



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor

MANDY COHEN, MD, MPH • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

January 23, 2019

Marisa Barone
Wake Forest Baptist Health
Medical Center Boulevard
Winston-Salem, NC 27157

No Review

Record #: 2843
Facility Name: WRMC Diagnostic Imaging Center
FID #: 021201
Business Name: Wake Forest Baptist Health
Business #: 2990
Project Description: Relocate CT scanner from Wilkes Regional Medical Center to WRMC Diagnostic Imaging Center
County: Wilkes

Dear Ms. Barone:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency) received your correspondence regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request**, the proposal described in that correspondence is not governed by, and therefore, does not currently require a certificate of need. If the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

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

This determination is binding only for the facts represented in your correspondence. If changes are made in the project or in the facts provided in the correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by this office.

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

www.ncdhhs.gov/dhsr • TEL: 919-855-3873

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Please do not hesitate to contact this office if you have any questions.

Sincerely,



Gloria C. Hale
Team Leader



Martha J. Frisone, Chief
Healthcare Planning and Certificate of Need Section

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR
Radiation Protection Section, DHSR
Melinda Boyette, Administrative Assistant, Healthcare Planning, DHSR



January 15, 2019

Ms. Martha Frisone, Chief
Ms. Celia Inman, Project Analyst
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
809 Ruggles Drive
Raleigh, NC 27603

**Re: Request for Confirmation of Exemption for Wilkes Regional Medical Center (FID # 943561;
Lic # H0153) CT Scanner Replacement**

Dear Ms. Frisone and Ms. Inman,

Pursuant to NC G.S. § 131E-184 (7), Exemptions from Certificate of Need Review, I am writing to request confirmation that the project described below for Wilkes Regional Medical Center (WRMC) is exempt from review.

WRMC has a total of two fixed CT scanners on included on the hospital license. Please reference Attachment 1 for the applicable page from WRMC's 2018 license renewal application. One of the CT scanners is located within the hospital campus and one is located at the WRMC Diagnostic Imaging Center at West Park. Please reference Attachment 2 for a map that illustrates the location of WRMC and WRMC Diagnostic Imaging Center at West Park.

WRMC plans to replace the existing 2003, General Electric Lightspeed 16 CT scanner that is presently located at the WRMC Diagnostic Imaging Center at West Park with a 2019 General Electric Revolution HD CT scanner. The equipment that is being replaced was purchased in 2003 and has reached the end of its useful life. WRMC has experienced multiple machine faults resulting in down time and repairs during this past year.

The existing GE VCT CT scanner that is presently located on the hospital campus will be relocated to the WRMC Diagnostic Imaging Center at West Park and the new 2019 General Electric Revolution HD CT scanner will be installed in the main hospital. The total capital cost of the project including equipment, installation, and related construction expenditures is estimated to be \$1,447,323. The existing 16 slice Lightspeed CT scanner will be traded in to General Electric.

WRMC believes this project is exempt from review, as described below. Pursuant to NC G.S. § 131E-184 (a) and (7),

"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 ..."

NC G.S. § 131E-176 (22a) defines replacement equipment as

"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."

As demonstrated above, the cost to replace the current CT scanner is under \$2,000,000 and will be disposed of upon replacement.

WRMC respectfully requests that the facts stated above, as well as the information included in the Exhibits, serve as prior written notification to the Department that the replacement of this CT scanner at WRMC meets all of the exemption criteria in NC G.S. § 131E-184 (a) and (7).

Please let me know if you have any questions or if additional information is needed.

Sincerely,



Marisa Barone
Director, Strategic Planning and Regulatory / CON
Wake Forest Baptist Health

All responses should pertain to October 1, 2016 through September 30, 2017.

Attachment 1

f. Other MRI N/A

Patients served on units listed in the next table should not be included in the MRI Patient Origin Table on page 34 of this application. 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: _____

Other Scanners	Units	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	
Other Human Research MRI scanners	<u>N/A</u>							
Intraoperative MRI (iMRI)								

* 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.

g. Lithotripsy. Campus – if multiple sites: _____

	Number of Units	Number of Procedures		
		Inpatient	Outpatient	Total
Fixed	<u>0</u>	<u>0</u>	<u>50</u>	<u>50</u>
Mobile	<u>1</u>	<u>15</u>	<u>50</u>	<u>65</u>

