



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

JOSH STEIN • Governor

DEVPUTTA SANGVAI • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

March 10, 2025

Daina DiMarco
DDiMarco@wakemed.org

Exempt from Review – Replacement Equipment

Record #: 4727
Date of Request: March 3, 2025
Facility Name: WakeMed Raleigh Campus
FID #: 943528
Business Name: WakeMed
Business #: 2018
Project Description: Replace a CT scanner
County: Wake

Dear Daina DiMarco :

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(f). Therefore, you may proceed to acquire without a certificate of need the Siemens CT scanner to replace the existing Phillips CT scanner. 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,

Crystal Kearney
Project Analyst

Micheala Mitchell
Chief

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



WakeMed Health & Hospitals

3000 New Bern Avenue

Raleigh, North Carolina 27610

919-350-8000

Sent via electronic mail to: crystal.kearney@dhhs.nc.gov

March 3, 2025

Ms. Crystal Kearney, Project Analyst
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
2704 Mail Service Center
Raleigh, NC 27699-2704

Re: Request for Exemption from Review to Replace One Unit of Fixed CT Equipment at WakeMed Raleigh Campus

Dear Ms. Kearney:

This letter is to inform you of WakeMed's intent to replace one unit of fixed computed tomography (CT) equipment at WakeMed Raleigh Campus. WakeMed will purchase a new Seimens Pro Pulse CT scanner, allowing for faster scanning times, improved patient throughput, reduced patient exposure to radiation, enhanced image quality, and reduced maintenance costs.

The estimated total cost of the CT replacement is \$2,489,835, including \$1,325,303 for the new scanner. WakeMed will fund this project through accumulated reserves. Please see Attachment 1 for the Certified Cost Estimate, and Attachment 2 for the Equipment Comparison Chart.

The proposed equipment replacement and relocation project will not change the inventory of approved fixed CT scanners at WakeMed Raleigh Campus or in Wake County. Further, the project will not change current hospital operations. Renovations to the Imaging Services Department will be required to accommodate the new equipment but will not result in the offering of any new institutional health service.

WakeMed believes this replacement is exempt from CON review, per G.S. §131E-184(f)-(g), as described below:

- (f) The Department shall exempt from certificate of need review the purchase of any replacement equipment that exceeds the two million dollar {\$2,000,000} threshold set forth in G.S. 131E-176{22a} if all of the following conditions are met:*
- (1) The equipment being replaced is located on the main campus.*
 - (2) The Department has previously issued a certificate of need for the equipment being replaced. This subdivision does not apply if a certificate of need was not required at*

the time the equipment being replaced was initially purchased by the licensed health service facility.

- (3) The licensed health service facility proposing to purchase the replacement equipment shall provide prior written notice to the Department, along with supporting documentation to demonstrate that it meets the exemption criteria of this subsection.*
- (g) The Department shall exempt from certificate of need review any capital expenditure that exceeds the two million dollars (\$2,000,000) threshold set forth in G.S. 131E-176{16}b, if all the following conditions are met:*
 - (1) The sole purpose of the capital expenditure is to renovate, replace on the same site, or expand the entirety or a portion of an existing health service facility that is located on the main campus.*
 - (2) The capital expenditure does not result in (i) a change in bed capacity as defined in G.S. 131E-176(5) or (ii) the addition of a health service facility or any other new institutional health service other than that allowed in G.S. 131E-176{16}b.*
 - (3) The licensed health service facility proposing to incur the capital expenditure shall provide prior written notice to the Department, along with supporting documentation that it meets the exemption criteria of this subsection.*

WakeMed Raleigh Campus also meets the definition of "main campus", per G.S. §131E-176(14n), which states:

"Main campus" means all of the following for the purposes of G.S. 131E-184{f) and (g) only:

- a. The site of the main building from which a licensed health service facility provides clinical patient services and exercises financial and administrative control over the entire facility, including the buildings and grounds adjacent to that main building.*
- b. Other areas and structures that are not strictly contiguous to the main building but are located within 250 yards of the main building.*

WakeMed believes the equipment replacement project meets each of the applicable criteria set forth in G.S. §131E-184(f) and (g). The proposed project will be located at 3000 New Bern Avenue, Raleigh, 27610. Therefore, WakeMed believes the project is exempt from certificate of need review. We are requesting a ruling from your office of the same.

Thank you for your attention to this matter. If you have questions or require additional information, please contact Daina DiMarco at ddimarco@wakemed.org.

Sincerely,



Robbie Roberts
Director, Market Planning

EQUIPMENT COMPARISON

WakeMed Raleigh Campus CT4	EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type (e.g., Cardiac Catheterization, Gamma Knife®, Heart-lung bypass machine, Linear Accelerator, Lithotripter, MRI, PET, Simulator, CT Scanner, Other Major Medical Equipment)	CT scanner	CT scanner
Manufacturer	Philips	Siemens
Model number	Brilliance	Pro.Pulse
Other method of identifying the equipment (e.g., Room #, Serial Number, VIN #)	1471	CT4
Is the equipment mobile or fixed?	fixed	fixed
Date of acquisition	7/20/2007	Estimated 4/2025
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>		\$2,489,835 see attached
Total cost of the equipment		\$1,325,303 quote attached
Location of the equipment <Attach a separate sheet for mobile equipment if necessary>	Heart Center CT	CT4
Document that the existing equipment is currently in use	no	
Will the replacement equipment result in any increase in the average charge per procedure ?		yes
If so, provide the increase as a percent of the current average charge per procedure		N/A
Will the replacement equipment result in any increase in the average operating expense per procedure ?		no
If so, provide the increase as a percent of the current average operating expense per procedure		
Type of procedures performed on the existing equipment <Attach a separate sheet if necessary>	N/A	
Type of procedures the replacement equipment will perform <Attach a separate sheet if necessary>		See attached

Date of last revision: 5/17/19

WakeMed Raleigh Campus

Project Cost Estimate

<u>Program Elements/Functional Areas</u>	<u>Phase II Project Cost Estimate</u>
Land	\$ -
Building Construction	
Building Core and Shell	
Departmental Upfit	
Renovation/Installation	\$ 1,048,493
Total Departmental Upfit	\$ 1,048,493
Total Building Construction Costs	\$ 1,048,493
Site Development	
Sitework/Site Utilities	
Paving/Parking/Hardscapes	\$ -
Landscaping	\$ -
Tree Protection/Retention Pond/RCA	\$ -
Total Site Development	\$ -
Other Construction	
Other Construction Costs	\$ -
Project Fees/Related Costs	
Architectural/Engineering Fees	\$ 96,539
Other Consulting Fees	\$ -
Project Testing	\$ 3,500
Other (Permits, Fees, IAQ, DHSR)	\$ 3,500
Total Project Fees/Related Costs	\$ 103,539
Construction Contingency @ 2.5%	\$ -
Total Construction Contingency	\$ -
TOTAL Construction Costs	\$ 1,152,032
Project Related Costs	
IS/Telephone/CCTV/Security	\$ 5,000
Siemens Equipment	\$ 1,325,303
Clinical Equipment	\$ -
Furniture/Fixtures/Non Clinical Equipment	\$ 5,000
Artwork/Signage	\$ 2,500
Total Project Related Costs	\$ 1,337,803
Project Contingency	
Scope Contingency	\$ -
Project Contingency @ 2.5%	\$ -
Inflation (assumes award in December 2023)	\$ -
TOTAL PROJECT COSTS	\$ 2,489,835
Bond Financing Costs	N/A
Capitalized Interest	N/A
TOTAL PROJECT COSTS with financing costs	\$ 2,489,835