



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

January 17, 2020

Marisa Barone
mbarone@wakehealth.edu

Exempt from Review – Replacement Equipment

Record #: 3186
Facility Name: North Carolina Baptist Hospital
FID #: 943495
Business Name: North Carolina Baptist Hospital
Business #: 1819
Project Description: Replace one existing PET/CT, one existing fixed MRI scanner, and one existing CT scanner on the NCBH main campus
County: Forsyth

Dear Ms. Barone:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of January 14, 2020, 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 GE Healthcare Discovery MI 5-Ring PET/CT, the Siemens 3.0 tesla Vida MRI scanner, and the Siemens Medical Drive CT scanner to replace the GE Healthcare Discovery VCT 7X, Serial #415369CN8 PET/CT, the GE 3.0 tesla 2377062-9 Signa Excite, Serial #874YR8 / W0125 MRI scanner, and the GE Healthcare Lightspeed VCT, Serial #422382CN2 CT scanner, respectively. This determination is based on your representations that the existing units 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, Radiation Protection, 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
Radiation Protection 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.ncdhhs.gov/dhsr/> • TEL: 919-855-3873

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER



Marisa Barone
Director Strategic Planning and Regulatory / CON
Wake Forest Baptist Health
Medical Center Blvd
Winston-Salem, NC 27157
mbarone@wakehealth.edu

January 14, 2020

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 North Carolina Baptist Hospital (FID # 943495; Lic # H0011) Equipment Replacements

Dear Ms. Inman,

Pursuant to NC G.S. § 131E-184 (f), Exemptions from Certificate of Need Review, I am writing to request confirmation that the project described below for North Carolina Baptist Hospital (NCBH) is exempt from review.

North Carolina Baptist Hospital (“NCBH”) plans to replace three existing pieces of equipment, all of which are located on the NCBH main campus as defined in § 131E-176 (14n). The equipment to be replaced includes: one (1) PET/CT, one (1) fixed MRI scanner, and one (1) fixed CT scanner. Please reference the table below for details on the equipment replacements.

PET/CT: The PET/CT that is planned for replacement is currently located within the nuclear medicine department on the NCBH main campus. Please reference **Attachment 1** for a NCBH campus map. The replacement PET/CT will be located in the same location as the existing PET/CT. The equipment is being replaced as it is at the end of its useful life. The estimated capital cost for the replacement equipment and associated construction and renovations totals \$3,617,000.

MRI Scanner: The MRI scanner that is planned for replacement is currently located within the radiation oncology department on the NCBH main campus. Please reference **Attachment 1** for a NCBH campus map. The replacement MRI scanner will be located in the same location as the existing MRI scanner. The equipment is being replaced as it is at the end of its useful life. The

estimated capital cost for the replacement equipment and associated construction and renovations totals \$2,866,000.

CT Scanner: The CT Scanner that is planned for replacement is currently located within the adult emergency department on the NCBH main campus. Please reference **Attachment 1** for a NCBH campus map. The replacement CT scanner will be located in the same location as the existing CT scanner. The equipment is being replaced as it is at the end of its useful life. The estimated capital cost for the replacement equipment and associated construction and renovations totals \$1,936,500.

Equipment Being Replaced	Current Location of Equipment	Future Location Upon Replacement	Reason for Replacement	Approximate date that equipment will be replaced	Estimated Project Capital Cost	CON Project ID #
PET/CT	Nuclear Medicine Department	Nuclear Medicine Department	End of useful life	July 2020	\$3,617,000	G-6816-03
MRI Scanner	Radiation Oncology Department	Radiation Oncology Department	End of useful life	September 2020	\$2,866,000	G-8372-09
CT Scanner	Emergency Department	Emergency Department	End of useful life	January 2021	\$1,936,500	G-8627-11

NCBH believes this project is exempt from review, as described below. Pursuant to NC G.S. § 131E-184 (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.*

Please reference **Attachment 1** for a campus map of NCBH, which highlights the relevant locations of equipment being replaced and NCBH administrative offices.

- (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.*

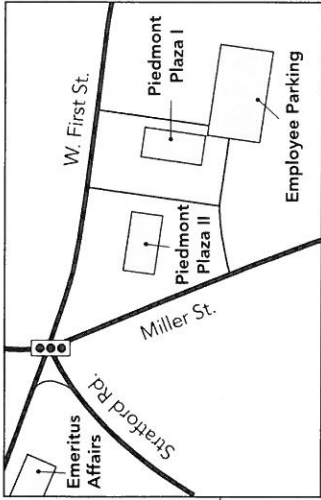
Please reference **Attachment 2** for the PET/CT CON, **Attachment 3** for the MRI Scanner CON, and **Attachment 4** for the CT Scanner CON.

