



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

ROY COOPER • Governor  
KODY H. KINSLEY • Secretary  
MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

June 22, 2022

Denise M. Gunter  
denise.gunter@nelsonmullins.com

**Exempt from Review – Replacement Equipment**

**Record #:** 3929  
**Date of Request:** June 14, 2022  
**Facility Name:** Matthews Radiation Oncology Center  
**FID #:** 190631  
**Business Name:** Radiation Oncology Centers of the Carolinas, LLC  
**Business #:** 1501  
**Project Description:** Replace existing CT simulator  
**County:** Mecklenburg

Dear Ms. Gunter:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that the above referenced project is exempt from certificate of need review in accordance with G.S. 131E-184(a)(7). Therefore, you may proceed to acquire without a certificate of need the GE 2374681-17 CT scanner/simulator (serial #CBCIG1800038HM) to replace the GE 5377708-520 CT scanner/simulator (serial #170539HM1). This determination is based on your representations that the existing unit will be sold or otherwise disposed of and will not be used again in the State without first obtaining a certificate of need if one is required.

It should be noted that the 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 office and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Julie M. Faenza  
Project Analyst

Micheala Mitchell  
Chief

cc: Radiation Protection Section, DHSR  
Construction Section, DHSR  
**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: 809 Ruggles Drive, 2704 Mail Service Center, Raleigh, NC 27699-2704  
<https://info.ncdhhs.gov/dhsr/> • TEL: 919-855-3873

## Faenza, Julie M

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**From:** Denise Gunter <denise.gunter@nelsonmullins.com>  
**Sent:** Tuesday, June 14, 2022 11:16 AM  
**To:** Faenza, Julie M  
**Subject:** RE: [External] Replacement equipment exemption letter

**CAUTION:** External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to [Report Spam](#).

Yes, it will be sold or otherwise disposed of and not used again in NC without a CON. Thanks.

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**From:** Faenza, Julie M <Julie.Faenza@dhhs.nc.gov>  
**Sent:** Tuesday, June 14, 2022 11:13 AM  
**To:** Denise Gunter <denise.gunter@nelsonmullins.com>  
**Subject:** RE: [External] Replacement equipment exemption letter

Denise, will the existing CT simulator be sold/otherwise disposed of and not used again in NC without a certificate of need?

**Julie M. Faenza, Esq.**

Project Analyst, Certificate of Need

[Division of Health Service Regulation](#), [Healthcare Planning and Certificate of Need Section](#)  
[NC Department of Health and Human Services](#)

Office: 919-855-3873 (*I am working remotely most of the time; email is the best way to reach me.*)

[Julie.Faenza@dhhs.nc.gov](mailto:Julie.Faenza@dhhs.nc.gov)

Pronouns: She/her/hers

**Don't wait to vaccinate. Find a COVID-19 vaccine location near you at [MySpot.nc.gov](https://www.myspot.nc.gov).**

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**From:** Denise Gunter <[denise.gunter@nelsonmullins.com](mailto:denise.gunter@nelsonmullins.com)>  
**Sent:** Tuesday, June 14, 2022 9:44 AM  
**To:** Faenza, Julie M <[Julie.Faenza@dhhs.nc.gov](mailto:Julie.Faenza@dhhs.nc.gov)>  
**Cc:** Waller, Martha K <[martha.waller@dhhs.nc.gov](mailto:martha.waller@dhhs.nc.gov)>  
**Subject:** [External] Replacement equipment exemption letter

**CAUTION:** External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to [Report Spam](#).

Good morning, Julie and Martha,

I hope you're doing well.

Attached is a replacement equipment exemption request for Matthews Radiation Oncology in Mecklenburg County, with supporting exhibits. Can you please confirm you've received this?

Thanks.



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**DENISE M. GUNTER PARTNER**  
denise.gunter@nelsonmullins.com

She/Her/Hers

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Denise M. Gunter  
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The Knollwood, 380 Knollwood Street Suite 530  
Winston-Salem, North Carolina 27103  
T: 336.774.3300 F: 336.774.3299  
nelsonmullins.com

June 14, 2022

**VIA EMAIL**

Micheala Mitchell, Chief  
Healthcare Planning and Certificate of Need Section  
North Carolina Department of Health and Human Services  
Division of Health Service Regulation  
809 Ruggles Drive  
Raleigh, North Carolina 27603

RE: Replacement CT Simulator for Matthews Radiation Oncology  
1400 Matthews Township Parkway, Matthews, NC 28105  
Health Service Area III  
Mecklenburg County

Dear Ms. Mitchell:

On behalf of Matthews Radiation Oncology (“MROC”) and pursuant to N.C. Gen. Stat. § 131E-184(a)(7), I am writing to notify the Agency of MROC’s plan to replace one of its CT simulators at a total capital cost of \$488,657. A copy of the signed capital cost form is attached as **Exhibit A**, and the equipment comparison form is attached as **Exhibit B**.

