



North Carolina Department of Health and Human Services
Division of Health Service Regulation

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Drexdal Pratt
Division Director

May 28, 2015

Lisa Griffin
2085 Frontis Plaza Drive
Winston-Salem, NC 27103

Exempt from Review - Replacement Equipment

Facility: Novant Health Rowan Medical Center
Project Description: Replacement of existing MRI Scanner
County: Rowan
FID #: 933436

Dear Ms. Griffin:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of May 8, 2015, the above referenced proposal 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 1.5 Tesla MRI scanner to replace the existing 1.5 Tesla MRI scanner. This determination is based on your representations that the existing unit will be removed from North Carolina and will not be used again in the State without first obtaining a certificate of need.

Moreover, you need to contact the Agency's Construction and Acute and Home Care Licensure and Certification Sections to determine if they have any requirements for development of the proposed project.

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,

Gloria Hale
Project Analyst

Martha J. Frisone,
Assistant Chief, Certificate of Need

cc: Construction Section, DHHS
Assistant Chief, Healthcare Planning
Acute and Home Care Licensure and Certification Section



Healthcare Planning and Certificate of Need Section

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-715-4413

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

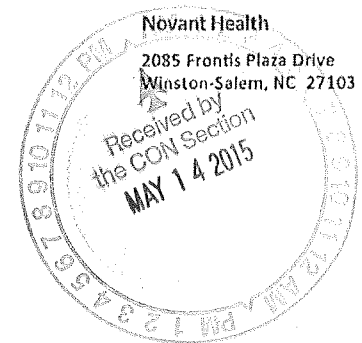
Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

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May 8, 2015

Ms. Martha Frisone, Assistant Chief
North Carolina Division of Health Service Regulation
Healthcare Planning & Certificate of Need (CON) Section
809 Ruggles Drive
Raleigh, North Carolina 27603



Re: Replacement Equipment Exemption Request – MRI Scanner at Novant Health
Rowan Medical Center (NHRMC); Rowan County

Dear Ms. Frisone:

This letter outlines Novant Health Rowan Medical Center's (RMC's) project to replace an existing 1.5 Tesla MRI Scanner located the hospital Radiology Department with a new 1.5 Tesla MRI Scanner. See Attachment A for the vendor quote from Siemens Medical Solutions. The costs related to the replacement of the MRI Scanner are \$1,926,428 (including the new equipment cost of \$1,187,515). Also, included as Movable Equipment related to the purchase of the new MRI Scanner is a monitor and an injector. The quotes for these items are also included in Attachment A). The project cost does not include: sales, property or excise taxes since RMC is a non-profit, tax-exempt organization and is not subject to these taxes. In addition, the expense for on-site training on the new unit for the radiology staff is covered by the vendor quote on Page 4. The existing equipment is to be removed from the Radiology Department by Siemens (see Page 3, "MRI Standard De-Installation") and will then be removed from the state by the vendor and not returned to North Carolina without appropriate certificate of need approval. Both the existing equipment and the replacement equipment are comparable medical equipment as explained on the following page. This project should be approved by the Agency as exempt pursuant to N.C.G.S. Section 131E-184(f) which states that a project is exempt from Certificate of Need review if it is more than \$2 million and meets the following requirements:

1. The equipment is located on the main campus of the licensure acute care hospital, NHRMC;
2. The CON Department has previously issued a certificate of need for the equipment being replaced;
3. The facility proposing to acquire the replacement equipment shall provide prior written notice to the Department, along with supporting documentation to demonstrate that it meets the exemption criteria.

This exempt project will replace a functionally similar operational equipment item on the main campus of NHRMC in the Radiology Department and will not increase the inventory of approved MRI scanners in Rowan County. The proposed new MRI Scanner is consistent with the replacement equipment definition at N.C.G.S. Section 131E-

176(22a) which states that the replacement equipment is comparable to the equipment being replaced if it has the same technology as the equipment currently in use, although it may possess expanded capabilities due to technological improvements. The existing MRI Scanner is used for diagnostic magnetic resonance imaging in the hospital Radiology Department and the replacement MRI Scanner will be used for diagnostic magnetic resonance imaging in the hospital Radiology Department.

Pursuant to 10A NCAC 14C.0303 the proposed MRI Scanner constitutes replacement equipment because:

1. It is comparable to the equipment currently in use. It has the same technology as the equipment currently in use, although it does possess expanded capabilities due to the technological improvements.
2. It is functionally similar and is used for the same diagnostic or treatment purposes as the equipment currently in use and is not used to provide a new health service.
3. The acquisition of the new equipment will not result in more than a 10% increase in patient charges or per procedure operating expenses within the first twelve months after the replacement equipment is acquired.
4. The existing equipment was not purchased second-hand nor was the existing equipment leased.
5. The replacement equipment is not capable of performing procedures that will result in the provision of a new health service or type of procedure that has not been provided with the existing equipment.

Attached for your convenience please find:

- 1) a vendor equipment price quote including moveable equipment items (Attachment A);
- 2) project/capital cost schedule which identifies the components of the total project costs (Attachment B);
- 3) a certified estimate of related construction costs from an independent licensed North Carolina architect (Attachment C); and,
- 4) the NC CON equipment comparison form summarizing essential information about the proposed equipment purchase (Attachment D).

NHRMC's acquisition of the replacement MRI Scanner does not require a certificate of need because none of the definitions of "new institutional health service" set forth in N.C.G.S. Section 131E-176(16) is implicated. As discussed above, the total cost for the project is \$1,926,428. This includes the cost of the equipment, as well as studies, surveys, designs, plans, working drawings, specifications, construction installation and other activities essential to making the equipment operational (such as staff training).

