



**NC DEPARTMENT OF
HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

August 19, 2019

James Roskelly
 jim.roskelly@conehealth.com

Exempt from Review – Replacement Equipment

Record #: 3026
Facility Name: Alamance Regional Medical Center
FID #: 954565
Business Name: Alamance Regional Medical Center, Inc.
Business #: 49
Project Description: Replace existing MRI equipment
County: Alamance

Dear Mr. Roskelly:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of August 15, 2019, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(f). Therefore, you may proceed to acquire without a certificate of need the Siemens Sola MRI equipment to replace the Siemens Symphony MRI, Serial #22763. This determination is based on your representations that the existing unit will be sold or otherwise disposed of and will not be used again in the State without first obtaining a certificate of need if one is required.

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,

Celia C. Inman
 Project Analyst

Martha J. Frisone
 Chief

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

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION
HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603
 MAILING ADDRESS: 809 Ruggles Drive, 2704 Mail Service Center, Raleigh, NC 27699-2704
<https://info.ncdhs.gov/dhsr/> • TEL: 919-855-3873

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

Rec'd by Email
8/15/19
CT

1200 North Elm Street
Greensboro, NC 27401-1020
Phone: 336-832-8199
conehealth.com

August 15, 2019

Ms. Martha J. Frisone, Chief
Ms. Celia C. Inman, Project Analyst
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation, NC DHHS
2704 Mail Service Center
Raleigh, NC 27699-2704

Re: Imaging Equipment Replacement at Alamance Regional Medical Center
Lic# H0272/FID# 954565

Dear Ms. Frisone and Ms. Inman:

I am writing to you pursuant to NCGS § 131E-184(f) to inform you of Cone Health's plans to replace one (1) magnetic resonance imaging (MRI) scanner at Alamance Regional Medical Center (Lic# H0272). The Department originally issued a certificate of need for this equipment (Project ID #G-6214-00). Cone Health is simply updating an important piece of imaging equipment with newer technology that offers improved patient throughput, improved imaging quality and increased capacity to perform bariatrics and breast imaging. Alamance Regional Medical Center purchased this scanner more than 17 years ago and it has exhausted its useful life.

Attachment 1 contains comparisons of the relevant information and specifications of the existing equipment and the planned replacement equipment. Of note, the total equipment cost for the MRI scanner will be \$1,618,513. The new Siemens Sola MRI scanner will be functionally comparable to the existing equipment being taken out of service. Renovations to the imaging suite at Alamance Regional Medical Center to accommodate the replacement equipment are expected to cost \$766,474. These costs were estimated by Cone Health Construction Management based on their knowledge and expertise with similar projects. The total proposed capital cost for this equipment replacement is \$2,384,987. A detailed capital budget is included in *Attachment 2*.

Ms. Martha J. Frisone
Ms. Celia C. Inman
August 15, 2019
Page 2

The MRI scanner is located in Alamance Regional Medical Center (ARMC) at 1240 Huffman Mill Road, Burlington, NC 27215. This site is the main campus as defined in NCGS 131E-176(14n) for Alamance Regional Medical Center (Lic#H0272). Vicki Moran, Interim President of Alamance Regional Medical Center, exercises administrative and financial control of the main campus. Please see *Attachments 3-5* for copies of ARMC's 2019 License, selected pages from ARMC's 2019 Hospital License Renewal Application, and a map of the main campus. The administrative offices at ARMC are located on the first floor inside the medical mall entrance.

The new equipment, which will be owned and operated by Cone Health, is planned to be placed into service in August 2019. The existing equipment will be removed from Alamance Regional Medical Center and taken out of service by Siemens Healthcare, the vendor of the new equipment.

Please let me know if I can answer any questions you have around this planned replacement.

