



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

April 12, 2024

Anthony H. Brett

[Anthonyv.Brett@wbd-us.com](mailto:Anthonyv.Brett@wbd-us.com)

**No Review**

**Record #:** 4419  
**Date of Request:** April 5, 2024  
**Facility Name:** Iredell Surgical Center  
**FID #:** 923285  
**Business Name:** Iredell Surgical Associates, LLP  
**Business #:** 3807  
**Project Description:** Change in indirect ownership interests  
**County:** Iredell

Dear Mr. Brett:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your correspondence regarding the project described above. Based on the CON law **in effect on the date of this response to your request**, the project as described is not governed by, and therefore, does not currently require a certificate of need. If the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

This determination is binding only for the facts represented in your correspondence. If changes are made in the project or in the facts provided in the correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by this office.

Please do not hesitate to contact this office if you have any questions.

Sincerely,

Cynthia Bradford, Project Analyst

Micheala Mitchell, Chief

cc: Acute and Home Care Licensure and Certification 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

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

**April 5, 2024**

Cynthia Bradford, Project Analyst  
Healthcare Planning and Certificate of Need  
Division of Health Service Regulation  
North Carolina Department of Health and Human Services  
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cynthia.bradford@dhhs.nc.gov

Womble Bond Dickinson (US) LLP

One West Fourth Street  
Winston-Salem, NC 27101

t: 336.721.3600  
f: 336.721.3660

**VIA E-mail Only**

**Re: Notice of Change of Indirect Ownership Interests  
Request for Determination in the Alternative  
Iredell Surgical Center, FID #: 923285, Iredell County**

Anthony H. Brett  
Partner  
Direct Dial: 336-721-3620  
Direct Fax: 336-733-8331  
E-mail: [Anthony.Brett@wbd-us.com](mailto:Anthony.Brett@wbd-us.com)

Dear Ms. Bradford:

Iredell Surgical Center (the "Facility") is wholly-owned by Iredell Surgical Associates, L.L.P., a North Carolina limited liability partnership (the "Partnership"). The Partnership's two partners are Carolinas Physicians Network, Inc. ("Carolinas"), which owns 64.6% of the ownership interests and Iredell Memorial Hospital, Incorporated ("Hospital"), which owns 35.4% of the ownership interests.

There will be a transaction (the "Transaction") by which the ownership interests of the Partnership will change the majority ownership and control of the Partnership; however, it will not change the Partnership's ownership of the Facility. Such a change is often referred to as an indirect or "upstream" change in ownership.

The change that will occur (the "Transaction") is that Carolinas will sell all of its ownership interests to Iredell Physician Network, LLC ("Network"), which is a single-member limited liability company in which the Hospital is the sole member, and Hospital will transfer all but 1% of its ownership interests in the Partnership to Network. As a result, the new ownership of the Partnership, which will have two partners, will be 99% ownership by Network and 1% ownership by Hospital. The enclosure shows the Partnership's pre- and post-Transaction ownership (and the ultimate ownership of Carolinas and Network).

As the ownership of the Facility by the Partnership will not change, the transaction described above is not subject to certificate of need ("CON") review pursuant to N.C. Gen. Stat. § 131E-176(16) because the Transaction will not result in a new institutional health service or, in the alternative, the Transaction is exempt from CON review by provision of this advance written notice pursuant to N.C. Gen. Stat. § 131E-184(a)(8). It is requested that the CON Section provide confirmation with respect to this request based upon whichever of the grounds stated it deems to be appropriate.

If there are any questions, please let me know at your earliest convenience. Thank you for your cooperation.