In conclusion, based on the information described above, please confirm that NHRMC's replacement equipment request does not constitute a "new institutional health service"

Ms. Martha Frisone
May 8, 2015
Replacement Equipment Request – NHRMC MRI Scanner
Page 3

and does fit within the replacement equipment exemption definition. Therefore, the project is not subject to certificate of need review.

Please let us know as soon as possible if you need additional information to assist in your consideration of this request. Thank you for your prompt consideration of this request.

Sincerely,



Lisa Griffin
Manager, Certificate of Need
Financial Planning and Analysis
Novant Health, Inc.

Enclosures

cc: Barbara Freedy, Director, CON, Novant Health
Laura MacFadden, Senior Director, Design & Construction, Novant Health

File: RMC MRI REER Cover Letter 050815.doc

Attachment A

SIEMENS

Siemens Medical Solutions USA, Inc.
51 Valley Stream Parkway, Malvern, PA 19355
Fax: (866) 309-6967

SIEMENS REPRESENTATIVE
Karen Dixon - (865) 360-8644

PRELIMINARY PROPOSAL

Customer Number: 0000009562

Date: 4/16/2015

ROWAN REGIONAL MEDICAL CENTER
612 MOCKSVILLE AVENUE
SALISBURY, NC 28144

Quote Nr: 1-9DKHOC Rev. 1

MAGNETOM Aera

All items listed below are included for this system: *(See Detailed Technical Specifications at end of Proposal.)*

Qty	Part No.	Item Description	Extended Price
1	14416900	MAGNETOM Aera - System MAGNETOM Aera - 1.5T Tim+Dot system - The integration of the next generation Tim - "Tim 4G" and the Siemens unique Dot Engines (Day optimizing throughput Engine). Short and open appearance (145 cm system length with 70 cm Open Bore Design). Tim 4G's redesigned RF system and all-new coil architecture. - Siemens unique DirectRF(tm) technology enable Tim's new all digital-in/ digital-out design - All-new coil architecture including Dual-Density Signal Transfer Technology - Whole-body superconductive Zero Helium Boil-Off 1.5T magnet - TrueForm Magnet and Gradient Design - Actively Shielded water-cooled Siemens gradient system - Head/Neck 20 DirectConnect, Spine 32 DirectConnect, Body 18, Flex Large/Small 4 Dot offers patient personalization, user guidance and process automation that result in consistent examination results. - Brain Dot Engine is designed to simplify general brain examinations through personalized, guided and automated workflows. - Dot Display and Dot Control Centers - efficient patient preparation. Additional features include: -Tim Application Suite including Neuro, Angio, Cardiac, Body, Onco, Breast, Ortho, Pediatric and Scientific Suite - syngo MR software including 1D/2D PACE, syngo BLADE, iPAT ² , Phoenix, Inline Technologies. - High performance host computer and measurement and reconstruction system. The system (magnet, electronics and control room) can be installed in 30sqm space. For system cooling either the Eco Chiller options or the Separator is required.	
1	14416901	Tim [204x48] XJ Gradients #Ae Tim [204x48] XJ-gradient performance level Tim 4G with it's newly designed RF system and innovative coil architecture enables high resolution imaging and increased throughput. Up to 204 simultaneously connected coil elements in combination with the standard 48 independent RF channels, allow for more flexible parallel imaging. Maximum SNR through the new Tim 4G matrix coil technology. XJ - gradients The XJ- gradients are designed combining high performance and linearity to support clinical whole body imaging at 1.5T. The force compensated gradient system minimizes vibration levels and acoustic noise. The XJ gradients combine 33 mT/m peak amplitude with a slew rate of 125 T/m/s.	
1	08464872	PC Keyboard US english #Tim Standard PC keyboard with 101 keys.	

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PRELIMINARY PROPOSAL

Qty	Part No.	Item Description	Extended Price
1	14416914	Pure White Design #T+D The MAGNETOM Aera / MAGNETOM Skyra design is available in different light and appealing variants which perfectly integrates into the different environments. The color of the main face plate cover of the Pure White Design Variant with the integrated Dot Control Centers and the unique Dot Display is brilliant white surrounded by a brilliant silver trim. The asymmetrical deco area on the left side is colored white matte and also with a brilliant surrounding silver trim. The table cover is presented also in the same color and material selection.	
1	14441850	SW syngo MR E11 syngo MR E11 software with new Dot features and applications. Do!GO Go for consistent results, efficiently with Dot engines. Dot Cockpit The central tool to continuously build knowledge into standardized exam strategies and to make those available for every user in the MRI department. Dot Cockpit is the new starting point for every exam. - TGSE - WARP including VAT	
1	14441748	Quiet Suite #T+D Quiet Suite enables complete, quiet examinations for neurology and orthopedics with at least 70% reduction in sound pressure levels.	
1	14416906	Tim Dockable Table #Ae The Tim Dockable Table is designed for maximum patient comfort and smooth patient preparation. Tim Dockable Table can support up to 250 kg (550 lbs) patients without restricting the vertical or horizontal movement. The one step docking mechanism and the innovative multi-directional navigation wheel ensure easy maneuvering and handling. Critically ill or immobile patients can now be prepared outside the examination room for maximum patient care, flexibility and speed.	
1	14405224	Composing syngo #Tim This application provides dedicated evaluation software for creation of full-format images from overlapping MR volume data sets and MIPs (starting from syngo MR B13) acquired at multiple stages.	
1	14441759	FREEZEit Body MRI Package #T+D FREEZEit Body Package contains two robust sequences for advanced body imaging: TWIST VIBE and StarVIBE. - TWIST VIBE is a new fast, high-resolution 4D imaging sequence for multi-arterial liver imaging. - StarVIBE is a motion insensitive VIBE sequence using a stack-of-stars trajectory.	
1	14441766	Large Joint Dot Engine E11 #T+D Large Joint Dot Engine optimizes image quality of knee, hip and shoulder scans by proposing the most appropriate protocols according to the examination strategy chosen for the specific patient. It ensures reproducible image quality and streamlines large joint examinations to the greatest extent. Large Joint Dot Engine features AutoAlign and AutoCoverage for knee, hip and shoulder. Susceptibility artifact reduction functionality can be used on knee and hip examinations. The WARP technique enables susceptibility artifact reduction functionality, optimized protocols are provided. With syngo MR E11, the Advanced WARP option is also included. Inline MPR (Multi Planar Reconstruction) calculations provide increased efficiency, reproducibility and ease of use.	
1	14416960	Shoulder 16 Coil Kit #Ae The new Tim 4G coil technology with Dual Density Signal Transfer and SlideConnect Technology combines key imaging benefits: excellent image quality, high patient comfort, and unmatched flexibility. The Shoulder 16 Coil Kit for examinations of the left or right shoulder consists of a base plate and two different sized iPAT compatible 16 channel coils (Shoulder Large 16 and Shoulder Small 16). These will be attached and can be relocated on the base plate. The 16-element coils with 16 integrated pre-amplifiers ensure maximum signal-to-noise ratio. Shoulder Large 16 and Shoulder Small 16 will be connected via a SlideConnect plug for fast and easy coil set-up and patient preparation.	

