meets two of the following three criteria: 1) the population per number of LINACs in the SA is a minimum of 120,000; 2) at least 45% of LINAC patients seeking services reside in a county outside the SA where the treatment is provided; and 3) total Equivalent Simple Treatment Visits (ESTV) procedures in the SA divided by 6,750 minus the number of existing LINACs equals at least .25.

SA 23 consists of Duplin, Lenoir, and Wayne Counties and has two LINACs. One is a hospital-based LINAC located at UNC Lenoir Health Care in Kinston (Lenoir County), and the other LINAC is at North Carolina Radiation Therapy Management Services in Goldsboro (“NCRT-Goldsboro,” Wayne County). The *Proposed 2026 SMFP* does not show a need determination SA 23.

Analysis/Implications:

As mentioned above, the need determination methodology has three criteria, and an SA must meet two of them to have a need determination. Although SA 23 currently does not meet any of the criteria, the Petitioner contends that it is close to meeting Criterion 1 and Criterion 3. Table 1 shows how each criterion applies to SA 23 in the *Proposed 2026 SMFP*.

Table 1. LINAC Methodology Criteria Applied to SA 23, *Proposed 2026 SMFP*

| Criterion | Description | SA 23 |
|-----------|--|---|
| 1 | The SA has greater than 120,000 population per LINAC. | Population = 223,632 or 111,816 per LINAC |
| 2 | More than 45% of the patients served reside outside the SA | 9.49% of patients reside outside SA 23 |
| 3 | <ul style="list-style-type: none">- Divide the total number of ESTVs by 6,750 (the planning capacity).- Subtract the numbers of LINACs from this result. If the difference is at least +0.25, a need is determined. | -0.24 |

Sources: *Proposed 2026 SMFP*

NC Office of State Budget and Management

The Petitioner asserts that SA 23's population of 223,632 is close to meeting Criterion 1 because it is only about 8,000 residents per LINAC below the threshold. The NC Office of State Budget and Management projects SA 23's average annual population growth from 2024 through 2029 to be 0.38%, or a gain of about 3,400 residents in the next five reporting years, for a total of 227,009. This will still be less than the total 240,000 population SA 23 must have to satisfy Criterion 1.

Also, the Petitioner states that SA 23 is close to meeting Criterion 3. To meet this criterion, the facilities in SA 23 would need to perform approximately 3,300 procedures above the 11,911 ESTVs during the 2024 reporting year (6,229 ESTVs at UNC Lenoir and 5,682 ESTVs at NCRT-Goldsboro).

The Petitioner does not claim that the SA is close to meeting Criterion 2. Based on patient origin data for the 2024 reporting year, only 9.49% of the patients undergoing LINAC procedures in SA 23 are from outside the SA, which is far less than the 45% required to meet this criterion.

The Petitioner notes that most CONs for LINACs are based on approved petitions for adjusted need determinations rather than calculated need determinations. The 2019 through 2025 *SMFPs* contain a total of seven LINAC need determinations, four of which were the result of petitions (see Table 2).

Table 2. LINAC Need Determinations, 2019-2025 SMFPs

| SMFP | SA | Constituent Counties | Notes |
|-------------|-----------|--|---|
| 2019 | 18 | Bladen, Cumberland, Robeson, Sampson | -Based on a petition and designated for Robeson County. -CON issued to Southeastern Medical Center. |
| 2020 | N/A | -- | -- |
| 2021 | 19 | Brunswick, Columbus, New Hanover, Pender | -Standard need determination. -CON issued to Novant Health New Hanover – Scotts Hill |
| 2022 | 7 | Anson, Mecklenburg, Union | -Standard need determination. -CON issued to Atrium Health Pineville. |
| | 24 | Carteret, Craven, Jones, Pamlico | -Based on a petition and designated for Carteret County. -CON issued to Carteret General Hospital. |
| 2023 | 20 | Franklin, Wake | -Based on a petition. -Applications received from Duke, UNC, and WakeMed for Wake County locations, under appeal. |
| 2024 | 17 | Hoke, Lee, Montgomery, Moore, Richmond, Scotland | -Based on a petition and designated for a cancer center in the SA. -CON issued to FirstHealth Moore, Moore County. |
| 2025 | 7 | Anson, Mecklenburg, Union | -Standard need determination. |

Source: 2019-2025 SMFPs

Summer petition analyses often focus on utilization patterns that are not considered in the methodology, though this is not always the case. The State Health Coordinating Council (SHCC) approved two petitions listed in Table 1 where utilization was only part of the rationale for the adjusted need. In 2018, the SHCC approved a second LINAC in SA 18, designated for Robeson County, in part due to the challenges of serving a diffuse rural population. Similarly, in 2021, the SHCC approved a second LINAC for SA 24, designated to Carteret County, based largely on geographic characteristics of coastal communities that make transportation difficult and due to the growing elderly population in the SA.

