



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

ROY COOPER • Governor

MANDY COHEN, MD, MPH • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

August 28, 2019

James Roskelly  
jim.roskelly@conehealth.com

**Exempt from Review – Replacement Equipment**

**Record #:** 3028  
**Facility Name:** Alamance Regional Medical Center  
**FID #:** 954565  
**Business Name:** Alamance Regional Medical Center, Inc.  
**Business #:** 49  
**Project Description:** Replace existing MRI equipment  
**County:** Alamance

Dear Mr. Roskelly:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of August 23, 2019, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(f). Therefore, you may proceed to acquire without a certificate of need the Siemens Sola MRI equipment to replace the Siemens Avanto, Serial #25635, Project ID #G-4244-91. This determination is based on your representations that the existing unit will be sold or otherwise disposed of and will not be used again in the State without first obtaining a certificate of need if one is required.

Moreover, you need to contact the Agency's Construction and Acute and Home Care Licensure and Certification Sections to determine if they have any requirements for development of the proposed project.

It should be noted that the Agency's position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by this office and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Celia C. Inman  
Project Analyst

Martha J. Frisone  
Chief

cc: Construction Section, DHSR  
Acute and Home Care Licensure and Certification Section, DHSR

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION  
HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603  
MAILING ADDRESS: 809 Ruggles Drive, 2704 Mail Service Center, Raleigh, NC 27699-2704  
<https://info.ncdhhs.gov/dhsr/> • TEL: 919-855-3873

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

August 23, 2019

Ms. Martha J. Frisone, Chief  
Ms. Celia C. Inman, Project Analyst  
Healthcare Planning and Certificate of Need Section  
Division of Health Service Regulation, NC DHHS  
2704 Mail Service Center  
Raleigh, NC 27699-2704

Re: Imaging Equipment Replacement at Alamance Regional Medical Center  
Lic# H0272/FID# 954565

Dear Ms. Frisone and Ms. Inman:

I am writing to you pursuant to NCGS § 131E-184(f) to inform you of Cone Health's plans to replace one (1) magnetic resonance imaging (MRI) scanner at Alamance Regional Medical Center (Lic# H0272). The Department originally issued a certificate of need for this equipment (Project ID #G-4244-91). Cone Health is simply updating an important piece of imaging equipment with newer technology that offers improved patient throughput, improved imaging quality and increased capacity to perform bariatrics and breast imaging. Alamance Regional Medical Center purchased this scanner more than 15 years ago and it has exhausted its useful life.

*Attachment 1* contains comparisons of the relevant information and specifications of the existing equipment and the planned replacement equipment. Of note, the total equipment cost for the MRI scanner will be \$1,314,728. The new Siemens Sola MRI scanner will be functionally comparable to the existing equipment being taken out of service. Renovations to the imaging suite at Alamance Regional Medical Center to accommodate the replacement equipment are expected to cost \$740,965. These costs were estimated by Cone Health Construction Management based on their knowledge and expertise with similar projects. The total proposed capital cost for this equipment replacement is \$2,055,693. A detailed capital budget is included in *Attachment 2*.

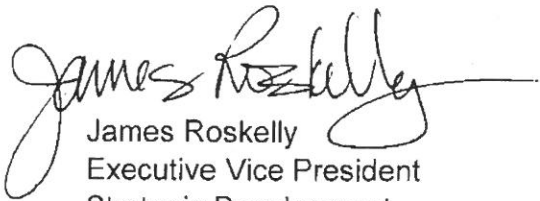
Ms. Martha J. Frisone  
Ms. Celia C. Inman  
August 23, 2019  
Page 2

The MRI scanner is located in Alamance Regional Medical Center (ARMC) at 1240 Huffman Mill Road, Burlington, NC 27215. This site is the main campus as defined in NCGS 131E-176(14n) for Alamance Regional Medical Center (Lic#H0272). Vicki Moran, Interim President of Alamance Regional Medical Center, exercises administrative and financial control of the main campus. Please see *Attachments 3-5* for copies of ARMC's 2019 License, selected pages from ARMC's 2019 Hospital License Renewal Application, and a map of the main campus. The administrative offices at ARMC are located on the first floor inside the medical mall entrance.

