

Oral Remarks of Mr. Kyle Raygor – EmergeOrtho, P.A.
**Supporting an Adjusted Need Petition for one Fixed MRI Scanner
in Caldwell County in the 2023 State Medical Facilities Plan**

Submitted for the July 27, 2022 Hearing on the Proposed 2023 SMFP

Good afternoon. My name is Kyle Raygor, and I am the Executive Director of the Foothills Region for EmergeOrtho. I appreciate this opportunity to briefly speak about a petition we will submit for an adjusted need determination for one additional fixed MRI scanner in the Caldwell County service area.

EmergeOrtho is the largest physician-owned orthopedic practice in North Carolina. Our medical team includes over 270 highly-trained providers, including orthopedic specialists and subspecialists, pain management physicians, advanced practice providers, and physical and occupational therapists. Our subspecialty orthopedic teams care for patients across North Carolina, offering advanced expertise in conditions of the bones, muscles, and joints.

In Caldwell County, EmergeOrtho operates clinics located in Lenoir and Granite Falls. During the past 12 months, EmergeOrtho performed 5,393 MRI procedures on patients living in the Foothills region, including Caldwell County residents. Based on our experience providing healthcare services in Caldwell County, we consider that there is a need for improved local access to fixed MRI services for residents of Caldwell County.

Although the overall projected population growth for Caldwell County is flat, the population of the important 18-44 and 65+ age groups are increasing. The 65+

age cohort makes up just under 15% of Wake County, while in Caldwell County the elderly represent over 20% of the county population, projected to increase to 22.6% by 2027. The 65+ age cohort has high demand for healthcare services; it is imperative that adequate access to services exists for these elderly residents.

The Proposed 2023 SMFP standard need methodology shows a shortage of just 638 weighted MRI scans to meet the threshold of 4,368 for one additional fixed MRI scanner for Caldwell County. However, the SMFP standard methodology does not take into account how many MRI scans performed on residents of Caldwell County occur in other counties. Caldwell County currently hosts only one fixed MRI scanner, located at Caldwell Memorial Hospital. The only other access to MRI services within Caldwell County is a part-time mobile MRI service hosted by EmergeOrtho. The lack of full-time freestanding fixed MRI capacity results in many Caldwell County residents leaving the county to obtain MR imaging elsewhere.

The Division of Health Service Regulation Patient Origin Report indicates that during FY2021, only 45.68% (3,356 of 7,347) of MRI scans performed on Caldwell County residents actually occurred in Caldwell County. Thus, the utilization data used in the SMFP standard need methodology is an incomplete representation of MRI need in Caldwell County. The Caldwell County MRI scan volume shown in the Proposed 2023 SMFP is not a reflection of lack of local need for MRI services, but rather is an indicator of having only a hospital-based fixed MRI scanner and no freestanding fixed MRI scanner. Freestanding diagnostic imaging centers have

lower overhead costs and thus lower patient charges. The status quo is not meeting the needs of Caldwell County residents.

Caldwell County residents have less access to fixed MRI scanner services compared to residents of other counties. Of eleven North Carolina counties with a similar population to Caldwell County, nine counties have two or more fixed MRI scanners, compared to just one in Caldwell County. It is clear that unique circumstances have resulted in a lag in the Caldwell County fixed MRI need determination.

In summary, EmergeOrtho believes that approval of our petition is in the best interests of Caldwell County residents. The county population is aging, county residents do not currently have local access to full-time freestanding MR imaging services, and many Caldwell County residents are traveling outside the county to obtain outpatient MRI scans. Caldwell County lacks competition in the MRI marketplace. An additional fixed MRI scanner in Caldwell County will not result in unnecessary duplication, and is supportive of the quality, access and value Basic Principles of the State Medical Facilities Plan.

EmergeOrtho appreciates the thoughtful consideration of the State Health Coordinating Council to our petition, and we urge its approval.

Thank you.

