DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

MARK PAYNE
DIRECTOR

April 21, 2017

J. Anthony Rose
Catawba Valley Medical Center
810 Fairgrove Church Road
Hickory, NC 28602

Exempt from Review – Replacement Equipment

Record #:	**2241**
Facility Name:	Catawba Valley Medical Center
FID #:	933080
Project Description:	Replace existing cardiac catheterization equipment
County:	Catawba

Dear Mr. Rose:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of April 11, 2017, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(f) (or alternatively N.C. Gen. Stat. §131E-184(a)(7), depending on the final capital cost). Therefore, you may proceed to acquire without a certificate of need the GE Maclab 6.9.6XT to replace the Siemens Sensis 6634633. This determination is based on your representations that the existing unit will be retained for use exclusively for interventional radiology procedures and no longer used as cardiac catheterization equipment.

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,

Julie Halatek

Julie Halatek
Project Analyst

Martha J. Frisone

Martha J. Frisone
Assistant Chief, Certificate of Need

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR
Paige Bennett, Assistant Chief, Healthcare Planning, DHSR

April 11, 2017

Ms. Martha Frisone
Assistant Chief
Certificate of Need Section
Division of Health Service Regulation
809 Ruggles Drive
Raleigh, NC 27603

RE: Catawba Valley Medical Center (Catawba County) Exemption Request for Hospital Renovation and Acquisition of Replacement Equipment, License # H0223, Facility ID# 933080

Dear Ms. Frisone:

Catawba Valley Medical Center ("CVMC") is a general acute care hospital located in Hickory, North Carolina. CVMC plans to undertake a hospital renovation project (the "Renovation Project") designed to (i) improve the capacity of Emergency Department services and (ii) consolidate and relocate existing cardiology-related services so they are contiguous to the Emergency Department. The Renovation Project will also include the acquisition of replacement equipment.

CVMC is hereby providing the N.C. Department of Health and Human Services, Healthcare Planning and Certificate of Need Section, with prior written notice as required by N.C. Gen. Stat. §§ 131E-184 (a)(7), (f)1-3, and (g)1-3. As described herein, all components of the Renovation Project meet the requirements of the foregoing exemption statutes. Consequently, the Renovation Project is exempt from certificate of need ("CON") review. We respectfully request that, after you review this matter, you provide CVMC with written confirmation that the Renovation Project is exempt from CON review.

Overview of CON Exemption Statutes Applicable to the Renovation Project

The total cost of the Renovation Project is estimated to be $27,040,244. The Renovation Project will consist of both (i) the renovation, replacement, and/or expansion of portions of CVMC's hospital that is located on its main campus, and (ii) the purchase of replacement equipment that will be located on the hospital's main campus. The Renovation Project is exempt from CON review under the statutory provisions in N.C. Gen. Stat. §§ 131E-184(a)(7), 131E-184(f), and 131E-184(g), which are discussed immediately below.

1. *Exemption to Renovate, Replace, or Expand Facility— N.C. Gen. Stat. § 131E-184(g)*

A capital expenditure that exceeds two million dollars to renovate, replace, or expand an existing health service facility is except from CON review under N.C. Gen. Stat. §§ 131E-184(g), as follows:

> (g) The Department shall exempt from certificate of need review any capital expenditure that exceeds the two million dollar ($2,000,000) threshold set forth in G.S. 131E-176(16)b. if all of the following conditions are met:
>
> (1) The sole purpose of the capital expenditure is to renovate, replace on the same site, or expand the entirety or a portion of an existing health service facility that is located on the main campus.
>
> (2) The capital expenditure does not result in (i) a change in bed capacity as defined in G.S. 131E-176(5) or (ii) the addition of a health service facility or any other new institutional health service other than that allowed in G.S. 131E-176(16)b.
>
> (3) The licensed health service facility proposing to incur the capital expenditure shall provide prior written notice to the Department along with supporting documentation to demonstrate that it meets the exemption criteria of this subsection.

The CON law defines certain terms that are relevant to this exemption statute, as follows:

> "Health service facility" includes a hospital.
>
> "Main campus" means all of the following (a) the site of the main building from which a licensed health service facility provides clinical patient services and exercises financial and administrative control over the entire facility, including the buildings and grounds adjacent to that main building, and (b) other areas and structures that are not strictly contiguous to the main building but are located within 250 yards of the main building.
>
> "Change in bed capacity" means (a) any relocation of health service facility beds, or dialysis stations from one licensed facility or campus to another, or (b) any redistribution of health service facility bed capacity among the categories of health service facility bed as defined in G.S. 131E-176(9c), or (c) any increase in the number of health service facility beds, or dialysis stations in kidney disease treatment centers, including freestanding dialysis units.

See N.C. Gen. Stat. § 131E-176 (5), (9b), (14n) (CON definitions).

2. *Exemptions for Replacement Equipment— N.C. Gen. Stat. §§ 131E-184(a)(7), (f)*

The CON statutes contain two exemptions provisions for replacement equipment. The first is in N.C. Gen. Stat. §§ 131E-184(a)(7):

> (a) Except as provided in subsection (b), the Department shall exempt from certificate of need review a new institutional health service if it receives prior written notice from the entity proposing the new institutional health service, which notice includes an explanation of why the new institutional health service is required, for any of the following:
>
> * * *
>
> (7) To provide replacement equipment.

The second is in N.C. Gen. Stat. §§ 131E-184(f):

> (f) The Department shall exempt from certificate of need review the purchase of any replacement equipment that exceeds the two million dollar ($ 2,000,000) threshold set forth in G.S. 131E-176(22a) if all of the following conditions are met:
>
> (1) The equipment being replaced is located on the main campus.
>
> (2) The Department has previously issued a certificate of need for the equipment being replaced. This subdivision does not apply if a certificate of need was not required at the time the equipment being replaced was initially purchased by the licensed health service facility.
>
> (3) The licensed health service facility proposing to purchase the replacement equipment shall provide prior written notice to the Department, along with supporting documentation to demonstrate that it meets the exemption criteria of this subsection.

The CON statutes and regulations define certain terms that are relevant to both of these exemption provisions, as follows:

> "*Replacement equipment*" means equipment that costs less than two million dollars ($ 2,000,000) and is purchased for the sole purpose of replacing comparable medical equipment currently in use which will be sold or otherwise disposed of when replaced. In determining whether the replacement equipment costs less than two million dollars ($ 2,000,000), the costs of equipment, studies, surveys, designs, plans, working Drawings, specifications, construction, installation, and other activities essential to acquiring and making operational the replacement equipment shall be included. The capital expenditure for the equipment shall be deemed to be the fair market value of the equipment or the cost of the equipment, whichever is greater.

"*Comparable medical equipment*" means equipment which is functionally similar and which is used for the same diagnostic or treatment purposes.

Replacement equipment is comparable to the equipment being replaced if: (1) it has the same technology as the equipment currently in use, although it may possess expanded capabilities due to technological improvements; and (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; and (3) the acquisition of the equipment does 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.

Replacement equipment is not comparable to the equipment being replaced if: (1) the replacement equipment is new or reconditioned, the existing equipment was purchased second-hand, and the replacement equipment is purchased less than three years after the acquisition of the existing equipment; or (2) the replacement equipment is new, the existing equipment was reconditioned when purchased, and the replacement equipment is purchased less than three years after the acquisition of the existing equipment; or (3) the replacement equipment is capable of performing procedures that could result in the provision of a new health service or type of procedure that has not been provided with the existing equipment; or (4) the replacement equipment is purchased and the existing equipment is leased, unless the lease is a capital lease; or (5) the replacement equipment is a dedicated PET scanner and the existing equipment is: (A) a gamma camera with coincidence capability; or (B) nuclear medicine equipment that was designed, built, or modified to detect only the single photon emitted from nuclear events other than positron annihilation.

See N.C. Gen. Stat. § 131E-176 (22a); 10A NCAC 14C .0303 (replacement equipment regulations).

Below, we explain the details of the Renovation Project and how the Renovation Project meets the requirements for being exempt from CON review.

Part I:
The Facility Renovation, Replacement, and Expansion Components of the Renovation Project

CVMC is a general acute care hospital with a total licensed bed capacity of 258 beds. CVMC's licensed bed capacity includes 200 general acute care beds, 20 inpatient rehabilitation beds, and 38 inpatient psychiatric beds. See Attachment I for a copy of CVMC's 2017 Hospital License. The hospital has undergone multiple expansion and renovation projects throughout the years, with its most recent major renovation project approved by the Certificate of Need Section in 2008 (Project ID# E-8126-08). That project involved the construction of a new hospital pavilion which

in turn allowed for the relocation of multiple inpatient units with an expanded number of private rooms.

A. Facility Renovation Project Overview

The purpose of CVMC's Renovation Project is to "right size" facilities to match the changing needs of its patient population, *by renovating, replacing, and/or expanding sections of the hospital that are located on the first floor of its main campus*. Specifically, the Renovation Project involves renovating, replacing, and expanding space within the existing Emergency Department ("ED") to improve patient flow for both medical and behavioral health patients. It also involves relocating all existing cardiology services and equipment to space that will be renovated, replaced, and expanded and contiguous to the ED, the entry point for many cardiac patients. The relocation of these existing services will allow CVMC to consolidate related cardiology services. All totaled, the Renovation Project will involve 39,046 square feet, of which 28,331 square feet will be renovated and 10,715 square feet will be an expansion through new construction.

B. The Facility Renovation Project Is Exempt From CON Review

All components of the Renovation Project for renovating, replacing, and/or expanding exsiting sections of the hospital that are located on the first floor of its main campus are exempt from CON review pursuant to N.C. Gen. Stat. § 131E-184(g)1-3.

Capital Costs Exceed $2 Million. The total capital costs for the Renovation Project will be $27,040,244. A breakdown of the proposed costs is provided in Attachment II.[1] Attachment III is a letter from the architect attesting to the completeness and correctness of the construction-related costs.

Renovation, Replacement & Expansion of Existing Hospital Located on Main Campus. All of the proposed renovations, replacements, and/or expansions of the hospital will occur on the "main campus" of the existing hospital, which is located at 810 Fairgrove Church Road, Hickory, NC. Drawings of the appropriate portions of the existing hospital first floor where renovation, replacement, and expansion are proposed is provided in Attachment IV. The building in which this work will occur is the "main campus" of the hospital because this site is "the main building from which [the hospital] provides clinical patient services and exercises financial and administrative control over the entire facility, including the buildings and grounds adjacent to that main building." See N.C. Gen. Stat. § 131E-176(14n) (defining main campus). For example, CVMC's entire executive administrative suite, including the office of its President and CEO, is located on the lower level of this building.

No Change in Bed Capacity. The Renovation Project will not result in any change in bed capacity as defined in N.C. Gen. Stat. § 131E-176(5). Specifically, Renovation Project does not involve

[1] The capital cost total includes the cost of all replacement equipment involved in the Renovation Project. The exemption requirements for the replacement equipment are addressed in Part II.

any relocation of any health service facility beds or dialysis stations from one licensed facility or campus to another; any distribution of health service facility beds among the categories defined in N.C. Gen. Stat. § 131E-176(9c); or any increase in the number of health service facility beds or dialysis stations, including freestanding dialysis units.

No Other New Institutional Health Services. The Renovation Project to renovate, replace, and/or expand portions of the existing hospital will not result in the addition of a "health service facility" or any other "new institutional health service" other than that allowed in G.S. 131E-176(16)b. For instance, the Renovation Project does not result in the development or offering of a new health service (131E-176(16)f); the acquisition of regulated equipment (131E-176(16)f1.); the conversion of non-health service facility beds to health service facility beds (131E-176(16)m); the construction, development, establishment, increase in the number or relocation of an operating room or gastrointestinal endoscopy room in a licensed health service facility (131E-176(16)u); the change in designation of an operating room to a gastrointestinal endoscopy room or a gastrointestinal endoscopy room to an operating room; (131E-176(16)v); the acquisition of major medical equipment, other than replacement equipment that is exempt for CON review as addressed in Part II of this letter; or any other matter requiring a CON.

