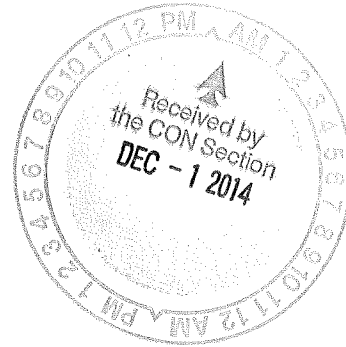


Western Piedmont Anesthesia, PA
810 Fairgrove Church Road, SE
Hickory, NC 28602

November 25, 2014



Ms. Julie Halatek, Project Analyst
Certificate of Need Section
Division of Health Service Regulation
2704 Mail Service Center
Raleigh, NC 27699-2704

RE: Caldwell Memorial Hospital CON Application to develop a free-standing ASC
Project No. E-010358-14

Dear Ms. Frisone:

Western Piedmont Anesthesiology is a group of board-certified anesthesiologists based in Catawba County. The group's long-standing relationship with providers in the area market provide insight into trends that may impact the feasibility of the Caldwell ambulatory surgery proposal.

Our primary concern involves the need for the ambulatory surgical center that has been proposed by Caldwell. The operating rooms at Caldwell Memorial Hospital are currently underutilized. According to the proposed 2015 State Medical Facilities Plan, the inventory of operating rooms at Caldwell Memorial Hospital already exceeds utilization by more than two (2.45) rooms. It appears that developing a new ambulatory surgery center in southern Caldwell County as proposed is not needed for serving Caldwell County and surrounding area residents.

It is also unlikely that the volumes projected in the Caldwell CON application are achievable. The application asserts that the number of ambulatory surgery cases performed at Caldwell Memorial Hospital and the new Caldwell Surgery Center will total 5,700 by its third year of operation. This is more than double the number of ambulatory surgery cases performed at Caldwell Memorial Hospital in 2013 (3,046). The assumptions and projections contained in the application do not appear justified.

As practicing physicians familiar with the local market for surgical services, there is no need for the proposed project. The approval of the request by Caldwell Memorial Hospital would simply result in a duplication of existing resources already available in Caldwell County.

Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank Rinaldo".

Frank Rinaldo, MD
FR:mme