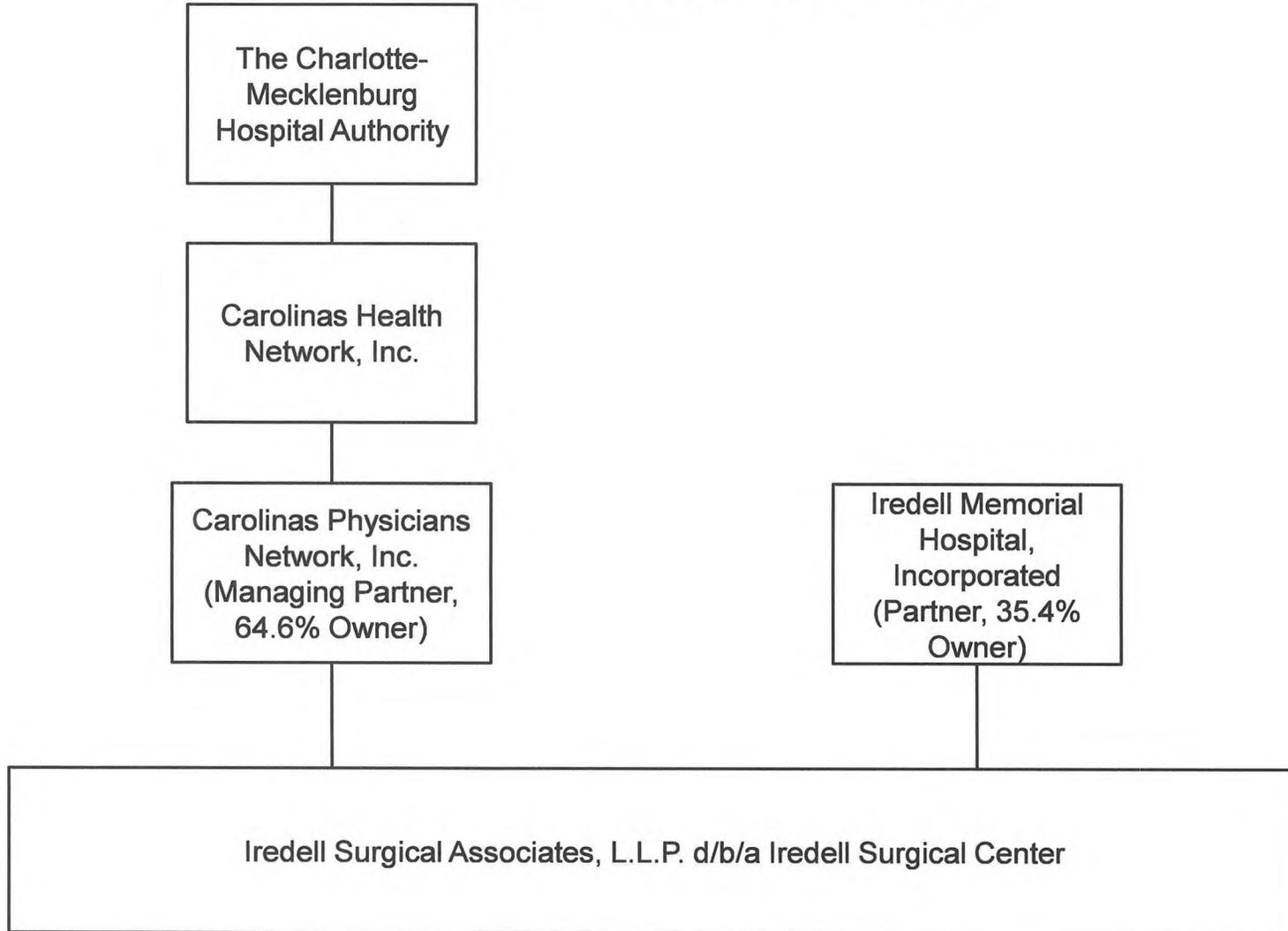
Sincerely yours,

  
Anthony H. Brett

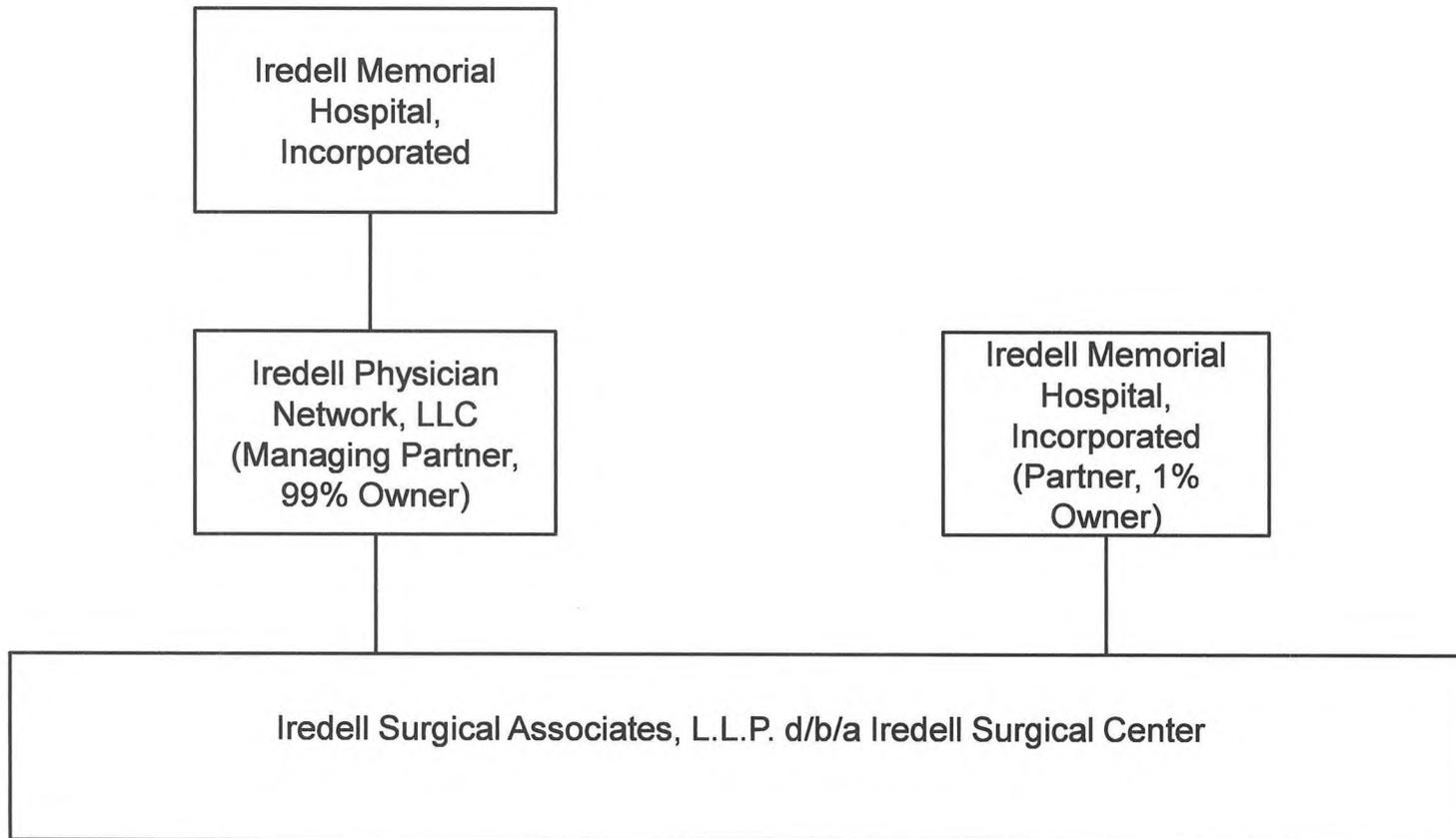
cc: Micheala Mitchell, Chief, Certificate of Need  
VIA E-mail ([micheala.mitchell@dhhs.nc.gov](mailto:micheala.mitchell@dhhs.nc.gov))

Enclosure

Organization Chart - Iredell Surgical Associates, L.L.P.  
(Prior to Transaction Effective Date)



Organization Chart - Iredell Surgical Associates, L.L.P.  
(As of Transaction Effective Date)



**From:** [Mitchell, Micheala L](#)  
**To:** [Stancil, Tiffany C](#)  
**Subject:** FW: [External] Please see the attachment.  
**Date:** Friday, April 5, 2024 3:28:03 PM  
**Attachments:** [image328523.png](#)  
[image909419.png](#)  
[image368602.png](#)  
[image245990.png](#)  
[WBD-Scan - 2024-04-05 15.20.33.pdf](#)

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Hi Tiffany,

Would you mind logging this no review and assigning to Cindy?

Thanks

Micheala Mitchell, JD  
[NC Department of Health and Human Services](#)  
[Division of Health Service Regulation](#)  
Section Chief, Healthcare Planning and CON Section  
809 Ruggles Drive, Edgerton Building  
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[Micheala.Mitchell@dhhs.nc.gov](mailto:Micheala.Mitchell@dhhs.nc.gov)

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**From:** Brett, Anthony <[Anthony.Brett@wbd-us.com](mailto:Anthony.Brett@wbd-us.com)>  
**Sent:** Friday, April 5, 2024 3:23 PM  
**To:** Mitchell, Micheala L <[Micheala.Mitchell@dhhs.nc.gov](mailto:Micheala.Mitchell@dhhs.nc.gov)>; Bradford, Cynthia L <[cynthia.bradford@dhhs.nc.gov](mailto:cynthia.bradford@dhhs.nc.gov)>  
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**Anthony Brett**  
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