

Comments on Novant Health Huntersville Medical Center

submitted by

Carolinas Imaging Services, LLC

In accordance with N.C. GEN. STAT. § 131E-185(a1)(1), Carolinas Imaging Services, LLC (CIS) submits the following comments related to Novant Health Huntersville Medical Center's (NHHMC) application to acquire a fixed MRI scanner in Mecklenburg County. CIS's comments include "*discussion and argument regarding whether, in light of the material contained in the application and other relevant factual material, the application complies with the relevant review criteria, plans and standards.*" See N.C. GEN. STAT. § 131E-185(a1)(1)(c). In order to facilitate the Agency's review of these comments, CIS has organized its discussion by issue, noting some of the general CON statutory review criteria and specific regulatory criteria and standards creating the non-conformity relative to each issue, as they relate to the NHHMC, Project ID # J-11184-16.

FAILURE TO CONFORM WITH PERFORMANCE STANDARD

NHHMC's application fails to meet the performance standard for historical utilization of mobile MRI scanners. That standard, 10A NCAC 14C .2703(b)(2), states that an applicant proposing to acquire a fixed MRI scanner, shall:

demonstrate that each existing mobile MRI scanner which the applicant or a related entity owns a controlling interest in and operates in the proposed MRI service area except temporary MRI scanners, performed 3,328 weighted MRI procedures in the most recent 12 month period for which the applicant has data;

NHHMC's response on page 20 of its application states:

As of the filing date of this application, Novant Health owns and operates two mobile MRI units that provide service in Mecklenburg County, among other counties: MQ 2 and Presbyterian Mobile Imaging (PMI). The weighted MRI volume for CY 2015 (January 1, 2015-December 31, 2015) was 1,781 scans for MQ 2 and 1,972 scans for Presbyterian.

Of note, both the 2016 *State Medical Facilities Plan (SMFP)* and Table 9P as drafted for the 2017 *SMFP* fail to show mobile MRI unit MQ 2 operating in Mecklenburg County but instead show Jacksonville Diagnostic Imaging, LLC (Project ID # F-6626-02). As shown in Attachment 1, Jacksonville Diagnostic Imaging, LLC is also referred to as "MQ 16." MQ 16 reports its two service sites as PIC Steele Creek and PIC University whereas MQ 2's reported sites, according to page 22 of the NHHMC application, are Novant Health Imaging Steele Creek, Novant Health Imaging University, and Novant Health Imaging

Monroe. As shown in Attachment 1, MQ 16 performed only 457 weighted scans in 2015, well below the utilization NHHMC reported in its application for MQ 2. Given the conflicting data, the number and identity of Novant Health’s mobile MRI units operating in Mecklenburg County is unclear.

Nonetheless, both of Novant Health’s mobile MRI units, as asserted in the NHHMC application, performed fewer than 3,328 weighted MRI procedures in the reporting period as required by this rule. As a result, NHHMC’s application is non-conforming with this performance standard, as Novant Health’s mobile MRI units did not perform the number of weighted MRI procedures required by the rule.

NHHMC should be found non-conforming with 10A NCAC 14C .2703(b)(2). As such, NHHMC should be denied.

UNREASONABLE PROJECTIONS - NHHMC

On page 41 of its application, NHHMC provides the historical utilization for Novant Health’s hospital-based MRI units in Mecklenburg County:

Novant Health - Mecklenburg County						
Historical Unweighted MRI Volume						
Hospitals	No. of Fixed Units	CY 2012	CY 2013	CY 2014	CY 2015	
NHPMC	2	8124	8443	8683	8904	
NHCOH	1	1845	3136	3470	3527	
NHHMC	1	6372	6098	5991	6298	
NHMMC	1	5684	5420	5635	6260	
NHMHMC	1*	n/a	n/a	n/a	n/a	
Subtotal		22025	23097	23779	24989	
% Change			4.87%	2.95%	5.09%	
Novant Health Acute Care Facility MRI Average Annual Growth Rate = 4.30%						

*The NHMHMC fixed MRI is not operational.

NHHMC assumes that Novant Health’s hospital-based MRI units will grow 4.30 percent annually through CY 2020 and distributed the volume among each hospital.

Novant Health – Estimated Unweighted MRI Volume by Facility PY 1-3

	PY 1	PY2	PY 3	
	CY 2018	CY 2019	CY 2020	
Total Unweighted MRI Volume- Novant Hospitals	28353	29572	30844	PY 3 – Distribution Percentages
NHPMC	9952	10202	10302	33.4%
NHCOH	3969	4140	4318	14.0%
NHHMC	7372	7837	8482	27.5%
NHMMC	5642	5323	4657	15.1%
NHMHMC	1418*	2070	3084	10.0%

*The projected opening date for NHMHMC is estimated to be mid-2018. Projected MRI volume for this facility is a partial year.

See page 42.

Based on this projection methodology, NHHMC’s MRI utilization is actually expected to increase 6.1 percent annually through the project years:

	CY15	CY20	CAGR
NHHMC Unweighted MRI Procedures	6,298	8,483	6.1%

Source: NHHMC application pages 41-42.

This level of utilization is unreasonable and unsupported.

As shown below, NHHMC’s MRI utilization has declined -0.4 percent annually since CY 2012 and has experienced year over year declines in two of the last three years.

	CY12	CY13	CY14	CY15	CAGR
NHHMC Unweighted MRI Procedures	6,372	6,098	5,991	6,298	-0.4%
Annual Growth		-4.3%	-1.8%	5.1%	

Source: NHHMC application page 42.

NHHMC does not adequately demonstrate that the 6.1 percent annual projected growth rate is reasonable given that total unweighted MRI procedures at NHHMC declined from CY 2012 to CY 2013 by -4.1 percent and by -1.8 percent from CY 2013 to CY 2014 as shown in the table above. The 6.1 percent projected annual growth rate is based on the growth among all Novant Health hospitals and an assumed distribution of that total growth, not NHHMC alone. As shown in the table below, Novant Health’s total MRI growth has been driven by growth at other Novant Health facilities, not including NHHMC.

	CY12	CY13	CY14	CY15	CAGR
NHPMC	8,124	8,443	8,683	8,904	3.1%
NHCOH	1,845	3,136	3,470	3,527	24.1%
NHHMC	6,372	6,098	5,991	6,298	-0.4%
NHMMC	5,684	5,420	5,635	6,260	3.3%
Total	22,025	23,097	23,779	24,989	4.3%

Source: NHHMC application pages 41-42.

With the exception of NHCOH, all of Novant Health’s hospital MRI sites have experienced volume growth rates less than either 4.3 or 6.1 percent annually. Notably, the growth at NHCOH—an orthopedic hospital—is driving the overall growth rate Novant Health uses in its methodology. However, NHHMC does not adequately demonstrate that the growth experienced at other Novant Health hospitals, particularly NCCOH, would result in growth at its facility.

If NHHMC’s MRI utilization were to remain at its CY 2015 levels, its one existing and one proposed MRI scanner would perform 7,495 weighted MRI procedures annually, or 3,748 weighted procedures per unit, which would fail to demonstrate the need for an additional MRI scanner per the applicable performance standard. Please note this assumption is conservative as NHHMC’s MRI utilization declined -0.04 percent annually from CY 2012 to CY 2015, as shown above.

NHHMC’s application describes multiple factors that it argues will result in growth in its MRI utilization including medical staff growth, population growth, population aging, historical MRI demand at NHHMC, and the impact of approved expansion plans at NHHMC. All of these factors, with the exception of the approved expansion plans, have been occurring for several years, and yet, NHHMC’s MRI utilization has declined since CY 2012. As such, these factors do not support growth at NHHMC in the future.

- NHHMC’s proposed expansion plans include the relocation of 48 acute care beds and one operating room from NHPMC. NHHMC argues throughout its application that this expansion will result in additional MRI utilization. However, NHHMC’s historical and projected utilization do not support this argument.
- NHHMC added 15 acute care beds in the summer of 2012 or mid-CY 2012. As shown in the table below, NHHMC’s MRI utilization declined in CY 2013 and CY 2014 following that bed addition.

	CY12	CY13	CY14	CY15	CAGR
NHHMC Unweighted MRI Procedures	6,372	6,098	5,991	6,298	-0.4%

Annual Growth		-4.3%	-1.8%	5.1%	
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Source: NHHMC application page 42.