C. Emergency Department Renovation Details

The Need for Renovations and Expansion. The ED at CVMC was last renovated in 2003. Since that time the number of visits has risen from 44,752 to 59,259 in 2016. The acuity of patients has increased such that admissions from the ED now account for 67% of total inpatient admissions in 2016, up from 51% of inpatients in 2003. Likewise, the number of patients seen in the ED in need of behavioral health services has also risen. Behavioral health patients treated in the ED, whether adult or adolescent, require significant resources. To avoid potential safety risks, these patients require close observation to minimize risks to themselves or others. They routinely require extensive time in the ED until their emergent issues can be resolved. Adult and geriatric behavioral health patients requiring inpatient admission can often be accommodated at CVMC which operates an inpatient psychiatric unit. However, because the unit often operates at capacity, even adult patients routinely require lengths of stay in the ED averaging approximately eight (8) hours. Children and adolescents with behavioral health issues routinely encounter even longer stays in the ED since CVMC's psychiatric unit is not capable of treating these patients. Because CVMC's ED routinely encounters difficulties finding appropriate inpatient placement for these patients, they may encounter lengths of stay in the ED averaging approximately 24 hours, with some stays extending several days.

Patients arriving to the ED by ambulance have also shown tremendous volume growth over a relatively short timeframe. CVMC has realized a 41% growth in ambulance arrivals since 2013 which is an increase from 16 patients per day to 27 patients per day. This, combined with the multiple ED and inpatient transfers out of the facility often times leaves the existing 2 ambulance bays bottle-necked, requiring ambulances to off-load in the drive.

According to the latest statistics from the Emergency Department Benchmarking Alliance, the median "door to provider" time for all Emergency Departments in its database has decreased to about 28 minutes; however the median "door-to-provider" time at CVMC in 2016 was approximately 45 minutes. To better accommodate these challenges, CVMC plans to expand the existing ED to improve capacity as well as the flow of patients within the department.

Details of the ED Renovation and Expansion. The ED renovation, replacement, and expansion will include a renovation of an existing 23,342 square feet within the current ED, and an addition of 6,595 square feet in new construction for a total of 29,937 square feet. The expansion will increase the number of treatment spaces from 34 to 45. The renovation will also include the redesign of the triage area and result in four (4) vertical care treatment bays. These vertical care spaces allow for quick treatment and disposition for patients that would otherwise be treated in an urgent care setting. The renovation will also allow for the redesign of the care team structure to include care team pods that can be quickly opened during times of volume surges.

Care for morbidly obese patients will be improved by developing a bariatric patient room. This room will be equipped with a ceiling lift to assist staff with patient movement and located next to bathroom and shower facilities appropriately sized for bariatric patients. This will provide these patients with personal care opportunities they may not have access to at their own home.

Other features of the ED renovation include two new isolation rooms located near the ambulance bay to better deal with the increase in communicable diseases. These rooms will safely accommodate patients with Ebola and other highly contagious and deadly communicable diseases. Renovations are also planned to the decontamination room to create more usable space to better handle hazardous material exposures. Clinical support space will also be expanded to improve work flow within the department.

To address the increase in behavioral health patients treated in the ED, a dedicated access-controlled area will be developed. This space will include a patient day room with natural lighting, two shower/bathrooms, two group rooms, four private rooms, and a control/sitter station. The control/sitter area will provide staff with direct visualization of patients along with monitored camera observation. The location of this area provides private entry for direct access from the ambulance bay for patients arriving via ambulance or by law enforcement vehicle. In addition to improvements to the physical space, the number of pneumatic tube stations will be increased from two to three to improve lab turn-around time and improve patient throughput.

To address the increase in ambulance traffic to and from the ED, the Renovation Project includes the construction of a third ambulance bay adjacent to the existing two bays.

See Attachment IV for Drawings showing the ED renovation and expansion and the proposed ambulance bay location.

D. Cardiology Services Renovation Details

Cardiology services are presently provided in multiple locations on the first floor of the main campus of the hospital. The Renovation Project will provide for the consolidation of cardiology services into one Cardiology Suite on the first floor. Currently, the Cardiac Catheterization Lab and the Electrophysiology (EP) Lab are located within the Radiology Suite on the first floor—while Nuclear Medicine, Cardiovascular Ultrasound, and the Cardiac Stress Lab are located in another area on the first floor of the hospital. The Renovation Project will allow for the relocation of all these departments to newly constructed space contiguous to the ED. The creation of a consolidated cardiology area will allow for more efficient utilization of staff and will improve physician productivity.

Cardiology services have grown significantly over the past few years as evidenced by the growth from 2013 to 2016 listed in the table below.

	CY2013 Procedures	**CY2016 Procedures**	**Percent Increase**
Cardiac Catheterization	439	734	67.20%
Electrophysiology Lab	226	354	56.64%
Cardiac Stress Lab	432	1173	171.53%
Cardiac Nuclear Medicine	905	1116	23.31%
Cardiovascular Ultrasound	3579	7752	116.59%
Holter Monitors	541	1106	104.44%

Clinical support space for these departments is currently inadequate to meet the needs of patients and provide the equipment and supplies needed. Expanded clinical support space will include an appropriately-sized physician reading area, a separate reception and waiting area for cardiology patients and the creation of six (6) prep/recovery areas dedicated to cardiology patients. The prep/recovery area will include a private room equipped with a bariatric patient lift to allow for the care of the morbidly obese as well as isolation patients. Other areas to be expanded include equipment storage areas, supply and implant storage rooms, staff locker rooms and a staff/physician break room. At 3,249 square feet, the current allocated "footprint" for cardiology services is simply inadequate to accommodate current patient loads. The Cardiology expansion will include a renovation of an existing 4,989 square feet, and an addition of 4,120 square feet in new construction for a total of 9,109 square feet—all of which will be located on the first floor of the hospital's main campus and be contiguous to the ED. This new consolidated cardiology service area will provide adequate space to safely care for the increasing number of cardiac patients.

Certain of the capital costs of this Renovation Project will be shared between the ED and Cardiology renovations. Those are:

- Upgraded nurse call system at a price of $300,000. The current system has reached its useful life and will be replaced with a safer, more reliable system.
- Central cardiac monitoring system at $675,000. This equipment upgrade will increase the number of monitored beds from 18 to 33 in the ED and include the addition of six prep/recovery bays in the Cardiology Service suite.

- Information Technology at $1,000,000. This cost will cover cabling, telecommunications and computer workstations.
- Overhead Paging System at $100,000.
- Security Cameras and Doors at $170,000.

Much of the equipment proposed for the Cardiology Suite will be relocated from existing areas within the hospital. Equipment from Nuclear Medicine, Cardiovascular Ultrasound, and the Cardiac Stress Lab will be relocated to the new Cardiology Suite. New equipment proposed for new Cardiology Suite will also involve replacement equipment for (i) Cardiac Catheterization Lab imaging and hemodynamic system and (ii) Electrophysiology ("EP") Lab imaging system, as discussed in the next section.

Part II:
Replacement Equipment

The Renovation Project includes the acquisition of replacement equipment for both CVMC's (i) existing cardiac catheterization lab imaging system and hemodynamic system (collectively, the "Cath System") and (ii) existing EP lab imaging system ("EP Imaging System"). (CVMC understands that it could have submitted this replacement equipment exemption notice separately from its notice concerning the renovation, relocation, and expansion. However, CVMC believes that submitting a single notice is more efficient for both CVMC and the CON Section.)

A. Cath System Replacement Equipment

The replacement of the existing Cath System is exempt from CON review pursuant to N.C. Gen. Stat. § 131E-184(f)—or in the alternative, it is exempt pursuant to N.C. Gen. Stat. § 131E-184(a)(7) if the cost of the replacement equipment is deemed to be less than $2 million.

The existing Cath System is described on Attachment V (Cath Equipment Comparison Chart). The existing Cath System was purchased in 2008. The Cath System was new at the time of purchase, is currently in use at CVMC, and has been continuously in service since its installation at CVCM.

A CON was not required for CVMC's acquisition of the existing Cath System. CVMC's original cardiac catheterization equipment was purchased in 1989, prior to changes to the CON law that required CON approval for acquiring cardiac catheterization equipment. Since that time, on a number of occasions, CVMC has acquired new cardiac catheterization equipment that the CON Section determined was except from CON review as "replacement equipment." In this regard, the most recent replacement of existing cardiac catheterization equipment was undertaken in 2008, and a copy of CON Section's letter approving the acquisition as exempt from CON review is attached as Attachment VI (CON Cath Exemption Letter).

The proposed replacement Cath System is described on Attachment V (Cath Equipment Comparison Chart) and Attachments VIII and IX (Cath Vendors Quotes)[2]. The replacement Cath System will be located in the new Cardiology Suite, which, as Part I demonstrates, will be located on CVMC's main campus. See Attachment IV (Drawings).

CVMC will acquire this equipment by purchase, and it will be new at the time of purchase. The replacement Cath System will be functionally similar to, and used for the same treatment purposes as, the existing Cath System. The replacement Cath System will have the same basic technology as the existing equipment and will be used to provide cardiac catheterization services. Further details about the replacement Cath System are contained in Attachment V (Cath Equipment Comparison Chart) and Attachments VIII and IX (Cath Vendors Quotes).

The acquisition of the replacement Cath System 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 Cath System is acquired. For additional information comparing the existing and replacement Cath System, please see Attachment V (Cath Equipment Comparison Chart).

The cost of the replacement Cath System will be $1,001,518. See Attachments VIII and IX (Cath Vendors Quotes reflecting $773,118 for the imaging system and $228,330 for the hemodynamic system)[3]. It is difficult to determine the precise amount of the total capital costs for the Renovation Project that should be allocated to the replacement equipment as additional costs for all "activities essential to acquiring and making operational the replacement equipment." However, this appears irrelevant because no matter the amount of such additional costs, the acquisition will be exempt from CON review. For instance, as long as the total additional costs for all activities essential to acquiring and making the replacement equipment operational do not exceed $998,481.99, the acquisition of the equipment would cost less than $2 million and would be exempt under N.C. Gen. Stat. § 131E-184(a)(7). However, if the total additional costs for all activities essential to acquiring and making the replacement equipment operational exceed $998,481.99, the acquisition of the equipment would cost $2 million or more and would be exempt under N.C. Gen. Stat. § 131E-184(f). Either way, the acquisition is exempt.

As noted above, the replacement Cath System will be installed and located in the new Cardiology Suite that is developed as part of the Renovation Project. Upon the installation of the new replacement Cath System, the existing Cath System will be repurposed for interventional radiology and no longer used for cardiac catheterizations, as follows:

- The existing Cath System will remain in its current location within the radiology suite on the first floor.

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[2] CVMC proposes to acquire the Cath System's imaging system component from Seimens for $773,118 (see Attachment VIII) and the Cath System's hemodynamic system from GE for $228,330 (see Attachment IX).

[3] CVMC proposes to acquire the Cath System's imaging system component from Seimens for $773,118 (see Attachment VIII) and the Cath System's hemodynamic system from GE for $228,330 (see Attachment IX).

- That location will be used as an interventional radiology room.

- The existing Cath System will be "repurposed" and used exclusively for interventional radiology and will not be used at all for cardiac catheterizations.

Hence, CVMC has elected to repurpose the existing Cath System for interventional radiology, instead of selling or otherwise actually disposing of this system.[4]

For the foregoing reasons, the acquisition of the replacement Cath System is exempt from CON review.

B. EP Replacement Equipment

The replacement of the existing EP Imaging System is exempt from CON review pursuant to N.C. Gen. Stat. § 131E-184(f)—or in the alternative, it is exempt pursuant to N.C. Gen. Stat. § 131E-184(a)(7) if the cost of the replacement is deemed to be less than $2 million.

The existing EP Imaging System is described on Attachment X (EP Equipment Comparison Chart). The existing EP Imaging System was purchased in 2007. The EP Imaging System was new at the time of purchase, is currently in use at CVMC, and has been continuously in service since its installation at CVCM.