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PRELIMINARY PROPOSAL

Qty	Part No.	Item Description	Extended Price
1	14416962	Foot/Ankle 16 #Ae The new Tim 4G coil technology with Dual Density Signal Transfer and DirectConnect Technology combines key imaging benefits: excellent image quality, high patient comfort, and unmatched flexibility. Foot/Ankle 16 for examinations of the left or right foot and ankle region consists of a base plate and an iPAT compatible 16-channel coil and allows high resolution imaging of the foot and ankle within one examination. Foot/Ankle 16 is a cable-less coil and will be connected via DirectConnect for fast and easy patient preparation.	
1	MR_FSA_FUN D	Funding for MR Flexible Spending Account	
1	14407261	MR Workplace Container, 50cm 50 cm wide extra case for the syngo host computer with sliding front door to allow change of storage media (CD/DVD/USB).	
1	08857828	UPS Cable #Tim Power cable for connecting the UPS Powerware PW 9130-3000i (14413662) to the ACC of MAGNETOM Tim and MAGNETOM Tim+Dot systems for backing up the computer. Standard cable length: 9 m.	
1	14413662	UPS Powerware PW9130G-3000T-XLEU UPS system Eaton PW9130G-3000T-XLEU for MAGNETOM Tim, MAGNETOM Tim+Dot and MAGNETOM Symphony systems for safeguarding computers. Power output: 3.0 kVA / 2.7 kW Bridge time: 5 min full load / 14 min half load Input voltage: 230 VAC	
1	14413663	UPS Battery module UPS battery module Eaton PW 9130N-3000T-EBM for all MAGNETOM Tim, MAGNETOM Tim+Dot and MAGNETOM Symphony systems for safeguarding computers. Extension for: PW9130i-3000T Battery type: Closed, maintenance-free Extension of the bridge time to: 24 minutes with a module Dimensions (H x W x D): Battery module: 346 x 214 x 412 mm incl. bracket set Weight: approx. 50 kg	
1	MR_STD_RIG_ INST	MR Standard Rigging and Installation MR Standard Rigging and Installation This quotation includes standard rigging and installation of your new MAGNETOM system Standard rigging into a room on ground floor level of the building during standard working hours (Mon. - Fri./ 8 a.m. to 5 p.m.) It remains the responsibility of the Customer to prepare the room in accordance with the SIEMENS planning documents Any rigging requiring a crane over 80 tons and/or special site requirements (e.g. removal of existing systems, etc.) is an incremental cost and the responsibility of the Customer. All other "out of scope" charges (not covered by the standard rigging and installation) will be identified during the site assessment and remain the responsibility of the Customer.	
1	MR_BTL_INST ALL	MR Standard Rigging & Install	
1	MR_STD_DEIN STALL	MR Standard De-Installation	
1	MR_BTL_DEIN STALL	MR Standard De-Installation - BTL This quotation includes standard de-installation of your existing MRI system, i.e. Standard de-installation and freight from a room with reasonable access (first floor, 100ft or less to exterior, basic crane up to 80 ton), as determined by SIEMENS Project Management (site assessment), during standard working hours (Mon. - Fri./ 8 a.m. to 5 p.m.). All "out of scope" de-installation requirements (e.g. large crane, second floor and up, etc.) and/or special site requirements are incremental cost. Related charges (not covered by the standard de-installation) will be identified during the site assessment and remain the responsibility of the Customer. It also remains the Customer's responsibility to prepare the room in accordance with the SIEMENS planning documents, if your existing MRI system is being replaced by a new SIEMENS MRI system.	
1	MR_TRADE_IN _ALLOW	MR Trade-in-Allowance	
1	MR_BUDG_AD DL_RIG	Budgetary Add'l/Out of Scope Rigging	