- NHHMC also added 16 beds in September 2015 or just prior to the last quarter of CY 2015. However, the growth shown in the table above from CY 2014 to CY 2015 (307 procedures) had already occurred prior to the opening of those beds. As shown on page 30 of NHHMC’s application which shows Federal Fiscal Year (FFY) utilization, or October to September, per Hospital License Renewal Applications, its MRI utilization increased from FFY 2014 to FFY 2015 (by 258 procedures), which ended in the same month the 16 beds came online.

Novant Health Huntersville Historical Weighted MRI Volume by Year		
Time Period	Weighted MRI Volume	Weighted Volume as % of Capacity
FY 2014-2015	7,431	108.2%
FY 2013-2014	7,173	104.5%
FY 2012-2013	7,256	105.7%
FY 2011-2012	7,356	107.2%
FY 2010-2011	7,021	102.3%
FY 2009-2010	7,205	105.0%

See page 30.

While it is possible that additional acute care beds will result in additional MRI demand, NHHMC’s recent experience does not provide evidence that this will occur.

In addition, NHHMC’s projected utilization does not support the assumption that the proposed expansion will result in increased utilization. As shown in the table below, NHHMC’s MRI utilization is projected to increase every year from CY 2015 through CY 2020. NHHMC’s bed expansion project is not expected to be operational until July 1, 2019 or mid-CY 2019 according to page 105 of the application. Thus, the expansion project will not occur until CY 2019 and cannot result in increased utilization in 2016, 2017, or 2018. Nonetheless, NHHMC projects 4.3, 7.6, and 4.3 percent annual growth in each of those years respectively.

	CY15	CY16	CY17	CY18	CY19	CY20	CAGR
NHHMC Unweighted MRI Procedures	6,298	6,568	7,068	7,372	7,837	8,483	6.1%
Annual Growth		4.3%	7.6%	4.3%	6.3%	8.2%	

Source: NHHMC application page 63.

Of note, NHHMC provides no justification or calculations for its CY 2016 or CY 2017 MRI utilization. The utilization for these years only appears in Table IV.1 on page 63.

The utilization methodology in Section III.1.(b) omits these years entirely for NHHMC. Given the higher than average growth projected from CY 2016 to CY 2017, NHHMC has failed to adequately demonstrate the reasonableness of its utilization.

NHHMC has not demonstrated the need for the proposed project and its application should be found non-conforming with Criteria 1, 3, 4, 5, and 6. As such, NHHMC should be denied.

UNREASONABLE PROJECTIONS - OUTPATIENT IMAGING CENTERS

Beginning on page 44 of its application, NHHMC provides its MRI projection methodology for Novant Health’s outpatient imaging centers in Mecklenburg County. The table below provides the historical utilization presented for these centers:

Novant Health – Outpatient Fixed MRI Historical MRI Volume

Outpatient Fixed	CY 2012	CY 2013	CY 2014	CY 2015	Distribution	
Ballantyne	1	1625	1934	2219	2406	0.301
Museum	1	2562	2339	2218	2157	0.270
South Park	1	4158	3579	3167	3429	0.429
Totals		8345	7852	7604	7992	
Growth rate for CY 2014-CY 2015				5.10%		

Source: Internal facility data for each site – CY 2012-CY 2015.

NHHMC assumes that Novant Health’s MRI units in its outpatient imaging centers will grow 5.10 percent annually through CY 2020, based the year over year growth only from the most recent year, and distributed the volume among each center. This assumption is unreasonable and unsupported.

As shown below, Novant Health’s outpatient imaging center utilization has declined -1.4 percent annually since CY 2012 and has experienced year over year declines in two of the last three years.

	CY12	CY13	CY14	CY15	CAGR
Novant Health Outpatient Imaging Centers	8,345	7,852	7,604	7,992	-1.4%
Annual Growth		-5.9%	-3.2%	5.1%	
Average Annual Growth	-1.3%				

Source: NHHMC application page 42.

NHHMC does not adequately demonstrate that the 5.1 percent annual projected growth rate for its outpatient centers is reasonable given that total unweighted MRI procedures for these centers declined from CY 2012 to CY 2013 by -5.9 percent and by -3.2 percent from CY 2013 to CY 2014 as shown in the table above. Further, the assumed growth rate for outpatient imaging centers is based on its CY 2014 to CY 2015 growth rate, the least conservative of its recent growth rates. While unreasonable for the reasons stated in the prior section, NHHMC fails to demonstrate why it is reasonable to use the average annual growth rate from CY 2012 to CY 2015 for its hospital-based units but not its outpatient center units. NHHMC does not provide any discussion to demonstrate why it is appropriate to use the least conservative growth rate for its outpatient imaging centers in contrast to its assumed growth rates for its hospital-based MRI scanners.

At best if Novant Health’s outpatient imaging centers were to remain at CY 2015 levels, rather than declining at -1.4 percent annually consistent with its historical utilization, these three centers would perform 8,733 weighted MRI procedures annually, per page 19 of the application, or 2,414 weighted procedures less than assumed by NHHMC. Please note that the prior page discusses Novant Health outpatient imaging centers unweighted utilization. For purposes of the current analysis, CIS has utilized weighted procedures

	<i>CY15 Actual and PY3 Assumed Based on No Increase in Current Volume</i>	<i>PY3 Assumed Based on Unreasonable Utilization Projections</i>	<i>Difference</i>
Ballantyne	2,638	3,349	-711
Museum	2,412	3,086	-674
South Park	3,683	4,712	-1,029
Total	8,733	11,147	-2,414

Source: NHHMC application pages 19 & 21.

As shown on page 21 of its application, NHHMC projects that Novant Health’s ten existing, approved, and proposed fixed MRI units (hospital-based and outpatient imaging centers) operating in the service area will perform 49,305 weighted procedures in project year three. When adjusted to account for the unreasonable utilization methodology for outpatient imaging centers, which overstates utilization by 2,414 weighted procedures at a minimum, Novant Health’s ten MRI units would perform only 46,891 weighted procedures or 4,689 procedures per unit.

	<i>Adjusted Utilization</i>
Novant Health Total Weighted MRI Procedures, Unadjusted	49,305
Difference Resulting from Unreasonable Outpatient Imaging Center Assumptions	-2,414
Novant Health Total Weighted MRI Procedures, Adjusted	46,891
Novant Health Proposed, Approved, & Existing Fixed MRI Units	10
Novant Health Weighted MRI Procedures per Unit, Adjusted	4,689

As such, Novant Health’s fixed MRI scanners cannot be reasonably expected to perform more than 4,689 weighted MRI procedures annually, which fails to meet the applicable performance standard of 4,805 weighted MRI procedures annually for fixed MRI units in the service area.

NHHMC should be found non-conforming with 10A NCAC 14C .2703(b)(3). As such, NHHMC should be denied.

UNREASONABLE PROJECTIONS - MOBILE MRI UNITS

Beginning on page 21 of its application, NHHMC provides its MRI projection methodology for Novant Health’s mobile MRI units in Mecklenburg County. NHHMC projects that each unit will operate seven days per week in the future. Note, NHHMC states on page 22 of its application that *“Novant has recently received approval to relocate MQ2 permanently to Novant Health Imaging Gastonia as a fixed mobile MRI scanner to fulfill the CON for Project ID # F-8793-12. Project ID # F-8793-12 is expected to be completed mid-May 2016. Novant will bring in another mobile MRI scanner, MQ 26, to take over the MQ 2 route.”* As such, the analysis below identify MQ 2, MQ 26, and MQ 16 interchangeably given the identified change in mobile units and the discussion above regarding the conflicting information for MQ 2 and MQ 16.

MQ 26 (Replaces MQ 2 in mid- 2016)

MQ 2 is projected to provide mobile MRI service to the following host sites during the proposed project years:

Mobile Host Site	Location	Estimated Days of Service
Novant Health Imaging – University	Charlotte, Mecklenburg County	4 days/week
Novant Health Imaging – Steele Creek	Charlotte, Mecklenburg County	2 days/week
Novant Health Imaging – Monroe	Monroe, Union County	1 day/week

Presbyterian Mobile Imaging (PMI)

Presbyterian is projected to provide mobile MRI service to the following host sites during the proposed project years:

Mobile Host Site	Location	Estimated Days of Service
Novant Health Imaging – University	Charlotte, Mecklenburg County	1 days/week
Novant Health Imaging – Steele Creek	Charlotte, Mecklenburg County	3 days/week
Novant Health Imaging – Mooresville	Mooresville, Iredell County	3 day/week

See page 22.

