



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

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Governor

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Secretary DHHS

Drexdal Pratt  
Division Director

April 17, 2015

Jim Faircloth, CEO  
Pinehurst Medical Clinic  
90 Memorial Drive  
Pinehurst NC 28374

**Exempt from Review – Acquisition of Facility**

Facility: Mid Carolina Gastroenterology Associates, P.A.  
Type of Facility: Ambulatory Surgery Facility  
Acquisition by: Pinehurst Medical Clinic, Inc.  
County: Lee  
FID #: 070157

Dear Mr. Faircloth:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that based on your letter of April 2, 2015, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(8). Therefore, Pinehurst Medical Clinic, Inc. may proceed to acquire the above referenced health service facility without first obtaining a certificate of need. However, you need to contact the Agency's Acute and Home Care Licensure and Certification Section to obtain instructions for changing ownership of the existing facility. Note that pursuant to G.S. 131E-181(b): *"A recipient of a certificate of need, or any person who may subsequently acquire, in any manner whatsoever permitted by law, the service for which that certificate of need was issued, is required to materially comply with the representations made in its application for that certificate of need."*

It should be noted that this Agency's position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by this Agency and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Michael J. McKillip  
Project Analyst

Martha J. Frisone,  
Assistant Chief, Certificate of Need

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



**Healthcare Planning and Certificate of Need Section**

www.ncdhhs.gov

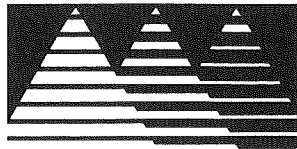
Telephone: 919-855-3873 • Fax: 919-733-8139

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

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David C. Thornton, MD

April 2, 2015

Via FedEx (Delivery Site Telephone: 919.855.3873)  
Martha J. Frisone, Assistant Chief, Certificate of Need  
Healthcare Planning and Certificate of Need Section  
N.C. Department of Health and Human Services  
Edgerton Building  
809 Ruggles Drive  
Raleigh, NC 27603

Re: *Exempt From Review—Acquisition of Health Service Facility*

Facility: Mid Carolina Gastroenterology Associates, P.A.  
Type Facility: Ambulatory Surgical Facility  
Facility Address: 110 Dennis Drive, Sanford, NC 27330  
Facility License#: AS0094  
FID#: 070157  
Acquisition by: Pinehurst Medical Clinic, Inc.  
County: Lee County

Dear Ms. Frisone:

Pursuant to N.C. Gen. Stat. § 131E-184(a)(8), this letter provides prior written notice that the Pinehurst Medical Clinic, Inc. (“PMC”) intends to acquire Mid Carolina Gastroenterology Associates, P.A.’s (“Mid Carolina”) existing licensed ambulatory surgical facility, including the facility’s equipment (the “Facility”).

Mid Carolina originally obtained an ambulatory surgical facility license for the Facility effective March 19, 2007. Mid Carolina’s original license was issued pursuant to Session Law 2005-346, § 7; N.C. Gen. Stat. § 131E-178(a); and N.C. Gen. Stat. § 131E-145. Hence, Mid Carolina was not required to obtain a certificate of need (“CON”) for the Facility. Enclosed is a copy of the letter from the Acute and Home Care Licensure and Certification Section dated March 19, 2007 issuing the original license to Mid Carolina. Since its original licensing, the Facility has had two endoscopy rooms and no operating rooms.

[www.pinehurstmedical.com](http://www.pinehurstmedical.com)

**Pinehurst Medical - East**  
205 Page Road  
Pinehurst, NC 28374  
(910) 295-5511

**Pinehurst Medical - Heather Glen**  
15 Regional Drive  
Pinehurst, NC 28374  
(910) 295-5511

**Pinehurst Medical - Neese**  
102 Gossman Drive  
Southern Pines, NC 28387  
(910) 246-4140

**Sanford Cardiology**  
110 Fields Drive  
Sanford, NC 27330  
(919) 777-9005

**Sanford Pulmonary and Sleep Medicine**  
1409 Greenway Court  
Sanford, NC 27330  
(919) 292-1201

**Pinehurst Medical - South**  
1902-C N. Sandhills Blvd.  
Aberdeen, NC 28315  
(910) 692-4011

**FirstHealth Outpatient Cancer Center**  
220 Page Road  
Pinehurst, NC 28374  
(910) 715-3500

**Administration**  
90 Memorial Drive  
Pinehurst, NC 28374  
(910) 295-5511

**Sanford Medical Group**  
555 Carthage Street  
Sanford, NC 27330  
(919) 774-6518

Received by  
the CON Section  
APR 6 2015

*J.farwell@pinehurstmedical.com*

*cm*

Martha J. Frisone, Assistant Chief, Certificate of Need  
Healthcare Planning and Certificate of Need Section  
April 2, 2015  
Page 2