Sincerely,


James Roskelly
Executive Vice President
Strategic Development

JR\jc

Attachment

cc: Chris Deangelo, Director, Imaging, Alamance Regional Medical Center
Jim Canada, Director, Facilities, Alamance Regional Medical Center

Attachment 1
Equipment Comparison Form

EQUIPMENT COMPARISON

	EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type (e.g., Cardiac Catheterization, Gamma Knife®, Heart-lung bypass machine, Linear Accelerator, Lithotripter, MRI, PET, Simulator, CT Scanner, Other Major Medical Equipment)	MRI	MRI
Manufacturer	Siemens	Siemens
Model number	Symphony	Sola
Other method of identifying the equipment (e.g., Room #, Serial Number, VIN #)	22763	182706
Is the equipment mobile or fixed?	Fixed	Fixed
Date of acquisition	06/2002	08/2019
Was the existing equipment new or used when acquired? / Is the replacement equipment new or used?	New	New
Total projected capital cost of the project <Attach a signed Projected Capital Cost form>	NA	See attached
Total cost of the equipment	NA	1,618,513
Location of the equipment <Attach a separate sheet for mobile equipment if necessary>	Alamance Regional Medical Center	Alamance Regional Medical Center
Document that the existing equipment is currently in use	See Attachment 4	NA
Will the replacement equipment result in any increase in the average charge per procedure?	NA	No
If so, provide the increase as a percent of the current average charge per procedure	NA	NA
Will the replacement equipment result in any increase in the average operating expense per procedure?	NA	No increase
If so, provide the increase as a percent of the current average operating expense per procedure	NA	NA
Type of procedures performed on the existing equipment <Attach a separate sheet if necessary>	Neuro, Body, MSK	NA
Type of procedures the replacement equipment will perform <Attach a separate sheet if necessary>	NA	Neuro, Body, MSK, Breast, Cardiac

Date of last revision: 5/17/19

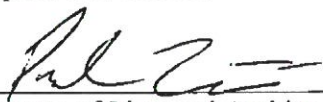
Attachment 2
Capital Cost Worksheet

Projected Capital Cost Form

Building Purchase Price	NA
Purchase Price of Land	NA
Closing Costs	NA
Site Preparation	NA
Construction/Renovation Contract(s)	\$766,474
Landscaping	NA
Architect / Engineering Fees	NA
Medical Equipment	\$1,618,513
Non-Medical Equipment	NA
Furniture	NA
Consultant Fees (specify)	NA
Financing Costs	NA
Interest during Construction	NA
Other (specify)	NA
Total Capital Cost	\$2,384,987

CERTIFICATION BY A LICENSED ARCHITECT OR ENGINEER

I certify that, to the best of my knowledge, the projected capital cost for the proposed project is complete and correct.




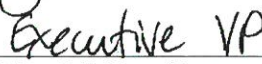
 Signature of Licensed Architect or Engineer

Date Signed: 8/15/19

CERTIFICATION BY AN OFFICER OR AGENT FOR THE PROPONENT

I certify that, to the best of my knowledge, the projected total capital cost for the proposed project is complete and correct and that it is our intent to carry out the proposed project as described.



 Signature of Officer/Agent


 Title of Officer/Agent

Date Signed: 8/15/19

Attachment 3
ARMC 2019 License

State of North Carolina

Department of Health and Human Services Division of Health Service Regulation

Effective January 01, 2019, this license is issued to

Alamance Regional Medical Center, Inc.

to operate a hospital known as

Alamance Regional Medical Center

located in Burlington, North Carolina, Alamance 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: 954565

License Number: H0272

Bed Capacity: 238

General Acute 182, Psych 44, Substance Abuse 12,

Dedicated Inpatient Surgical Operating Rooms: 2

Dedicated Ambulatory Surgical Operating Rooms: 3

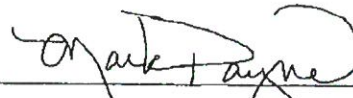
Shared Surgical Operating Rooms: 9

Dedicated Endoscopy Rooms: 4

Authorized by:



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



Director, Division of Health Service Regulation

Attachment 4

ARMC 2019 Hospital License Renewal Application

North Carolina Department of Health and Human Services
Division of Health Service Regulation
Acute and Home Care Licensure and Certification Section
Regular Mail: 1205 Umstead Drive
2712 Mail Service Center
Raleigh, North Carolina 27699-2712
Overnight UPS and FedEx only: 1205 Umstead Drive
Raleigh, North Carolina 27603
Telephone: (919) 855-4620 Fax: (919) 715-3073

For Official Use Only
License # H0272 Medicare # 340070
FID #: 954565
PC 15 Date 2/11/19

License Fee: \$4,715.00

**2019
HOSPITAL LICENSE
RENEWAL APPLICATION FEB 8 2019**

Legal Identity of Applicant: Alamance Regional Medical Center, Inc.
(Full legal name of corporation, partnership, individual, or other legal entity owning the enterprise or service.)