The new equipment, which will be owned and operated by Cone Health, is planned to be placed into service in October 2019. The existing equipment will be removed from Alamance Regional Medical Center and taken out of service by Siemens Healthcare, the vendor of the new equipment.

Please let me know if I can answer any questions you have around this planned replacement.

Sincerely,

A handwritten signature in black ink that reads "James Roskelly". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

James Roskelly  
Executive Vice President  
Strategic Development

JR\kk

Attachment

cc: Chris Deangelo, Director, Imaging, Alamance Regional Medical Center  
Jim Canada, Director, Facilities, Alamance Regional Medical Center

**Attachment 1**  
**Equipment Comparison Form**

**EQUIPMENT COMPARISON**

| Type   | EXISTING EQUIPMENT               | REPLACEMENT EQUIPMENT             |
|--|----------------------------------|-----------------------------------|
| (e.g., Cardiac Catheterization, Gamma Knife®, Heart-lung bypass machine, Linear Accelerator, Lithotripter, MRI, PET, Simulator, CT Scanner, Other Major Medical Equipment) | MRI                              | MRI                               |
| Manufacturer   | Siemens                          | Siemens                           |
| Model number   | Avanto                           | Sola                              |
| Other method of identifying the equipment (e.g., Room #, Serial Number, VIN #)   | 25635                            | TBD                               |
| Is the equipment mobile or fixed?  | Fixed                            | Fixed                             |
| Date of acquisition  | 02/2004                          | 10/2019                           |
| Was the existing equipment new or used when acquired? / Is the replacement equipment new or used?  | New                              | New                               |
| Total projected capital cost of the project <Attach a signed Projected Capital Cost form>  | NA                               | See attached                      |
| Total cost of the equipment  | NA                               | 1,314,728                         |
| Location of the equipment <Attach a separate sheet for mobile equipment if necessary>  | Alamance Regional Medical Center | Alamance Regional Medical Center  |
| Document that the existing equipment is currently in use   | See Attachment 4                 | NA                                |
| Will the replacement equipment result in any increase in the average charge per procedure?   | NA                               | No                                |
| If so, provide the increase as a percent of the current average charge per procedure   | NA                               | NA                                |
| Will the replacement equipment result in any increase in the average operating expense per procedure?  | NA                               | No increase                       |
| If so, provide the increase as a percent of the current average operating expense per procedure  | NA                               | NA                                |
| Type of procedures performed on the existing equipment <Attach a separate sheet if necessary>  | Neuro, Body, MSK                 | NA                                |
| Type of procedures the replacement equipment will perform <Attach a separate sheet if necessary>   | NA                               | Neuro, Body, MSK, Breast, Cardiac |

Date of last revision: 5/17/19

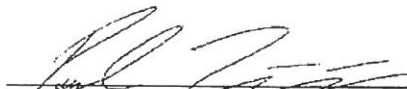
**Attachment 2**  
**Capital Cost Worksheet**

**Projected Capital Cost Form**

|                                     |                    |
|-------------------------------------|--------------------|
| Building Purchase Price             | NA                 |
| Purchase Price of Land              | NA                 |
| Closing Costs                       | NA                 |
| Site Preparation                    | NA                 |
| Construction/Renovation Contract(s) | \$740,965          |
| Landscaping                         | NA                 |
| Architect / Engineering Fees        | NA                 |
| Medical Equipment                   | \$1,314,728        |
| Non-Medical Equipment               | NA                 |
| Furniture                           | NA                 |
| Consultant Fees (specify)           | NA                 |
| Financing Costs                     | NA                 |
| Interest during Construction        | NA                 |
| Other (specify)                     | NA                 |
| <b>Total Capital Cost</b>           | <b>\$2,055,693</b> |

**CERTIFICATION BY A LICENSED ARCHITECT OR ENGINEER**

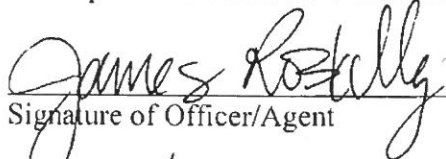
I certify that, to the best of my knowledge, the projected capital cost for the proposed project is complete and correct.

