

VIA ELECTRONIC DELIVERY

August 12, 2012

2085 Frontis Plaza Boulevard Winston-Salem, NC 27103

Ms. Amy Craddock, Assistant Section Chief Healthcare Planning & Certificate of Need NC Department of Health Service Regulation 809 Ruggles Drive Raleigh, North Carolina 27603

RE: Novant Health, Inc. Comments on Atrium's Petition for and Adjusted Need Determination for One Linear Accelerator for Service Area 7

Dear Ms. Craddock:

We appreciate the opportunity to comment on the above-referenced petition which requests an adjusted need determination in the 2021 Proposed State Medical Facilities Plan ("Proposed 2021 SMFP"). Currently the petitioner operates six linear accelerators in the Service Area while Novant Health currently operates three linear accelerators. As a result of the approval of a CON application in 2020 (Project ID # F-11822-19), Novant Health, Inc. has entered into a joint venture agreement with Matthews Radiation Oncology Center ("MROC") which involves the acquisition of a Novant Health, Inc. grandfathered linear accelerator which will be relocated and replaced at MROC's location in Matthews, NC. At the conclusion of this project, two linear accelerators will be operational at MROC.

The redeployment of this circa 2005 grandfathered linear accelerator was necessary to allow MROC to overcome its capacity constraints and meet the growing need of its patients and the community. The CON application to relocate and replace the grandfathered was successful and MROC is in the process of implementing this second linear accelerator which is expected to come on line by the end of next year.

Service Area 7 is the one of the most populous linear accelerator service areas and has a significant number of linear accelerators which is a factor in the need determination. Novant Health, Inc.'s cancer services and linear accelerator procedures are also increasing and are operating at capacity at its cancer center locations. We feel that the need methodology in the SMFP is appropriate, especially when the data is consistent and updated.

As such, the *Proposed 2021 SMFP* indicates that there is no need for a linear accelerator in Service Area 7. If Atrium Health continues to operate at its reported and projected capacity levels, a need will be generated in the SMFP in the future. There is no compelling or emergent situation necessitating that the Agency forego how it determines the need for linear accelerators and the petition to add a linear accelerator in Service Area 7 should be denied.

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In addition, we note that the text on page 3 of Atrium's petition is incorrect. The text states: "The table below shows the five busiest linear accelerators in the state. The top three highest volume linear accelerators in the state are all operated by Atrium Health in Service Area 7." As shown on page 313 of the *Proposed 2021 SMFP*, the busiest linear accelerators are operated by Cone Health in Service Area 12 at 12,924 ESTVs per unit. The third busiest linear accelerator in North Carolina is operated by North Carolina Radiation Therapy Management – Weaverville in Service Area 2, with 9,069 ESTVs. In addition, the chart on page 3 does not align with the text. The text addresses *all* linear accelerators, and the chart purports to show the busiest *single* linear accelerators, but the chart is wrong. The correct order of busiest single linear accelerators in North Carolina is:

Top 5 Busiest Single Linear Accelerators in NC	ESTVs
Atrium Health Pineville	10,451
NC Radiation Therapy Management Services – Weaverville	9,069
Atrium Health Union	8,783
Atrium Health University City	8,428
Vidant Beaufort Hospital	8,280

Source: Proposed 2021 SMFP, pp. 313-314

As can be seen from the above table, three of the top five single busiest linear accelerators are in Service Area 7, but two are located outside Service Area 7 and are not related to Atrium.

In addition, Atrium has not applied the need methodology correctly. Atrium miscounted the number of linear accelerators in Service Area 7. There are 12 existing linear accelerators in Service Area 7, not 11. *See Proposed 2021 SMFP*, Table 17C-5, p. 321. The correct math is .84, not .16. *See* petition, p. 4. While this would satisfy one criteria of the need methodology, there are three criteria to the methodology. *See Proposed 2021 SMFP*, p. 311. Pursuant to the SMFP, two out of three criteria must be met to trigger a need. Regardless of how close Service Area 7 may be on ESTVs (Criterion 3 of the methodology), it does not meet Criteria 1 or 2 of the test, nor is it close enough to either Criteria 1 or 2 such that an exception could be justified. *See Proposed 2021 SMFP*, p. 321. Accordingly, there is no need and there are no special circumstances warranting the addition of another linear accelerator in Service Area 7.

Thank you for your consideration.

Sincerely,

—DocuSigned by:

Andrea Gymer

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Vice President, Operational Planning & Innovation