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Qty	Part No.	Item Description	Extended Price
1	MR_PREINST_DOCK	T+D Preinstall kit for dockable table	
1	MR_CRYO	Standard Cryogens	
1	MR_PM	MR Project Management A Siemens Project Manager (PM) will be the single point of contact for the implementation of your Siemens equipment. The assigned PM will work with the customer's facilities management, architect or building contractor to assist you in ensuring that your site is ready for installation. Your PM will provide initial and final drawings and will coordinate the scheduling of the equipment, installation, and rigging, as well as the initiation of on-site clinical education.	
1	ML11685	MR Wall sign -English Highly durable 1mm PVC wall signs with high-tack, double-back tape. Sticks to most any surface. English. 12" x 18".	
1	MR_INITIAL_32	Initial onsite training 32 hrs MR_INITIAL_32 Up to (32) hours of on-site clinical education training, scheduled consecutively (Monday - Friday) during standard business hours for a maximum of (4) imaging professionals. Training will cover agenda items on the ASRT approved checklist. Uptime Clinical Education phone support is provided during the warranty period for specified posted hours. This educational offering must be completed (12) months from install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.	
1	MR_INT_DOT_BCLS	MR Dot Training Class Tuition for (1) imaging professional to attend Classroom Course at Siemens Training Center. The objectives of this class are to introduce the user interface of the common syngo platform, including Dot, and instructions on building protocols, demonstration of software functions, and hands-on sessions. This class includes lunch, economy airfare, and lodging for (1) imaging professional. All arrangements must be arranged through Siemens designated travel agency. This educational offering must be completed (12) months from install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.	
1	MR_FOLLOWU P_24	Follow-up training 24 hrs Up to (24) hours of follow-up on-site clinical education training, scheduled consecutively (Monday - Friday) during standard business hours for a maximum of (4) imaging professionals. Uptime Clinical Education phone support is provided during the warranty period for specified posted hours. This educational offering must be completed (12) months from install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.	
1	KKTECOMR_45	KKT ECOCHILLER 122L The KKT ECO 122 -L chiller is a dedicated 20°C cooling system for MAGNETOM Aera which automatically adapts to the different cooling requirements (e.g. system in operation, standby, ...) to reduce the energy consumption for cooling. The cooling system must be used in combination with the IFP (Interface Panel), if there is no on-site chilled water supply at all. The IFP is included in the scope of supply.	
1	CHILINST_AVT	Chiller Start-up and Warranty for TIM	
1	MR_PR_ELEV ATE_2	MR Elevate Program	
1	MRLOC_LRGJ DOT	Local Offset - LargeJoint Dot Engine	

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Qty	Part No.	Item Description	Extended Price
1	MR_PR_DOTENG1	Dot Engine 1 pricing offset To be eligible for this promotion, a binding purchase order of the application(s) must be received by Siemens Medical on or before September 30, 2015.	
1	14416862	TWIST syngo #V This package contains a Siemens unique sequence and protocols for time-resolved (4D) MR angiographic and dynamic imaging in general with high spatial and temporal resolution. syngo TWIST supports comprehensive dynamic MR angio exams in all body regions. It offers temporal information of vessel filling in addition to conventional static MR angiography, which can be beneficial in detecting or evaluating malformations such as shunts. In case of general dynamic imaging, for example an increase in spatial resolution by a factor of up to 2 at 60 seconds temporal resolution (compared to conventional dynamic imaging) is possible due to intelligent k-space sampling strategies. Alternatively, increased temporal resolution at constant spatial resolution is possible.	
1	14441728	NATIVE syngo Integrated software package with sequences and protocols for non-contrast enhanced 3D MRA with high spatial resolution. syngo NATIVE particularly enables imaging of abdominal and peripheral vessels and is an alternative to MR angiography techniques with contrast medium, especially for patients with severe renal insufficiency.	
1	14430439	RESOLVE RESOLVE is a diffusion-weighted, readoutsegmented EPI sequence optimized towards high resolution imaging with reduced distortions. The sequence uses a very short echospacing compared to single-shot EPI, reducing susceptibility effects. A 2D-navigator correction is applied to avoid artefacts due to motion-induced phase errors. This combination allows diffusion weighted imaging of the whole body.	
1	14441736	Body 18 #Ae The Tim 4G coil technology with Dual Density Signal Transfer and SlideConnect Technology combines key imaging benefits: excellent image quality, high patient comfort, and unmatched flexibility: - 18 channels (inherent) or up to 30 (in combination with the Spine 32) - Dual Density Signal Transfer - Ultra light-weight - SlideConnect Technology The Body 18 is part of the standard configuration. The 18-channel coil with its 18 integrated pre-amplifiers ensures excellent signal-to-noise ratio. The 18 coil elements provide extensive coverage in all directions. The single SlideConnect plug allows for fast and easy patient preparation. The light-weight coil ensures highest patient comfort. The Body 18 Coil features: - 18-element design with 18 integrated preamplifiers (3 clusters of 6 elements each) - Operates in an integrated fashion with the Spine 32 as an 30 channel body coil - Can be combined with further Body 18 coils for larger coverage - Can be positioned in different orientations (0°, 90°, 180°, 270°) for patient specific adaptations - No coil tuning - iPAT compatible in all directions The highly flexible design enables a wide variety of applications including: - Thorax (incl. heart) - Abdomen - Pelvis - Hip Typically combined with: - Head / Neck 20 - Spine 32 - Additional Body 18 coil(s) (optional) - Peripheral Angio 36 (optional) - Flex Large 4 - Flex Small 4 - Loop coils (optional) - Endorectal coil (optional)	
1	14441788	Hand/Wrist 16 #Ae The new Tim 4G coil technology with Dual Density Signal Transfer and SlideConnect Technology combines key imaging benefits: excellent image quality, high patient comfort, and unmatched flexibility. Hand/Wrist 16 for examinations of the left or right hand and wrist region consists of a base plate and an iPAT compatible 16-channel coil and allows high resolution imaging of the wrist and the hand within one examination. Hand/Wrist 16 will be connected via a SlideConnect plug for fast and easy patient preparation.	
1	14441789	Tx/Rx 15-channel Knee Coil DDST #Ae New 15-channel transmitter/receiver coil for joint examinations in the area of the lower extremities. Main features : - 15-element design (3x5 coil elements) with 15 integrated preamplifiers, - iPAT-compatible - SlideConnect Technology	

