

North Carolina Department of Health and Human Services Division of Health Service Regulation

Pat McCrory Governor Aldona Z. Wos, M.D. Ambassador (Ret.) Secretary DHHS

> Drexdal Pratt Division Director

March 17, 2014

Ms. Gunter Nelson, Mullins, Riley & Scarborough, LLP 380 Knollwood Street Suite 530 Winston-Salem, NC 27103

Closure of Facility

Facility:

Cross Creek Imaging, LLC

County:

Cumberland County

FID #:

070618

Dear Ms. Gunter:

The Certificate of Need Section is in receipt of your November 26, 2013 letter in which you state that the above referenced facility has been closed. Please note that, pursuant to the certificate of need law in effect as of the date of this letter, a certificate of need would be required to reopen the facility.

If you have any additional questions, please feel free to call.

Sincerely.

regory F. Yakaboski, Project Analyst

Martha J. Frisone, Interim Chief Certificate of Need Section

cc: Me

Medical Facilities Planning Branch, DHSR



Nelson Mullins

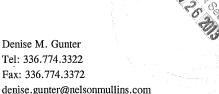
Nelson Mullins Riley & Scarborough LLP

Attorneys and Counselors at Law 380 Knollwood Street / Suite 530 / Winston-Salem, NC 27103

Tel: 336.774.3300 Fax: 336.774.3372

www.nelsonmullins.com

Denise M. Gunter Tel: 336.774.3322 Fax: 336.774.3372



November 26, 2013

Hand Delivered

Craig R. Smith, Chief Certificate of Need Section North Carolina Department of Health and Human Services Division of Health Service Regulation **Edgerton Building** 809 Ruggles Drive Raleigh, North Carolina 27603

Re:

Closure of Diagnostic Center at Cross Creek Imaging, LLC 726 Ramsey Street, Fayetteville, North Carolina **Cumberland County**

Health Service Area V

Dear Craig:

In 2012, you may recall that Foundation Health Systems Corp., a subsidiary of Novant Health, Inc. (collectively, Novant) acquired substantially all of the assets of Cross Creek Imaging, LLC (Cross Creek), a diagnostic center in Fayetteville. See Exhibit A attached Novant has decided to close Cross Creek and focus on its other diagnostic center in Fayetteville, Carolina Imaging - Fayetteville, 3628 Cape Center Drive, Fayetteville, North Carolina (Carolina Imaging). Carolina Imaging offers a full range of imaging services, including x-ray, CT, mammography, MRI and ultrasound.

It is our understanding that the diagnostic center designation is site specific, and that upon closure of Cross Creek, the location at 726 Ramsey Street in Fayetteville is no longer a diagnostic center. We would appreciate your written confirmation.

Please let us know if you have any questions.

Craig R. Smith November 26, 2013 Page 2

With best personal regards.

Sincerely,

Denise M. Gunter

Enclosure

Nelson

Nelson Mullins Riley & Scarborough LLP

Attorneys and Counselors at Law 380 Knollwood Street / Suite 530 / Winston-Salem, NC 27103 Tel: 336.774.3300 Fax: 336.774.3372

www.nelsonmullins.com

ÞÞenise M. Gunter

Tel: 336,774,3322 Fax: 336.774.3372 denise.gunter@nelsonmullins.com

May 1, 2012

VIA HAND DELIVERY

Craig R. Smith, Chief Certificate of Need Section North Carolina Department of Health and Human Services Division of Health Service Regulation 701 Barbour Drive Raleigh, North Carolina 27603

> Re: Notice of Exempt Acquisition Pursuant to N.C. Gen. Stat. § 131E-184(a)(8) of Cross Creek Imaging, LLC

Dear Craig:

I am writing on behalf of Carolina Imaging, LLC of Fayetteville, which is a subsidiary of Foundation Health Systems Corp. (collectively, "Foundation"). Foundation is a subsidiary of Novant Health, Inc. Pursuant to N.C. Gen. Stat. § 131E-184(a)(8), I am writing to provide the Agency with prior written notice of Foundation's planned acquisition of all or substantially all of the assets of Cross Creek Imaging, LLC, 726 Ramsey Street, Fayetteville, North Carolina ("Cross Creek"). Cross Creek is a diagnostic center that offers X-Ray, CT, ultrasound, mammography and DEXA. It also serves as a host site for mobile MRI. The mobile MRI is not being transferred as part of this transaction. As a diagnostic center, Cross Creek is therefore a health service facility. See N.C. Gen. Stat. §§ 131E-176(7a) and (9b).

Foundation will acquire all or substantially all of the assets of Cross Creek, including but not limited to:

> all inventory and supplies located at Cross Creek (including pharmaceuticals to the extent legally transferable), all fixed assets located at Cross Creek, medical equipment, cameras, film processing equipment and other ancillary diagnostic equipment, cabinetry, furniture, fixtures, computers (including software thereon to the extent legally transferable), computer related equipment and office equipment:

Craig R. Smith May 1, 2012 Page 2

- copies of all books and records, sales logs, regulatory filings and communications, accreditations (to the extent legally transferable), designs, drawings, specifications, engineering data, data, files, correspondence, reports, recorded knowledge, plans and records for Cross Creek; and
- the goodwill of Cross Creek.

The expected date of the acquisition is May 22, 2012.

Cross Creek is an existing health service facility. Under the proposed acquisition, Foundation will not develop or establish any <u>new</u> health service facility, and Foundation intends to operate Cross Creek without making any changes which would trigger any of the "new institutional health service" definitions in N.C. Gen. Stat. § 131E-176(16).

N.C. Gen. Stat. § 131E-184(a)(8) provides that the acquisition of an existing health service facility is exempt from certificate of need review, upon prior written notice. As the transaction is scheduled to close on May 22, 2012, please let me know as soon as possible if you have any questions.

With best personal regards.

Sincerely,

Denice M. Gunter with permission Denise M. Gunter by J. Blakely Kiefter