A CON was not required for CVMC's acquisition of the existing EP Imaging System. All of CVMC's EP Imaging System equipment, including its prior and existing EP Imaging System, has been acquired for less than $750,000, which results in the prior and existing equipment not being "major medical equipment" and not requiring the CON. Specifically, the existing EP Imaging System was acquired for a total cost of $697,206.

The proposed replacement EP Imaging System is described on Attachment X (EP Equipment Comparison Chart) and Attachment XI (EP Vendor Quote). The replacement EP Imaging System will be located in the new Cardiology Suite, which, as Part I demonstrates, will be located on CVMC's main campus. See Attachment IV (Drawings).

CVMC will acquire this equipment by purchase, and it will be new at the time of purchase. The replacement EP Imaging System will be functionally similar to, and used for the same treatment purposes as, the existing EP Imaging System. The replacement EP Imaging System will have the same basic technology as the existing equipment and will be used to provide electrophysiology

[4] Because CVMC already owns this equipment and will limit its use to interventional radiology, the repurposing of the equipment is not subject to CON review. Further, even if the repurposing were deemed to be an "acquisition," the acquisition would not be subject to review. The fair market value of the repurposed equipment is only $100,000 (see Attachments V (Cath Equipment Comparison Chart) and Attachment VII (FMV Correspondence)), which means the repurposed equipment is not "major medical equipment" under N.C. Gen. Stat. § 131E-176(14o) (major medical equipment is equipment that costs more than $750,000).

services. Further details about the replacement EP Imaging System are contained in Attachment X (EP Equipment Comparison Chart) and Attachment XI (EP Vendor Quote).

The acquisition of the replacement EP Imaging System 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 EP Imaging System is acquired. For additional information comparing the existing and replacement EP Imaging System, please see Attachment X (EP Equipment Comparison Chart).

The cost of the replacement EP Imaging System will be $773,188. See Attachment XI (EP Vendor Quote). It is difficult to determine the precise amount of the total capital costs for the Renovation Project that should be allocated to the replacement equipment as additional costs for all "activities essential to acquiring and making operational the replacement equipment." However, this appears irrelevant because no matter the amount of such additional costs, the acquisition will be exempt from CON review. For instance, as long as the total additional costs for all activities essential to acquiring and making the replacement equipment operational do not exceed $1,226,811.99, the acquisition of the equipment would cost less than $2 million and would be exempt under N.C. Gen. Stat. § 131E-184(a)(7). However, if the total additional costs for all activities essential to acquiring and making the replacement equipment operational exceed $1,226,811.99, the acquisition of the equipment would cost $2 million or more and would be exempt under N.C. Gen. Stat. § 131E-184(f). Either way, the acquisition is exempt.

CVMC's existing EP Imaging System, together with CVMC's other existing EP equipment (the "Other EP Equipment"), are currently located in the EP lab (which is part of the radiology suite). Upon the development of the new cardiology suite and the acquisition of the replacement EP System, both the replacement EP System and the existing Other EP Equipment will be located in the new cardiology suite. At that time, the existing EP Imaging System will be repurposed for general imaging studies and no longer used for EP services, as follows:

- The existing EP Imaging System will remain in its current location in the radiology suite on the first floor.
- That location will be used for general imaging studies.
- The existing EP Imaging System will be "repurposed" and used exclusively for general imaging studies and will not be used at all for EP services.

Hence, CVMC has elected to repurpose the existing EP Imaging System for general imaging services, instead of selling or otherwise actually disposing of this system.[5]

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[5]Because CVMC already owns this equipment and will limit its use to general imaging services, the repurposing of the equipment is not subject to CON review. Further, even if the repurposing were deemed to be an "acquisition," the acquisition would not be subject to review. The fair market value of the repurposed equipment is only $50,000 (see Attachments X (EP Equipment Comparison Chart) and Attachment XII (EP FMV correspondence), which means the

For the foregoing reasons, the acquisition of the replacement EP Imaging System is exempt from CON review.

Conclusion

We would appreciate written confirmation from the CON Section that the Renovation Project as proposed is exempt from CON review. Please contact Aarti Sura at 828-732-7162 or asura@catawbavalleymc.org if you have questions related to the proposal or if you need additional information.

Sincerely,

J. Anthony Rose, FACHE
President and CEO

cc:

Attachments

I: 2017 Hospital License
II: Capital Costs Entire Project
III: Architect Cost Certification Letter
IV: Drawings
V: Cath Equipment Comparison Chart
VI: 2008 CON Section Correspondence
VII: Cath System Fair Market Value Communication
VIII: Cath System Seimens Quote
IX: Cath System GE Quote
X: EP Equipment Comparison Chart
XI: EP Seimens Quote
XII: EP System Fair Market Value Communication

repurposed equipment is not "major medical equipment" under N.C. Gen. Stat. § 131E-176(14o)(major medical equipment is equipment that costs more than $750,000).

State of North Carolina

Department of Health and Human Services
Division of Health Service Regulation

Effective January 01, 2017, this license is issued to

County of Catawba

to operate a hospital known as

Catawba Valley Medical Center

located in Hickory, North Carolina, Catawba County.

This license is issued subject to the statutes of the State of North Carolina, is not transferable and shall remain in effect until amended by the issuing agency.

Facility ID: 933080

License Number: H0223

Bed Capacity: *258*

General Acute 200, Rehabilitation 20 , Psych 38,

Dedicated Inpatient Surgical Operating Rooms: 1
Dedicated Ambulatory Surgical Operating Rooms: 0
Shared Surgical Operating Rooms: 12
Dedicated Endoscopy Rooms: 2

Authorized by:

Richard O. Bay

Secretary, N.C. Department of Health and Human Services

Mark Payne

Director, Division of Health Service Regulation

PROPOSED TOTAL CAPITAL COST OF PROJECT

Project Name: ED & Cardiology Expansion Project

Provider/Company:Catawba Valley Medical Center

A.	**Site Costs**	
	Full purchase price of land	
	Closing costs	
	Site Inspection and Survey	
	Legal fees and subsoil investigation	
	Site Preparation Costs	
	Soil Borings	
	Clearing Earthwork	
	Fine Grade for Slab	
	Roads-Paving	
	Concrete Sidewalks	
	Water and Sewer	
	Footing Excavation	
	Footing Backfill	
	Termite Treatment	
	Other (Specify)	
	Sub-Total Site Costs	In Construction
B	**Construction Contract**	
	Cost of Materials	
	General Requirements	
	Concrete/Masonry	
	Woods/Doors & Windows/Finishes	
	Thermal & Moisture protection	
	Equipment/Specialty Items	
	Mechanical/Electrical	
	Sub-Total Cost of Materials	
	Cost of Labor	
	Ambulance Bay	
	Sub-Total Construction Contract	$17,367,263
C	**Miscellaneous Project Costs**	
	Building Purchase	$0
	Fixed Equipment Purchase/Lease	$2,444,879
	Movable Equipment Purchase/Lease	$1,800,076
	Furniture	$430,927
	Information Technology	$1,000,000
	Signage (Interior & Exterior)	$147,156
	Pneumatic Tube	$100,000
	Nurse Call System	$300,000
	Paging System	$100,000
	Security Cameras & Doors	$170,000
	Furniture Moves / FFE Relocations Fees	$205,000
	Advertisement - Bidding	$1,000
	Asbestos: Testing, Abatement, Fireproofing Planning	$3,000
	Builder's Risk Insurance	$15,000
	Contingency (Construction)	$1,611,663
	Contingency (Equipment)	$103,332
	DHSR Application Fee	$27,000
	Sub Surface Exploration (S+ML)	$7,900
	Materials Testing & Special Inspections	$10,000
	Pre-Con Fee (Rodgers Builders)	$101,000
	Test & Balance	$7,500
	Feasibility Study	$0
	Landscaping	
	Consultant Fees	
	Architect, Engineering & Design Fees (Perkins Eastman)	$1,061,700
	Engineering Fee (Non Perkins Eastman)	$5,848
	Legal Fees	
	Market Analysis	
	Signage Fees	$10,000
	Financing Costs (e.g. Bond Issue, etc.)	
	Interest During Construction	
	Space Mock-Up Fees	$10,000
	Sub-Total Miscellaneous	$9,672,981

Total Capital Cost of the Project $ 27,040,244.00

I certify that, to the best of my knowledge, the costs of the proposed project named above are complete and correct

NC LIC 8168 Date Certified 3-1-2017

(Signature of Licensed Architect or Engineer)

I assure that, to the best of my knowledge, the above costs for the proposed project are complete and correct and that it is my intent to carry out the proposed project as described.

Date Signed 3-1-2017

(Signature and Title of Officer Authorized to Represent Provider/Company)

Perkins Eastman

Creativity
Humanity
Purpose

March 7, 2017

Mr. Scott Echelberger, FACHE, Vice President
Catawba Valley Medical Center
810 Fairgrove Church Road
Hickory, NC 28602

Re: Cost Certification Letter
Project Name: CVMC – Emergency Department and Cardiology Addition and Renovation

Dear Mr. Echelberger:

Perkins Eastman has been pleased to work with the Catawba Valley Medical Center to develop the Certificate of Need Exemption Package for the Emergency Department and Cardiology Addition and Renovation project.

The project will occur on the first floor of the Medical Center, and the scope includes the renovation of the existing emergency department in its entirety along with the current non-invasive cardiology area. The area of renovated space is 28,331 square feet. Additional space for the ED and Cardiology will be provided through new construction of 10,715 square feet of space adjoining the current Emergency Department. The existing ambulance bay will also be expanded.

Our estimate for construction related costs for the building are:

Building Construction Costs:	$ 17,367,263.00
A/E Fees:	$ 1,061,700.00

Sincerely,

Pat Burke

Digitally signed by Pat Burke
DN: cn=Pat Burke, o=Perkins Eastman, ou, email=p.burke@perkinseastman.com, c=US
Date: 2017.03.07 12:52:24 -05'00'

James K. Burke
Associate Principal
NC License # 8168

New York
Boston
Charlotte
Chicago
Dallas
Los Angeles
Pittsburgh
San Francisco
Stamford
Washington DC
Toronto
Shanghai
Guayaquil
Mumbai
Dubai

Perkins Eastman
Architects DPC
520 West Sixth Street
Charlotte, North Carolina 28202
t 704.940.0501