  
 \_\_\_\_\_  
 Signature of Licensed Architect or Engineer

Date Signed: 8/22/2019

**CERTIFICATION BY AN OFFICER OR AGENT FOR THE PROPONENT**

I certify that, to the best of my knowledge, the projected total capital cost for the proposed project is complete and correct and that it is our intent to carry out the proposed project as described.

  
 \_\_\_\_\_  
 Signature of Officer/Agent  
 Executive VP  
 \_\_\_\_\_  
 Title of Officer/Agent

Date Signed: 8/23/19

**Attachment 3**  
**ARMC 2019 License**



# State of North Carolina

## Department of Health and Human Services Division of Health Service Regulation

*Effective January 01, 2019, this license is issued to*

*Alamance Regional Medical Center, Inc.*

*to operate a hospital known as*

*Alamance Regional Medical Center*

*located in Burlington, North Carolina, Alamance County.*

*This license is issued subject to the statutes of the  
State of North Carolina, is not transferable and shall remain  
in effect until amended by the issuing agency.*

*Facility ID: 954565*

*License Number: H0272*

***Bed Capacity: 238***

*General Acute 182, Psych 44, Substance Abuse 12,*

*Dedicated Inpatient Surgical Operating Rooms: 2*

*Dedicated Ambulatory Surgical Operating Rooms: 3*

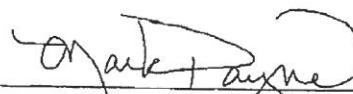
*Shared Surgical Operating Rooms: 9*

*Dedicated Endoscopy Rooms: 4*

Authorized by:



Secretary, N.C. Department of Health and  
Human Services



Director, Division of Health Service Regulation

**Attachment 4**

**ARMC 2019 Hospital License Renewal Application**

North Carolina Department of Health and Human Services  
Division of Health Service Regulation  
Acute and Home Care Licensure and Certification Section  
Regular Mail: 1205 Umstead Drive  
2712 Mail Service Center  
Raleigh, North Carolina 27699-2712  
Overnight UPS and FedEx only: 1205 Umstead Drive  
Raleigh, North Carolina 27603  
Telephone: (919) 855-4620 Fax: (919) 715-3073

For Official Use Only  
License # H0272 Medicare # 340070  
FID #: 954565  
PC LD Date 2/17/19

License Fee: \$4,715.00

2019  
HOSPITAL LICENSE  
RENEWAL APPLICATION FEB 8 2019

Legal Identity of Applicant: Alamance Regional Medical Center, Inc.  
(Full legal name of corporation, partnership, individual, or other legal entity owning the enterprise or service.)

Doing Business As  
(d/b/a) name(s) under which the facility or services are advertised or presented to the public:

PRIMARY: Alamance Regional Medical Center

Other: \_\_\_\_\_

Other: \_\_\_\_\_

Facility Mailing Address: PO Box 202  
Burlington, NC 27216-0202

Facility Site Address: 1240 Huffman Mill Rd  
Burlington, NC 27215

County: Alamance  
Telephone: (336)538-7450  
Fax: (336)538-7425

Application Rec'd Date 2/8/2019  
Fee Paid-Ck # 1068278  
Amount \$ 4,715.00  
Initials AYC  
DHSR Acute and Home Care L&C

Administrator/Director: Preston Hammock

Title: President

(Designated agent (individual) responsible to the governing body (owner) for the management of the licensed facility)

Chief Executive Officer: Terrence B. Akin

Title: CEO

(Designated agent (individual) responsible to the governing body (owner) for the management of the licensed facility)

Name of the person to contact for any questions regarding this form:

Name: James Roskelly

Telephone: 336-832-8199

E-Mail: jim.roskelly@conehealth.com

All responses should pertain to October 1, 2017 through September 30, 2018.