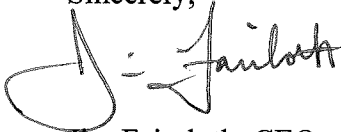
Pursuant to N.C. Gen. Stat. § 131E-184(a)(8), the acquisition of “an existing health service facility, including equipment owned by the health service facility at the time of the acquisition,” is exempt from CON review. The CON law defines “health service facility” to include an “ambulatory surgical facility.”

Because the Facility is an ambulatory surgical facility, it qualifies as a health service facility. Consequently, PMC’s proposed acquisition of the Facility, including the Facility’s equipment, is exempt from CON review.

PMC’s acquisition is expected to be effective on or about May 1, 2015. PMC respectfully requests that you provide PMC with written confirmation by April 15, 2015 that the proposed acquisition is exempt from CON review.

If you have any question, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Faircloth". The signature is written in a cursive style with a large initial "J".

Jim Faircloth, CEO

Enclosure



North Carolina Department of Health and Human Services  
Division of Facility Services  
Acute and Home Care Licensure and Certification Section  
2712 Mail Service Center, Raleigh, North Carolina 27699-2712

Michael F. Easley, Governor  
Carmen Hooker Odom, Secretary

Azzie Y. Conley, Section Chief  
Tel: (919) 855-4620  
Fax: (919) 715-3073

March 19, 2007

Ms. Amy Jackling, RN  
Mid Carolina Gastroenterology, P.A.  
110 Dennis Drive  
Sanford, North Carolina 27330

RE: **Initial Ambulatory Surgical Facility License (AS0094)**  
**Mid Carolina Gastroenterology, P.A**  
**116 Dennis Drive**  
**Sanford, North Carolina 27330**

Dear Ms. Jackling:

This letter is official notice that your Ambulatory Surgical Facility License is hereby issued with an effective date of **March 19, 2007**. The new license is issued pursuant to House Bill 1060/S.L 2005-346 and pursuant to Chapter 131E-145 et seq., Ambulatory Surgical Licensure.

Endoscopy Rooms:	2
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A hard copy of the license is enclosed and will expire as stated. The license should be posted in a public place. On-site monitoring will be conducted at the discretion of this office. This license will expire **December 31, 2007**.

Notice of Right to Appeal. You have the right to appeal this decision pursuant to the provisions of Article 3 of Chapter 150B of the North Carolina General Statutes. In order to preserve this right, you must file a petition for contested case hearing in the Office of Administrative Hearings. Your petition must be received by the Office of Administrative Hearings no later than thirty days after the date on which this letter was mailed to you. For complete instructions on the filing of a petition, you may write or call the Office of Administrative Hearings at the following address and telephone number:

Office of Administrative Hearings  
424 North Blount Street  
Post Office Drawer 27447  
Raleigh, NC 27611-7447 - Telephone (919) 733-0926



Location: 1205 Umstead Drive (Lineberger Building) • Dorothea Dix Hospital Campus • Raleigh, N.C. 27603  
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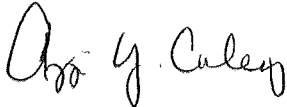


Ms. Amy Jackling, RN  
March 19, 2007  
Page Two

If you file a petition for contested case hearing, you must also serve a copy of the petition on the Department of Health and Human Services. You may serve the Department by mailing a copy of your petition to Emery E. Milliken, General Counsel, at the following address: Department of Health and Human Services, Office of Legal Affairs, Adams Building, Room 111, 2005 Mail Service Center, Raleigh, NC 27699-2005.

**The Medicare Certification packet will be processed separately.** If this office can be of further assistance to you, please contact me at (919) 855-4620.

Sincerely,



Azzie Y. Conley, RN, Section Chief  
Acute and Home Care  
Licensure and Certification Section

CC: Victoria McClanahan, Medical Facility Planning  
Bill Warren, Construction Section Chief  
Lee Hoffman, CON Section Chief  
CIGNA