



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

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

**RESPONSE REQUIRED**

July 19, 2019

John Green  
557 Brookdale Drive  
Statesville, NC 28677

**Conditional Approval**

Project ID #: F-11702-19  
Facility: Iredell Mooresville Campus  
Project Description: Develop a new diagnostic center  
County: Iredell  
FID #: 190166

Approved Capital Expenditure: \$4,998,069  
Conditions of Approval: See Attachment A  
Approved Timetable: See Attachment B  
Last Date to Appeal: August 19, 2019  
Required State Agency Findings: Enclosed

Dear Mr. Green:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) has conditionally approved the above referenced certificate of need application. This decision was made after review of the application or applications if the review was competitive, consideration of the Certificate of Need Law and regulations promulgated thereunder, the State Medical Facilities Plan, written comments if any, responses to comments if any, and other publicly applicable information.

The conditional approval is valid only for the approved capital expenditure shown above. If a cost overrun occurs that exceeds the approved capital expenditure amount, a new certificate of need may be required based on N.C. Gen. Stat. §131E-176(16)(e).

The applicant shall not proceed with the construction, offering or development of this project until the certificate of need is issued. Furthermore, the Agency shall not issue the certificate of need until all applicable conditions of approval have been met pursuant to N.C. Gen. Stat. §131E-187(a). **Response to the conditions in Attachment A should be submitted to the Agency no later than 35 days from the date of the decision. Failure to respond within this time period may result in the Agency making a determination not to issue a certificate of need for the project referenced above.**

The timetable for completion of the project is the timetable outlined in the certificate of need application, unless an adjustment has been made by the Agency because the review period was extended. The approved timetable for this project is found in Attachment B.

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: 2704 Mail Service Center, Raleigh, NC 27699-2704  
www.ncdhhs.gov/dhsr • TEL: 919-855-3873

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

The Certificate of Need law provides that any affected person has thirty (30) days after the date of the decision to file a petition for a contested case on this approval. Further, if you are aggrieved by any of the conditions you may file a petition for a contested case hearing in accordance with N.C. Gen. Stat. §150B, Article 3. This petition must be filed with the Office of Administrative Hearings, 6714 Mail Service Center, Raleigh, North Carolina 27699-6714 within thirty (30) days of the date of this decision. Effective October 1, 2009, OAH requires a filing fee with submittal of petitions for contested cases. Please direct all questions regarding this fee to the OAH Clerk's Office (919-431-3000).

N.C. Gen. Stat. §150B-23 provides that a party filing a petition must also serve a copy of the petition on all parties to the petition. Therefore, if you file a petition for a contested case hearing, you must serve a copy of the petition on the Department of Health and Human Services by mailing a copy of your petition to:

Lisa G. Corbett  
Department of Health and Human Services,  
Office of Legal Affairs,  
Adams Building – Room 154  
2001 Mail Service Center  
Raleigh, North Carolina, 27699-2001

It is requested that a copy of the petition also be served on the Agency.

The certificate of need will not be issued before the completion of thirty day appeal period which ends on the date shown above. If a contested case petition is filed with OAH within the thirty day appeal period, the certificate will not be issued until the appeal is resolved.

If the decision is appealed, the timetable set forth in this letter will be adjusted accordingly before the certificate of need is issued. Please contact this office if any clarification of this decision is required.

Please refer to the Project ID # and Facility ID # (FID) in all correspondence.

Sincerely,



Celia C. Inman  
Project Analyst



Gloria C. Hale  
Team Leader

Enclosures:

- Attachment A: Conditions of Approval
- Attachment B: Approved Timetable
- Required State Agency Findings

cc: Acute & Home Care Licensure & Certification Section, DHSR  
Construction Section, DHSR

**Attachment A**  
**Conditions of Approval**

- 1. Iredell Memorial Hospital, Incorporated and Iredell Physician Network, LLC shall materially comply with all representations made in the certificate of need application and any supplemental responses. In the event that representations conflict, Iredell Memorial Hospital, Incorporated and Iredell Physician Network, LLC shall materially comply with the last made representation.**
- 2. Iredell Memorial Hospital, Incorporated and Iredell Physician Network, LLC shall develop a new diagnostic imaging center with computed tomography, X-ray, ultrasound and mammography diagnostic equipment.**
- 3. Iredell Memorial Hospital, Incorporated and Iredell Physician Network, LLC shall not acquire as part of this project any equipment that is not included in the project's proposed capital expenditures in Section Q of the application and that would otherwise require a certificate of need.**
- 4. No later than three months after the last day of each of the first three full years of operation following initiation of the services authorized by this certificate of need, Iredell Memorial Hospital, Incorporated and Iredell Physician Network, LLC shall submit, on the form provided by the Healthcare Planning and Certificate of Need Section, an annual report containing the:**
  - a. Payor mix for the services authorized in this certificate of need.**
  - b. Utilization of the services authorized in this certificate of need.**
  - c. Revenues and operating costs for the services authorized in this certificate of need.**
  - d. Average gross revenue per unit of service.**
  - e. Average net revenue per unit of service.**
  - f. Average operating cost per unit of service.**
- 5. Iredell Memorial Hospital, Incorporated and Iredell Physician Network, LLC shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Agency in writing prior to issuance of the certificate of need.**



**Attachment B**  
**Approved Timetable**

1. Financing Obtained \_\_\_\_\_ January 1, 2020
2. Drawings Completed \_\_\_\_\_ June 29, 2020
3. Construction/Renovation Contract(s) Executed \_\_\_\_\_ July 29, 2020
4. 25% of Construction/Renovation Completed  
(25% of the cost is in place) \_\_\_\_\_ October 28, 2020
5. 50% of Construction/Renovation Completed \_\_\_\_\_ January 27, 2021
6. 75% of Construction/Renovation Completed \_\_\_\_\_ April 28, 2021
7. Construction/Renovation Completed \_\_\_\_\_ July 29, 2021
8. Equipment Ordered \_\_\_\_\_ January 25, 2021
9. Equipment Installed \_\_\_\_\_ May 30, 2021
10. Equipment Operational \_\_\_\_\_ June 29, 2021
11. Building/Space Occupied \_\_\_\_\_ August 28, 2021
12. Licensure Obtained \_\_\_\_\_ September 27, 2021
13. Services Offered \_\_\_\_\_ October 1, 2021
14. Medicare and/or Medicaid Certification Obtained \_\_\_\_\_ October 1, 2022
15. First Annual Report Due \_\_\_\_\_ December 31, 2022