www.perkinseastman.com

CATAWBA VALLEY MEDICAL CENTER

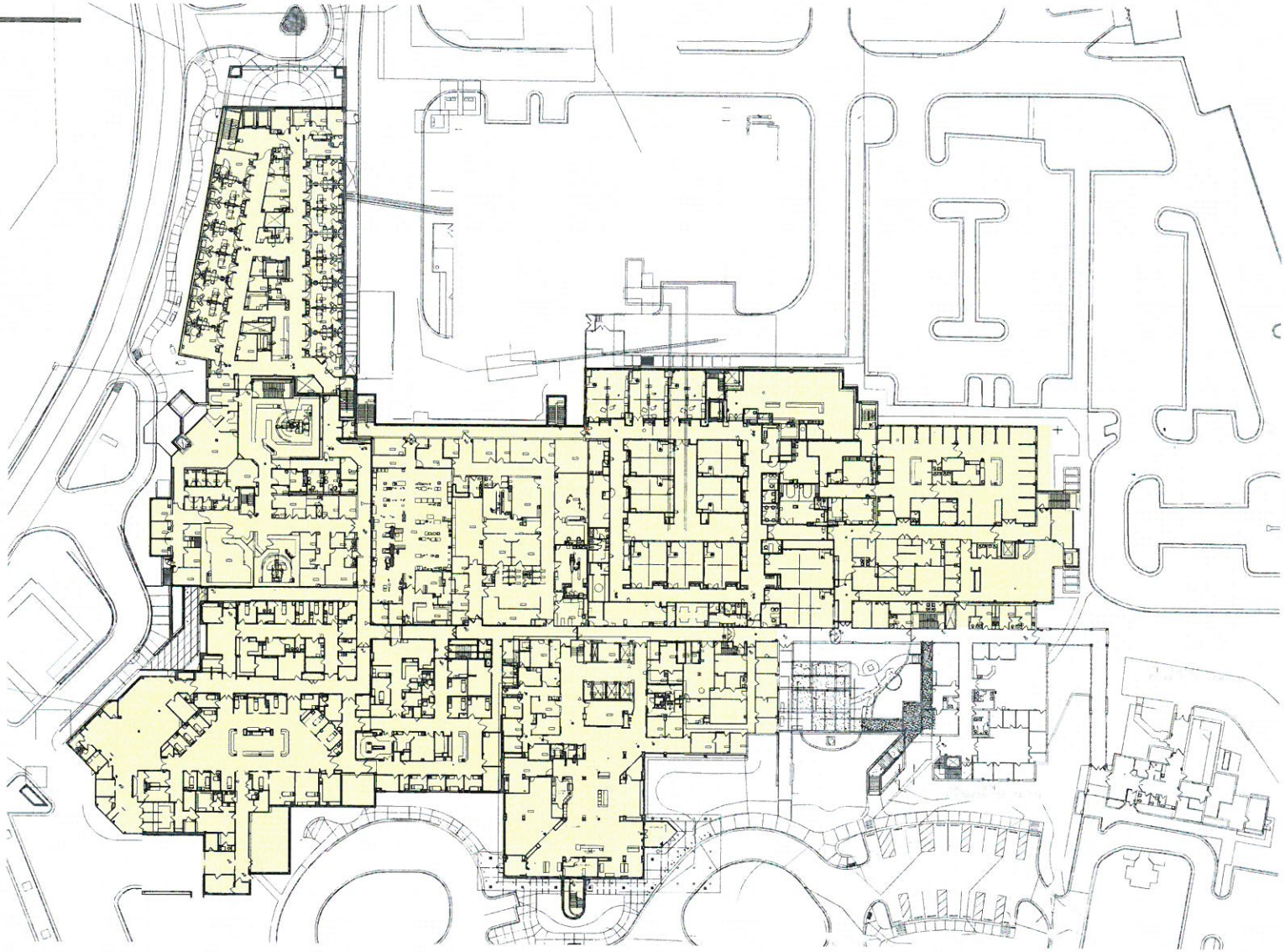
EXEMPTION SUPPORTING EVIDENCE

Issue Date
03. 01 .2017

Emergency & Cardiology Department Addition & Renovations

COLOR KEY

- Renovation
- Existing Building
- New Construction
- Regulated Asset (Cath & EP Labs)



EXISTING LEVEL 1 PLAN

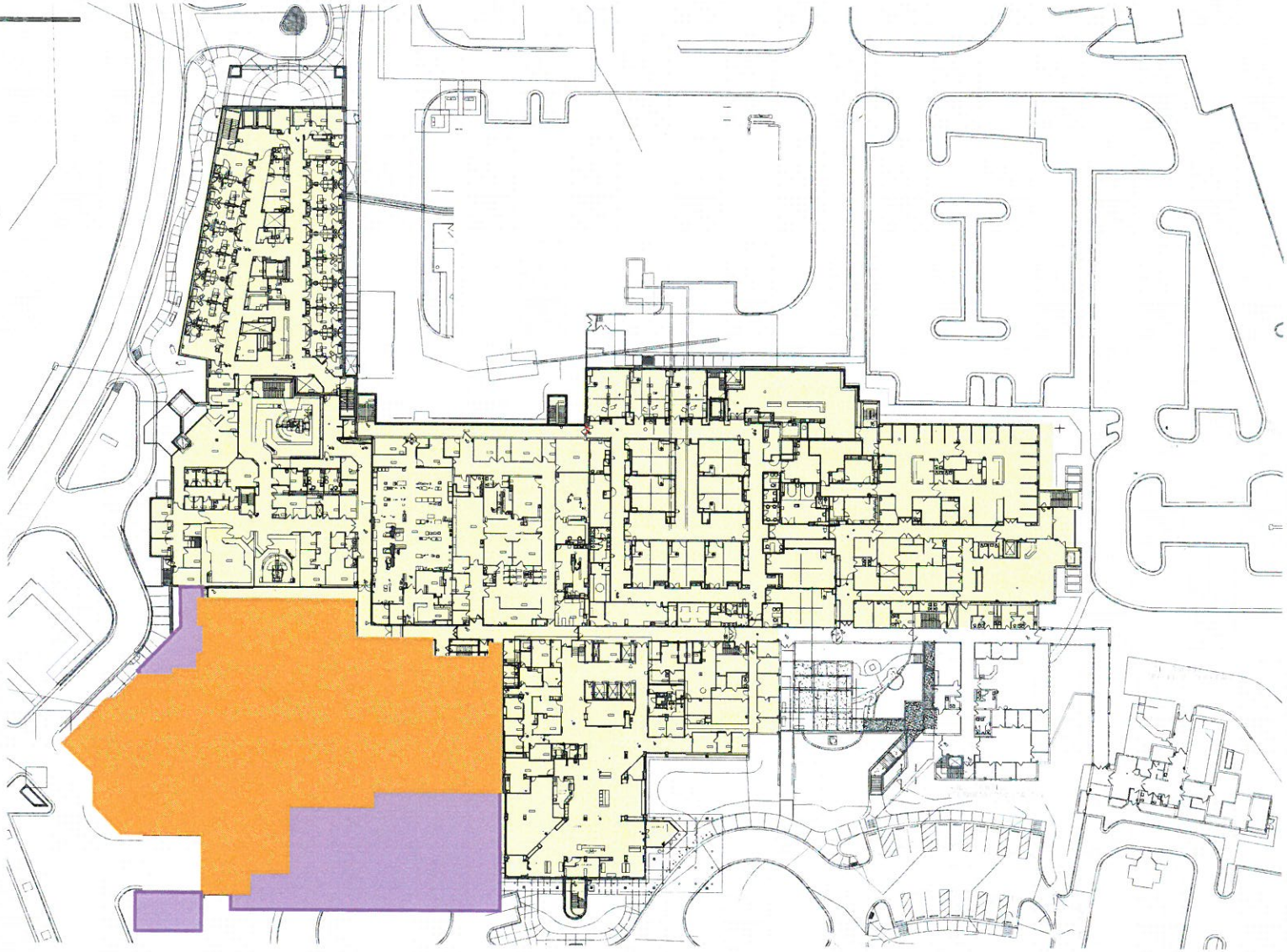
Emergency & Cardiology Department
Addition & Renovations

03. 01. 2017

CATAWBA VALLEY MEDICAL CENTER

COLOR KEY

- Renovation
- Existing Building
- New Construction
- Regulated Asset (Cath & EP Labs)



EXISTING LEVEL 1 PLAN (Project Location)

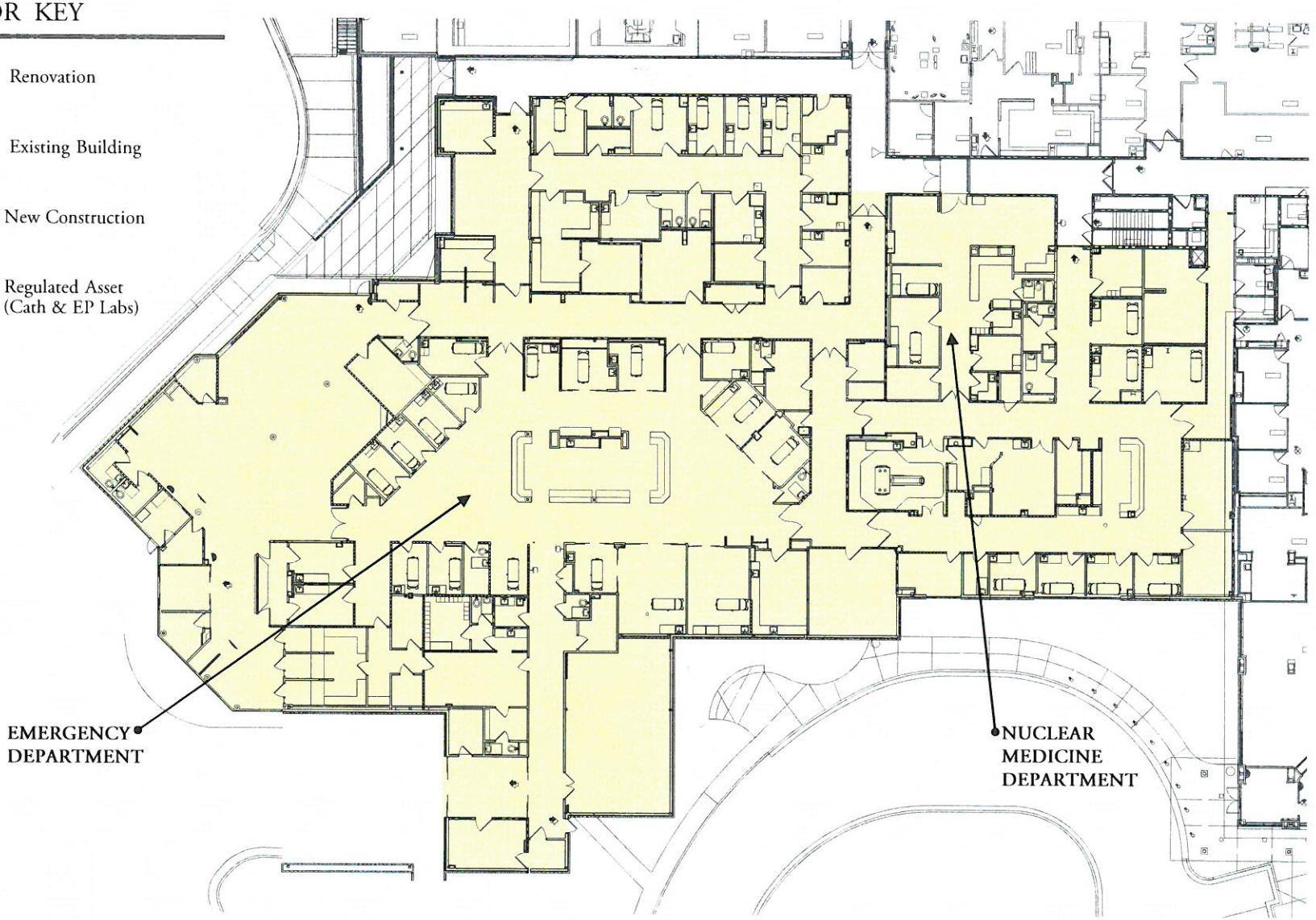
Emergency & Cardiology Department
Addition & Renovations

03. 01. 2017

CATAWBA VALLEY MEDICAL CENTER

COLOR KEY

- Renovation
- Existing Building
- New Construction
- Regulated Asset (Cath & EP Labs)



ENLARGED LEVEL 1 PLAN (Existing)

Emergency & Cardiology Department
Addition & Renovations

03. 01. 2017

CATAWBA VALLEY MEDICAL CENTER

COLOR KEY

- Renovation
- Existing Building
- New Construction
- Regulated Asset (Cath & EP Labs)

ENLARGED LEVEL 1 PLAN

Emergency & Cardiology Department
Addition & Renovations

03. 01. 2017

CATAWBA VALLEY MEDICAL CENTER

ATTACHMENT V

CVMC EQUIPMENT COMPARISON: Cardiac Catheterization Lab **REPLACEMENT EQUIPMENT**

	EXISTING EQUIPMENT	**REPLACEMENT EQUIPMENT**
Type of Equipment (List Each Component)	Artis Zee Ceiling, X-Ray System, Single Plane	Artis Zee Ceiling Pure, X-Ray System, Single Plane
Manufacturer of Equipment	Siemens	Siemens
Tesla Rating for MRIs	NA	NA
Model Number	10094137	14445998
Serial Number	146192	To be determined
Provider's Method of Identifying Equipment	Serial and model number	Serial and model number
Specify if Mobile or Fixed	Fixed	Fixed
Mobile Trailer Serial Number/VIN #	NA	NA
Date of Acquisition of Each Component	August 29, 2008	NA
Does Provider Hold Title to Equipment or Have a Capital Lease?	CVMC Owns	Will hold title
Specify if Equipment Was/Is New or Used When Acquired	New	New
Total Capital Cost of Project (including Construction, etc.) <Use Attached Form>	NA	$27,040,244
Fair Market Value of Equipment	$50,000	$773,188.00
Net Purchase Price of Equipment	$1,244,024	$ 773,188.00 (attached quote)
Locations Where Operated	Catawba Valley Medical Center	Catawba Valley Medical Center
Number Days in Use/To be Used in N.C. Per Year	365	365
Percent of Change in Patient Charges (by Procedure)	NA	0
Percent of Change in Per Procedure Operating Expenses (by Procedure)	NA	0
Type of Procedures Currently Performed on Existing Equipment	Cardiac catheterizations	NA
Type of Procedures New Equipment is Capable of Performing	NA	Cardiac catheterizations