Doing Business As
(d/b/a) name(s) under which the facility or services are advertised or presented to the public:

PRIMARY: Alamance Regional Medical Center
Other: _____
Other: _____

Facility Mailing Address: PO Box 202
Burlington, NC 27216-0202

Facility Site Address: 1240 Huffman Mill Rd
Burlington, NC 27215
County: Alamance
Telephone: (336)538-7450
Fax: (336)538-7425

Application Rec'd Date 2/8/2019
Fee Paid-Ck # 1068 278
Amount \$ 4,715.00
Initials AYC
DHSR Acute and Home Care L&C

Administrator/Director: Preston Hammock
Title: President
(Designated agent (individual) responsible to the governing body (owner) for the management of the licensed facility)

Chief Executive Officer: Terrence B. Akin **Title:** CEO
(Designated agent (individual) responsible to the governing body (owner) for the management of the licensed facility)

Name of the person to contact for any questions regarding this form:

Name: James Roskelly **Telephone:** 336-832-8199

E-Mail: jim.roskelly@conehealth.com

All responses should pertain to October 1, 2017 through September 30, 2018.

Instructions for Hospitals with multiple campuses: For MRI Services, (Sections 10b-10e, pp 17-18), do not provide cumulative/combined data for all campuses. Provide data for individual campuses only.

b. MRI Procedures

Indicate the number of procedures performed on MRI scanners (units) operated during the 12-month reporting period at your facility. For hospitals that use equipment at multiple sites/campuses, please copy the MRI pages and provide separate data for each site/campus. **Campus – if multiple sites:** Alamance Regional Medical Center – Main Campus

Procedures	Inpatient Procedures*			Outpatient Procedures*			TOTAL Procedures
	With Contrast or Sedation	Without Contrast or Sedation	TOTAL Inpatient	With Contrast or Sedation	Without Contrast or Sedation	TOTAL Outpatient	
Fixed	271	942	1,213	1,649	4,067	5,716	6,929
Mobile (performed only at this site)	0	0	0	0	0	0	0
TOTAL**	271	942	1,213	1,649	4,067	5,716	6,929

* An MRI procedure is defined as a single discrete MRI study of one patient (single CPT-coded procedure). An MRI study means one or more scans relative to a single diagnosis or symptom.

** Totals must be greater than or equal to the totals in the MRI Patient Origin Table on page 30 of this application.

Note: Healthcare Planning and Certificate of Need may request CPT codes for MRI procedures if further clarification is needed.

c. Fixed MRI Scanners

Indicate the number of MRI scanners (units) operated during the 12-month reporting period at your facility. For hospitals that operate medical equipment at multiple sites/campuses, please copy the MRI pages and provide separate data for each site/campus. **Campus – if multiple sites:** Alamance Regional Medical Center – Main Campus

Fixed Scanners	Number of Units
Number of fixed MRI scanners-closed, including open-bore scanners (<i>do not include any Policy AC-3 scanners</i>)	2
Number of fixed MRI scanners-open (<i>do not include any Policy AC-3 scanners</i>)	0
Number of Policy AC-3 MRI scanners used for general clinical purposes	0
Total Fixed MRI Scanners	2

