## Petition to the State Health Coordinating Council Regarding Technology and Equipment Policy / Methodology for Fixed Magnetic Resonance Imaging Equipment for 2016 State Medical Facilities Plan

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Petitioner: Contact:			
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## **KEY FACTS:**

- Dosher Hospital is the **only hospital** in the state with a freestanding MRI that it does not own.
- The MRI is located four miles away from the hospital.
- The equipment is busy and provided 1,246 fixed equivalent scans in 2014.
- Owning the MRI and locating it at the hospital would provide **much more cost effective** operations and it would serve Emergency and Inpatients.
- Because of the structure of the current methodology for MRI, Brunswick County would need to almost double the number of MRI scans to show enough need for Dosher to apply to replace its scanner; and Dosher would have to show that it could provide 4,118 scans in a CON application filed against that need.
- A new Policy TE-2 could address the **unique problems** of small hospitals like Dosher and preserve orderly growth of MRI capacity in the state.

## STATEMENT OF REQUESTED ADJUSTMENT

## PREFERRED ADJUSTMENT: NEW POLICY TE-2

J. Arthur Dosher Memorial Hospital (Dosher), requests the following Policy Adjustment and Change to Methodology in the 2016 State Medical Facilities Plan (SMFP) regarding Magnetic Resonance Imaging equipment (MRI).

Add a new policy, Policy TE-2, which should read as follows:

"A certificate of need may be issued to a hospital which is licensed under GS 131E, Article 5, has only one MRI scanner, and offers MRI services on a full-time basis pursuant to a service agreement with an MRI provider, without regard to the MRI need shown in Chapter 9:Magnetic Resonance Imaging, if:

- 1. The hospital replaces the existing contracted service agreement with a fixed MRI scanner under the hospital's ownership and control.
- 2. The existing service agreement can and will terminate prior to the date the new fixed MRI begins service.
- 3. The acquisition and operation of the facility's own MRI scanner will allow the hospital to reduce its cost of providing the MRI service.
- The threshold tier of adjusted MRI scans for such a replacement shall equal that of a service area with no MRI scanners
- With addition of Policy TE-2, remove from SMFP Chapter 9, "Magnetic Resonance Imaging,"
   "Basic Assumptions of the Methodology, 4" (Assumption 4), thus eliminating redundancies.