ATTACHMENT V

CVMC EQUIPMENT COMPARISON: Cardiac Catheterization Lab **REPLACEMENT EQUIPMENT**

	EXISTING EQUIPMENT	**REPLACEMENT EQUIPMENT**
Type of Equipment (List Each Component)	AXIOM Sensis, Hemo Low	Mac-Lab/ CardioLab/ Centricity Cardiology INW System
Manufacturer of Equipment	Siemens	GE
Tesla Rating for MRIs	NA	NA
Model Number	Siemens Sensis 6634633	Maclab 6.9.6XT
Serial Number	3458	To be determined
Provider's Method of Identifying Equipment	Serial and model number	Serial and model number
Specify if Mobile or Fixed	Fixed	Fixed
Mobile Trailer Serial Number/VIN #	NA	NA
Date of Acquisition of Each Component	February 1, 2008	NA
Does Provider Hold Title to Equipment or Have a Capital Lease?	CVMC Owns	Will hold title
Specify if Equipment Was/Is New or Used When Acquired	New	New
Total Capital Cost of Project (including Construction, etc.) <Use Attached Form>	NA	$27,040,244
Fair Market Value of Equipment	$50,000	$228,329.80
Net Purchase Price of Equipment	$ 101,067.00	$228,329.80 (attached quote)
Locations Where Operated	Catawba Valley Medical Center	Catawba Valley Medical Center
Number Days in Use/To be Used in N.C. Per Year	365	365
Percent of Change in Patient Charges (by Procedure)	NA	0
Percent of Change in Per Procedure Operating Expenses (by Procedure)	NA	0
Type of Procedures Currently Performed on Existing Equipment	Cardiac catheterizations	N/A
Type of Procedures New Equipment is Capable of Performing	N/A	Cardiac catheterizations

North Carolina Department of Health and Human Services
Division of Health Service Regulation
Certificate of Need Section
2704 Mail Service Center ▪ Raleigh, North Carolina 27699-2704

Michael F. Easley, Governor
Dempsey Benton, Secretary

www.ncdhhs.gov/dhsr

Lee Hoffman, Section Chief
Phone: 919-855-3873
Fax: 919-733-8139

Scott - FYI
then file
as appropriate

May 7, 2008

Mr. J. Anthony Rose
President and CEO
Catawba Valley Medical Center
810 Fairgrove Church Road SE
Hickory, NC 28602

RE: Exempt from Review - Replacement Equipment / Catawba Valley Medical Center / Replacement of Cardiac Catheterization Equipment / Catawba County
FID # 933079

Dear Mr. Rose:

In response to your letters of July 6 and August 23, 2007, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(7). Therefore, you may proceed to acquire, without a certificate of need, the Siemens Artic DTC cardiac catheterization equipment to replace the existing Phillips Integris 3000 cardiac catheterization equipment (serial number 3584970/00054). 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. Further please be advised that as soon as the replacement equipment is acquired, you must provide the CON Section and the Medical Facilities Planning Section with the serial number of the new equipment to update the inventory, if not already provided.

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. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Les Brown

Les Brown, Project Analyst

Lee B. Hoffman

Lee B. Hoffman, Chief
Certificate of Need Section

cc: Medical Facilities Planning Section, DHSR
Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR

Cath Lab Fair Market Value

>>> Frances Roper 02/23/2017 >>>
Ginger,
This is what I received from Tekyard.
If you need anything more please let me know.
Thanks, Frances

Yes ... $100K conservative - 125 max.That is only if the system can be brokered in place. If it is de-installed by someone other than the end-user buyer the system will lose most of its value.Let me know if you'd like us to gather info and market it around the world for you. Ed

Ed Callaway
National Director of Sales and Service
Tekyard, LLC
1919 North Bridge Street
Elkin, NC 28621
Cell: 952-594-5787
Skype: tekyard-ec
E-Mail: ec@tekyard.com

tekyard

Tekyard, LLC is a Minority Woman Owned Business Enterprise (WBE)

From: Frances Roper [mailto:FROPER@catawbavalleymc.org]
Sent: Thursday, February 23, 2017 1:39 PM
To: Ed Callaway <ec@tekyard.com>
Subject: Re: FW: FAIR MARKET VALUE

Ed, Is this for both items? Frances

>>> Ed Callaway <ec@tekyard.com> 02/23/2017 12:36 PM >>>

Please see the below email.Ed

From: Imran Z. Chaudhry
Sent: Thursday, February 23, 2017 11:31 AM
To: Ed Callaway <ec@tekyard.com>; Taimoor Ashiq <TAshiq@tekyard.com>
Subject: RE: FAIR MARKET VALUE

This is a cath lab (Angio) with monitoring.I would place the value around $100,000. Based on limited info this is the best I can do.Here are links

Google
https://www.google.com/search?q=siemens+artis+zee&oq=siemens+artis+zee&aqs=chrome..69i57j0l5.6287j0j4&sourceid=chrome&ie=UTF-8#q=siemens+artis+zee+price&*

Similar model but floor mounted not ceiling.https://www.dotmed.com/listing/cath-angio-lab/siemens/axiom-artis-zee-floor/2243567

Cath Lab Fair Market Value

If you want better FMV estimation reach out to one of the dealers on following.https://www.dotmed.com/listings/search/equipment.html?key=Artis%20Zee&description=1055

here is what the monitoring portion looks like.https://www.dotmed.com/listing/cath-lab-monitoring-/siemens/2008-axiom-sensis-xp/1050454

Google for hemodynamic monitoring
https://www.google.com/search?q=siemens+axiom+sensis&oq=siemens+axiom+sen&aqs=chrome.0.0j69i57j0l2.4943j0j7&sourceid=chrome&ie=UTF-8#q=siemens+axiom+sensis+price&*

Price for hemodynamic monitoring.http://www.medwow.com/used-cardiac-catheterization-monitor/siemens/axiom-sensis-hemodynamic-system/924633072.item

Imran

From: Ed Callaway
Sent: Thursday, February 23, 2017 11:18 AM
To: Imran Z. Chaudhry <IC@tekyard.com>; Taimoor Ashiq <TAshiq@tekyard.com>
Subject: FW: FAIR MARKET VALUE

Can you help? Please advise what additional info I need to gather.Thanks, Ed

From: Frances Roper [mailto:FROPER@catawbavalleymc.org]
Sent: Thursday, February 23, 2017 11:07 AM
To: Ed Callaway <ec@tekyard.com>
Subject: FAIR MARKET VALUE

Hi Ed, Can you send me the Fair Market Value for these two pieces of equipment. Please see attachment. I need this ASAP for administration.

Thanks, Frances

Frances Roper
Receiving/Distribution Specialist
Catawba Valley Medical Center
810 Fairgrove Church Road SE
Hickory, North Carolina 28602
Phone: 828-326-3579

Fax: 828-326-2459
froper@catawbavalleymc.org

>>> Ginger Biggerstaff 02/23/2017 10:46 AM >>>
Thx for your quick attention to this CON supporting document as I realize you're covering various duties this week. I need the Fair Market Value (highlighted cell) of the 2 equipment items listed (2 pages attached). 24-48 hour turnaround is really needed.

Thx G

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355
Fax: (866) 309-6967

SIEMENS REPRESENTATIVE
Mathew Hayes - (336) 263-4273

PRELIMINARY PROPOSAL

Customer Number: 0000005129

Date: 2/7/2017

CATAWBA VALLEY MEDICAL CTR
810 FAIRGROVE CHURCH RD
HICKORY, NC 28602-9617

This proposal is valid till May 30 2017, this date supersedes any other validity date indicated in the proposal.

Quote Nr: **1-H16U4Q Rev. 0**

Artis zee ceiling

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

Qty	Part No.	Item Description
1	14445998	**Artis zee ceiling Interv. Card.** Artis zee ceiling for interventional cardiology now features PURE(r). PURE adds smooth interaction to Siemens' smart technologies. It is designed to boost productivity and enhance outcomes for certain clinical applications while increasing image quality and reducing dose. The ceiling-mounted C-arm offers highly flexible positioning. The motorized rotation of the C-arm from a head-end position to a lateral position allows for free head access and full patient coverage without rotating the table. The patient table is fitted with a freely movable patient positioning tabletop. The Megalix Cat Plus X-ray tube with flat emitter technology enables small focus sizes and strong, short X-ray pulses. The as20 flat detector is optimized for cardiology and allows for steep angulations. Frame rates up to 30 f/s and functions for displaying and storing ECG curves are included. The complete CARE+CLEAR package offers optimal image quality at the lowest reasonable dose. Live and reference images are displayed on two 19" flat screens in the exam room. In the control room live images are displayed on a third screen.
1	14434237	**Shielding kit, as20** Kit for shielding of electromagnetic fields (180 Hz) of the X-ray tube to avoid interference with the EP Measuring system, as well as for shielding the flat detector.
1	14432920	**DR acquisition mode** Digital acquisition technology with frame rates of 0.5 to 7.5 f/s in 1k/12 bit matrix and digital real-time filtration. Single image and serial acquisitions with time-controlled and manually variable frame rate.
1	14432947	**Fluoro Loop** Storage and review of dynamic fluoroscopic sequences (Fluoro Loop). This saves an additional acquisition and reduces dose. The maximum storable fluoroscopic time depends on the selected pulse rate, e.g. 34 s at 30 p/s, 68 s at 15 p/s.
1	14432942	**LV Analysis** Analysis of the left ventricular function of the heart.
2	14432953	**Lower body radiation protection** This radiation shield protects the user from scattered radiation when standing at the table side. It can be attached to the accessory rails either on the right or on the left side of the patient positioning table.

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355
Fax: (866) 309-6967

SIEMENS REPRESENTATIVE
Mathew Hayes - (336) 263-4273

PRELIMINARY PROPOSAL

Qty	Part No.	Item Description
		It provides the user an additional accessory rail. It includes a basic unit (71.5 cm x 75 cm/ 28.2" x 29.5" (l x w); 7.7 kg/ 16.98 lb), one lower body radiation protection pivot swivel element (77 cm x 48 cm/ 30.3" x 18.9" (l x w); 3.8 kg/ 8.4 lb) and three clip-on units (57 cm/ 22.4" x 33 cm/ 12.99" (l x h), 2.2 kg/ 4.85 lb; 27 cm/ 10.6" x 33cm/12.99", 0.9 kg/ 1.98 lb and 27 cm/ 10.6" x 25cm/9.8", 1 kg/ 2.2 lb) with a lead of 0.5 mm/ 0.02" Pb. The maximum weight of the accessory rails is 40 kg (88.2 lb). Product may not be used in conjunction with a TRUMPF or MAQUET surgery table.
1	14434157	**Moveable upper body rad. protection** This radiation shield protects the user from scattered radiation. For room heights up to 290 cm/ 114.2". It includes a ceiling rail (4m/ 157.5"), a ceiling mounted and movable stand (80 cm/ 31.5"), a support arm (75 cm x 90 cm/ 29.5" x 35.4") and an acrylic glass. The shield is made of acrylic glass with lead equivalent of 0.5 mm (w x h: 61 cm x 76 cm/ 24" x 29.9"), which can pivot and rotate around a fixed point with a range of 360 degrees. Weight acrylic glass: 9 kg/ 19.8 lb. Weight support arm: 10 kg/ 22 lb. The operation range is limited when used with Artis floor/biplane MN.
1	14440512	**LED Exam Light** Ceiling-mounted, flexible positionable examination light with focusable light system. It is fully integrated into the ceiling-installed radiation protection mounting unit. - Luminance: 60,000 Lux for 100 cm/ 39,4" distance - Working distance: 70 to 140 cm/ 27.6" to 55.1" - Color rendering index Ra at 4500 Kelvin: 95 - Color temperature: 4,300 Kelvin - Focusable light field: 14 to 25 cm/ 5.5" to 9.8" - Diameter of light head: 33 cm/ 13" - Number of LEDs: 19 - Total input power: 20 VA
1	14443011	**Large Display diagn. Protection** The high quality laminated glass protective screen protects the panel of the monitor against mechanical damage and fluid ingress on the front. It is suited for clinical image evaluation. Features: The laminated glass enforces high mechanical strenght and resistivity against mechanical impact, the special coating reduces reflections for a continuous image quality, excellent spectral transmisison of at least 98%, can be added to existing Artis Large Display installations. Weight: approx. 12kg (55") up to 16kg (60") Note: Observe the maximum permissible load of the display suspension, a combination with other options mounted to the display suspension might be restricted.
1	14432950	**DICOM RIS-Modality Worklist** Import of patient/examination data from an external RIS/HIS patient management system with DICOM MWL (Modality Worklist).