Lithotripsy Vendor/Owner <u>Piedmont Stone Center</u>
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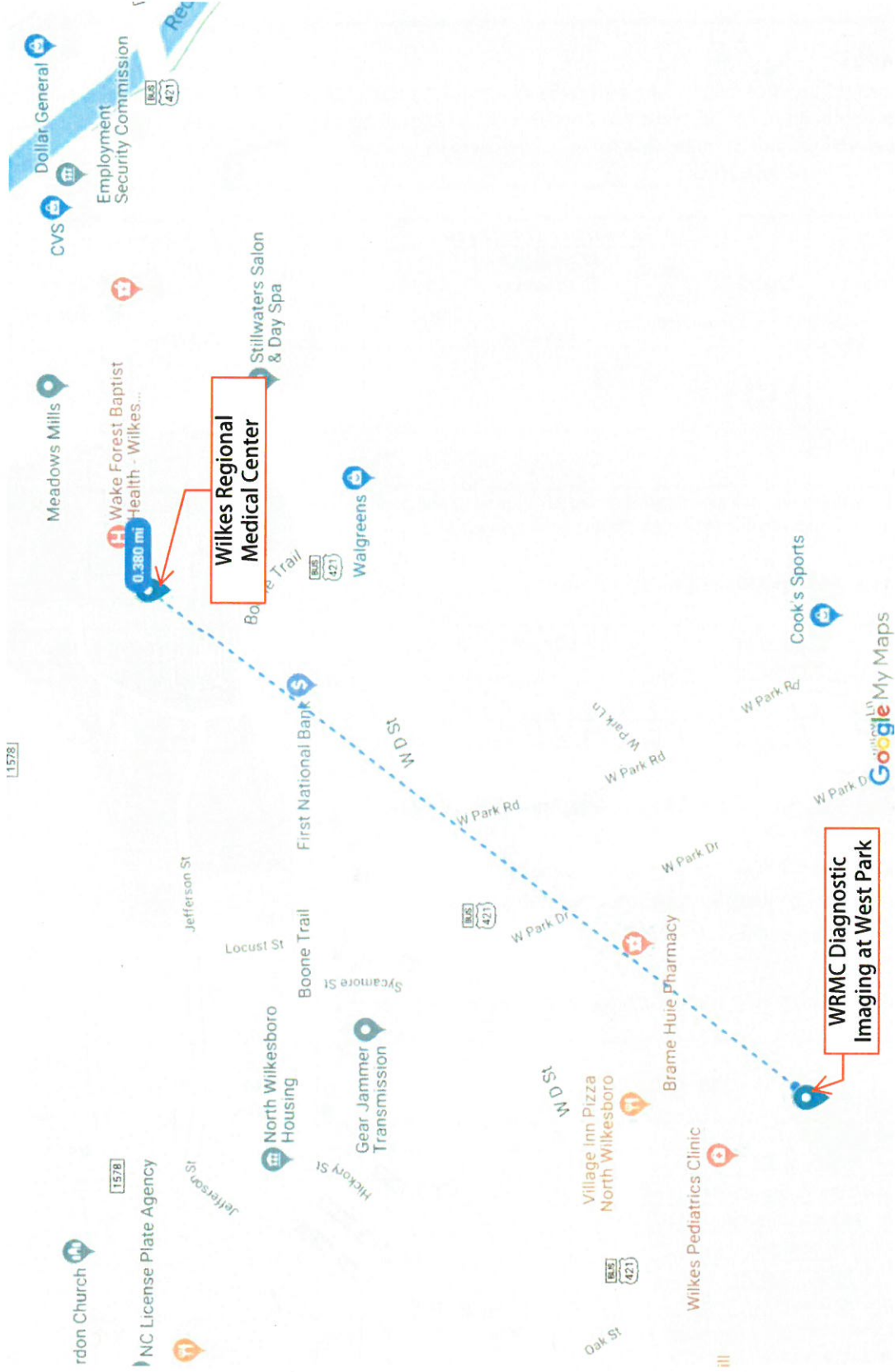
h. Computed Tomography (CT). Campus – if multiple sites: _____

How many fixed CT scanners does the hospital have? 2
 Does the hospital contract for mobile CT scanner services? ___ Yes No
 If yes, identify the mobile CT vendor _____

Complete the following table for fixed and mobile CT scanners.

	Type of CT Scan	<u>FIXED</u> CT Scanner # of Scans	<u>MOBILE</u> CT Scanner # of Scans
1	Head without contrast	<u>3668</u>	<u>0</u>
2	Head with contrast	<u>296</u>	
3	Head without and with contrast	<u>48</u>	
4	Body without contrast	<u>3432</u>	
5	Body with contrast	<u>3096</u>	
6	Body without contrast and with contrast	<u>412</u>	
7	Biopsy in addition to body scan with or without contrast	<u>12</u>	
8	Abscess drainage in addition to body scan with or without contrast	<u>16</u>	
	Total	<u>10980</u>	

Map: Wilkes Regional Medical Center and WRMC Diagnostic Imaging at West Park



EQUIPMENT COMPARISON
Wilkes Regional Medical Center (FID # 943307) CT Scanner Replacement
 December 2018

	EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type of Equipment (List Each Component)	CT Scanner	CT Scanner
Manufacturer of Equipment	GE	GE
Tesla Rating for MRIs	N/A	N/A
Model Number	Lightspeed 16	Revolution HD
Serial Number	392629CN2	TBD
Provider's Method of Identifying Equipment	Control #2056	TBD
Specify if Mobile or Fixed	Fixed	Fixed
Mobile Trailer Serial Number/VIN #	N/A	N/A
Mobile Tractor Serial Number/VIN #	N/A	N/A
Date of Acquisition of Each Component	August 2003	2019
Does Provider Hold Title to Equipment or Have a Capital Lease?	Title	Title
Specify if Equipment Was/Is New or Used When Acquired	New	New
Total Capital Cost of Project (Including Construction, etc.)	NA	\$1,000,000
Total Cost of Equipment		\$947,323
Fair Market Value of Equipment	NA	\$947,323
Net Purchase Price of Equipment	NA	\$947,323
Locations Where Operated	WRMC Diagnostic Center at West Park	Wilkes Regional 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	
Percent of Change in Per Procedure Operating Expenses (by Procedure)	NA	
Type of Procedures Currently Performed on Existing Equipment	CT Scans	NA
Type of Procedures New Equipment is Capable of Performing	NA	Low Dose CT Scans