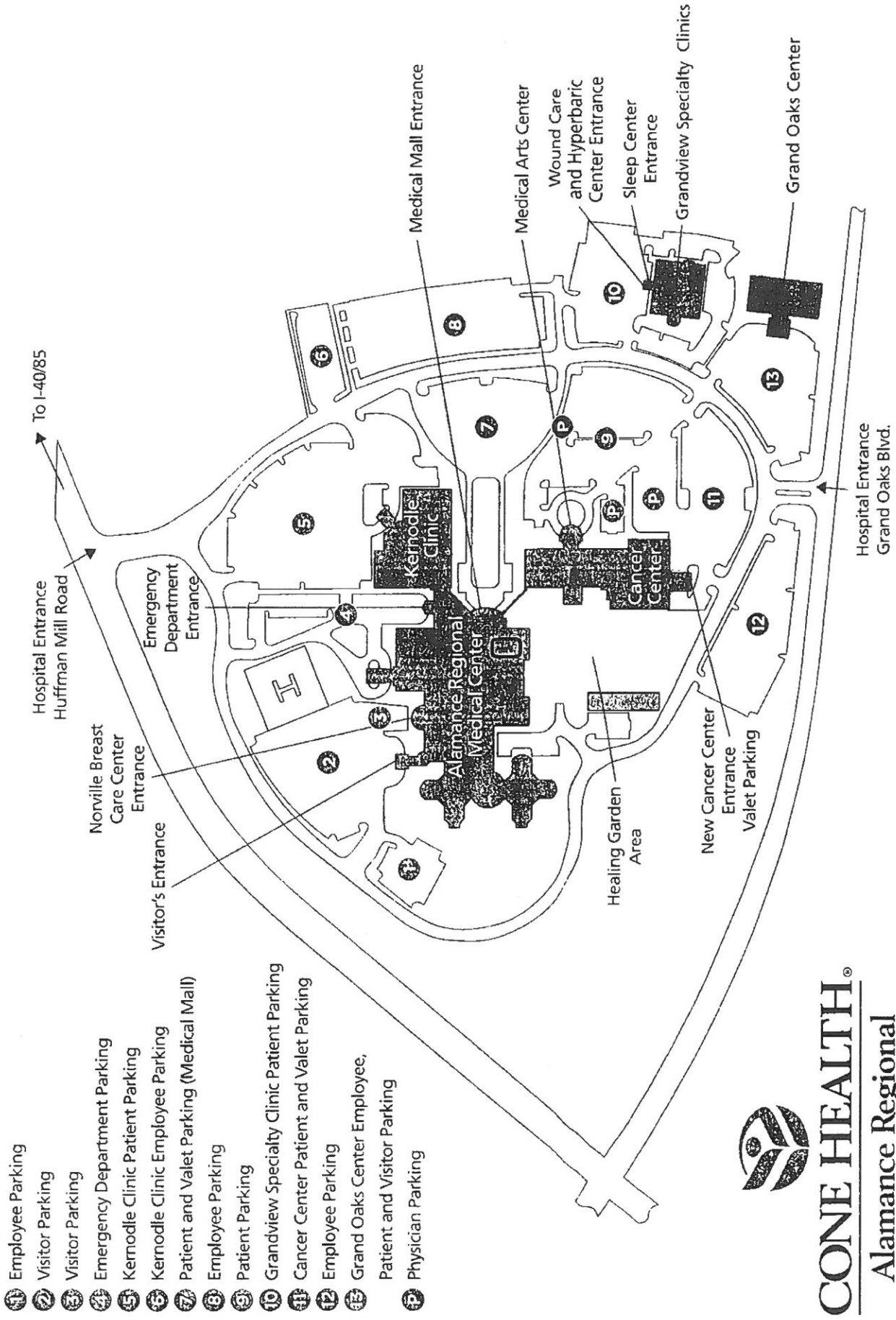
Number of grandfathered fixed MRI scanners on this campus: 0

For questions, please contact Healthcare Planning and Certificate of Need at 919-855-3873.

CON Project ID numbers for all other fixed MRI scanners on this campus: G-4244-91 and G-6214-00

Attachment 5
ARMC Campus Map

Cone Health Alamance Regional Campus and Parking Map



- 1 Employee Parking
- 2 Visitor Parking
- 3 Visitor Parking
- 4 Emergency Department Parking
- 5 Kernodle Clinic Patient Parking
- 6 Kernodle Clinic Employee Parking
- 7 Patient and Valet Parking (Medical Mall)
- 8 Employee Parking
- 9 Patient Parking
- 10 Grandview Specialty Clinic Patient Parking
- 11 Cancer Center Patient and Valet Parking
- 12 Employee Parking
- 13 Grand Oaks Center Employee, Patient and Visitor Parking
- 14 Physician Parking
- P Physician Parking



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