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355
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SIEMENS REPRESENTATIVE
Mathew Hayes - (336) 263-4273

PRELIMINARY PROPOSAL

Qty	Part No.	Item Description
1	14434200	**Interface for existing Sensis** Bi-directional communication interface (incl. set of cables) between Artis zee/Artis Q/Artis Q.zen and the Sensis hemodynamic and/or electrophysiology recording system. Contains an adapter cable for SVGA on 5x BNC. Recording, storage, and display of an ECG lead. Displayed together with the image information on a single monitor.
1	14434172	**Large Display** Preparation for the large color flat screen display on a ceiling-mounted, longitudinally mobile, swiveling, rotating, and height-adjustable display holder in the examination room. Note: If a Large Display is selected, the Artis basic configuration includes a connection kit for the Large Display instead of the displays for the examination room. The type of large display can be chosen with a separate position.
1	14434176	**Large Display video controller 18** Large Display Video Controller 18 is the middle of three different video controller sizes. A maximum of 18 video signals can be connected and displayed simultaneously on the Large Display. The Large Display video controller 18 receives various internal and external video signals for presentation to scale on the Large Display. Up to 18 external and internal video sources can be connected (max. 14 DVI-D and 4 analog (VGA) channels).
1	14443012	**LD High Contrast panel size 55"** Large color flat screen display (including cables) for the examination room, with a panel diagonal of 55". This large display version provides an excelling clinical image quality due to it's new IPS panel technology.
1	AXA_INITIAL_32	**Initial onsite training 32 hrs** 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	AXA_FOLLOWUP_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	AXA_FOLLOWUP_12	**Follow-up training 12 hrs** Up to (12) 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	AXA_PURE_ESSCL	**AX Artis PURE Essential Class** Tuition for (1) imaging professional to attend Siemens class at Siemens Training Center. The Artis PURE Essentials Course is a 3.5-day classroom course beginning on Tuesday at 8:30 a.m. and ending on Friday at 12:00 p.m. It is designed to provide the participant with an in-depth knowledge of the essential functions of the Artis system as well as the skills needed to perform these functions. Through the use of demonstrations, lectures, and hands-on lab experience using an Artis system, participants will learn Artis system principles and workflows of patient examinations. Additionally, participants have the opportunity to meet other users and share their experiences and solutions to various challenges of the IR, cath lab, and the Hybrid OR environment. 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 by the later of (12) months from purchase or

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355
Fax: (866) 309-6967

SIEMENS REPRESENTATIVE
Mathew Hayes - (336) 263-4273

PRELIMINARY PROPOSAL

Qty	Part No.	Item Description
		install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.
1	AXA_ECLASS	**e.class-Virtual Instructor Led Training** AXA_ECLASS Tuition for up to (4) imaging professionals to participate in a Siemens instructor led virtual class. The virtual setting allows the participant to benefit from classroom training without the need to travel to a Siemens training center. 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.
2	NT60010635 AXA_RIG_ZEE	**Blue anti-fatigue floor mat for hospital**
1	SP_STD AXA_BUDG_A	**Standard Rigging zee SP**
1	DDL_RIG	**Budgetary Add'l/Out of Scope Rigging $15,000**

System Total: $773,188

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355
Fax: (866) 309-6967

SIEMENS REPRESENTATIVE
Mathew Hayes - (336) 263-4273

PRELIMINARY PROPOSAL

OPTIONS on Quote Nr: **1-H16U4Q Rev. 0**

OPTIONS for Artis zee ceiling

All items listed below are OPTIONS:

Qty	Part No.	Item Description	Extended Price
1	14432905	**4P wireless footswitch inst. of cbl** Wireless footswitch connection Note: Wireless replaces the wired connection.	+ $2,413
1	14434169	**CLEARstent Live** CLEARstent Live is a real-time stent enhancement tool and provides a stabilized view of the moving stent which is displayed on the Assist/Reference Monitor. CLEARstent Live allows real-time verification of stent positioning while moving the device. This enables the physician to precisely position the stent in relation to the anatomy of the heart and stents that already have been implanted. Contains both CLEARstent Live license and CLEARstent license. The CLEARstent imaging function allows an improved display of fine stent structures, i.e. the grid of inflated stents. CLEARstent is a post-processed stent enhancement and may be used also on previously acquired images. Using the CLEARstent function special reference images from any scene or fluoroscopy scene acquired natively will be generated. Composite images are created by averaging several frames of a scene and by considering the alignment of balloon markers. If an ECG signal is available, the heart phase will also be taken into account.	+ $9,736
1	14432957	**ECG-triggered FL** R-wave-triggered fluoroscopic pulse release for motion reduction also for low pulse rates.	+ $8,421
1	14440411	**Intercom - Comfort** Intercom system for communication between examination room and control room. It includes - a microphone with a control box for the control room - a microphone with an adaptive acoustic filter for background noise suppression for the examination room - a footswitch for conversation selection for the examination room The microphone of the examination room is installed on the ceiling.	+ $972
1	14434168	**IVUSmap** With IVUSmap, it is possible to coregister intravascular ultrasound images and X-ray images on the Artis system. ECG-triggered Fluoro license is included. With this item, a display is delivered additionally for the examination room if an Artis Large Display was not ordered. If an Artis Large Display is ordered, the configuration includes a connection kit for the Artis Large Display instead of the 19" display.	+ $10,696
1	BART700PEDL	**Mark 7 Arterion, Pedestal System** The Arterion Mark 7 Pedestal contrast medium injector can be positioned anywhere at the patient positioning table on a mobile unit, for direct operation of all functions in the examination room.	+ $27,067

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355
Fax: (866) 309-6967

SIEMENS REPRESENTATIVE
Mathew Hayes - (336) 263-4273

PRELIMINARY PROPOSAL

Qty	Part No.	Item Description	Extended Price

The injector system includes:
A mobile pedestal stand with electronics unit, a contrast medium heater and a connection cable to the manual release.
A support arm with injector head and a control lever for moving the injector head.
A user control console with large touch screen and corresponding additional monitoring display on the injector head.

Functions
Pressure limitation:
for 150 ml syringes 689 to 8273 kPa,
corresponds to 100 to 1200 psi. .

Flow rates for 150 ml syringes:
0.1 to 45 ml/s in increments of 0.1 ml/s
0.1 to 59.9 ml/min in increments of 0.1 ml/min
rise/fall: 0 to 9.9 s in increments of 0.1 seconds

Release delay for injection or radiation:
0 to 99.9 s in increments of 0.1 s.

Adjustable volume for 150 ml syringes:
1 ml to the max. syringe capacity in increments of 1 ml.

Fill rate:
Variable syringe filling speed 1-20ml/s.

Injection protocols:
Up to 40 injection protocols possible.

Parameters currently displayed on the touch screen display and on the head display:
Injection speed
Injection volume
Remaining volume
Injection duration
Applied pressure

Contrast medium heating:
Nominal 35°C (95°F)+-5°C (9°F)

Injection data memory
Up to 50 injection data items stored

Included in the scope of delivery
Injector standard configuration 150 ml
SIEMENS interface cable
Operator Manual
Service manual (English).

Power supply
200 V to 250 V; 50/60 Hz.

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PRELIMINARY PROPOSAL

Qty	Part No.	Item Description	Extended Price
1	BINSART700P	**Arterion Pedestal Install**	+ $1,545
1	EPW935515UPS	**Eaton Powerware 9355 15 kVA UPS** Includes UPS, battery, maintenance bypass panel, and one year on-site parts and labor coverage (24x7) by Eaton Powerware. This UPS is recommended when protection and uninterruptible power is required for the Artis' C-arm and table. Emergency fluoroscopy is not available with this UPS. If emergency fluoroscopy is required, the 9390 - 160 kVA UPS is recommended for the full system. One UPS per lab. Additional seismic brackets are required to make this system OSHPD approved.	+ $20,801

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

Mathew Hayes
(336) 263-4273
mathew.hayes@siemens.com

GE Healthcare

Date: 02-17-2017
Quote #: PR13-C9649
Version #: 4

Catawba Valley Medical Center
810 Fairgrove Church Rd
Hickory NC 28602-9617

Attn: Carl Becker
810 Fairgrove Church Rd Hickory
NC 28602-9617

Date: 02-17-2017

Quote Summary Heading

Qty	Description	Ext Sell Price
	1 - MacLab 6.9.6 R2	
1	Maclab 696	$144,839.80
	CardioLab 6.9.5 to 6.9.6R2 Upgrade	
1	Cardiolab Upgrades 696	$6,650.00
	INW Server & Optional Workstations	
1	INW Networking Upgrades 696	$39,840.00
	Training & Project Management	
1	R2 Inv Training	$37,000.00
	Quote Summary:	
	Total Quote Net Selling Price	**$228,329.80**

Summary Note

GE Healthcare

Date: 02-17-2017
Quote #: PR13-C9649
Version #: 4

Catawba Valley Medical Center
810 Fairgrove Church Rd
Hickory NC 28602-9617

Attn: Carl Becker
810 Fairgrove Church Rd Hickory
NC 28602-9617

Customer Number : 1-2318EQ
Quotation Expiration Date: 05-08-2017

The terms of the Master Purchasing Agreement, Strategic Alliance Agreement or GPO Agreement referenced below as the Governing Agreement shall govern this Quotation. No additional or different terms shall apply unless agreed to in writing by authorized representatives of both parties.

Governing Agreement:	AmeriNet
Terms of Delivery:	FOB Destination
Billing Terms:	80% delivery / 20% Installation
Payment Terms:	Net Due in 30 Days
Total Quote Net Selling Price:	$228,329.80

INDICATE FORM OF PAYMENT:

If "GE HFS Loan" or "GE HFS Lease" is NOT selected at the time of signature, then you may NOT elect to seek financing with GE Healthcare Financial Services (GE HFS) to fund this arrangement after shipment.

____Cash/Third Party Loan

____GE HFS Lease

____GE HFS Loan

____Third Party Lease (please identify financing company) _____

By signing below, each party certifies that it has not made any handwritten modifications. Manual changes or mark-ups on this Agreement (except signatures in the signature blocks and an indication in the form of payment section below) will be void.

Each party has caused this agreement to be executed by its duly authorized representative as of the date set forth below.