- (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.*

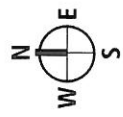
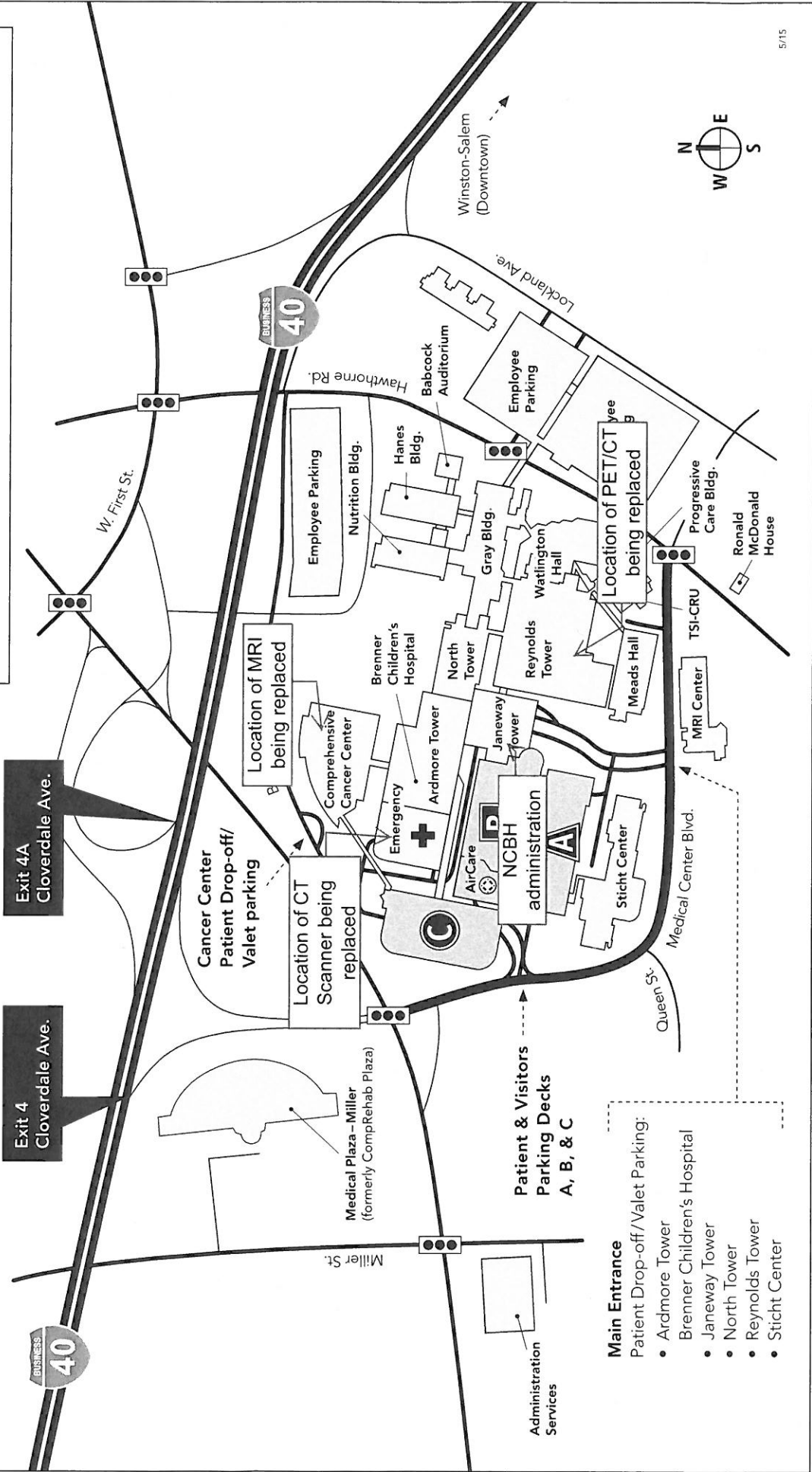
NCBH respectfully requests that the facts stated above, as well as the information included in the Attachments, serve as prior written notification to the Department that the replacement of the above-mentioned equipment at NCBH meets all of the exemption criteria in NC G.S. § 131E-184 (f).