This project meets the definition of “replacement equipment” in N.C. Gen. Stat. 131E-176(22a) because it costs less than \$2 million and is purchased for the sole purpose of replacing comparable medical equipment currently in use which will be sold or otherwise disposed of when replaced. All costs essential to acquiring and making the replacement CT simulator operational are included in the \$488,657 reflected in **Exhibit A**. The replacement CT simulator also meets the definition of “replacement equipment” in 10A NCAC 14C. 0303(a)-(c) because: (1) the existing CT simulator has been used at least 10 times to provide a health service in the last 12 months; and (2) none of the exclusions in subsections (c)(1) or (c)(2) applies here, as evidenced by the equipment comparison form in Exhibit B.

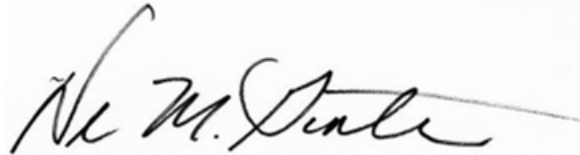
Micheala Mitchell  
June 14, 2022  
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Accordingly, MROC respectfully requests that the Agency issue its written determination that the foregoing replacement is exempt from CON review pursuant to N.C. Gen. Stat. § 131E-184(a)(7).

As MROC would like to purchase the replacement CT simulator in the near future, we would appreciate receiving the Agency's written response as soon as possible. Please let me know if the Agency needs any additional information.

Thank you for your time. With best personal regards.

Sincerely,

A handwritten signature in black ink, appearing to read "Denise M. Gunter", is centered on the page. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Denise M. Gunter


Enclosures

**Projected Capital Cost Form**

Building Purchase Price	\$0
Purchase Price of Land	\$0
Closing Costs	\$0
Site Preparation	\$0
Construction/Renovation Contract(s)	\$30,000
Landscaping	\$0
Architect / Engineering Fees	\$0
Medical Equipment	\$392,487
Non-Medical Equipment	\$0
Furniture	\$3,000
Consultant Fees (specify)	\$0
Financing Costs	\$63,170
Interest during Construction	\$0
Other (specify)	\$0
<b>Total Capital Cost</b>	<b>\$488,657</b>

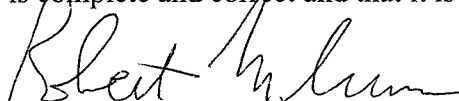
**CERTIFICATION BY A LICENSED ARCHITECT OR ENGINEER**

I certify that, to the best of my knowledge, the projected capital cost for the proposed project is complete and correct.

 NC License No.: 8017 Date Signed: 6/08/2022  
 Signature of Licensed Architect or Engineer

**CERTIFICATION BY AN OFFICER OR AGENT FOR THE PROPONENT**

I certify that, to the best of my knowledge, the projected total capital cost for the proposed project is complete and correct and that it is our intent to carry out the proposed project as described.

  
 Signature of Officer/Agent Date Signed: 6/8/22

Medical Director / Board member  
 Title of Officer/Agent

## EQUIPMENT COMPARISON

	EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type (e.g., Cardiac Catheterization, Gamma Knife®, Heart-lung bypass machine, Linear Accelerator, Lithotripter, MRI, PET, Simulator, CT Scanner, Other Major Medical Equipment)	CT Scanner/Simulator	CT Scanner/Simulator
Manufacturer	GE	GE
Model number	5377708-520	2374681-17
Other method of identifying the equipment (e.g., Room #, Serial Number, VIN #)	SN#-170539HM1	CBCIG1800038HM
Is the equipment mobile or fixed?	Fixed	Fixed
Date of acquisition	October-2007	April 29,2022
Was the existing equipment new or used when acquired? / Is the replacement equipment new or used?	New	Used
Total projected capital cost of the project <Attach a signed Projected Capital Cost form>	NA	\$488,657
Total cost of the equipment	\$388,010.40	\$392,486.70
Location of the equipment <Attach a separate sheet for mobile equipment if necessary>	Matthews Radiation Oncology	Matthews Radiation Oncology
Document that the existing equipment is currently in use	Yes	NA
Will the replacement equipment result in any increase in the <b>average charge per procedure</b> ?	NA	No
If so, provide the increase as a percent of the current average charge per procedure	NA	NA
Will the replacement equipment result in any increase in the <b>average operating expense per procedure</b> ?	NA	No
If so, provide the increase as a percent of the current average operating expense per procedure	NA	NA
Type of procedures performed on the existing equipment <Attach a separate sheet if necessary>	CT Scan for Radiation Treatment Planning	NA
Type of procedures the replacement equipment will perform <Attach a separate sheet if necessary>	NA	CT Scan for Radiation Treatment Planning

Date of last revision: 5/17/19