CUSTOMER

_____ _____
Authorized Customer Signature Date

_____ _____
Print Name Print Title

_____
Purchase Order Number (if applicable)

GE HEALTHCARE

Jeffrey Keyes 02-17-2017
Signature Date

Account Manager - VASO - Mfr Rep

Email: jeff.keyes@ge.com
Office: +1 704 912 0012
Mobile: +1 704 960 3256

GE Healthcare

Date: 02-17-2017
Quote #: PR13-C9649
Version #: 4

Total Quote Selling Price	**$228,329.80**
Trade-In and Other Credits	$0.00
Total Quote Net Selling Price	**$228,329.80**

To Accept this Quotation

Please sign and return this Quotation together with your Purchase Order To:
Jeffrey Keyes
Office: +1 704 912 0012
Mobile: +1 704 960 3256
Email: jeff.keyes@ge.com

Payment Instructions

Please **Remit** Payment for invoices associated with this quotation to:
GE Healthcare
P.O. Box 96483
Chicago, IL 60693

To Accept This Quotation

- Please sign the quote and any included attachments (where requested).
- If requested, please indicate, your form of payment.
- If you include the purchase order, please make sure it references the following information
  - The correct Quote number and version number above
  - The correct Remit To information as indicated in **"Payment Instructions"** above
  - The correct SHIP TO site name and address
  - The correct BILL TO site name and address
  - The correct Total Quote Net Selling Price as indicated above

"Upon submission of a purchase order in response to this quotation, GE Healthcare requests the following to evidence agreement to contract terms.
Signature page on quote filled out with signature and P.O. number.
**********OR**********
Verbiage on the purchase order must state one of the following: (i) Per the terms of Quotation #_____; (ii) Per the terms of GPO#_____; (iii) Per the terms of MPA #_____; or (iv) Per the terms of SAA #_____. Include the applicable quote/agreement number with the reference on the purchase order.
In addition, source of funds (choice of: Cash/Third Party Loan or GE HFS Lease or GE HFS Loan or Third Party Lease through _____), must be indicated, which may be done on the quote signature page (for signed quotes), on the purchase order (where quotes are not signed) or via a separate written source of funds statement (if provided by GE Healthcare)."

GE Healthcare

Date: 02-17-2017
Quote #: PR13-C9649
Version #: 4

02-17-2017

GPO Agreement Reference Information

Customer:	Carl Becker
Contract Number:	VQ11300, VQ10400, VQ04100, VQ10060, VQ10083
Start Date:	
End Date:	09/30/2020
Billing Terms:	80% delivery / 20% Installation
Payment Terms:	Net Due in 30 Days
Shipping Terms:	FOB Destination

For a copy of the GPO contract or summary, please go to your GPO Membership login page suppliers.amerinet-gpo.com. If a copy of the contract is not available on your membership page, please contact your GPO client manager.

Offer subject to the Terms and Conditions of the applicable Group Purchasing Agreements currently in effect between GE Healthcare and Amerinet include VQ10400 (Imaging, POS, and Multi Vendor Service).

GE Healthcare

Date: 02-17-2017
Quote #: PR13-C9649
Version #: 4

Item No.	Qty	Catalog No.	Description
			1 - MacLab 6.9.6 R2
1	1	P1963SB	USCAN MAC-LAB XT SYSTEM V6.9.6
			Mac-Lab XT Hemodynamic Recording system software – Advanced system applications for display, recording, analysis and documentation of clinical data and events during adult and pediatric patient hemodynamic studies. Clinical Features: - Macros - automates procedural workflow with user-defined procedure setups - ST Segment software - allows real-time review of ST segment changes from user-chosen baseline during hemodynamic procedures - Holter window for fast assessment of rhythm and events - Cath Measurement Display Window – visualize and compare measurements acquired during the procedure. - Integrated FFR calculation – automatically calculate fractional flow reserve from many flow wires - ETCO2 window - displays ETCO2 waveform, Respiration Rate, Inspiratory and Expiratory values (ETCO2 module/sensor required, sold separately) System security features - Automated User Tracking – document who performed each procedure event - Esignature - ability to lock and sign MS Word reports from within your system - Audit Trail – documents details of many events, including system log-on, review study, continue study, print study, and others Interface/Data exchange - GE Data Export: Allows HL7 files from the system to be sent to other GE devices - GE ADT Import: Enables admission data to be received from GE data management systems via DICOM MWL - GE X-Ray Interface: Enables admission data to be sent to, and Radiologic information to be received from, GE X-Ray systems via DICOM MWL and MPPS - CardioImage Image Capture – acquire, display and manage 24 bit color images (frames) from a variety of image sources captured via digital video display input. Operating system and 3rd party Software - Windows 7 Ultimate Edition for Embedded Systems (32-bit). Windows 7 - Microsoft Office Professional Plus 2010 w/ Service Pack 1 - InSite 2.0 remote monitoring system software to allow proactive monitoring and support (requires internet connection) Recording Acquisition Hardware – XT

Item No.	Qty	Catalog No.	Description
			- Intel® 2.0 GHz Quad-core (or greater) processor - 16 GB RAM - 2 x 500GB RAID 1 Drives - DVD RW drive - Video card with SD/HD DVI-I and SDI inputs Operating system and 3rd party Software - Windows 7 Ultimate Edition for Embedded Systems (32-bit). Windows 7 - Microsoft Office Professional Plus 2010 w/ Service Pack 1 - InSite 2.0 remote monitoring system software to allow proactive monitoring and support (requires internet connection) Warranty: - See terms and conditions
2	2	P1967SA	MONITOR AND BOOM ACCESSORIES MONITOR AND BOOM ACCESSORIES
3	1	P1009ER	Black & White Printer, 110V Black and White Laser Printer (110v)
4	1	P1961CC	PRE-INSTALL KIT PRE-INSTALL KIT - Required for pre-installation of cabling driven by room readiness requirements
5	1	P1961SN	USCAN NELLCOR PDM ACCESSORIES WITH BASE STATION USCAN NELLCOR PDM ACCESSORIES WITH BASE STATION
6	1	P1961CK	ETCO2 SENSOR ETCO2 SENSOR
7	**1**	**2042084-001**	**CARESCAPE PATIENT DATA MODULE** **CARESCAPE PATIENT DATA MODULE**
	1	2041390-059	PDM MLCL NELLCOR SPO2 PDM MLCL NELLCOR SPO2
	1	2041390-020	English English

GE Healthcare

Date: 02-17-2017
Quote #: PR13-C9649
Version #: 4

Item No.	Qty	Catalog No.	Description
	1	2041575-002	60Hz
			60Hz
	1	2041575-003	Invasive Pressures
			Invasive Pressures
	1	2041390-041	Battery
			Battery
	1	2041390-044	No Bedside Dock
			No Bedside Dock
8	1	2016376-091	INSTL-AFTER HOURS MAC-LAB/CARDIOLAB/COMBOLAB
			INSTL-AFTER HOURS MAC-LAB/CARDIOLAB/COMBOLAB

GE Healthcare

Date: 02-17-2017
Quote #: PR13-C9649
Version #: 4

Item No.	Qty	Catalog No.	Description
			CardioLab 6.9.5 to 6.9.6R2 Upgrade
9	1	P1967UD	6.9.5 TO 6.9.6R2 UPGRADE LICENSE
			6.9.5 TO 6.9.6R2 UPGRADE LICENSE
10	1	2016376-091	INSTL-AFTER HOURS MAC-LAB/CARDIOLAB/COMBOLAB
			INSTL-AFTER HOURS MAC-LAB/CARDIOLAB/COMBOLAB

GE Healthcare

Date: 02-17-2017
Quote #: PR13-C9649
Version #: 4

Item No.	Qty	Catalog No.	Description
			INW Server & Optional Workstations
11	2	P1966UA	INW SERVER UPGRADE
			INW SERVER UPGRADE

Item No.	Qty	Catalog No.	Description
12	2	W0040CD	Training & Project Management DMS EXP ML IT OR CL IT Tuition for one student to attend one three-day class for Mac-Lab, CardioLab, or DMS at the GE Healthcare Institute in Waukesha, WI. Tuition includes local ground transportation, Hotel, and Meals (Breakfast and Lunch). Tuition also includes access to the Interventional library of training videos. Airfare is included. Training expires 12 months from date of go-live of equipment or purchase whichever is the latest.Non-Discountable
13	3	W0003CD	THREE DAY ON-SITE TRNG Three full days (1 day = 8 hours) of on-site applications training for Mac-Lab, CardioLab, ComboLab, DMS conducted by a GE Applications Specialist, to be used Monday - Friday. Training expires 12 months from go-live of equipment or purchase whichever is the latest. Training days must be used consecutively. Non-discountable
14	2	W0037CD	INVASIVE PRJ MGMT SVCS INVASIVE PRJ MGMT SVCS

Quote Summary:

Total Quote Net Selling Price **$228,329.80**

(Quoted prices do not reflect state and local taxes if applicable. Total Net Selling Price Includes Trade In allowance, if applicable.)

GE Healthcare

Date: 02-17-2017
Quote #: PR13-C9649
Version #: 4

Options

(These items are not included in the total quotation amount)

Item No.	Qty	Catalog No.	Description	Ext Sell Price	Initial To Accept
			INW Server & Optional Workstations		
15	3	P1966AC	6.9.6R2 GE CLIENT WORKSATION HW AND SW	$27,390.00	X_____
			6.9.6R2 GE CLIENT WORKSATION HW AND SW		

(Quoted prices do not reflect state and local taxes if applicable. Total Net Selling Price Includes Trade In allowance, if applicable.)

ATTACHMENT X

CVMC EQUIPMENT COMPARISON: Electrophysiology Lab **REPLACEMENT EQUIPMENT**

	EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type of Equipment (List Each Component)	AXIOM ARTIS DMP DETECTOR SYSTEM, X-Ray System, Single Plane	Artis Zee Ceiling Pure, X-Ray System, Single Plane
Manufacturer of Equipment	Siemens	Siemens
Tesla Rating for MRIs	NA	NA
Model Number	10094137	14445998
Serial Number	917200706	To be determined
Provider's Method of Identifying Equipment	Serial and model number	Serial and model number
Specify if Mobile or Fixed	Fixed	Fixed
Mobile Trailer Serial Number/VIN #	NA	NA
Date of Acquisition of Each Component	October 12,2007	NA
Does Provider Hold Title to Equipment or Have a Capital Lease?	CVMC Owns	Will hold title
Specify if Equipment Was/Is New or Used When Acquired	New	New
Total Capital Cost of Project (including Construction, etc.) <Use Attached Form>	NA	$27,040,244
Fair Market Value of Equipment	$50,000	$773,188
Net Purchase Price of Equipment	$697,206	$773,188 (attached quote)
Locations Where Operated	Catawba Valley Medical Center	Catawba Valley Medical Center
Number Days in Use/To be Used in N.C. Per Year	365	365
Percent of Change in Patient Charges (by Procedure)	NA	0
Percent of Change in Per Procedure Operating Expenses (by Procedure)	NA	0
Type of Procedures Currently Performed on Existing Equipment	Electrophysiology/ Invasive Radiology	NA
Type of Procedures New Equipment is Capable of Performing	NA	Electrophysiology

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355
Fax: (866) 309-6967

SIEMENS REPRESENTATIVE
Mathew Hayes - (336) 263-4273

PRELIMINARY PROPOSAL

Customer Number: 0000005129

Date: 2/7/2017

CATAWBA VALLEY MEDICAL CTR
810 FAIRGROVE CHURCH RD
HICKORY, NC 28602-9617

This proposal is valid till May 30 2017, this date supersedes any other validity date indicated in the proposal.

Quote Nr: **1-H16U4Q Rev. 0**

Artis zee ceiling

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

Qty	Part No.	Item Description
1	14445998	**Artis zee ceiling Interv. Card.** Artis zee ceiling for interventional cardiology now features PURE(r). PURE adds smooth interaction to Siemens' smart technologies. It is designed to boost productivity and enhance outcomes for certain clinical applications while increasing image quality and reducing dose. The ceiling-mounted C-arm offers highly flexible positioning. The motorized rotation of the C-arm from a head-end position to a lateral position allows for free head access and full patient coverage without rotating the table. The patient table is fitted with a freely movable patient positioning tabletop. The Megalix Cat Plus X-ray tube with flat emitter technology enables small focus sizes and strong, short X-ray pulses. The as20 flat detector is optimized for cardiology and allows for steep angulations. Frame rates up to 30 f/s and functions for displaying and storing ECG curves are included. The complete CARE+CLEAR package offers optimal image quality at the lowest reasonable dose. Live and reference images are displayed on two 19" flat screens in the exam room. In the control room live images are displayed on a third screen.
1	14434237	**Shielding kit, as20** Kit for shielding of electromagnetic fields (180 Hz) of the X-ray tube to avoid interference with the EP Measuring system, as well as for shielding the flat detector.
1	14432920	**DR acquisition mode** Digital acquisition technology with frame rates of 0.5 to 7.5 f/s in 1k/12 bit matrix and digital real-time filtration. Single image and serial acquisitions with time-controlled and manually variable frame rate.
1	14432947	**Fluoro Loop** Storage and review of dynamic fluoroscopic sequences (Fluoro Loop). This saves an additional acquisition and reduces dose. The maximum storable fluoroscopic time depends on the selected pulse rate, e.g. 34 s at 30 p/s, 68 s at 15 p/s.
1	14432942	**LV Analysis** Analysis of the left ventricular function of the heart.
2	14432953	**Lower body radiation protection** This radiation shield protects the user from scattered radiation when standing at the table side. It can be attached to the accessory rails either on the right or on the left side of the patient positioning table.

