



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

**JOSH STEIN** • Governor

**DEVPUTTA SANGVAI** • Secretary

**MARK PAYNE** • Director, Division of Health Service Regulation

**VIA EMAIL ONLY**

April 17, 2025

Robert A. Leandro  
robbleandro@parkerpoe.com

**Exempt from Review – Physician Office or Medical Office Building**

**Record #:** 4716  
**Date of Request:** February 18, 2025  
**Business Name:** Siddhartha and Jayalalitha Rao  
**Business #:** 3923  
**Project Description:** Develop a medical office building on Kildaire Farm Road in Cary  
**County:** Wake

Dear Mr. Robert A. Leandro:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), has determined that the development of the medical office space to include physical examination rooms and procedure rooms on Kildaire Farm Road in Cary, North Carolina is exempt from certificate of need (CON) review in accordance with G.S. § 131E-184(a)(9).

Please be advised that G.S. § 131E-176 (9b) and (16)b. remove qualified urban ambulatory surgical facilities from CON requirements, effective November 21, 2025. Currently, the construction of a new ambulatory surgical facility is a new institutional health service that requires a CON. *G.S. § 131E-178 (a)*. Additionally, no formal commitments made for financing, construction, or acquisition regarding the offering or development of a new institutional health service shall be made by any person unless a CON for such service or activit[y] has been granted. *G.S. § 131E-190 (b)*.

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

Sincerely,

Crystal Kearney  
Project Analyst

Micheala Mitchell  
Chief

**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  
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AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER



**Robert A. Leandro**

***Partner***

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Charlotte, NC  
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Raleigh, NC  
Spartanburg, SC  
Washington, DC

February 18, 2025

**VIA EMAIL**

Micheala Mitchell, Chief  
Health Planning and Certificate of Need Section  
Micheala.mitchell@dhhs.nc.gov

**Re: No Review Request**

Dear Ms. Mitchell:

I am writing on behalf of my client Siddhartha and Jayalalitha Rao (the "Raos"). The Raos have recently completed a purchase of a commercial space at 1700 Kildaire Farm Road, Cary, North Carolina 27511. The Raos plan to develop this property as a medical office space to include physician examination rooms and unlicensed procedure rooms.

Should the CON Reforms that were enacted under H.B. 76 become effective, the Raos may consider developing an ASC at this space under the Qualified Urban Ambulatory Surgical Center Exemption. However, at the current time the Raos plans are to begin the development of medical office space with physician office space and unlicensed procedure rooms.

Please confirm that this project is not subject to CON Review at your earliest convenience. Should you have any questions please feel free to reach out to me directly.

Sincerely,

Robert A. Leandro

**From:** [Mitchell, Micheala L](#)  
**To:** [Stancil, Tiffany C](#)  
**Subject:** FW: [External] FW: Lamm, Gloria Y. has shared a document with you : CON No Review Letter (Rao) 02182025..pdf  
**Date:** Tuesday, February 18, 2025 5:48:45 PM  
**Attachments:** [CON No Review Letter \(Rao\) 02182025..pdf](#)

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Tiffany,

Would you mind assigning this to Crystal?

Thanks,

Micheala

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  
2704 Mail Service Center  
Raleigh, NC 27699-2704  
Office: 919 855 3879  
[Micheala.Mitchell@dhhs.nc.gov](mailto:Micheala.Mitchell@dhhs.nc.gov)

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**From:** Leandro, Robert A. <[robbleandro@parkerpoe.com](mailto:robbleandro@parkerpoe.com)>  
**Sent:** Tuesday, February 18, 2025 5:14 PM  
**To:** Mitchell, Micheala L <[Micheala.Mitchell@dhhs.nc.gov](mailto:Micheala.Mitchell@dhhs.nc.gov)>  
**Subject:** [External] FW: Lamm, Gloria Y. has shared a document with you : CON No Review Letter (Rao) 02182025..pdf

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Micheala,

Please find the attached No Review Letter. Hope you get to enjoy some snow tomorrow.

Robb

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**Robert Leandro**  
Partner

Find our latest health care analysis [here](#)



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