SIEMENS

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Karen Dixon - (865) 360-8644

PRELIMINARY PROPOSAL

Qty	Part No.	Item Description	Extended Price
1	14441787	Spine Dot Engine #T+D The Spine Dot Engine provides optimized cervical, thoracic and lumbar spine imaging. Amongst various features to support a streamlined spine workflow is AutoLabeling of the vertebrae.	
System Total:			\$1,187,515 ①

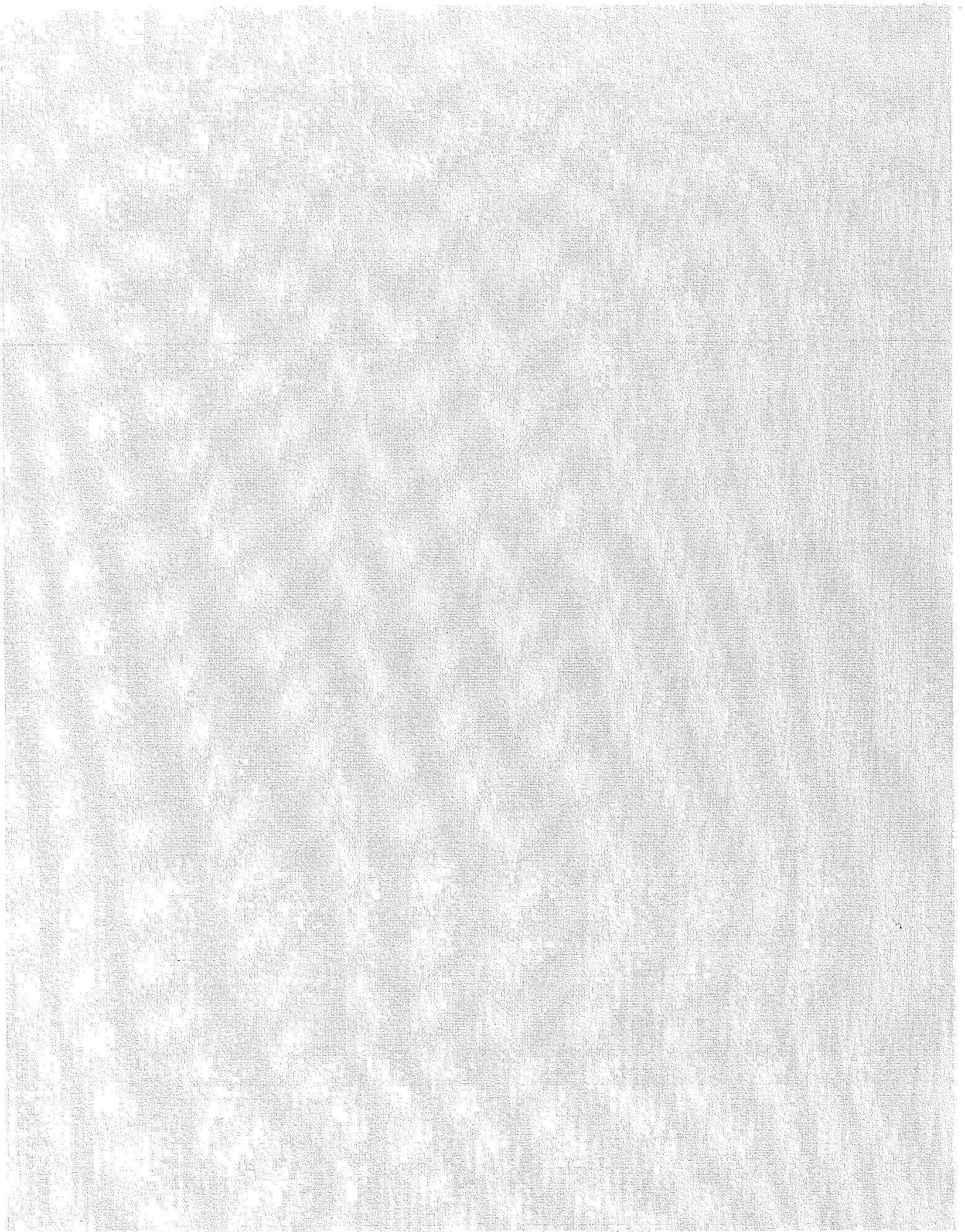
FINANCING: The equipment listed above may be financed through Siemens. Ask us about our full range of financial products that can be tailored to meet your business and cash flow requirements. For further information, please contact your local Sales Representative.

Siemens Healthcare is pleased to submit this Preliminary Pricing Proposal. A Preliminary Pricing Proposal is provided for planning purposes only; it is not contractually binding. To receive a contractually binding proposal for the Products listed above, inclusive of Terms, Conditions, and Warranty coverage, please contact your Siemens Healthcare Sales Representative.