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Qty	Part No.	Item Description
		It provides the user an additional accessory rail. It includes a basic unit (71.5 cm x 75 cm/ 28.2" x 29.5" (l x w); 7.7 kg/ 16.98 lb), one lower body radiation protection pivot swivel element (77 cm x 48 cm/ 30.3" x 18.9" (l x w); 3.8 kg/ 8.4 lb) and three clip-on units (57 cm/ 22.4" x 33 cm/ 12.99" (l x h), 2.2 kg/ 4.85 lb; 27 cm/ 10.6" x 33cm/12.99", 0.9 kg/ 1.98 lb and 27 cm/ 10.6" x 25cm/9.8", 1 kg/ 2.2 lb) with a lead of 0.5 mm/ 0.02" Pb. The maximum weight of the accessory rails is 40 kg (88.2 lb). Product may not be used in conjunction with a TRUMPF or MAQUET surgery table.
1	14434157	**Moveable upper body rad. protection** This radiation shield protects the user from scattered radiation. For room heights up to 290 cm/ 114.2". It includes a ceiling rail (4m/ 157.5"), a ceiling mounted and movable stand (80 cm/ 31.5"), a support arm (75 cm x 90 cm/ 29.5" x 35.4") and an acrylic glass. The shield is made of acrylic glass with lead equivalent of 0.5 mm (w x h: 61 cm x 76 cm/ 24" x 29.9"), which can pivot and rotate around a fixed point with a range of 360 degrees. Weight acrylic glass: 9 kg/ 19.8 lb. Weight support arm: 10 kg/ 22 lb. The operation range is limited when used with Artis floor/biplane MN.
1	14440512	**LED Exam Light** Ceiling-mounted, flexible positionable examination light with focusable light system. It is fully integrated into the ceiling-installed radiation protection mounting unit. - Luminance: 60,000 Lux for 100 cm/ 39.4" distance - Working distance: 70 to 140 cm/ 27.6" to 55.1" - Color rendering index Ra at 4500 Kelvin: 95 - Color temperature: 4,300 Kelvin - Focusable light field: 14 to 25 cm/ 5.5" to 9.8" - Diameter of light head: 33 cm/ 13" - Number of LEDs: 19 - Total input power: 20 VA
1	14443011	**Large Display diagn. Protection** The high quality laminated glass protective screen protects the panel of the monitor against mechanical damage and fluid ingress on the front. It is suited for clinical image evaluation. Features: The laminated glass enforces high mechanical strenght and resistivity against mechanical impact, the special coating reduces reflections for a continuous image quality, excellent spectral transmisison of at least 98%, can be added to existing Artis Large Display installations. Weight: approx. 12kg (55") up to 16kg (60") Note: Observe the maximum permissible load of the display suspension, a combination with other options mounted to the display suspension might be restricted.
1	14432950	**DICOM RIS-Modality Worklist** Import of patient/examination data from an external RIS/HIS patient management system with DICOM MWL (Modality Worklist).

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Qty	Part No.	Item Description
1	14434200	**Interface for existing Sensis** Bi-directional communication interface (incl. set of cables) between Artis zee/Artis Q/Artis Q.zen and the Sensis hemodynamic and/or electrophysiology recording system. Contains an adapter cable for SVGA on 5x BNC. Recording, storage, and display of an ECG lead. Displayed together with the image information on a single monitor.
1	14434172	**Large Display** Preparation for the large color flat screen display on a ceiling-mounted, longitudinally mobile, swiveling, rotating, and height-adjustable display holder in the examination room. Note: If a Large Display is selected, the Artis basic configuration includes a connection kit for the Large Display instead of the displays for the examination room. The type of large display can be chosen with a separate position.
1	14434176	**Large Display video controller 18** Large Display Video Controller 18 is the middle of three different video controller sizes. A maximum of 18 video signals can be connected and displayed simultaneously on the Large Display. The Large Display video controller 18 receives various internal and external video signals for presentation to scale on the Large Display. Up to 18 external and internal video sources can be connected (max. 14 DVI-D and 4 analog (VGA) channels).
1	14443012	**LD High Contrast panel size 55"** Large color flat screen display (including cables) for the examination room, with a panel diagonal of 55". This large display version provides an excelling clinical image quality due to it's new IPS panel technology.
1	AXA_INITIAL_32	**Initial onsite training 32 hrs** 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	AXA_FOLLOWUP_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	AXA_FOLLOWUP_12	**Follow-up training 12 hrs** Up to (12) 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	AXA_PURE_ESSCL	**AX Artis PURE Essential Class** Tuition for (1) imaging professional to attend Siemens class at Siemens Training Center. The Artis PURE Essentials Course is a 3.5-day classroom course beginning on Tuesday at 8:30 a.m. and ending on Friday at 12:00 p.m. It is designed to provide the participant with an in-depth knowledge of the essential functions of the Artis system as well as the skills needed to perform these functions. Through the use of demonstrations, lectures, and hands-on lab experience using an Artis system, participants will learn Artis system principles and workflows of patient examinations. Additionally, participants have the opportunity to meet other users and share their experiences and solutions to various challenges of the IR, cath lab, and the Hybrid OR environment. 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 by the later of (12) months from purchase or

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355
Fax: (866) 309-6967

SIEMENS REPRESENTATIVE
Mathew Hayes - (336) 263-4273

PRELIMINARY PROPOSAL

Qty	Part No.	Item Description
		install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.
1	AXA_ECLASS	**e.class-Virtual Instructor Led Training** AXA_ECLASS Tuition for up to (4) imaging professionals to participate in a Siemens instructor led virtual class. The virtual setting allows the participant to benefit from classroom training without the need to travel to a Siemens training center. 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.
2	NT60010635 AXA_RIG_ZEE	**Blue anti-fatigue floor mat for hospital**
1	SP_STD AXA_BUDG_A	**Standard Rigging zee SP**
1	DDL_RIG	**Budgetary Add'l/Out of Scope Rigging $15,000**

System Total: $773,188

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PRELIMINARY PROPOSAL

OPTIONS on Quote Nr: **1-H16U4Q Rev. 0**

OPTIONS for Artis zee ceiling

All items listed below are OPTIONS:

Qty	Part No.	Item Description	Extended Price
1	14432905	**4P wireless footswitch inst. of cbl** Wireless footswitch connection Note: Wireless replaces the wired connection.	+ $2,413
1	14434169	**CLEARstent Live** CLEARstent Live is a real-time stent enhancement tool and provides a stabilized view of the moving stent which is displayed on the Assist/Reference Monitor. CLEARstent Live allows real-time verification of stent positioning while moving the device. This enables the physician to precisely position the stent in relation to the anatomy of the heart and stents that already have been implanted. Contains both CLEARstent Live license and CLEARstent license. The CLEARstent imaging function allows an improved display of fine stent structures, i.e. the grid of inflated stents. CLEARstent is a post-processed stent enhancement and may be used also on previously acquired images. Using the CLEARstent function special reference images from any scene or fluoroscopy scene acquired natively will be generated. Composite images are created by averaging several frames of a scene and by considering the alignment of balloon markers. If an ECG signal is available, the heart phase will also be taken into account.	+ $9,736
1	14432957	**ECG-triggered FL** R-wave-triggered fluoroscopic pulse release for motion reduction also for low pulse rates.	+ $8,421
1	14440411	**Intercom - Comfort** Intercom system for communication between examination room and control room. It includes - a microphone with a control box for the control room - a microphone with an adaptive acoustic filter for background noise suppression for the examination room - a footswitch for conversation selection for the examination room The microphone of the examination room is installed on the ceiling.	+ $972
1	14434168	**IVUSmap** With IVUSmap, it is possible to coregister intravascular ultrasound images and X-ray images on the Artis system. ECG-triggered Fluoro license is included. With this item, a display is delivered additionally for the examination room if an Artis Large Display was not ordered. If an Artis Large Display is ordered, the configuration includes a connection kit for the Artis Large Display instead of the 19" display.	+ $10,696
1	BART700PEDL	**Mark 7 Arterion, Pedestal System** The Arterion Mark 7 Pedestal contrast medium injector can be positioned anywhere at the patient positioning table on a mobile unit, for direct operation of all functions in the examination room.	+ $27,067

Siemens Medical Solutions USA, Inc.
40 Liberty Boulevard, Malvern, PA 19355
Fax: (866) 309-6967

SIEMENS REPRESENTATIVE
Mathew Hayes - (336) 263-4273

PRELIMINARY PROPOSAL

Qty	Part No.	Item Description	Extended Price

The injector system includes:
A mobile pedestal stand with electronics unit, a contrast medium heater and a connection cable to the manual release.
A support arm with injector head and a control lever for moving the injector head.
A user control console with large touch screen and corresponding additional monitoring display on the injector head.

Functions
Pressure limitation:
for 150 ml syringes 689 to 8273 kPa,
corresponds to 100 to 1200 psi. .

Flow rates for 150 ml syringes:
0.1 to 45 ml/s in increments of 0.1 ml/s
0.1 to 59.9 ml/min in increments of 0.1 ml/min
rise/fall: 0 to 9.9 s in increments of 0.1 seconds

Release delay for injection or radiation:
0 to 99.9 s in increments of 0.1 s.

Adjustable volume for 150 ml syringes:
1 ml to the max. syringe capacity in increments of 1 ml.

Fill rate:
Variable syringe filling speed 1-20ml/s.

Injection protocols:
Up to 40 injection protocols possible.

Parameters currently displayed on the touch screen display and on the head display:
Injection speed
Injection volume
Remaining volume
Injection duration
Applied pressure

Contrast medium heating:
Nominal 35°C (95°F)+-5°C (9°F)

Injection data memory
Up to 50 injection data items stored

Included in the scope of delivery
Injector standard configuration 150 ml
SIEMENS interface cable
Operator Manual
Service manual (English).

Power supply
200 V to 250 V; 50/60 Hz.

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PRELIMINARY PROPOSAL

Qty	Part No.	Item Description	Extended Price
1	BINSART700P	**Arterion Pedestal Install**	+ $1,545
1	EPW935515UPS	**Eaton Powerware 9355 15 kVA UPS** Includes UPS, battery, maintenance bypass panel, and one year on-site parts and labor coverage (24x7) by Eaton Powerware. This UPS is recommended when protection and uninterruptible power is required for the Artis' C-arm and table. Emergency fluoroscopy is not available with this UPS. If emergency fluoroscopy is required, the 9390 - 160 kVA UPS is recommended for the full system. One UPS per lab. Additional seismic brackets are required to make this system OSHPD approved.	+ $20,801

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

Mathew Hayes
(336) 263-4273
mathew.hayes@siemens.com

>>> Frances Roper 04/07/2017 >>>
Ginger,

Here is the response I received from Ed with Tekyard.

I would place a conservative FMV at $50K.

Ed

Thanks,
Frances

>>> Ginger Biggerstaff 04/06/2017 5:57 PM >>>

Frances,

Please contact Tekyard to obtain Fair Market Value for the listed existing Electrophysiology Lab equipment. Thank you, Ginger

Existing Equipment - AXIOM ARTIS DMP DETECTOR SYSTEM, X-Ray System, Single Plane
Manufacturer – Siemens
Model # - 10094137
Serial # - 917200706