NHHMC does not document the current days of operation for these units, but a review of the Registration and Inventory of Medical Equipment forms for Presbyterian Mobile Imaging (PMI) and MQ 16 reveals that these units are only in operation five days per week and three days week, respectively (see Attachment 1 for the 2016 Registration and Inventory of Medical Equipment forms. CIS was not able to locate a form for MQ2). Thus, Novant Health proposes to increase the number of days of operation for each unit.

On page 24, NHHMC assumes that the number of scans performed per day of service will increase by one scan per day each project year such that, for example, PMI’s scans per day at Steele Creek, which were 6.4 in 2015, would increase to 7.4 in project year two and 8.4 in project year three. As a result of this assumed increase in scans per day and the projected increase in the number of days per service, utilization of Novant Health’s two mobile MRI units is expected to increase by 13.1 percent annually through 2020, as shown below.

	CY15	CY20	CAGR
PMI	1,972	3,497	12.1%
MQ 2	1,781	3,441	14.1%
Total	3,753	6,938	13.1%

Source: NHHMC application pages 22 & 26.

This level of utilization is unreasonable and unsupported. NHHMC does not demonstrate that it is reasonable to assume that there is sufficient un-served demand for both mobile MRI units such that both the number of days per service would increase and the number of scans per day of service would increase.

In discussing its projected mobile MRI utilization, NHHMC asserts that the growing demand for MRI services in Mecklenburg County and the aging population will result in additional demand for its mobile MRI services. However, these factors have existed for many years and have not resulted in an increase in utilization for Novant Health’s mobile MRI units. As shown in the table below, Novant Health’s mobile MRI utilization, as reported in its 2011, 2014, and current MRI applications has decreased 32 percent.

	CY10	FFY13	CY15	% Change
PMI	2,158	1,796	1,972	-8.6%
MQ 2/MQ 16	3,350	2,286	1,781	-46.8%
Total	5,508	4,082	3,753	-31.9%

Source: CY10-- Agency Findings for Project ID # F-8688-11, page 34. FFY13-- Agency Findings for Project ID # F-10292-14, page 69. CY15-- NHHMC application page 20.

As such, Novant Health’s mobile MRI scanners cannot be reasonably expected to perform more than 3,328 weighted MRI procedures annually, the applicable performance standard for mobile MRI units.

NHHMC should be found non-conforming with 10A NCAC 14C .2703(b)(5). As such, NHHMC should be denied.

FAILURE TO DEMONSTRATE MOST EFFECTIVE ALTERNATIVE

On page 55 of its application, NHHMC discusses three alternatives it considered regarding the development of a fixed MRI:

1. Contract for Mobile MRI Scanner Services at Novant Health Huntersville Medical Center
2. Redirect NHHMC MRI patients to other facilities
3. Seek Approval for the New Fixed Mecklenburg County MRI Scanner Identified in the 2016 SMFP

In addition to failing to demonstrate the need for a second fixed MRI scanner at NHHMC, NHHMC does not address an additional alternative this relevant to this review.

NHHMC does not consider the alternative of developing the proposed MRI scanner as a part of a freestanding imaging center, rather than a hospital-based unit. MRI units operated by freestanding imaging centers provide lower patient charges, as evidenced by the comparison gross and net revenues shown in the comparative analysis below. NHHMC proposes to develop its MRI unit in a medical office building on NHHMC's campus where it will only be accessible by outpatients. NHHMC states that:

While the proposed fixed MRI scanner will be located on NHHMC's campus, it will be sited in an existing medical office building on the ground floor allowing for quick and convenient access by MRI outpatients. Patients will benefit in that both MRI scanners will be operated by NHHMC's staff and physicians thereby maintaining a continuity of care and services. Referring physicians will have access to the same high quality imaging reports and turn-around times that they are accustomed to at NHHMC.

See page 13.

However, a freestanding imaging center could similarly be developed in the medical office building and NHHMC staff and physicians could operate the facility through management or contracted service arrangements. It is possible that the only difference that would result from developing the proposed MRI as part of a freestanding imaging center would be lower patient charges. Outpatient-only access, convenience and continuity of care would be unaffected.

Based on these issues, NHHMC failed to demonstrate that its proposal is the least costly or most effective alternative. NHHMC should be found non-conforming with Criterion 4. As such, NHHMC should be denied.

FUNDING

On page 170 of its application, NHHMC shows the vendor quote for its proposed MRI unit with a stated cost of \$1,495,803:

PRELIMINARY PROPOSAL

Item Description

KKT ECOCHILLER 133L

The KKT ECO 133 -L chiller is a dedicated 20°C cooling system for MAGNETOM Aera and MAGNETOM Skyra which automatically adapts to the different cooling requirements (e.g. system in operation, standby, ...) to reduce the energy consumption for cooling.

The cooling system must be used in combination with the IFP (Interface Panel), if there is no on-site chilled water supply at all.

The IFP is included in the scope of supply.

System Total: \$1,495,803

In Exhibit 16 of its application, NHHMC provides the total equipment list for the project including cost per unit. As reported in Exhibit 16 and in the capital cost table in Section VIII of the application, the total equipment cost for the project is \$1,601,181. However, the cost of the MRI scanner in Exhibit 16 is listed as \$1,495,000 or \$803 less than the stated cost in the vendor quote:

4083-049	1 MRI Unit, 1.5T OV MAGNETOM Aera	Siemens Medical Imaging (14416900) Siemens Medical Imaging (14416900)	Project Unassigned	Draft (New) 1-Fixed Unassigned	1,495,000.00	0.00	Estimate 1,495,000.00
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As such, NHHMC understated the cost of the MRI unit in its equipment list by \$803. As a result, NHHMC's total equipment cost is understated by \$803 and its total capital cost is underreported by \$803. NHHMC states that the total capital cost for the project is \$2,334,327; however, the correct amount is \$2,335,130. NHHMC's application includes documentation of funding for \$2,334,327, the underreported amount.

Based on this issue, NHHMC failed to demonstrate that availability of funds for capital needs. NHHMC should be found non-conforming with Criterion 5. As such, NHHMC should be denied.

GENERAL COMPARATIVE COMMENTS

The NHHMC and CIS applications each propose to acquire a fixed MRI scanner in Mecklenburg County in response to the 2016 SMFP need determination. CIS acknowledges that each review is different and that the comparative review factors employed by the Project Analyst in any given review may be different depending upon the relevant factors at issue. Given the nature of the review, the Analyst must decide which comparative factors are most appropriate in assessing the applications.

In order to determine the most effective alternative to meet the identified need determination, CIS reviewed and compared the following factors in each application:

- Geographic Access
- Demonstration of Need
- Documentation of Support
- Access by Underserved Groups
- Revenues
- Operating Expenses

CIS believes that the factors presented above and discussed in turn below should be considered by the Analyst in reviewing the competing applications.

Geographic Access

CIS proposes to locate an additional fixed MRI scanner at CIS-Huntersville, an existing freestanding diagnostic center in Huntersville which currently only offers mobile MRI services. NHHMC proposes to locate an additional hospital-based fixed MRI at NHHMC, an existing acute care hospital which already offers fixed MRI service. Thus, with respect to geographic access to freestanding MRI services, the CIS proposal is the more effective alternative as there are no freestanding fixed MRI scanners in northern Mecklenburg County.

Demonstration of Need

CIS adequately demonstrates the projected utilization of the proposed fixed MRI scanner is based on reasonable and supported assumptions. Therefore, CIS demonstrates the need the population it projects to serve has for the proposed fixed MRI scanner. NHHMC does not demonstrate that each of the existing mobile MRI scanners owned by related entities and operated in the service area performed at least 3,328 weighted MRI scans during the most recent 12 month period as required by 10A NCAC 14C .2703(b)(2). Moreover, NHHMC does not adequately demonstrate that projected utilization of its existing, approved, and proposed fixed and mobile MRI scanners was based on reasonable and adequately supported assumptions. Therefore, NHHMC did not demonstrate the need the population it projects to serve has for the proposed fixed MRI scanner. Therefore, the proposal submitted by CIS is the more effective alternative with regard to demonstration of need.