In addition, the SHCC approved a petition submitted by WakeMed in 2022 for an adjusted need determination in SA 20 (Wake and Franklin counties). The Petitioners argued that LINAC is standard of care for an oncology program. Part of Wayne’s rationale for the current petition is similar to WakeMed’s. To bolster its request, the Petitioner presented data to show that all other hospitals in the state of similar size and that provide a similar scope of cancer services have at least one LINAC. Wayne has 251 licensed acute care beds in the methodology. While the Agency has no specific data on the range of cancer services provided at these facilities, Agency staff have verified that all but one of the hospitals within 20% of 251 licensed acute care beds have at least one existing or approved LINAC.

Finally, the Petitioner notes the relatively high cancer incidence in Wayne County as a basis for the need for additional LINAC capacity. Table 3 shows the pattern of cancer incidence in SA 23 for the five most recent years of data from the NC Central Cancer Registry (CCR).¹ It indicates that SA 23 has a compound average growth rate (CAGR) in cancer incidence of 1.91%, compared to the statewide rate of 0.08%. Although cancer incidence decreased slightly in Lenoir County, it increased significantly in Duplin County, where the rate is now even higher than in Wayne County. This growth may signal an increased need for LINAC services in SA 23.

Table 3. Cancer Incidence Rate, Counties in Service Area 23

| Location | Incidence Rate per 100,000 population | | | | | CAGR |
|---------------|---------------------------------------|-------|-------|-------|-------|--------|
| | 2019 | 2020 | 2021 | 2022 | 2023 | |
| Duplin County | 550.9 | 550.3 | 544.3 | 734.3 | 703.5 | 5.01% |
| Lenoir County | 734.2 | 747.6 | 722.9 | 753.1 | 720.8 | -0.37% |
| Wayne County | 604.3 | 601.6 | 612.7 | 666.5 | 658 | 1.72% |
| SA 23 | 621.9 | 622.7 | 621.4 | 702.8 | 683.5 | 1.91% |
| Statewide | 584.5 | 578.4 | 588.5 | 601 | 586.8 | 0.08% |

Sources: NC CCR; NC Office of State Budget and Management (OSBM)

In 2024, as a result of the SHCC’s determination that LINAC was the standard of care for cancer/oncology programs, the Agency proposed a policy to allow cancer centers/programs that met specific requirements to submit a CON application for a LINAC without regard to a need determination in the SMFP. The Agency received several comments from providers who opposed the proposed policy. Several cancer treatment providers asserted that an oncology program does not necessarily require a LINAC to provide standard of care for cancer treatment. The SHCC did not approve the Agency’s proposed policy. However, the SHCC Chair announced that she would convene a workgroup to further examine the policy-related concerns involving LINACs in Fall 2025. The workgroup may opt to consider methodology changes that would address the issues raised in the current petition.

Agency Recommendation:

The Agency supports the standard methodology for LINAC. Given available information submitted by the August 6, 2025 deadline, and in consideration of factors discussed above, the Agency recommends approval of an adjusted need determination for one LINAC in SA 23 in the 2026 SMFP. However, the Agency does not find support for designating the need for Wayne County, “and/or with the stipulation that it can only be approved for an existing multimodality provider of cancer care that does not have” a LINAC, as requested in the Petition.

¹ Note that these rates do not match the rates published by CCR because the rates in Table 3 use actual population estimates published by OSBM rather than age-adjusted population estimates used by CCR. This approach is appropriate when describing specific areas instead of comparing data to other sources. In addition, Table 3 uses one-year estimates based on five-year grouped data. That is, the 2019 rate is calculated using the 2015-2019 grouped rate divided by five. CCR also reports that the 2023 incidence rates are preliminary. (<https://schs.dph.ncdhhs.gov/data/cancer/caution.htm>)