

January 5, 2021

TO: Amy Craddock, PhD

> Assistant Chief, Healthcare Planning, DHSR DHSR.SMFP.Petitions-Comments@dhhs.nc.gov

FROM: Alliance Healthcare Services Inc.

Tina Hair Hinshaw, MBA

RVP, Operations Southeast Region

805.325.3078

thinshaw@allianceradiology-us.com

RE: Comments Regarding Changes for the 2022 State Medical Facilities Plan

Alliance Healthcare Services Inc. (Alliance) will report utilization data for the period from October 1, 2019 through September 30, 2020 which reflects the downturn in MRI and PET imaging due to COVID-19. Some rebound has occurred in recent months with volumes that are still less than pre-COVID utilization.

We have not seen evidence of any "pent-up demand" for MRI and PET procedures. We note that patient behavior and physician office productivity have changed during this time which we believe will diminish demand for diagnostic imaging over an extended period of time. The future outlook remains uncertain until the overall efficacy of the vaccines can be evaluated. COVID-19 has changed healthcare delivery such that all providers must be focused on extremely diligent safety, maximized yet streamlined efficiency and improving access. Alliance advocates for updating the planning standards for MRI and PET scanners.

## **Comments Regarding MRI Scanners**

Alliance requests that the 2022 State Medical Facilities Plan include no need determinations for additional MRI scanners based on the downturn in utilization and the current outdated methodology. The Healthcare Planning staff is requested to convene an MRI workgroup to consider changes to the MRI methodology during 2021 and allow input from all interested parties. If any entity believes it has a compelling and special need for additional MRI capacity, it should have the opportunity to submit a petition for an adjusted need determination during the 2021 summer schedule of public hearings.

## **Comments Regarding PET Scanners**

The State Health Coordinating Council is requested to study changing the capacity standard for all fixed PET scanners and mobile PET scanners to both be defined at 3,600 annual procedures. The rationale for this is that all fixed and mobile PET scanners are typically not in use an average of 10 to 12 hours per day 7 days per week. This provides abundant time to relocate mobile PET scanners between hosts without diminishing patient scan time nor limiting access. The 80 percent productivity factor is advocated for both fixed and mobile PET units because the vast majority of PET scans are for outpatient procedures that are scheduled well in advance.

Even with extended cleaning times between patients, fixed and mobile PET scans can routinely provide more than 15 procedures per day. For these reasons, fixed and mobile PET scanners should have the same annual capacity standards.

This proposed new PET capacity standard is based on the experience of Alliance Healthcare Services with the following calculations:

| 50     | Minimum weeks per year         |
|--------|--------------------------------|
| 60     | Minimum hours per week         |
| 1.5    | Average Scans per hour         |
| 4,500  | Maximum annual capacity        |
| 80.00% | Productivity factor adjustment |
| 3,600  | <b>Annual PETCT Capacity</b>   |

In addition, Alliance advocates that the PET performance standards in 10A NCAC 14C .3703 should be changed to require all applicants for fixed and mobile PET to demonstrate 3,000 annual procedures per PET scanner in the third year following completion of the project. This performance standard is based on 80 percent of the 3,600 PETCT capacity as outlined above.