Documentation of Support

CIS's application includes letters of support from 10 individual physicians representing 12 total physician practices or locations. NHHMC's application includes letters of support from 16 physicians representing five physician practices. CIS has letters of

support from more physician practices or location and NHHMC has more letters of support from individual physicians.

Access by Underserved Groups

The following table illustrates the percent of total MRI procedures to be provided to Medicaid and Medicare recipients in Project Year 2, as stated in Section VI.15 of the respective applications:

	<i>CIS</i>	<i>NHHMC</i>
Percent of Total Procedures to be Provided to Medicare Recipients	21.07%	33.51%
Percent of Total Procedures to be Provided to Medicaid Recipients	0.00%	3.96%

Of note, NHHMC’s payor mix represents its entire MRI department including its existing fixed MRI scanner which serves inpatients and outpatients, and the proposed fixed MRI scanner, which will only serve outpatients. NHHMC’s projected payor mix is based on its historical payor mix which includes inpatients and outpatients. Thus, NHHMC’s payor mix does not accurately reflect only the outpatients that will be served on the proposed unit.

As noted in its application, CIS does not project to provide MRI services to Medicaid patients as Medicaid does not reimburse freestanding independent diagnostic testing facilities like CIS-Huntersville for MRI scans.

Given these factors, the proposals cannot be compared with regard to access by Medicare and Medicaid recipients.

Revenues

The following table illustrates each applicant’s projected total gross revenue per procedure in the third year of operation, 2020.

	<i>CIS</i>	<i>NHHMC</i>
Gross Revenue for Total Cases	\$6,790,919	\$27,713,066
Deduct Professional Fees	\$1,156,105	NA
Gross Revenue less Professional Fees	\$5,634,814	\$27,713,066
Unweighted MRI Procedures	4,643	8,482
Gross Revenue per Procedure	\$1,214	\$3,267

As shown above, CIS projects the lower average gross revenue per MRI procedure in the third operating year. Therefore, CIS is the more effective alternative with regard to gross revenue.

The following table illustrates each applicant’s projected total net revenue per procedure in the third year of operation, 2020.

	CIS	NHHMC
Net Revenue for Total Cases	\$3,476,627	\$10,927,661
Deduct Professional Fees	\$1,156,105	NA
Net Revenue less Professional Fees	\$2,320,522	\$10,927,661
Unweighted MRI Procedures	4,643	8,482
Net Revenue per Procedure	\$500	\$1,288

As shown above, CIS projects the lower average net revenue per MRI procedure in the third operating year. Therefore, CIS is the more effective alternative with regard to net revenue.

Operating Expenses

The following table illustrates each applicant’s projected average operating expense per procedure in the third year of operation, 2020.

	CIS	NHHMC
Total Operating Expenses	\$2,463,693	\$1,875,211
Deduct Professional Fees	\$1,156,105	NA
Operating Expenses less Professional Fees	\$1,307,588	\$1,875,211
Unweighted MRI Procedures	4,643	8,482
Operating Expenses per Procedure	\$282	\$221

Of note, NHHMC MRI operating expenses do not appear to include expenses related to scheduling. On page 88 of its application, NHHMC states:

- ***Patient Scheduling will continue to be handled by NHHMC’s Central Scheduling Office and is not directly costed to the MRI Dept. Salaries and FTEs related to scheduling are not reflected above, however, the salary and FTEs are reflected in the NHHMC Total Hospital Income Statement in the Pro Formas of the Application.***

As such, the expense related to scheduling is not included in NHHMC’s MRI income statement. This is further evidenced by the assumptions provided for NHHMC’s MRI income statement which state that:

Other Indirect Expenses & Overhead include but are not limited to the following expenses inflated 3% to 4% each year

Cable Services	Mileage
Dues/Memberships	Miscellaneous
Education Fees	Pager Services
Food Catering	Postage
Freight	Seminars
License	Signage
Marketing	Telephone
Billing Fees	Travel & Conference
Collection Fees	Other
Consulting Fees	Lab Services
Courier Services	Miscellaneous
Contract Labor	Sterile Processing
Environmental services	Software Contract Agreement
Extermination	Uniform Cleaning
Infection Control Services	Housekeeping
Other	General Accounting
Human Resources	Facility Services
Information Technology	Materials Management
Courier Service	

As shown above, scheduling is not included in Other Indirect Expenses in the NHHMC MRI income statement. By comparison, the CIS-Huntersville MRI income statement includes expenses associated with scheduling as shown on page 126 of its application excerpted below:

Other Indirect Expenses include vehicle operation, marketing, scheduling and billing, janitorial, and all other expenses required to provide the service and are based on the historical cost allocated to the MRI, inflated 3.0 percent per year.

Additionally, NHHMC's application does not discuss any clerical or front desk staff that would greet patients at the medical office building location for its proposed MRI. Expenses for these staff also may be excluded from the NHHMC MRI income statements. By comparison, the CIS-Huntersville MRI income statement includes expenses for clerical staff as identified in Section VII.

Additionally, NHHMC's MRI income statement does not include any expenses for equipment maintenance. It is not included on the income statement and there is no reference to its inclusion in Other Indirect Expenses. By comparison, the CIS-Huntersville MRI income statement includes equipment maintenance expenses.

Given these factors, the proposals cannot be compared with regard to operating expenses.

SUMMARY

As noted previously, CIS maintains that NHHMC's application cannot be approved as proposed given its non-conformity with the performance standard for historical utilization of mobile MRI units and its failure to demonstrate need for the proposed project. As such, CIS is the only approvable application. Based on the comparative analysis, CIS believes that its application represents the most effective alternative for meeting the need identified in the *2016 SMFP* for an additional fixed MRI scanner in Mecklenburg County. As such, the Agency can and should approve CIS.



Registration and Inventory of Medical Equipment
Mobile Magnetic Resonance Imaging Scanners
January 2016

Instructions

This is the legally required "Registration and Inventory of Medical Equipment" (G.S. 131E-177) for mobile magnetic resonance imaging (MRI) scanners. Please complete all sections of this form and return to Healthcare Planning by **Friday, January 29, 2016**.

1. Complete and sign the form
2. Return the form by one of two methods:
 - a. Email a scanned copy to DHSR.SMFP.Registration-Inventory@dhhs.nc.gov
 - b. Mail the form to Kelli Fisk, Healthcare Planning, 2704 Mail Service Center, Raleigh, NC 27699-2704.

If you have questions, call Kelli Fisk in Healthcare Planning at (919) 855-3865 or email DHSR.SMFP.Registration-Inventory@dhhs.nc.gov.

Section 1: Contact Information

1. Full legal name of corporation, partnership, individual, or other legal entity that acquired the equipment by purchase, donation, lease, transfer, or comparable arrangement:

Jacksonville Diagnostic Imaging, LLC (MQ16 -IAC Mobile)
(Legal Name)

2. Address of the corporation, partnership, individual, or other legal entity that acquired the equipment:

3606 Henderson Drive
(Street and Number)

Jacksonville NC 28546 (910) 937-7226
(City) (State) (Zip) (Phone Number)

3. Chief Executive Officer or approved designee who is certifying the information in this registration form:

Kelly A. Israel Development Capital Manager
(Name) (Title)

3480 Preston Ridge Road, Suite 600 Alpharetta GA 30005
(Street and Number) (City) (State) (Zip)

(770) 300-0101 kisrael@medquestmail.com
(Phone Number) (Email)

4. Information Compiled or Prepared by: Kelly Israel
(Name)

(678) 992-7235 kisrael@medquestmail.com
(Phone Number) (Email)



Section 2: Equipment and Procedures Information

Time Period for Report: 10/01/2014 – 9/30/2015 Other time period: _____

(Please make additional copies of pages of this form as needed.)

