



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

Pat McCrory
Governor

Richard O. Brajer
Secretary DHHS

Mark Payne, Director
Health Service Regulation

September 29, 2016

Renee J. Montgomery
301 Fayetteville Street, Suite 1400
Raleigh, NC 27601

Inquiry re: Exempt from Review Request – Replacement Equipment

Record #: 2066
Facility Name: Margaret R. Pardee Memorial Hospital
FID #: 943324
Business Name: DLP Cardiac Partners, LLC
Business #: 2314
Project Description: Replace existing cardiac catheterization equipment
County: Henderson

Dear Ms. Montgomery:

In response to your recent correspondence, the Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) has determined that:

1. DLP Cardiac Partners, LLC replaced the existing GE Advantx cardiac catheterization equipment (serial number 29539VP4) located at Margaret R. Pardee Memorial Hospital with a new GE Innova IGS 530 (serial number 678480BU5), at a cost of \$980,000, on August 25, 2016.
2. DLP Cardiac Partners, LLC provided no prior notice to the Agency of the replacement of the cardiac catheterization equipment.
3. N.C.G.S. 131E-184(a)(7) states: *“Except as provided in subsection (b), the department shall exempt from certificate of need review a new institutional health service if it receives prior written notice [emphasis added] from the entity proposing the new institutional health service, which notice includes an explanation of why the new institutional health service is required, for any of the following: ... (7) To provide replacement equipment.”*
4. No penalty will be assessed against DLP Cardiac Partners, LLC for failure to provide prior written notice to the Agency of the replacement of existing cardiac catheterization equipment at Margaret R. Pardee Memorial Hospital.

Healthcare Planning and Certificate of Need Section

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-715-4413

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

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

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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,

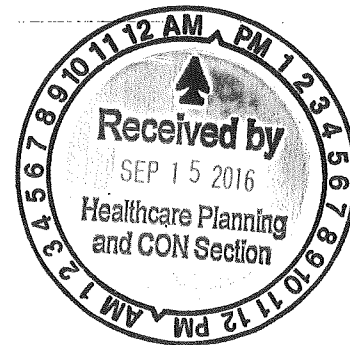


Julie Halatek
Project Analyst



Martha J. Frisone
Assistant Chief, Certificate of Need

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



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September 14, 2016

Via Electronic and U.S. Mail

Ms. Martha Frisone
Assistant Chief
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
North Carolina Department of Health and Human Services
2704 Mail Service Center
Raleigh, North Carolina 27699-2704

Re: *Replacement of Cardiac Catheterization Equipment*

Dear Ms. Frisone:

We represent DLP Cardiac Partners, LLC ("Cardiac Partners"). This letter is notification to the Healthcare Planning and Certificate of Need Section ("CON Section") that Cardiac Partners is replacing equipment at the fixed cardiac catheterization laboratory that it operates at Margaret R. Pardee Memorial Hospital. The equipment that is being replaced was acquired by Cardiac Partners through an asset purchase from MedCath Partners in May of 2010. I am attaching a chart that lists the nine cardiac cath labs that were acquired by Cardiac Partners through this asset purchase.

Cardiac Partners is replacing the GE Advantx cardiac catheterization equipment, serial number 29539VP4, with a GE Innova IGS 530, serial number 678480BU5. The cost of the replacement equipment is \$980,000 and includes all installation costs.

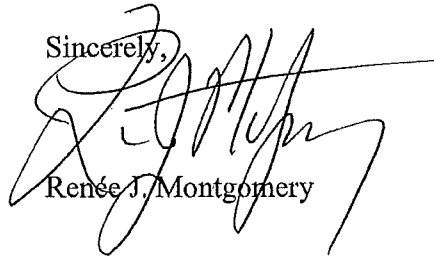
Cardiac Partners incurred the obligation to purchase this equipment from GE in March of this year. However, due to some miscommunications with Cardiac Partners' prior counsel, notification was not provided to the CON Section before Cardiac Partners incurred this obligation.

The replacement equipment was delivered to the hospital by GE on August 25, 2016 and is currently being installed. The old equipment is being scrapped by GE and will no longer be used. The replacement equipment is functionally similar to the equipment being replaced although it will have some expanded capabilities due to technological improvements in cardiac catheterization equipment.

Ms. Martha Frisone
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Please let me know if you have any questions. Thank you for your attention to this matter and we look forward to confirmation that this notification is being accepted by the CON Section.

Sincerely,

A handwritten signature in black ink, appearing to read "Renee J. Montgomery". The signature is stylized and overlaps the printed name below it.

Renee J. Montgomery

RJM:klb

cc: Todd R. Williamson, Executive Director
DLP Cardiac Partners, LLC

LAB#	LABS Serial Numbers	12/1/2011	7/1/2015	7/1/2016
1	9803603201	29507WK6 CLT Mobile / Thomasville	29507WK6 CLT Mobile / Thomasville	96-0468 CLT Mobile / Thomasville
2	259058WK6	29539VP4 Pardee	29539VP4 Pardee	29539VP4 Pardee
3	277607WK8	336 Duke	336 Duke	336 Duke
4	28691WK1	6570 Interim Lab 73	6570 Interim Lab 73	6570 Interim Lab 73/ENC
5	119R013	161 Duke #2	161 Duke #2	161 Duke #2
6	347649WK6	527736WK2 Caldwell Memorial	527736WK2 Caldwell Memorial	527736WK2 Caldwell Memorial
7	89-3750	576988BU0 Grace Hospital	576988BU0 Grace Hospital	576988BU0 Grace Hospital
8	289378WK2	557462BU9 Presby Hosp Matthews	557462BU9 Presby Hosp Matthews	557462BU9 MPMC
9	368093WK1	402411BU3 ENC Mobile Route	402411BU3 ENC Mobile Route	402411BU3 ENC Mobile Route

CHT Charlotte Route
 FLO Florence Route
 HKY Hickory Route
 LKN Lake Norman Route
 ETN East TN
 ENC East NC Route
 WHC Wilmington Heart Center
 GHC Greensboro Heart Center