**Instructions for Hospitals with multiple campuses: For MRI Services, (Sections 10b-10e, pp 17-18), do not provide cumulative/combined data for all campuses. Provide data for individual campuses only.**

**b. MRI Procedures**

Indicate the number of procedures performed on MRI scanners (units) operated during the 12-month reporting period at your facility. For hospitals that use equipment at multiple sites/campuses, please copy the MRI pages and provide separate data for each site/campus. **Campus – if multiple sites:** Alamance Regional Medical Center – Main Campus

| Procedures                           | Inpatient Procedures*     |                              |                 | Outpatient Procedures*    |                              |                  | TOTAL Procedures |
|--------------------------------------|---------------------------|------------------------------|-----------------|---------------------------|------------------------------|------------------|------------------|
|                                      | With Contrast or Sedation | Without Contrast or Sedation | TOTAL Inpatient | With Contrast or Sedation | Without Contrast or Sedation | TOTAL Outpatient |                  |
| Fixed                                | 271                       | 942                          | 1,213           | 1,649                     | 4,067                        | 5,716            | 6,929            |
| Mobile (performed only at this site) | 0                         | 0                            | 0               | 0                         | 0                            | 0                | 0                |
| <b>TOTAL**</b>                       | <b>271</b>                | <b>942</b>                   | <b>1,213</b>    | <b>1,649</b>              | <b>4,067</b>                 | <b>5,716</b>     | <b>6,929</b>     |

\* 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.

\*\* Totals must be greater than or equal to the totals in the MRI Patient Origin Table on page 30 of this application.

Note: Healthcare Planning and Certificate of Need may request CPT codes for MRI procedures if further clarification is needed.

**c. Fixed MRI Scanners**

Indicate the number of MRI scanners (units) operated during the 12-month reporting period at your facility. For hospitals that operate medical equipment at multiple sites/campuses, please copy the MRI pages and provide separate data for each site/campus. **Campus – if multiple sites:** Alamance Regional Medical Center – Main Campus

| Fixed Scanners   | Number of Units |
|--|-----------------|
| Number of fixed MRI scanners-closed, including open-bore scanners ( <i>do not include any Policy AC-3 scanners</i> ) | 2               |
| Number of fixed MRI scanners-open ( <i>do not include any Policy AC-3 scanners</i> )                                 | 0               |
| Number of Policy AC-3 MRI scanners used for general clinical purposes  | 0               |
| <b>Total Fixed MRI Scanners</b>  | <b>2</b>        |