	Mobile Scanner Number _____ (One scanner per page)	
Manufacturer/Tesla	GE 1.5T	
Model Number	Signa Horizon	
Open or Closed Scanner	Closed	
Serial or I.D. Number	R3980	
Date of acquisition	April 21, 2008	
Purchase price (if purchased)		
Certificate of Need Project ID	F-6626-02	
Certificate Holder, as listed on Certificate of Need		
If Leased or Rented, Name Owner of Equipment		
	Service Site Number _____	Service Site Number _____
Service Site Information: Please include all of the information requested for each location.	Service Site <u>PIC Steele Creek</u> Address <u>13557 Steelected Pkwy.</u> <u>Suite 110</u> City, State, Zip <u>Charlotte, NC 28278</u> County <u>Mecklenburg</u>	Service Site <u>PIC University</u> Address <u>8401 Medical Plaza Drive</u> <u>Suite 110</u> City, State, Zip <u>Charlotte, NC 28262</u> County <u>Mecklenburg</u>
Inpatient Procedures*: - with Contrast or Sedation - without Contrast or Sedation Outpatient Procedures*: - with Contrast or Sedation - without Contrast or Sedation	Inpatient: with: _____ w/out: _____ Total: _____ Outpatient: with: <u>45</u> w/out: <u>194</u> Total: <u>239</u>	Inpatient: with: _____ w/out: _____ Total: _____ Outpatient: with: <u>32</u> w/out: <u>155</u> Total: <u>187</u>
Total Number of Procedures	Total: <u>239</u>	Total: <u>187</u>
Put a check by the days per week, and write in the number of hours per day, the scanner is in operation.	<u> </u> Sun: _____ hours <u> </u> Mon: _____ hours <input checked="" type="checkbox"/> Tue: <u>8.5</u> hours <u> </u> Wed: _____ hours <u> </u> Thu: _____ hours <input checked="" type="checkbox"/> Fri: <u>8.5</u> hours <u> </u> Sat: _____ hours	<u> </u> Sun: _____ hours <u> </u> Mon: _____ hours <u> </u> Tue: _____ hours <u> </u> Wed: _____ hours <input checked="" type="checkbox"/> Thu: <u>9.5</u> hours <u> </u> Fri: _____ hours <u> </u> Sat: _____ hours
Total number of hours in operation for report period	298 Hours (Oct '14-Jan'15)	180 Hours (Oct'14-Jan'15)

*An **MRI procedure** is defined as a single discrete MRI study of one patient (single CPT coded procedure). An MRI study means one or more scans relative to a single diagnosis or symptom. **The total number of procedures should be equal to or more than the total number of patients reported on the MRI Patient Origin Table on page 5 of this form.**

Name of entity that acquired the equipment (from page 1) Jacksonville Diagnostic Imaging LLC (MQ16)



Section 3: MRI Procedures by CPT Code by Service Site

Please write the number of procedures provided by CPT Code during the time period of this report. Report separately for each service site. Make additional copies of pages 3 and 4 as needed. The total number of procedures should equal the total number of procedures reported on page 2 of this form.

Service Site Name: University

CPT Code	CPT Description	Inpatient Procedures	Outpatient Procedures	Total Number of Procedures
70336	MRI Temporomandibular Joint(s)		0	0
70540	MRI Orbit/Face/Neck w/o		0	0
70542	MRI Orbit/Face/Neck with contrast		0	0
70543	MRI Orbit/Face/Neck w/o & with		0	0
70544	MRA Head w/o		2	2
70545	MRA Head with contrast		0	0
70546	MRA Head w/o & with		0	0
70547	MRA Neck w/o		0	0
70548	MRA Neck with contrast		0	0
70549	MRA Neck w/o & with		0	0
70551	MRI Brain w/o		28	28
70552	MRI Brain with contrast		0	0
70553	MRI Brain w/o & with		17	17
70554	MR functional imaging, w/o physician admin		0	0
70555	MR functional imaging, with physician admin		0	0
71550	MRI Chest w/o		0	0
71551	MRI Chest with contrast		0	0
71552	MRI Chest w/o & with		0	0
71555	MRA Chest with OR without contrast		0	0
72141	MRI Cervical Spine w/o		18	18
72142	MRI Cervical Spine with contrast		0	0
72156	MRI Cervical Spine w/o & with		2	2
72146	MRI Thoracic Spine w/o		3	3
72147	MRI Thoracic Spine with contrast		0	0
72157	MRI Thoracic Spine w/o & with		1	1
72148	MRI Lumbar Spine w/o		39	39
72149	MRI Lumbar Spine with contrast		0	0
72158	MRI Lumbar Spine w/o & with		4	4
72159	MRA Spinal Canal w/o OR with contrast		0	0
72195	MRI Pelvis w/o		2	2
72196	MRI Pelvis with contrast		0	0
72197	MRI Pelvis w/o & with		4	4
72198	MRA Pelvis w/o OR with contrast		0	0
73218	MRI Upper Ext, other than joint w/o		1	1
73219	MRI Upper Ext, other than joint with contrast		0	0
Subtotals for this page			121	121



Section 3: MRI Procedures by CPT Code by Service Site

Please write the number of procedures provided by CPT Code during the time period of this report. Report separately for each service site. Make additional copies of pages 3 and 4 as needed. The total number of procedures should equal the total number of procedures reported on page 2 of this form.

Service Site Name: Steele Creek

CPT Code	CPT Description	Inpatient Procedures	Outpatient Procedures	Total Number of Procedures
70336	MRI Temporomandibular Joint(s)		0	0
70540	MRI Orbit/Face/Neck w/o		0	0
70542	MRI Orbit/Face/Neck with contrast		0	0
70543	MRI Orbit/Face/Neck w/o & with		2	2
70544	MRA Head w/o		4	4
70545	MRA Head with contrast		0	0
70546	MRA Head w/o & with		0	0
70547	MRA Neck w/o		0	0
70548	MRA Neck with contrast		0	0
70549	MRA Neck w/o & with		1	1
70551	MRI Brain w/o		26	26
70552	MRI Brain with contrast		1	1
70553	MRI Brain w/o & with		25	25
70554	MR functional imaging, w/o physician admin		0	0
70555	MR functional imaging, with physician admin		0	0
71550	MRI Chest w/o		1	1
71551	MRI Chest with contrast		0	0
71552	MRI Chest w/o & with		0	0
71555	MRA Chest with OR without contrast		0	0
72141	MRI Cervical Spine w/o		25	25
72142	MRI Cervical Spine with contrast		0	0
72156	MRI Cervical Spine w/o & with		1	1
72146	MRI Thoracic Spine w/o		3	3
72147	MRI Thoracic Spine with contrast		0	0
72157	MRI Thoracic Spine w/o & with		2	2
72148	MRI Lumbar Spine w/o		51	51
72149	MRI Lumbar Spine with contrast		0	0
72158	MRI Lumbar Spine w/o & with		5	5
72159	MRA Spinal Canal w/o OR with contrast		0	0
72195	MRI Pelvis w/o		4	4
72196	MRI Pelvis with contrast		1	1
72197	MRI Pelvis w/o & with		4	4
72198	MRA Pelvis w/o OR with contrast		0	0
73218	MRI Upper Ext, other than joint w/o		0	0
73219	MRI Upper Ext, other than joint with contrast		0	0
Subtotals for this page			156	156



Section 4: Patient Origin Data by Service Site

Please provide the county of residence for each patient who received MRI services during the time period of this report. Provide patient origin data separately for each service site. Make additional copies of this page as needed. The total number of patients receiving services should be equal to or less than the total number of procedures reported on page two of this form.

