

ROY COOPER • Governor

KODY H. KINSLEY • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

April 21, 2022

Dorsey Tobias Dorsey.tobias@unchealth.unc.edu

Exempt from Review - Replacement Equipment

Record #: 3875

Date of Request: March 21, 2022

Facility Name: Nash General Hospital

FID #: 933368

Business Name: Nash County

Business #: 1283

Project Description: Replace CT Scanner on main campus

County: Nash

Dear Ms. Tobias:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that the above referenced project is exempt from certificate of need review in accordance with G.S. 131E-184(a)(7). Therefore, you may proceed to acquire without a certificate of need the GE Healthcare CT Scanner Model # Revolution Frontier Gen 2 ES to replace the GE Healthcare CT Scanner Model # Lightspeed 32 VCT serial # 1660YCO. 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.

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,

Gregory F. Yakaboski

Micheala Mitchell

Project Analyst

Micheala Mitchell Chief

cc: Radiation Protection Section, DHSR

Construction 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

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2460 Curtis Ellis Drive, Rocky Mount, NC 27804 252 962-8000 / www.nashu3nchealthcare.org

March 21, 2022

Via E-MAIL

Greg Yakaboski, Project Analyst, Certificate of Need N.C. Department of Health Service Regulation 809 Ruggles Drive Raleigh, NC 27603

RE: Nash UNC Health Care

Replacement of Existing CT Scanner

Seeking CON Exemption NCGS 131E-184(a)(7) Rocky Mount, NC (FID 933368; Nash County)

Dear Mr. Yakaboski,

Nash Health Care Systems (d.b.a. "Nash UNC Health Care", "Nash UNC") seeks to replace an existing CT scanner with a new Revolution Frontier Gen 2 ES CT scanner from GE Healthcare, and locate it at Nash UNC's outpatient imaging department located at 2460 Curtis Ellis Drive, Rocky Mount, NC 27804, which is part of Nash UNC's main campus. The existing scanner will be sold or disposed of when the new scanner is operational, and will not be used again in the State without first obtaining a certificate of need if one is required.

The purpose of this letter is to provide the Agency with notice and to request a determination that the purchase of the replacement CT scanner is exempt from Certificate of Need ("CON") review because it is consistent with the replacement equipment definition outlined in N.C. Gen. Stat. 131E-176(22a) which states that the replacement equipment is comparable to the equipment being replaced if it has the same technology as the equipment currently in use, although it may possess expanded capabilities due to technological improvements. Additionally, the project costs less than two million dollars and is purchased for the sole purpose of replacing comparable medical equipment currently in use which will be sold or otherwise disposed of when replaced.

Pursuant to 10A N.C.A.C.14C.0303 the proposed CT scanner meets the replacement equipment definition because:

- 1. It is comparable to the equipment currently in use. It has the same technology as the equipment currently in use, although it does possess expanded capabilities due to technological improvements.
- 2. It is functionally similar and is used for the same diagnostic or treatment purposes as the equipment currently in use and is not used to provide a new health service.
- 3. The acquisition of the proposed CT scanner will not result in more than a 10% increase in patient charges or per procedure operating expenses within the first twelve months after the replacement equipment is acquired.
- 4. The existing equipment was not purchased second-hand nor was the existing equipment leased.
- 5. The replacement equipment is not capable of performing procedures that will result in the provision of a new health service or type of procedure that has not been provided with the existing equipment.

The costs related to the replacement totals \$847,390.72. Included in the total is: \$722,997.72, the new equipment cost (\$747,997.72) less the trade-in credit for selling the current scanner to GE (\$25,000), per Attachment A – Vendor Equipment Quote; \$124,393.00, the cost of minor renovations needed to accommodate the installation of the new CT scanner, per Attachment B – Estimated Quote of Minor Renovations.

In support of our request, please find attached:

- Attachment A Vendor Equipment Quote
- Attachment B Estimated Quote of Minor Renovations
- Attachment C Equipment Comparison Chart

Nash UNC hereby requests that the Agency provide a written response confirming that the purchase of a replacement CT Scanner for the hospital space described herein does not require CON review. If the Agency needs additional information to assist in its consideration of this request, please apprise us as soon as possible. We thank you for your consideration of this request.

Sincerely,

Dorsey Tobias Executive Director, Marketing, Communications & Strategy Nash UNC Health Care

Enclosures



A Nash Medical Arts Mall

Building 200

Entrance A

Nash OB/GYN

Building 250 Entrance B

- · Nash Breast Care Center
- · Nash Sleep Disorders Center
- · UNC Ear, Nose & Throat at Nash

Building 220

Entrance CNash Surgery

- B Nash Women's Center
- Nash General Hospital
- D Mayo Surgery Pavilion
- Nash Heart Center
- F Emergency Department
- Rash Day Hospital

- H UNC Cancer Care at Nash
- Coastal Plain Hospita
- J Bryant T. Aldridge Rehabilitation Center

K Building 100

- · UNC Cardiology at Nash
- Cardiopulmonary Rehabilitation Center
- Nash Infectious Disease

L Building 101

. Nash Wound Care Center

M Building 600

- · UNC Orthopedics at Nash
- · Orthopedic Physical Therapy
- Public Parking
- Emergency Parking
- Staff Parking

