



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

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

February 26, 2020

Denise M. Gunter
Nelson, Mullins, Riley & Scarborough, LLP
380 Knollwood Street, Suite 530
Winston-Salem NC 27103

Exempt from Review – Replacement Equipment

Record #: 3229
Business Name: MedQuest Associates, Inc. and Foundation Health Mobile Imaging, LLC
Business #: 2692, 2301
Project Description: Temporarily replace mobile MRI scanner during repairs
County: Wake

Dear Ms. Gunther:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of February 24, 2020, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(7). Therefore, you may proceed to arrange a service agreement with a third-party vendor for an out-of-state mobile MRI scanner without a certificate of need to temporarily replace the existing mobile MRI scanner (MQ 23) while it is repaired.

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,

Michael J. McKillip
Project Analyst

Martha J. Frisone
Chief

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
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FEB 24 2020
Planning & CON Section

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February 24, 2020

Via Electronic Mail

Martha J. Frisone, Chief
North Carolina Department of Health and Human Services
Division of Health Service Regulation
Healthcare Planning and Certificate of Need Section
809 Ruggles Drive
Raleigh, North Carolina 27603

Re: Temporary Use of Mobile MRI Scanner
Wake County
Health Service Area IV

Dear Ms. Frisone:

On behalf of Foundation Health Mobile Imaging, LLC ("FMHI") and MedQuest Associates ("MedQuest") (collectively, MedQuest"), I am writing to notify the CON Section of the temporary use of an out-of-state mobile MRI scanner ("Temporary Scanner") to cover the route of a grandfathered 1.5T mobile MRI scanner that is out of service. The grandfathered scanner is known internally as MQ 23. This letter is in follow up to our telephone conversation on February 24, 2020.

In the early morning hours of February 24, 2020, MQ 23 experienced a magnet quench. Quenching is the process whereby there is a sudden loss of absolute zero of temperature in the magnet coils, so that they cease to be super conducting and become resistive, thus eliminating the magnetic field. This results in helium escaping from the cryogen bath extremely rapidly. Quenching may cause severe and irreparable damage to the super conducting coils.

MQ 23 currently serves three host sites in Wake County:

Martha J. Frisone, Chief.
February 24, 2020
Page 2

Host Site	Address	Days of Service
Raleigh Neurosurgical Clinic	5838 Six Forks Road, Raleigh, NC 27609	Monday
Raleigh Radiology Brier Creek	8851 Ellstree Lane, Raleigh, NC 27617	Tuesday, Wednesday, Friday
Cary Orthopaedics	1120 SE Cary Parkway, Cary, NC 27518	Thursday

To avoid disrupting patient diagnosis and treatment, MQ 23 is arranging a services agreement with a third-party vendor pursuant to which another 1.5T mobile MRI scanner (the "Temporary Scanner") will cover MQ 23's route for the time that MQ 23 is out of service. The Temporary Scanner is currently located outside of North Carolina. MedQuest presently estimates that MQ 23 will be out of service for at least two to three weeks. When the repair of MQ 23 is completed, MedQuest will cease using the Temporary Scanner, return it to the third-party vendor, and resume using MQ 23 pursuant to the current schedule. No acquisition of an MRI scanner will occur by virtue of MedQuest's arrangement with the third-party vendor to use the Temporary Scanner. The Temporary Scanner will be used to provide the same type of MRI scans that MQ 23 provides. No new health services will be provided. There will be no increase in patient charges as a result of allowing the Temporary Scanner to cover MQ 23's route while it is being repaired.

Accordingly, MedQuest respectfully requests written confirmation from the Agency that the proposed use of the Temporary Scanner while MQ 23 is out of service does not require a CON.

Thank you for your time and attention. Please do not hesitate to contact me if you have any questions.

Sincerely,



Denise M. Gunter

Waller, Martha K

From: Denise Gunter <denise.gunter@nelsonmullins.com>
Sent: Monday, February 24, 2020 4:31 PM
To: Waller, Martha K
Subject: [External] Letter to Martha Frisone regarding MQ 23
Attachments: Letter to Martha Frisone regarding MQ 23 4834-4104-5173 v.1.docx

CAUTION: External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to report.spam@nc.gov

Martha,

Attached is correspondence for Health Service Area IV (Wake County). Could you please get this to the project analyst?

Thanks.

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