Service Site Name: University

County in which service was provided: Mecklenburg

Patient County	Number of Patients	Patient County	Number of Patients	Patient County	Number of Patients
1. Alamance		37. Gates		73. Person	
2. Alexander		38. Graham		74. Pitt	
3. Alleghany		39. Granville		75. Polk	
4. Anson		40. Greene		76. Randolph	
5. Ashe		41. Guilford		77. Richmond	
6. Avery		42. Halifax		78. Robeson	
7. Beaufort		43. Harnett		79. Rockingham	
8. Bertie		44. Haywood		80. Rowan	1
9. Bladen		45. Henderson	1	81. Rutherford	
10. Brunswick		46. Hertford		82. Sampson	
11. Buncombe		47. Hoke		83. Scotland	
12. Burke		48. Hyde		84. Stanly	1
13. Cabarrus	21	49. Iredell	3	85. Stokes	
14. Caldwell		50. Jackson		86. Surry	
15. Camden		51. Johnston		87. Swain	
16. Carteret		52. Jones		88. Transylvania	
17. Caswell		53. Lee		89. Tyrrell	
18. Catawba		54. Lenoir		90. Union	1
19. Chatham		55. Lincoln		91. Vance	
20. Cherokee		56. Macon		92. Wake	
21. Chowan		57. Madison		93. Warren	
22. Clay		58. Martin		94. Washington	
23. Cleveland		59. McDowell		95. Watauga	
24. Columbus		60. Mecklenburg	135	96. Wayne	
25. Craven		61. Mitchell		97. Wilkes	1
26. Cumberland		62. Montgomery		98. Wilson	
27. Currituck		63. Moore		99. Yadkin	
28. Dare		64. Nash		100. Yancey	
29. Davidson		65. New Hanover			
30. Davie		66. Northampton		101. Georgia	
31. Duplin		67. Onslow		102. South Carolina	2
32. Durham		68. Orange		103. Tennessee	
33. Edgecombe		69. Pamlico		104. Virginia	1
34. Forsyth	1	70. Pasquotank		105. Other (specify)	2
35. Franklin		71. Pender			
36. Gaston	2	72. Perquimans		Total Number of Patients	172



Section 4: Patient Origin Data by Service Site

Please provide the county of residence for each patient who received MRI services during the time period of this report. Provide patient origin data separately for each service site. Make additional copies of this page as needed. The total number of patients receiving services should be equal to or less than the total number of procedures reported on page two of this form.

Service Site Name: Steele Creek

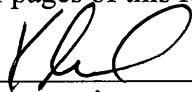
County in which service was provided: Mecklenburg

Patient County	Number of Patients	Patient County	Number of Patients	Patient County	Number of Patients
1. Alamance		37. Gates		73. Person	
2. Alexander		38. Graham		74. Pitt	
3. Alleghany		39. Granville		75. Polk	
4. Anson		40. Greene		76. Randolph	
5. Ashe		41. Guilford		77. Richmond	
6. Avery		42. Halifax		78. Robeson	
7. Beaufort		43. Harnett		79. Rockingham	
8. Bertie		44. Haywood		80. Rowan	
9. Bladen		45. Henderson		81. Rutherford	
10. Brunswick		46. Hertford		82. Sampson	
11. Buncombe		47. Hoke		83. Scotland	
12. Burke		48. Hyde		84. Stanly	
13. Cabarrus	1	49. Iredell		85. Stokes	
14. Caldwell		50. Jackson		86. Surry	
15. Camden		51. Johnston		87. Swain	
16. Carteret		52. Jones		88. Transylvania	
17. Caswell		53. Lee		89. Tyrrell	
18. Catawba		54. Lenoir		90. Union	
19. Chatham		55. Lincoln		91. Vance	
20. Cherokee	1	56. Macon		92. Wake	
21. Chowan		57. Madison		93. Warren	
22. Clay		58. Martin		94. Washington	
23. Cleveland	1	59. McDowell		95. Watauga	
24. Columbus		60. Mecklenburg	129	96. Wayne	
25. Craven		61. Mitchell		97. Wilkes	
26. Cumberland		62. Montgomery		98. Wilson	
27. Currituck		63. Moore		99. Yadkin	
28. Dare		64. Nash		100. Yancey	
29. Davidson		65. New Hanover			
30. Davie		66. Northampton		101. Georgia	0
31. Duplin		67. Onslow		102. South Carolina	75
32. Durham		68. Orange		103. Tennessee	
33. Edgecombe		69. Pamlico		104. Virginia	
34. Forsyth		70. Pasquotank		105. Other (specify)	2
35. Franklin		71. Pender			
36. Gaston	4	72. Perquimans		Total Number of Patients	213



Section 5: Certification and Signature

The undersigned Chief Executive Officer or approved designee certifies the accuracy of the information contained on all pages of this form.

Signature 

Print Name Kelly Isaac

Date signed 1/29/16

Please complete all sections of this form and return to Healthcare Planning by **Friday, January 29, 2016**.

1. Complete and sign the form
2. Return the form by one of two methods:
 - a. Email a scanned copy to DHSR.SMFP.Registration-Inventory@dhhs.nc.gov
 - b. Mail the form to Kelli Fisk in Healthcare Planning, 2704 Mail Service Center, Raleigh, NC 27699-2704.

If you have questions, call Kelli Fisk in Healthcare Planning at (919) 855-3865 or email DHSR.SMFP.Registration-Inventory@dhhs.nc.gov.



Registration and Inventory of Medical Equipment
Mobile Magnetic Resonance Imaging Scanners
January 2016

Partial data Entry

PB

Instructions

This is the legally required "Registration and Inventory of Medical Equipment" (G.S. 131E-177) for mobile magnetic resonance imaging (MRI) scanners. Please complete all sections of this form and return to Healthcare Planning by **Friday, January 29, 2016**.

1. Complete and sign the form
2. Return the form by one of two methods:
 - a. Email a scanned copy to DHSR.SMFP.Registration-Inventory@dhhs.nc.gov
 - b. Mail the form to Kelli Fisk, Healthcare Planning, 2704 Mail Service Center, Raleigh, NC 27699-2704.

If you have questions, call Kelli Fisk in Healthcare Planning at (919) 855-3865 or email DHSR.SMFP.Registration-Inventory@dhhs.nc.gov.

Section 1: Contact Information

1. Full legal name of corporation, partnership, individual, or other legal entity that acquired the equipment by purchase, donation, lease, transfer, or comparable arrangement:

Presbyterian Mobile Imaging, LLC
(Legal Name)

2. Address of the corporation, partnership, individual, or other legal entity that acquired the equipment:

University Imaging 8401 medical Plaza Drive
(Street and Number)

Charlotte NC 28262 (704) 384-4000
(City) (State) (Zip) (Phone Number)

3. Chief Executive Officer or approved designee who is certifying the information in this registration form:

Kelly A. Israel Development Capital Manager
(Name) (Title)

3480 Preston Ridge Road, Suite 600 Alpharetta GA 30005
(Street and Number) (City) (State) (Zip)

(770) 300-0101 kisrael@medquestmail.com
(Phone Number) (Email)

4. Information Compiled or Prepared by: Kelly Israel
(Name)

(678) 992-7235 kisrael@medquestmail.com
(Phone Number) (Email)

Irredell Mecklenburg



Section 2: Equipment and Procedures Information

Time Period for Report: 10/01/2014 – 9/30/2015 Other time period: _____

(Please make additional copies of pages of this form as needed.)

	Mobile Scanner Number (One scanner per page)	
Manufacturer/Tesla	GE 1.5T	
Model Number	HDX	
Open or Closed Scanner	Closed	
Serial or I.D. Number	235487	
Date of acquisition	8/1/06	
Purchase price (if purchased)	\$1,651,978.52	
Certificate of Need Project ID	F-7164-04	
Certificate Holder, as listed on Certificate of Need	Presbyterian Mobile Imaging, LLC	
If Leased or Rented, Name Owner of Equipment		
	Service Site Number <u>1</u>	Service Site Number <u>2</u>
Service Site Information: Please include all of the information requested for each location.	Service Site <u>Mooresville Diagnostic Imaging</u> Address <u>118 Gateway Blvd. Suite E</u> City, State, Zip <u>Mooresville, NC 28117</u> County <u>Iredell</u>	Service Site <u>Novant Health Imaging University</u> Address <u>8401 Medical Plaza Drive</u> <u>Suite 100</u> City, State, Zip <u>Charlotte, NC 28211</u> County <u>Mecklenburg</u>
Inpatient Procedures*: - with Contrast or Sedation - without Contrast or Sedation Outpatient Procedures*: - with Contrast or Sedation - without Contrast or Sedation	Inpatient: with: _____ w/out: _____ Total: _____ Outpatient: with: <u>77</u> w/out: <u>336</u> Total: <u>413</u>	Inpatient: with: _____ w/out: _____ Total: _____ Outpatient: with: <u>302</u> w/out: <u>832</u> Total: <u>1,134</u>
Total Number of Procedures	Total: 413	Total: 1,134
Put a check by the days per week, and write in the number of hours per day, the scanner is in operation.	Sun: _____ hours Mon: _____ hours Tue: _____ hours <input checked="" type="checkbox"/> Wed: <u>9.5</u> hours Thu: _____ hours Fri: _____ hours Sat: _____ hours	Sun: _____ hours <input checked="" type="checkbox"/> Mon: <u>9.5</u> hours <input checked="" type="checkbox"/> Tue: <u>9.5</u> hours Wed: _____ hours Thu: _____ hours <input checked="" type="checkbox"/> Fri: <u>9.5</u> hours Sat: _____ hours
Total number of hours in operation for report period	475 Hours	1,425 Hours

*An MRI procedure is defined as a single discrete MRI study of one patient (single CPT coded procedure). An MRI study means one or more scans relative to a single diagnosis or symptom. The total number of procedures should be equal to or more than the total number of patients reported on the MRI Patient Origin Table on page 5 of this form.

