



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

ROY COOPER • Governor  
KODY H. KINSLEY • Secretary  
MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

May 26, 2022

Denise M. Gunter  
[Denise.gunter@nelsonmullins.com](mailto:Denise.gunter@nelsonmullins.com)

**Exempt from Review – Replacement Equipment**

**Record #:** 3906  
**Date of Request:** May 10, 2022  
**Facility Name:** FirstHealth Montgomery Memorial Hospital  
**FID #:** 923355  
**Business Name:** Montgomery Memorial Hospital, Incorporated  
**Business #:** 1246  
**Project Description:** Replace existing CT scanner  
**County:** Montgomery

Dear Ms. Gunter:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that the above referenced project is exempt from certificate of need review in accordance with G.S. 131E-184(a)(7). Therefore, you may proceed to acquire without a certificate of need the GE/Goldseal fixed CT scanner (Model # 614544CT) to replace the existing GE fixed CT scanner (Model # 2339985). 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.

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,

Tanya M. Saporito  
Project Analyst

Micheala Mitchell  
Chief

cc: Radiation Protection Section, DHSR  
Construction 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

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May 10, 2022

**VIA EMAIL**

Micheala Mitchell, 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: First Health Montgomery Memorial Hospital  
Replacement of CT Scanner  
Montgomery County  
Health Service Area V

Dear Ms. Mitchell:

FirstHealth Montgomery Memorial Hospital (“FirstHealth Montgomery”) is a 37-bed hospital located in Troy, North Carolina. Pursuant to N.C. Gen. Stat. §§ 176(22a) and 184(a)(7) and, FirstHealth Montgomery proposes to replace an existing CT scanner (the “Existing CT Scanner”) with a newer, refurbished CT scanner (the “Replacement CT Scanner”). A copy of the equipment comparison form is attached as **Exhibit A**. The capital cost form, showing a total capital expenditure of \$593,630.58, is attached as **Exhibit B**<sup>1</sup>. As shown on **Exhibit A**, the Existing CT Scanner is 19 years old, and was refurbished in 2011. It is reaching the end of its useful life. The proposed Replacement CT Scanner is a 2017 model that was refurbished in 2021.

When the Replacement CT Scanner is ready to be installed, FirstHealth Montgomery will shut down and remove the Existing CT Scanner. The Replacement CT

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<sup>1</sup> Although the Main Campus Exemption in N.C. Gen. Stat. § 131E-184(f) is not relevant to this request because the capital cost is below \$2 million, the replacement will occur on FirstHealth Montgomery’s “main campus” as that term is defined in N.C. Gen. Stat. § 131E-176(14n).

Micheala Mitchell  
May 10, 2022  
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Scanner will then be installed, and the Existing CT Scanner will not be used again in North Carolina without appropriate CON approval.

The Existing CT Scanner and the Replacement CT Scanner are comparable equipment under 10A N.C.A.C. 14C.0303. The Existing CT Scanner has been used at least ten times in the last twelve months. The Replacement CT Scanner provides the same type of scans as the Existing CT Scanner. The only additional exam that the Replacement CT Scanner will offer that the Existing CT Scanner does not is CT angiography lower extremity exams. No additional health services or health service facilities will be offered or developed as a result of the proposal described in this letter. Patient charges will not be increased as a result of the proposal described in this letter.

Accordingly, FirstHealth Montgomery respectfully requests that it be allowed to replace its Existing CT Scanner with the Replacement CT Scanner as described herein. FirstHealth Montgomery respectfully requests that this request be approved as soon as reasonably possible.

Please let me know if you have any questions or need further information.

Very truly yours,



Denise M. Gunter

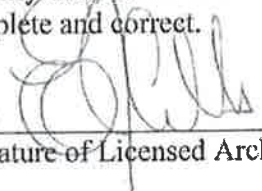
Enclosures

**Projected Capital Cost Form**

Building Purchase Price	N/A
Purchase Price of Land	N/A
Closing Costs	N/A
Site Preparation	N/A
Construction/Renovation Contract(s)	180,544
Landscaping	N/A
Architect / Engineering Fees	In Construction
Medical Equipment	\$369,086.58
Non-Medical Equipment	\$38,000
Furniture	\$2,000
Consultant Fees (specify)	\$2,500 (DHSR)
Financing Costs	N/A
Interest during Construction	N/A
Other (specify)	\$1,500 (IS)
<b>Total Capital Cost</b>	<b>\$593,630.58</b>

**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: 04/21/2022

**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

Date Signed: 4-27-22

CEO / President  
 \_\_\_\_\_  
 Title of Officer/Agent

## 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)	CT Scanner	CT Scanner
Manufacturer	GE	GE/Goldseal
Model number	2339985	614544CT
Other method of identifying the equipment (e.g., Room #, Serial Number, VIN #)	S#313650CN4	RE36A1700228YC
Is the equipment mobile or fixed?	Fixed	Fixed
Date of acquisition	6/2011	5/2022
Was the existing equipment new or used when acquired? / Is the replacement equipment new or used?	Refurbished 2011	Refurbished 2021
Total projected capital cost of the project <Attach a signed Projected Capital Cost form>	N/A	\$593,630.58
Total cost of the equipment	N/A	\$369,086.58
Location of the equipment <Attach a separate sheet for mobile equipment if necessary>	X	X
Document that the existing equipment is currently in use	NO	N/A
Will the replacement equipment result in any increase in the <b>average charge per procedure</b> ?	N/A	Not at this time
If so, provide the increase as a percent of the current average charge per procedure	N/A	N/A
Will the replacement equipment result in any increase in the <b>average operating expense per procedure</b> ?	N/A	NO
If so, provide the increase as a percent of the current average operating expense per procedure	N/A	N/A
Type of procedures performed on the existing equipment <Attach a separate sheet if necessary>	N/A	*see-current chargemaster
Type of procedures the replacement equipment will perform <Attach a separate sheet if necessary>	N/A	*CTA lower ext.

**\*The only new exam that will be added with new scanner is the CTA lower extremity at this time.**

Date of last revision: 5/17/19