

COMMENT IN SUPPORT OF NEED DETERMINATION FOR
ONE FIXED MAGNETIC RESONANCE IMAGING SCANNER IN
PASQUOTANK/CAMDEN/CURRITUCK/PERQUIMANS COUNTIES
IN THE PROPOSED 2022 NORTH CAROLINA STATE MEDICAL FACILITIES PLAN

July 28, 2021

To the North Carolina State Health Coordinating Council:

We write today in support of the need determination in the Proposed 2022 State Medical Facilities Plan ("SMFP") for one additional fixed Magnetic Resonance Imaging ("MRI") Scanner in the Pasquotank/Camden/Currituck/Perquimans service area (the "Pasquotank Service Area").

At present, there is only one fixed MRI Scanner in the Pasquotank Service Area. That MRI Scanner is located at Sentara Albemarle Medical Center ("Sentara Medical Center") in Pasquotank County. Sentara Medical Center also provides services on a mobile MRI Scanner. There are no other MRI Scanners in this multi-county service area available for patients.

As physicians providing primary care to patients across the Pasquotank Service Area, we have a vested interest in ensuring access to care to our patients. We regularly refer our patients for MRI imaging services and welcome the opportunity that an additional MRI Scanner in this area may offer, including the potential for a new provider.

The Pasquotank Service Area is a relatively small, rural area on the Eastern Coast of North Carolina. This service area has a small population compared to other regions of the State however, its population is growing. Currituck County, for example, is one of the ten fastest growing counties in the State. The Currituck Economic Development office reports that between 2000 and 2010, Currituck County's population increased nearly 30% making it one of the ten fastest growing counties in the State. It is estimated that population will increase another 22.9% between 2020 and 2030. In addition, due to its coastal location and strong tourism industry, Currituck County projects a 30% increase in seasonal visitors by 2015, which is an additional 40,000 projected visitors.

This service area also includes a substantial percentage of minority residents and residents with a median annual income that is lower than the national median annual income.

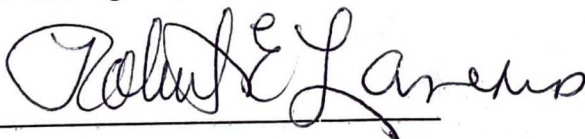
Many of our patients face barriers to accessible medical services including physical location and cost.

The Pasquotank Service Area also is an historically underserved area when it comes to medical care and access to services. In addition to lack of available services, this rural area is in a Health Professional Shortage Area for primary care services. As noted above, the only existing fixed MRI Scanner in the entire four county service area to which we can refer our patients is the hospital-based MRI Scanner located at Sentara Medical Center. Hospital-based services, even those provided on an outpatient basis such as MRIs and other imaging services, are typically substantially more expensive than the same services provided at freestanding, outpatient imaging centers because they are provided under and billed under the hospital license that typically has a higher capital cost structure than focused, outpatient facilities. There is no other choice of provider or geographic location within the four counties for our patients needing MRI services to obtain those necessary images. This presents a potential hardship for many patients and does not allow those patients any choice of provider, should they desire to receive their care elsewhere.

Therefore, we stand in strong support of the need determination in the Proposed 2022 SMFP for an additional fixed MRI Scanner in the four-county Pasquotank County Service Area. We believe this need determination will allow a potential new provider to enter this closed market and offer patients a choice of provider and a new choice of location to receive their services. We also hope that such potential new provider will be able to offer patients a lower cost, non-hospital-based choice with global rate pricing, that is more affordable than the existing hospital-based services. These are important considerations for our patients.

Thank you for the opportunity to provide this letter in support of the need determination for one additional fixed MRI Scanner in the Pasquotank Service Area and we hope that this need determination is included in the final 2022 SMFP.

With kind regards,



Robert E. Lane, M.D.