Siemens Healthcare

Karen Dixon
(865) 360-8644
karen.dixon@siemens.com

① FMV of Existing Scanner
Per Comparison Form \$ 39,000
Total Cost - New MRI 1,226,515
for Exemption





Invivo Corporation
3650 NE 53rd Avenue
Gainesville, FL 32609
Tel :1-877-INVIVO1
Fax :1-352-264-3432

Formal Quote

Ship to Customer:

Rowan Regional Medical Center
612 Mocksville Ave
SALISBURY NC 28144-2732
UNITED STATES

Sold to:

Rowan Regional Medical Center
612 Mocksville Ave
SALISBURY NC 28144-2732
UNITED STATES

Quote Number: 2300486661
Quote Date: 09/30/2015
Payment Terms: Net 30 Days
Customer Number: 94025058
Federal EIN: 13-3429115
Incoterms: FOB Factory

REPRINT

FOB Factory
1-877-INVIVO1
1-352-264-3432

0010

865214 Expression MRI Patient Monitor 1 PCE
A01 Accessories Kit 1
C01 Network Channel A
D01 DCU with Printer
G01 WPU with Agents
M01 Rolling Pedestal
T01 WPU with Temperature
V01 Expression Plus Upgrade
Net price 61,279.00

0020

865471 Expression Information Portal (IP5) 1 PCE

Net price 8,625.00

0030

866049

866049 Expression MRI Accessories 1 PCE

A11 Adult Agents/EtCO2 Acces

A14 Agent/EtCO2 H2O Trap&Line

E11 Adult ECG Accessories

E12 Pediatric ECG Accessories

E14 ECG Module and Gel

N11 Adult NIBP Accessories

N12 Pediatric NIBP Accessories

N14 NIBP Hose

P11 Power Accessories

S11 Adult SpO2 Accessories

S12 Pediatric SpO2 Accessories

S14 SpO2 Module and Cable

T11 Temperature Accessories

W11 Control Room Flex Antenna

Net price 14,535.00

Total Quotation Net Price 84,439.00

Invivo Corporation

3650 NE 53rd Avenue

Gainesville, FL 32609

Tel :1-877-INVIVO1

Fax :1-352-264-3432

Invivo Terms and Conditions of Sale**1. Standard Payment Terms.**

1.1. 100% of the Purchase Price shall be due thirty days from Invivo's invoice date.

1.2. Orders are subject to Invivo's on-going credit review and approval.

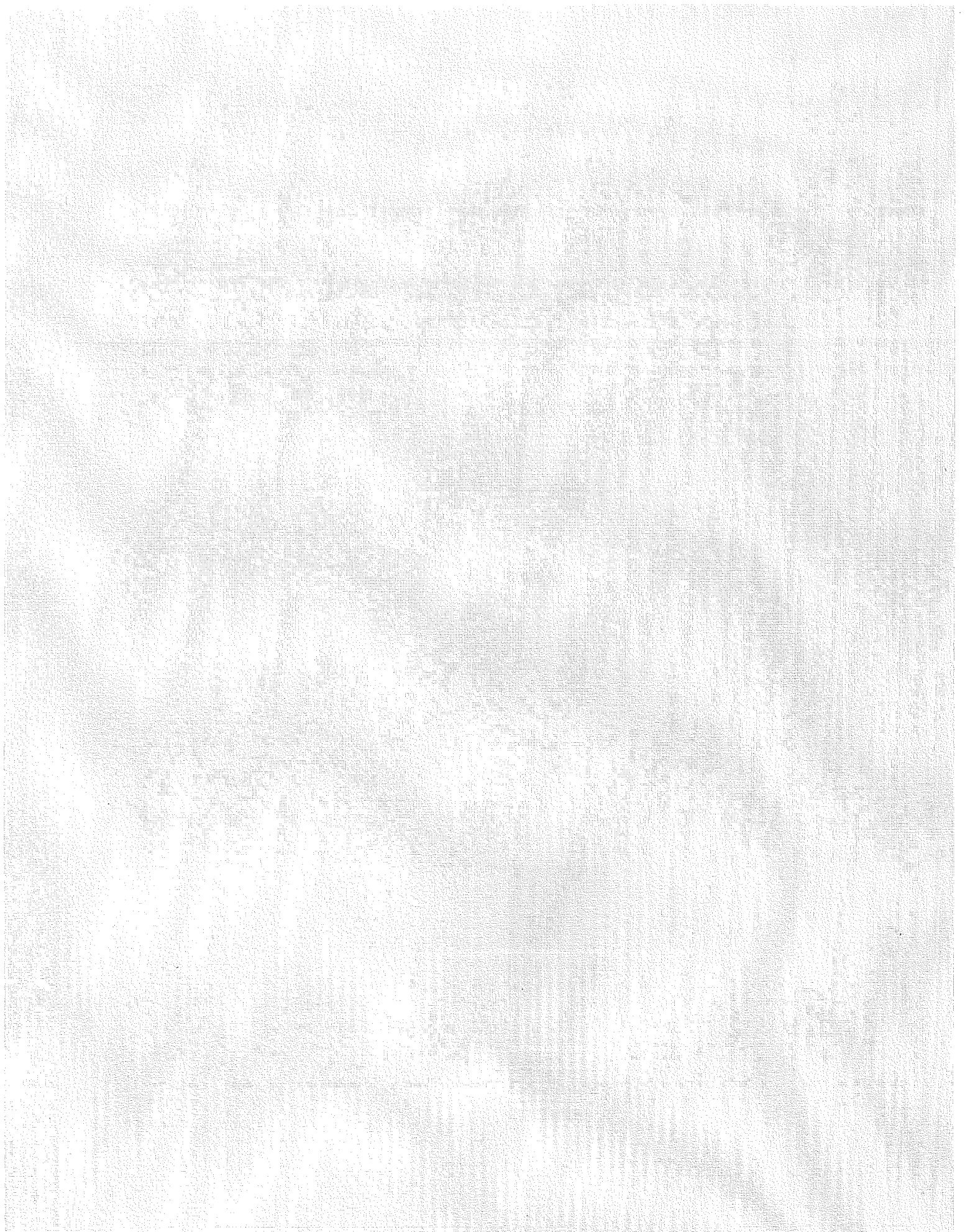
1.3. Customer shall pay interest on any amount not paid when due at the rate of 1% per month (12.86% per annum) or the highest permissible rate under applicable laws, whichever is less.

