

North Carolina Department of Health and Human Services Division of Health Service Regulation Certificate of Need Section

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Drexdal Pratt, Director

Beverly Eaves Perdue, Governor Albert A. Delia, Acting Secretary Craig R. Smith, Section Chief Phone: (919) 855-3873 Fax: (919) 733-8139

RESPONSE REQUIRED

August 28, 2012

Per B. Normark 3480 Preston Ridge Road Alpharetta, GA 30005

Conditional Approval

Project I.D. #:	F-8793-12
Facility:	Presbyterian Imaging Center-Gastonia
Project Description:	Acquire one fixed MRI scanner to operate at its existing imaging center and
	develop a diagnostic center
County:	Gaston
FID #:	120159

Dear Mr. Normark:

The Certificate of Need (CON) Section, Division of Health Service Regulation, Department of Health and Human Services has conditionally approved the above referenced certificate of need application. This decision was made after a review of the applications submitted for this cycle and after consideration of the Certificate of Need Law, G.S. 131E-175 et. seq. and regulations promulgated thereunder, the State Medical Facilities Plan, and other applicable information. Written notice of all findings and conclusions upon which the decision was based will be provided to the applicants within five business days after the date of the decision in accordance with G.S. 131E-186. The applicant shall not proceed with the construction, offering or development of this project until the certificate of need is issued. Further, the Department shall not issue the certificate of need until all applicable conditions of approval that can be satisfied before issuance of the certificate of need have been met pursuant to G.S. 131E-187(a). The conditions are as follows:

- 1. Mecklenburg Diagnostic Imaging, LLC d/b/a Presbyterian Imaging Center Gastonia shall materially comply with all representations made in its certificate of need application.
- 2. Mecklenburg Diagnostic Imaging, LLC d/b/a Presbyterian Imaging Center Gastonia shall not acquire, as part of this project, any equipment that is not included in the project's proposed capital expenditure in Section VIII of the application or that would otherwise require a certificate of need.



- 3. Mecklenburg Diagnostic Imaging, LLC d/b/a Presbyterian Imaging Center Gastonia shall acquire no more than one fixed MRI scanner for a total of no more than one fixed MRI scanners.
- 4. Mecklenburg Diagnostic Imaging, LLC d/b/a Presbyterian Imaging Center Gastonia obtain accreditation from the Joint Commission for the Accreditation of Healthcare Organizations, the American College of Radiology or a comparable accreditation authority, as determined by the Certificate of Need Section, for magnetic resonance imaging within two years following operation of the proposed MRI scanner.
- 5. Upon completion of the proposed project, Mecklenburg Diagnostic Imaging, LLC d/b/a Presbyterian Imaging Center Gastonia shall redeploy the mobile MRI to a site outside of the Gaston County MRI service area.
- 6. Mecklenburg Diagnostic Imaging, LLC d/b/a Presbyterian Imaging Center Gastonia shall not exceed the representation made in the application for MRI charges for the facility related component in any of the first three operating years of the project.
- 7. Mecklenburg Diagnostic Imaging, LLC d/b/a Presbyterian Imaging Center Gastonia shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Certificate of Need Section in writing prior to issuance of the certificate of need.

Response to the above conditions should be submitted to the CON Section no later than 35 days from the date of the decision. Failure to respond within this time period may result in the CON Section making a determination not to issue a certificate of need for the project referenced above.

The conditional approval is valid only for a capital expenditure of \$2,662,155. If a cost overrun occurs that exceeds the approved capital expenditure amount, a new certificate of need may be required as determined by G.S. 131E-176(16)(e). The applicant should be aware that according to the Certificate of Need Law any affected person shall have thirty (30) days after the date of decision to file a petition for a contested case on this approval. Further, if you are aggrieved by the conditions of the decision you may file a petition for a contested case hearing in accordance with G.S. 150B, Article 3, as amended. This petition must be filed with the Office of Administrative Hearings, P.O. Drawer 27447, Raleigh, North Carolina 27611-7447 within thirty (30) days of the date of this decision. [Note: Effective October 1, 2009, OAH requires a filing fee with submittal of petitions for contested cases. Please direct all questions regarding this fee to OAH Clerk's Office (919-431-3000).]

G.S. 150B-23 provides that a party filing a petition must also serve a copy of the petition on all parties to the petition. Therefore, if you file a petition for a contested case hearing, you must serve a copy of the petition on the Department of Health and Human Services by mailing a copy of your petition to:

Emery Milliken Department of Health and Human Services, Office of Legal Affairs, Adams Building – Room 154 2001 MSC Raleigh, North Carolina, 27699-2001 Per B. Normark August 28, 2012 Page 3

It is requested that a copy of the petition also be served on the Certificate of Need Section.

The certificate of need will not be issued before the completion of this 30 day period ending September 27, 2012. If a contested case request is received within the thirty (30) day period, the certificate will not be issued until the appeal is resolved (10A NCAC 14C .0208).

The timetable for completion of the project is the timetable outlined in the certificate of need application, unless an adjustment has been made by the CON Section because the review period was extended. The timetable for this project is as follows:

Obtain funds necessary to undertake project	February 1, 2013
Approval of final drawings and specifications	
by the Construction Section, DHSR	September 1, 2013
25% completion of construction	February 1, 2014
75% completion of construction	July 1, 2014
Completion of construction	September 1, 2014
Occupancy/offering of service(s)	October 1, 2014
Arrival of equipment	June 15, 2014
Operation of equipment	September 15, 2014

If the decision is appealed, the timetable set forth in this letter will be adjusted accordingly before the certificate of need is issued. Please contact us if any clarification of this decision is required.

Please refer to the Project I.D. # and Facility I.D. # (FID) in all correspondence.

Sincerely,

Bernetta Thorne-Williams, Project Analyst

Martha J. Frisone, Assistant Chief Certificate of Need Section

BTW:MJF:se

Attachment

cc: Medical Facilities Planning Section, DHSR Acute & Home Care Licensure & Certification Section, DHSR

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing notice of **conditional approval** on the following person by placing a copy in an official depository of the United States Postal Service in a postage-paid, first class envelope addressed as follows:

Per B. Normark 3480 Preston Ridge Road Alpharetta, GA 30005

Project I.D. #F-8793-12 FID #120159

This the 28^{th} day of <u>August</u>, 2012

Bernetta Thorne-Williams, Project Analyst