



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

February 27, 2013

Susan M. Fradenburg
Smith Moore Leatherwood LLP
300 North Greene Street
Suite 1400
Greensboro, NC 27401

Exempt from Review – Acquisition of Facility

Facility: Waccamaw Ultrasound & Diagnostic, Inc.
Acquisition by: Columbus Regional Healthcare System
County: Columbus County
FID #: 050908


Dear Ms. Fradenburg:

In response to your letter of February 8, 2013, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(8). Therefore, Columbus Regional Healthcare System may proceed to acquire the above referenced health service facility without first obtaining a certificate of need. However, you need to contact the Acute and Home Care Licensure and Certification Section of the Division of Health Service Regulation to obtain instructions for changing ownership of the existing facility. Note that pursuant to N.C.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,


Gregory E. Yakoboski
Project Analyst


Craig R. Smith, Chief
Certificate of Need Section

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

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

An Equal Opportunity/ Affirmative Action Employer





SMITH MOORE LEATHERWOOD

February 8, 2013

Via E-Mail and U.S. Mail

Mr. Craig R. Smith, Chief
Certificate of Need Section
Division of Health Service Regulation
NC Department of Health and Human Services
2704 Mail Service Center
Raleigh, North Carolina 27699-2704

Re: Notice of Exempt Acquisition by Columbus Regional Healthcare System of
Waccamaw Ultrasound & Diagnostics, Inc

Dear Mr. Smith:

This letter provides prior written notice that Columbus Regional Healthcare System ("CRHS") plans to acquire Waccamaw Ultrasound & Diagnostics, Inc. ("Waccamaw") an existing diagnostic center along with all associated equipment owned by Waccamaw including but not limited to a mobile MRI unit, ultrasound equipment, a bone densitometer and mobile CT equipment. This proposed acquisition is exempt from certificate of need review pursuant to N.C. Gen. Stat. § 131E-184(a)(8).

On January 27, 2006, Waccamaw was approved to acquire a mobile MRI Scanner as a result of a settlement agreement, resulting in the establishment of a diagnostic center. Waccamaw currently operates the diagnostic center at its location at 112 East White Oak Street, Waccamaw, N.C. with the mobile MRI currently providing services at the following host sites: 619 Jefferson Street, Whiteville, N.C., 1515 Medical Center Drive, Wilmington, N.C. and 404 Hatfield Court, Lumberton, N.C. A settlement agreement dated October 25, 2008 established that the service area for the Waccamaw Mobile MRI scanner consists of Columbus, Robeson, Bladen, Pender, Brunswick, and New Hanover County. CRHS plans to acquire from Waccamaw the diagnostic center and all associated equipment.

The acquisition of "an existing health service facility, including equipment owned by the health service facility at the time of acquisition" is exempt from certificate of need review. N.C. Gen. Stat. § 131E-184(a)(8). As you know, "health service facility" is defined to include a "diagnostic center." N.C. Gen. Stat. § 131E-176(9b). A diagnostic center includes "mobile diagnostic programs." N.C. Gen. Stat. § 131E-176(7a).

Susan M. Fradenburg | Direct 336.378.5482 | Fax 336.433.7435 | susan.fradenburg@smithmooreclaw.com

Smith Moore Leatherwood LLP ▪ Attorneys at Law ▪ www.smithmooreclaw.com

300 North Greene Street Suite 1400 PO Box 21927 (27420) Greensboro, NC 27401 ▪ 336.378.5200

Atlanta, GA ▪ Charleston, SC ▪ Charlotte, NC ▪ Greensboro, NC ▪ Greenville, SC ▪ Raleigh, NC ▪ Wilmington, NC

Mr. Craig R. Smith
February 8, 2013
Page 2

CRHS requests that you confirm that CRHS's acquisition from Waccamaw of the existing diagnostic center and associated equipment is exempt from CON review pursuant to N.C. Gen. Stat. § 131E-184(a)(8). Please let us know if you have any questions or need additional information. We appreciate your prompt consideration as the parties anticipate closing on February 28, 2013.

With kindest regards, I am

Very truly yours,

SMITH MOORE LEATHERWOOD LLP

A handwritten signature in cursive script that reads "Susan M. Fradenburg". The signature is written in black ink and is positioned below the typed name of the sender.

Susan M. Fradenburg

SMF/lc