If Customer fails to pay any amount when due, in addition to any other rights or remedies available to Invivo at law or in equity, Invivo may discontinue the performance of services, discontinue the delivery of the product, or deduct the unpaid amount from any amounts otherwise owed to Customer by Invivo under any agreement with Customer. In any action initiated to enforce the terms of the quotation following a Customer default, Invivo shall be entitled to recover as part of its damages all costs and expenses, including reasonable attorneys' fees, in connection with such action.

2. Delivery.

2.1. Title to any product (excluding software), and the risk of loss or damage to any product shall pass to the Customer F.O.B. Factory - Freight to destination prepaid and added to invoice.

2.2. Claims for merchandise, defective shipping cartons, or missing cartons should be filed within 48 hours by the Customer with Invivo's Customer Service Department. Prior to the shipment of any product, Invivo may change the construction or the design of the product without notice to the Customer as long as the function, footprint, and performance of the product is not



Bayer HealthCare



Quotation

Quote To:
ROWAN REGIONAL MEDICAL
CENTER
612 Mocksville Ave
SALISBURY NC 28144-2732
USA

Bayer HealthCare LLC

Quotation number: 0020015032
Customer number: 0000125168
Date: 04/09/2015
Page: 1

Valid from: 04/09/2015 to 09/15/2015

Bill McDonnell
Professional Sales Consultant
630-877-2949
william.mcdonnell@bayer.com

We deliver according to the following terms and conditions:

Currency: USD

Terms of payment: 30 d. w/o discount of inv. net
Terms of delivery: Carriage paid CARRIAGE PAID

Item	Part No	Qty	
1	58746812	1PCE	ASSY, TOP LEVEL, SPECTRIS SOLARIS EP
2	59944642	1PCE	SSI 300 INSTALL, SPECTRIS SOLARIS MR INJECTOR
			Sub Total
			25,305.00
			Total
			25,305.00

If pricing and terms of this order are based upon your current Group Purchasing Organization (GPO) affiliation, any change to your current affiliation may require a new quote or updated terms and pricing.

When applicable, State and Local taxes will be calculated on the order. If you are exempt from taxes, contact customer support at 1(800)633-7231. Thank you for your order!

Attachment B

PROPOSED CAPITAL COSTS

Project Name: **Replace MRI Scanner in Radiology Department**

May 7, 2015

Proponent: **Rowan Regional Medical Center**

A. Site Costs

(1)	Full purchase price of land		\$ _____
	Acres _____ Price per Acre		\$ _____
(2)	Closing Costs		\$ _____
(3)	Site Inspection and Survey		\$ _____
(4)	Legal fees and subsoil investigation		\$ _____
(5)	Site Preparation Costs		
	Soil Borings	\$	_____
	Clearing Earthwork	\$	_____
	Fine Grade For Slab	\$	_____
	Roads Paving	\$	_____
	Concrete Sidewalks	\$	_____
	Water and Sewer	\$	_____
	Footing Excavation	\$	_____
	Footing Backfill	\$	_____
	Termite Treatment	\$	_____
	Sub-Total Site Preparation Costs		\$ _____ 0.00
(6)	Other (specify)		\$ _____
(7)	Sub-Total Site Costs		\$ _____ 0.00

B. Construction Contract

(8)	Cost of Materials		\$ 222,750.00
(9)	Cost of GC Labor		\$ 272,250.00
(10)	(Other)		\$ _____
(11)	Sub-Total Construction Contract		\$ 495,000.00

C. Miscellaneous Project Costs

(12)	Building Purchase		\$ _____
(13)	Fixed Equipment Purchase/Lease <i>quote 1,187,515 + 39,000 FmV - old msc</i>		\$ 1,226,515.00
(14)	Movable Equipment Purchase/Lease (Monitor + Injector)		\$ 109,744.00
(15)	Furniture		\$ _____
(16)	Landscaping		\$ _____
(17)	Consult Fees		
	Architect and Engineering Fees	\$	39,500.00
	A&E reimbursable expenses		4,400.00
	DHSR review fee		1,769.00
	Legal Fees	\$	_____
	Market Analysis	\$	_____
	Other*	\$	_____
	*Med gas testing, special inspections, permitting, T&B		
	Sub-Total Consultant Fees		\$ 45,669.00
(18)	Financing Costs (e.g. Bond Loan, etc)		\$ _____
(19)	Interest During Construction		\$ _____
(20)	(Other) 10% Construction Contingency		\$ 49,500.00
(21)	Sub-Total Miscellaneous Project Costs		\$ 1,431,428.00
(22)	Total Capital Cost of Project (Sum A-C above)		\$ 1,926,428.00

Attachment C

KSQ/Peterson
2115 Rexford Road Suite 500
Charlotte North Carolina 28211

704 364 3400 office



April 29, 2015

Mr. Jeff Bailey
Novant Health, Inc.
3600 Country Club Road, Suite 102
Winston-Salem, North Carolina 27104

Re: Novant Health
Rowan Medical Center
MRI #1 Equipment Replacement & Renovation
Sallsbury, North Carolina

Dear Jeff:

We have prepared our estimate for the MRI Equipment Replacement & Renovation. The MRI #1 Scan Room, Equipment Room, and Control Room total 1,075 S.F. We estimate the construction labor cost will be \$272,250.00 and the construction material cost will be \$222,750.00. Therefore we estimate the total construction cost to be \$495,000.00.

The architectural and engineering design fees shall be \$39,500.00 and estimated project reimbursables are approximately \$4,400.00. The DHSR review fee is estimated to be \$1,769.00. Therefore, the total estimated cost of construction, including A&E fees and reimbursables, and DHSR review fee is \$540,669.00.

If I can be of further assistance, please do not hesitate to contact me.