Name of entity that acquired the equipment (from page 1) Presbyterian Mobile Imaging, LLC



Mobile Magnetic Resonance Imaging Scanners – January 2016

Section 2: Equipment and Procedures Information

Time Period for Report: 10/01/2014 – 9/30/2015 Other time period: _____

(Please make additional copies of pages of this form as needed.)

Mobile Scanner Number _____ (One scanner per page)		
Manufacturer/Tesla	GE 1.5T	
Model Number	HDX	
Open or Closed Scanner	Closed	
Serial or I.D. Number	235487	
Date of acquisition	8/1/06	
Purchase price (if purchased)	\$1,651,978.52	
Certificate of Need Project ID	F-7164-04	
Certificate Holder, as listed on Certificate of Need	Presbyterian Mobile Imaging, LLC	
If Leased or Rented, Name Owner of Equipment		
	Service Site Number <u>3</u>	
	Service Site Number _____	
Service Site Information: Please include all of the information requested for each location.	Service Site <u>PIC Steele Creek</u>	Service Site _____
	Address <u>13557 Steeecraft Pkwy, Suite 110</u>	Address _____
	City, State, Zip <u>Charlotte, NC 28278</u>	City, State, Zip _____
	County <u>Mecklenburg</u>	County _____
Inpatient Procedures*: - with Contrast or Sedation - without Contrast or Sedation	Inpatient: with: _____ w/out: _____ Total: _____	Inpatient: with: _____ w/out: _____ Total: _____
	Outpatient Procedures*: - with Contrast or Sedation - without Contrast or Sedation	Outpatient: with: <u>50</u> w/out: <u>247</u> Total: <u>297</u>
Total Number of Procedures	Total: <u>297</u>	Total: _____
Put a check by the days per week, and write in the number of hours per day, the scanner is in operation.	___ Sun: ___ hours	___ Sun: ___ hours
	___ Mon: ___ hours	___ Mon: ___ hours
	___ Tue: ___ hours	___ Tue: ___ hours
	___ Wed: ___ hours	___ Wed: ___ hours
	<input checked="" type="checkbox"/> Thu: <u>8.5</u> hours	___ Thu: ___ hours
	___ Fri: ___ hours	___ Fri: ___ hours
	___ Sat: ___ hours	___ Sat: ___ hours
Total number of hours in operation for report period	361 Hours	

*An MRI procedure is defined as a single discrete MRI study of one patient (single CPT coded procedure). An MRI study means one or more scans relative to a single diagnosis or symptom. **The total number of procedures should be equal to or more than the total number of patients reported on the MRI Patient Origin Table on page 5 of this form.**

Name of entity that acquired the equipment (from page 1) _____ Presbyterian Mobile Imaging, LLC



Mobile Magnetic Resonance Imaging Scanners – January 2016

Section 3: MRI Procedures by CPT Code by Service Site

Please write the number of procedures provided by CPT Code during the time period of this report. Report separately for each service site. Make additional copies of pages 3 and 4 as needed. The total number of procedures should equal the total number of procedures reported on page 2 of this form.

Service Site Name: University

CPT Code	CPT Description	Inpatient Procedures	Outpatient Procedures	Total Number of Procedures
70336	MRI Temporomandibular Joint(s)		0	0
70540	MRI Orbit/Face/Neck w/o		1	1
70542	MRI Orbit/Face/Neck with contrast		0	0
70543	MRI Orbit/Face/Neck w/o & with		25	25
70544	MRA Head w/o		14	14
70545	MRA Head with contrast		0	0
70546	MRA Head w/o & with		0	0
70547	MRA Neck w/o		3	3
70548	MRA Neck with contrast		0	0
70549	MRA Neck w/o & with		0	0
70551	MRI Brain w/o		124	124
70552	MRI Brain with contrast		1	1
70553	MRI Brain w/o & with		133	133
70554	MR functional imaging, w/o physician admin		0	0
70555	MR functional imaging, with physician admin		0	0
71550	MRI Chest w/o		0	0
71551	MRI Chest with contrast		0	0
71552	MRI Chest w/o & with		1	1
71555	MRA Chest with OR without contrast		0	0
72141	MRI Cervical Spine w/o		109	109
72142	MRI Cervical Spine with contrast		0	0
72156	MRI Cervical Spine w/o & with		18	18
72146	MRI Thoracic Spine w/o		17	17
72147	MRI Thoracic Spine with contrast		0	0
72157	MRI Thoracic Spine w/o & with		9	9
72148	MRI Lumbar Spine w/o		214	214
72149	MRI Lumbar Spine with contrast		2	2
72158	MRI Lumbar Spine w/o & with		25	25
72159	MRA Spinal Canal w/o OR with contrast		0	0
72195	MRI Pelvis w/o		12	12
72196	MRI Pelvis with contrast		0	0
72197	MRI Pelvis w/o & with		24	24
72198	MRA Pelvis w/o OR with contrast		0	0
73218	MRI Upper Ext, other than joint w/o		4	4
73219	MRI Upper Ext, other than joint with contrast		0	0
Subtotals for this page			736	736

Name of entity that acquired the equipment (from page 1) Presbyterian Mobile Imaging, LLC



Mobile Magnetic Resonance Imaging Scanners – January 2016

Section 3: MRI Procedures by CPT Code by Service Site

Please write the number of procedures provided by CPT Code during the time period of this report. Report separately for each service site. Make additional copies of pages 3 and 4 as needed. The total number of procedures should equal the total number of procedures reported on page 2 of this form.

Service Site Name: Steele Creek

CPT Code	CPT Description	Inpatient Procedures	Outpatient Procedures	Total Number of Procedures
70336	MRI Temporomandibular Joint(s)		0	0
70540	MRI Orbit/Face/Neck w/o		0	0
70542	MRI Orbit/Face/Neck with contrast		0	0
70543	MRI Orbit/Face/Neck w/o & with		5	5
70544	MRA Head w/o		5	5
70545	MRA Head with contrast		0	0
70546	MRA Head w/o & with		0	0
70547	MRA Neck w/o		0	0
70548	MRA Neck with contrast		0	0
70549	MRA Neck w/o & with		0	0
70551	MRI Brain w/o		51	51
70552	MRI Brain with contrast		0	0
70553	MRI Brain w/o & with		27	27
70554	MR functional imaging, w/o physician admin		0	0
70555	MR functional imaging, with physician admin		0	0
71550	MRI Chest w/o		0	0
71551	MRI Chest with contrast		0	0
71552	MRI Chest w/o & with		0	0
71555	MRA Chest with OR without contrast		0	0
72141	MRI Cervical Spine w/o		27	27
72142	MRI Cervical Spine with contrast		0	0
72156	MRI Cervical Spine w/o & with		1	1
72146	MRI Thoracic Spine w/o		6	6
72147	MRI Thoracic Spine with contrast		0	0
72157	MRI Thoracic Spine w/o & with		2	2
72148	MRI Lumbar Spine w/o		66	66
72149	MRI Lumbar Spine with contrast		0	0
72158	MRI Lumbar Spine w/o & with		3	3
72159	MRA Spinal Canal w/o OR with contrast		0	0
72195	MRI Pelvis w/o		4	4
72196	MRI Pelvis with contrast		0	0
72197	MRI Pelvis w/o & with		3	3
72198	MRA Pelvis w/o OR with contrast		0	0
73218	MRI Upper Ext, other than joint w/o		1	1
73219	MRI Upper Ext, other than joint with contrast		0	0
Subtotals for this page			201	201



Mobile Magnetic Resonance Imaging Scanners -- January 2016

Section 4: Patient Origin Data by Service Site

Please provide the county of residence for each patient who received MRI services during the time period of this report. Provide patient origin data separately for each service site. Make additional copies of this page as needed. The total number of patients receiving services should be equal to or less than the total number of procedures reported on page two of this form.