Number of grandfathered fixed MRI scanners on this campus: 0

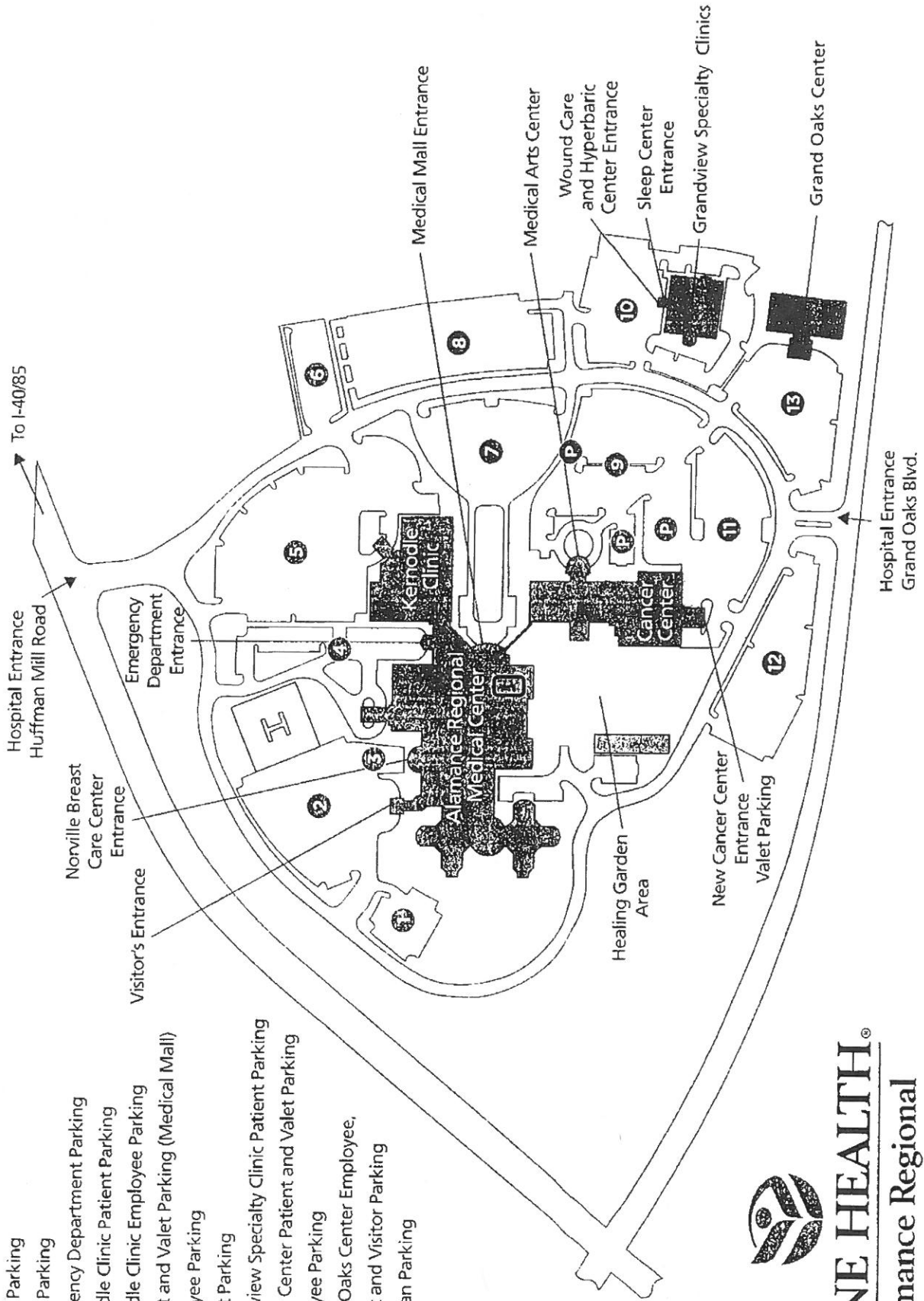
For questions, please contact Healthcare Planning and Certificate of Need at 919-855-3873.

CON Project ID numbers for all other fixed MRI scanners on this campus: G-4244-91 and G-6214-00

**Attachment 5**  
**ARMC Campus Map**

# Cone Health Alamanco Regional Campus and Parking Map

- ① Employee Parking
- ② Visitor Parking
- ③ Visitor Parking
- ④ Emergency Department Parking
- ⑤ Kernodle Clinic Patient Parking
- ⑥ Kernodle Clinic Employee Parking
- ⑦ Patient and Valet Parking (Medical Mall)
- ⑧ Employee Parking
- ⑨ Patient Parking
- ⑩ Grandview Specialty Clinic Patient Parking
- ⑪ Cancer Center Patient and Valet Parking
- ⑫ Employee Parking
- ⑬ Grand Oaks Center Employee, Patient and Visitor Parking
- Ⓟ Physician Parking



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Alamanco Regional