



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

JOSH STEIN • Governor

DEVPUTTA SANGVAI • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

May 21, 2025

Terrill Johnson Harris

[tjharris@foxrothschild.com](mailto:tjharris@foxrothschild.com)

**Exempt from Review – Acquisition of Facility**

**Record #:** 4788  
**Date of Request:** May 19, 2025  
**Facility Name:** Gastroenterology Associates  
**Type of Facility:** Ambulatory surgical facility  
**FID #:** 061239  
**Acquisition by:** Catawba Valley Medical Group  
**Business #:** 3954  
**County:** Catawba

Dear Ms. Harris:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) determined that the project described above is exempt from certificate of need (CON) review in accordance with G.S. 131E-184(a)(8). Therefore, the above referenced business may proceed to acquire the health service facility identified above without first obtaining a CON. The Agency's determination is limited to the question of whether the above referenced business would have to obtain a CON if the current owners of the health service facility do in fact sell it to the business listed above. Note that pursuant to 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."*

If the business listed above does acquire the facility, you should contact the Agency's Acute and Home Care Licensure and Certification Section to obtain instructions for changing ownership of the existing facility.

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 regarding whether a certificate of need would be required. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Ena Lightbourne  
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  
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TERRI HARRIS  
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May 20, 2025

**Via Email Only**

Micheala Mitchell, Chief  
Ena Lightbourne, Project Analyst  
Healthcare Planning and Certificate of Need Section  
Division of Health Service Regulation  
NC Department of Health and Human Services  
2704 Mail Service Center  
Raleigh, NC 27699  
[Micheala.Mitchell@dhhs.nc.gov](mailto:Micheala.Mitchell@dhhs.nc.gov)  
[ena.lightbourne@dhhs.nc.gov](mailto:ena.lightbourne@dhhs.nc.gov)

**RE: Notice of Exempt Acquisition and Good Cause Transfer Request**  
**Project ID: E-11247-17**  
**Facility: Gastroenterology Associates of Hickory, Endoscopy Center –**  
**415 North Center Street, Hickory, NC 28601, 3rd Floor, Suite 300**  
**County: Catawba**  
**FID No.: 061239**

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Dear Ms. Mitchell and Ms. Lightbourne,

On behalf of Catawba Valley Medical Center and Catawba Valley Medical Group, Inc. (“Catawba Valley Medical Group”), I am writing to provide prior written notice that Catawba Valley Medical Group plans to acquire Gastroenterology Associates, PA’s existing licensed ambulatory surgical facility in Hickory. As explained below, Gastroenterology Associates, PA, has a pending CON project for which we request a transfer for good cause.

### **History of Gastroenterology Associates, Hickory**

Gastroenterology Associates, PA owns and operates a GI Endoscopy ambulatory surgical facility in Hickory, Catawba County, called Gastroenterology Associates, Hickory. Its history includes:

A Pennsylvania Limited Liability Partnership



Micheala Mitchell, Chief  
Ena Lighbourne, Project Analyst  
May 20, 2025  
Page 2

- 2008: Gastroenterology Associates, PA and GastroCorp, LLC received a CON for a three-room GI Endoscopy center on the third floor of the building in which its practice operates, Project ID No. E-8075-08.
- 2017: Gastroenterology Associates, PA and GastroCorp, LLC received a second CON to expand the existing ambulatory surgery center by two additional GI Endoscopy procedure rooms, bringing the total to five, Project ID No. E-11247-17.
- 2025: The CON Section approved the removal of GastroCorp, LLC as an owner of the ambulatory surgical facility.
- 2025: Gastroenterology Associates, PA submitted a CON application requesting approval for a change in scope and cost overrun for Project ID No. E-11247-17 (add two GI endoscopy rooms), to relocate the existing facility with three existing and two approved GI endoscopy rooms to 2415 Century Place SE in Hickory, and to add one GI endoscopy procedure room for a total of six GI endoscopy rooms upon project completion, Project ID No. E-012603-25. This 2025 application remains under review as of the date of this letter.

### **Exempt Acquisition and Transfer for Good Cause**

Pursuant to N.C. General Statute § 131E-184(a)(8), Catawba Valley Medical Group provides this prior written notice of its intent to acquire Gastroenterology Associates, PA's existing licensed ambulatory surgical facility in Hickory.

Pursuant to N.C. General Statute § 131E-189(c), Catawba Valley Medical Group also requests a determination that there is good cause for the transfer of the CON for Project ID No. E-11247-17 to Catawba Valley Medical Group and confirmation that the transfer will not result in withdrawal of the certificate of need for Project ID No. E-11247-17. Catawba Valley Medical Group is an affiliate of Catawba Valley Medical Center and is acquiring substantially all of the assets of the Gastroenterology Associates, PA's medical practice, including, but not limited to, the assets of the ambulatory surgical facility. Also, following closing on the transaction, the staff and physicians currently employed by Gastroenterology Associates, PA, will become employees of Catawba Valley Medical Center. Accordingly, Project ID No. E-11247-17 is incidental to and not the reason for the transaction between Catawba Valley Medical Group and Gastroenterology Associates, PA. Project ID No. E-11247-17 will continue to be developed as planned.



Micheala Mitchell, Chief  
Ena Lightbourne, Project Analyst  
May 20, 2025  
Page 3

### **Conclusion**

We ask that you confirm that (a) Catawba Valley Medical Group's acquisition of Gastroenterology Associates, PA's existing licensed ambulatory surgical facility in Hickory is exempt from certificate of need review, (b) the change of ownership will not result in withdrawal of the certificate of need for Project ID No. E-11247-17, and (c) there is good cause to permit the transfer of the CON for Project ID No. E-11247-17 to Catawba Valley Medical Group. These approvals will allow the physicians and staff at Gastroenterology Associates, PA, Catawba Valley Medical Group, and Catawba Valley Medical Center to continue to provide quality GI endoscopy services to the patients of Catawba County and nearby communities.

If you have any questions or need additional information, please do not hesitate to reach out to me.

Sincerely,

A handwritten signature in black ink that reads "Terrill Harris".

Terrill Johnson Harris

cc: Pamela J. Gallagher, CFO, Catawba Valley Medical Center  
Nancy Lane, PDA  
Kelly Ivey, PDA

**From:** [Harris, Terri](#)  
**To:** [Mitchell, Micheala L](#); [Lightbourne, Ena](#); [Stancil, Tiffany C](#)  
**Cc:** [pgallagher@catawbavalleymc.org](mailto:pgallagher@catawbavalleymc.org); [Nancy Lane](#); [Kelly Ivey](#)  
**Subject:** [External] Notice of Exempt Acquisition and Good Cause Transfer Request - Catawba County  
**Date:** Tuesday, May 20, 2025 5:24:02 PM  
**Attachments:** [CVMG Notice of Exemption Gastroenterology Associates-C.pdf](#)

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Good afternoon – please see attached our letter concerning the exempt acquisition of Gastroenterology Associates, Hickory Endoscopy Center in Catawba County and a good cause transfer request for a pending CON project. We respectfully request an expedited response as the parties would like to close their transaction effective June 1, 2025. Please let us know if you have any questions.

Kind regards.

**Terri Harris (she/her)**

Partner



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