From Statesville From Business 40 East, take Exit 4, Cloverdale Avenue. Go straight at light onto Medical Center Boulevard. Turn left into Patient & Visitor Parking Deck. For valet parking, go up hill and around curve to Main Entrance. Turn left. Go under building and straight ahead.

From Greensboro From Business 40 West, take Exit 4A, Cloverdale Avenue. Turn right onto Cloverdale Avenue. At traffic light, turn left onto Medical Center Boulevard. Turn left again into Patient & Visitor Parking Deck. For valet parking, go up hill and around curve to Main Entrance. Turn left. Go under building and straight ahead.



Piedmont Plaza I and II are located 1 mile north of the Medical Center campus at the corner of Miller Street and West First Street.



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

Sincerely,

A handwritten signature in black ink, appearing to read "Marisa Barone". The signature is fluid and cursive, with the first name "Marisa" being more prominent than the last name "Barone".

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

EQUIPMENT COMPARISON

Equipment Name and Location: PET/CT, Nuclear Medicine Department, NCBH Main Campus (G-6816-03)

	EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type of Equipment (List Each Component)	PET/CT	PET/CT
Manufacturer of Equipment	GE Healthcare	GE Healthcare
Tesla Rating for MRIs	NA	NA
Model Number	Discovery VCT 7X	Discovery MI 5-Ring
Serial Number	415369CN8	TBD
Provider's Method of Identifying Equipment	Clinical PET/CT	Clinical PET/CT
Specify if Mobile or Fixed	Fixed	Fixed
Mobile Trailer Serial Number/VIN #	NA	NA
Mobile Tractor Serial Number/VIN #	NA	NA
Date of Acquisition of Each Component	12/1/2009	7/1/2020
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.) <Use Attached Form>	\$2,407,200	Estimated to be \$3,617,000
Total Cost of Equipment	\$2,250,000	\$2,831,750
Fair Market Value of Equipment		\$2,831,750
Net Purchase Price of Equipment	\$2,250,000	\$2,831,750
Locations Where Operated	WFBMC	WFBMC
Number Days In Use/To be Used in N.C. Per Year	250	250
Percent of Change in Patient Charges (by Procedure)	0	0
Percent of Change in Per Procedure Operating Expenses (by Procedure)	0	0
Type of Procedures Currently Performed on Existing Equipment	Diagnostic PET	Diagnostic PET
Type of Procedures New Equipment is Capable of Performing	Diagnostic PET	Diagnostic PET

EQUIPMENT COMPARISON

Equipment Name and Location: Fixed MRI, Radiation Oncology Department, NCBH Main Campus (G-8372-09)

	EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type of Equipment (List Each Component)	MRI scanner	MRI scanner
Manufacturer of Equipment	GE	Siemens
Tesla Rating for MRIs	3.0 tesla	3.0 tesla
Model Number	2377062-9 Signa Excite	Vida
Serial Number	874YR8 / W0125	
Provider's Method of Identifying Equipment	Serial# / site#	Serial# / site#
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	Sept 2003	Approved pending PO
Does Provider Hold Title to Equipment or Have a Capital Lease?	No	No
Specify if Equipment Was/Is New or Used When Acquired	New	New
Total Capital Cost of Project (Including Construction, etc.) <Use Attached Form>	3,444,116.00	2,866,000.00
Total Cost of Equipment	2,665,616.00	2,266,000.00
Fair Market Value of Equipment		
Net Purchase Price of Equipment		
Locations Where Operated	CCC 1 st	CCC 1 st
Number Days In Use/To be Used in N.C. Per Year	All clinic days	All clinic days
Percent of Change in Patient Charges (by Procedure)	None	None
Percent of Change in Per Procedure Operating Expenses (by Procedure)	None	None
Type of Procedures Currently Performed on Existing Equipment	MRI scans	MRI scans
Type of Procedures New Equipment is Capable of Performing	MRI scans	MRI scans

EQUIPMENT COMPARISON

Equipment Name and Location: CT Scanner, Emergency Department, NCBH Main Campus (G-8627-11)

	EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type of Equipment (List Each Component)	CT	CT
Manufacturer of Equipment	GE Healthcare	Siemens Medical
Tesla Rating for MRIs	NA	NA
Model Number	Lightspeed VCT	Drive
Serial Number	422382CN2	TBD
Provider's Method of Identifying Equipment	EDCTI	EDCTI
Specify if Mobile or Fixed	Fixed	Fixed
Mobile Trailer Serial Number/VIN #	NA	NA
Mobile Tractor Serial Number/VIN #	NA	NA
Date of Acquisition of Each Component	8/1/2005	TBD
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.) <Use Attached Form>	\$1,575,000	Estimated to be \$1,936,500
Total Cost of Equipment	\$1,500,973	\$1,379,000
Fair Market Value of Equipment	\$22,750	1,379,000
Net Purchase Price of Equipment	\$1,500,973	1,379,000
Locations Where Operated	WFBH	WFBH
Number Days In Use/To be Used in N.C. Per Year	365	365
Percent of Change in Patient Charges (by Procedure)	0	0
Percent of Change in Per Procedure Operating Expenses (by Procedure)	0	0
Type of Procedures Currently Performed on Existing Equipment	Diagnostic CT	Diagnostic CT
Type of Procedures New Equipment is Capable of Performing	Diagnostic CT	Diagnostic CT

STATE OF NORTH CAROLINA

Department of Health and Human Services

Division of Facility Services

CORRECTED 7/13/04

CERTIFICATE OF NEED

for

Project Identification Number G-6816-03

FID #943495

ISSUED TO: North Carolina Baptist Hospital
Medical Center Boulevard
Winston-Salem, NC 27157

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: North Carolina Baptist Hospital shall acquire no more than one 3.0T MRI simulator and no more than one PET/CT simulator pursuant to Policy AC-3 in the 2003 SMFP/Forsyth County

CONDITIONS: See Reverse Side

PHYSICAL LOCATION: North Carolina Baptist Hospital
Medical Center Boulevard
Winston-Salem, NC 27157

MAXIMUM CAPITAL EXPENDITURE: \$6,491,266

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: December 31, 2004

This certificate is effective as of the 8th day of July, 2004.

Lee B. Hoffman by CRHAC
Chief, Certificate of Need Section
Division of Facility Services

STATE OF NORTH CAROLINA
Department of Health and Human Services
Division of Health Service Regulation

CERTIFICATE OF NEED

for

Project Identification Number #G-8372-09

FID #943495

ISSUED TO: North Carolina Baptist Hospital
Medical Center Boulevard
Winston-Salem, NC 27157

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

**SCOPE: North Carolina Baptist Hospital shall acquire a sixth fixed MRI scanner/
Forsyth County**

CONDITIONS: See Reverse Side

PHYSICAL LOCATION: North Carolina Baptist Hospital
Medical Center Boulevard
Winston-Salem, NC 27157

MAXIMUM CAPITAL EXPENDITURE: \$2,844,228

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: February 15, 2011

This certificate is effective as of the 30th day of September, 2010.



Chief, Certificate of Need Section
Division of Health Service Regulation

STATE OF NORTH CAROLINA

Department of Health and Human Services
Division of Health Service Regulation

CERTIFICATE OF NEED

for

Project Identification Number #G-8627-11

FID #943495

ISSUED TO: North Carolina Baptist Hospital
Medical Center Boulevard
Winston-Salem, NC 27157

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: North Carolina Baptist Hospital shall renovate the Emergency Department and acquire one CT scanner/ Forsyth County

CONDITIONS: See Reverse Side

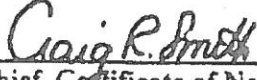
PHYSICAL LOCATION: North Carolina Baptist Hospital
Medical Center Boulevard
Winston-Salem, NC 27157

MAXIMUM CAPITAL EXPENDITURE: \$4,840,814

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: October 31, 2011

This certificate is effective as of the 12th day of July, 2011



Chief, Certificate of Need Section
Division of Health Service Regulation

CONDITIONS:

1. North Carolina Baptist Hospital shall materially comply with all representations made in its certificate of need application.
2. North Carolina Baptist Hospital shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditure in Section VIII of the application or that would otherwise require a certificate of need.
3. North Carolina Baptist Hospital shall acquire no more than one fixed MRI scanner for a total of six MRI scanners.
4. North Carolina Baptist Hospital shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Certificate of Need Section in writing prior to issuance of the certificate of need.

A letter acknowledging acceptance of and agreeing to comply with all conditions stated in the conditional approval letter was received by the Certificate of Need Section on September 29, 2010.

TIMETABLE:

Ordering Equipment _____	November 15, 2010
50% Completion of Construction _____	February 5, 2011
Operation of Equipment _____	April 1, 2011
Offering of Services _____	May 1, 2011