Service Site Name: Mooresville

County in which service was provided: Iredell

Patient County	Number of Patients	Patient County	Number of Patients	Patient County	Number of Patients
1. Alamance		37. Gates		73. Person	
2. Alexander	1	38. Graham		74. Pitt	
3. Alleghany		39. Granville		75. Polk	
4. Anson		40. Greene		76. Randolph	
5. Ashe		41. Guilford		77. Richmond	1
6. Avery		42. Halifax		78. Robeson	
7. Beaufort		43. Harnett		79. Rockingham	
8. Bertie		44. Haywood		80. Rowan	10
9. Bladen		45. Henderson		81. Rutherford	
10. Brunswick		46. Hertford		82. Sampson	
11. Buncombe		47. Hoke		83. Scotland	
12. Burke		48. Hyde		84. Stanly	
13. Cabarrus	3	49. Iredell	212	85. Stokes	
14. Caldwell		50. Jackson		86. Surry	
15. Camden		51. Johnston		87. Swain	
16. Carteret		52. Jones		88. Transylvania	
17. Caswell		53. Lee		89. Tyrrell	
18. Catawba	23	54. Lenoir		90. Union	1
19. Chatham		55. Lincoln	15	91. Vance	
20. Cherokee		56. Macon		92. Wake	
21. Chowan		57. Madison		93. Warren	
22. Clay		58. Martin		94. Washington	
23. Cleveland		59. McDowell		95. Watauga	
24. Columbus		60. Mecklenburg	79	96. Wayne	
25. Craven		61. Mitchell		97. Wilkes	
26. Cumberland		62. Montgomery		98. Wilson	
27. Currituck		63. Moore		99. Yadkin	
28. Dare		64. Nash		100. Yancey	
29. Davidson		65. New Hanover			
30. Davie	3	66. Northampton		101. Georgia	
31. Duplin		67. Onslow		102. South Carolina	2
32. Durham		68. Orange		103. Tennessee	
33. Edgecombe		69. Pamlico		104. Virginia	2
34. Forsyth		70. Pasquotank		105. Other (specify)	
35. Franklin		71. Pender			
36. Gaston	5	72. Perquimans		Total Number of Patients	357



Mobile Magnetic Resonance Imaging Scanners – January 2016

Section 4: Patient Origin Data by Service Site

Please provide the county of residence for each patient who received MRI services during the time period of this report. Provide patient origin data separately for each service site. Make additional copies of this page as needed. The total number of patients receiving services should be equal to or less than the total number of procedures reported on page two of this form.

Service Site Name: University

County in which service was provided: Mecklenburg

Patient County	Number of Patients	Patient County	Number of Patients	Patient County	Number of Patients
1. Alamance		37. Gates		73. Person	
2. Alexander		38. Graham		74. Pitt	
3. Alleghany		39. Granville		75. Polk	
4. Anson	1	40. Greene		76. Randolph	
5. Ashe		41. Guilford	1	77. Richmond	
6. Avery		42. Halifax		78. Robeson	
7. Beaufort		43. Harnett		79. Rockingham	
8. Bertie		44. Haywood		80. Rowan	4
9. Bladen		45. Henderson		81. Rutherford	
10. Brunswick		46. Hertford		82. Sampson	
11. Buncombe	1	47. Hoke		83. Scotland	
12. Burke		48. Hyde		84. Stanly	1
13. Cabarrus	94	49. Iredell	7	85. Stokes	
14. Caldwell		50. Jackson		86. Surry	
15. Camden		51. Johnston	1	87. Swain	
16. Carteret		52. Jones		88. Transylvania	
17. Caswell		53. Lee		89. Tyrrell	
18. Catawba	3	54. Lenoir		90. Union	7
19. Chatham		55. Lincoln	8	91. Vance	
20. Cherokee		56. Macon		92. Wake	2
21. Chowan		57. Madison		93. Warren	
22. Clay		58. Martin		94. Washington	
23. Cleveland	2	59. McDowell		95. Watauga	1
24. Columbus		60. Mecklenburg	839	96. Wayne	
25. Craven		61. Mitchell		97. Wilkes	
26. Cumberland		62. Montgomery	1	98. Wilson	
27. Currituck		63. Moore		99. Yadkin	
28. Dare		64. Nash		100. Yancey	
29. Davidson	1	65. New Hanover			
30. Davie		66. Northampton		101. Georgia	
31. Duplin		67. Onslow		102. South Carolina	4
32. Durham		68. Orange		103. Tennessee	
33. Edgecombe		69. Pamlico		104. Virginia	
34. Forsyth	2	70. Pasquotank		105. Other (specify)	6
35. Franklin		71. Pender			
36. Gaston	9	72. Perquimans		Total Number of Patients	995

Mobile Magnetic Resonance Imaging Scanners – January 2016

Section 4: Patient Origin Data by Service Site

Please provide the county of residence for each patient who received MRI services during the time period of this report. Provide patient origin data separately for each service site. Make additional copies of this page as needed. The total number of patients receiving services should be equal to or less than the total number of procedures reported on page two of this form.

 Service Site Name: Steele Creek

 County in which service was provided: Mecklenburg

Patient County	Number of Patients	Patient County	Number of Patients	Patient County	Number of Patients
1. Alamance		37. Gates		73. Person	
2. Alexander		38. Graham		74. Pitt	
3. Alleghany		39. Granville		75. Polk	
4. Anson		40. Greene		76. Randolph	
5. Ashe		41. Guilford		77. Richmond	
6. Avery		42. Halifax		78. Robeson	
7. Beaufort		43. Harnett		79. Rockingham	
8. Bertie		44. Haywood		80. Rowan	
9. Bladen		45. Henderson		81. Rutherford	
10. Brunswick		46. Hertford		82. Sampson	
11. Buncombe		47. Hoke		83. Scotland	
12. Burke		48. Hyde		84. Stanly	
13. Cabarrus		49. Iredell		85. Stokes	
14. Caldwell		50. Jackson		86. Surry	
15. Camden		51. Johnston		87. Swain	
16. Carteret		52. Jones		88. Transylvania	
17. Caswell		53. Lee		89. Tyrrell	
18. Catawba		54. Lenoir		90. Union	4
19. Chatham		55. Lincoln		91. Vance	
20. Cherokee		56. Macon		92. Wake	
21. Chowan		57. Madison		93. Warren	
22. Clay		58. Martin		94. Washington	
23. Cleveland		59. McDowell		95. Watauga	
24. Columbus		60. Mecklenburg	156	96. Wayne	
25. Craven		61. Mitchell		97. Wilkes	
26. Cumberland		62. Montgomery		98. Wilson	
27. Currituck		63. Moore		99. Yadkin	
28. Dare		64. Nash		100. Yancey	
29. Davidson		65. New Hanover			
30. Davie		66. Northampton		101. Georgia	
31. Duplin		67. Onslow		102. South Carolina	86
32. Durham		68. Orange		103. Tennessee	
33. Edgecombe		69. Pamlico		104. Virginia	
34. Forsyth		70. Pasquotank		105. Other (specify)	2
35. Franklin		71. Pender			
36. Gaston	9	72. Perquimans		Total Number of Patients	257



Section 5: Certification and Signature

The undersigned Chief Executive Officer or approved designee certifies the accuracy of the information contained on all pages of this form.

Signature _____

Print Name _____

Date signed _____

Please complete all sections of this form and return to Healthcare Planning by **Friday, January 29, 2016**.

1. Complete and sign the form
2. Return the form by one of two methods:
 - a. Email a scanned copy to DHSR.SMFP.Registration-Inventory@dhhs.nc.gov
 - b. Mail the form to Kelli Fisk in Healthcare Planning, 2704 Mail Service Center, Raleigh, NC 27699-2704.

If you have questions, call Kelli Fisk in Healthcare Planning at (919) 855-3865 or email DHSR.SMFP.Registration-Inventory@dhhs.nc.gov.

Name of entity that acquired the equipment (from page 1) _____ Presbyterian Mobile Imaging, LLC