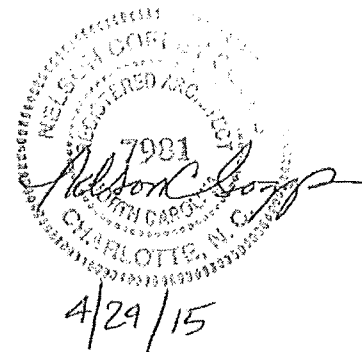
Sincerely,

KSQ/PETERSON

A handwritten signature in cursive script that reads 'Nelson C. Soggs'.

Nelson C. Soggs, AIA, LEED® AP, Associate
Senior Project Manager

NCS/jlj



KSQ/Peterson
2115 Rexford Road, Suite 500
Charlotte North Carolina 28211

704.364.3400 office



April 10, 2015

Mr. Jeff Bailey
Novant Health, Inc.
Planning, Design and Construction
3600 Country Club Road, Suite 102
Winston-Salem, North Carolina 27104

Re: Novant Health
Rowan Medical Center
MRI Replacement & Renovation

Dear Jeff:

On behalf of KSQ/Peterson, (the "Architect"), we are pleased to submit the following proposal for Architectural/Engineering (A/E) services for the MRI Replacement & Renovation at Rowan Medical Center (the "Project").

1. Scope of Work:

Work shall include renovations to the existing MRI space to accommodate the new MRI Equipment. Work shall include architectural, mechanical, electrical, plumbing and fire protection design. Structural engineering, if required, will also be part of our basic fee. The RF Shielding design will not be part of our design services.

2. Architect's Responsibilities:

- a. Meeting with Client as required to develop a complete design for the Project.
- b. Develop initial design options.
- c. Verify with DHHS what design requirements are necessary.
- d. Develop Construction Documents.
- e. Assist Novant Health in Contractor bidding.
- f. Construction Administrative Services.

3. Necessary Information:

For proper coordination of the outlined services, we request that the Owner provide the following:

- a. Ladder access to get above the existing ceiling and keyed access to survey electric panels and mechanical systems.
- b. Vendor equipment drawings
- c. CAD files of existing plans of the facility.



4. Professional Fees:

The fee proposal shall be governed by the terms and conditions of the AIA B102 and B201, Owner and Architect Agreement between KSQ/Peterson and Novant Health dated July 30, 2014.

We propose a fee of \$39,500.00 based upon the outline of services listed above in connection with this Project.

A/E Basic Fee:

<u>Phase</u>	<u>Fee</u>
Schematic Design	\$5,925.00
Design Development	\$7,900.00
Construction Documents	\$15,800.00
Bidding	\$ 1,975.00
Total Design Fixed Fee (Planning Capital)	\$31,600.00
<u>Construction</u>	<u>\$7,900.00</u>
Total Construction Administration Fixed Fee	\$7,900.00
Total Design & Construction Administration Fixed Fee	\$39,500.00

We will bill monthly for the progress of the work plus the following normal and customary reimbursable expenses at a 1.0 multiplier:

- a. Transportation in connection with the Project, subsistence and electronic communications.
- b. Reproductions, plots, standard form documents, postage, handling and delivery of Instruments of Service.
- c. Other similar direct related project expenditures.

We estimate reimbursable expenses to be \$4,400.00.

If these terms are acceptable, please countersign and return one copy to our office.

We look forward to working with you on the successful completion of this project.

Mr. Jeff Bailey
Novant Health
April 10, 2015
Page 3



Sincerely,

A handwritten signature in cursive script that reads 'Nelson C. Soggs'.

Nelson C. Soggs, AIA, LEED® AP, Associate
Senior Project Manager
KSQ/Peterson

ACCEPTED:

KSQ/PETERSON

A handwritten signature in cursive script that reads 'Wayne L. Gregory'.

Wayne L. Gregory, AIA
Partner

Dated: April 10, 2015

ACCEPTED:

NOVANT HEALTH, INC.

Dated: _____

Attachment D

Novant Health Rowan Medical Center – MRI Scanner		EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type of Equipment (List Each Component)		MRI Scanner	MRI Scanner
Manufacturer of Equipment		Siemens	Siemens
Tesla Rating for MRIs		1.5T	1.5T
Model Number/Name		Symphony	Aera
Serial Number		14401	TBD
Provider's Method of Identifying Equipment (RRMC uses an internal numbering system to identify equipment.)		Internal Asset Numbering System	Internal Asset Numbering System
Specify if Mobile or Fixed		Fixed	Fixed
Mobile Trailer Serial Number/VIN #		n/a	n/a
Mobile Tractor Serial Number/VIN #		n/a	n/a
Date of Acquisition		August 1999	TBD
Does Provider Hold Title to Equipment or Have a Capital Lease?		Title	Title to be held by RMC upon Purchase
Specify if Equipment Was/Is New or Used When Acquired		New	New
Total Capital Cost of Project (Including Construction, etc.) <Use Attached Form>		\$2,690,334	\$1,926,428
Total Cost of Equipment		\$1,913,082	\$1,187,515
Fair Market Value of Equipment		\$39,000	\$1,187,515
Net Purchase Price of Equipment		\$1,913,082	\$1,187,515
Locations Where Operated		NHRMC – Ground Floor – Radiology Dept.	NHRMC – Ground Floor – Radiology Dept.
Number Days In Use/To be Used in N.C. Per Year		365	365
Percent of Change in Patient Charges (by Procedure)		None	None
Percent of Change in Per Procedure Operating Expenses (by Procedure)		None	None
Type of Procedures Currently Performed on Existing Equipment		MR Imaging	-----
Type of Procedures New Equipment is Capable of Performing		-----	MR Imaging