

## **Petition to Change the PET Scanner Service Area and Host Site Requirements in the 2015 State Medical Facilities Plan**

### **Petitioner:**

Alliance Healthcare Services  
1233 Front Street, Suite A  
Raleigh, NC 27612

### **Contact:**

David French  
P.O. Box 2154  
Reidsville, NC 27323  
336 349-6250  
[Djrench45@gmail.com](mailto:Djrench45@gmail.com)

### **Statement of the Proposed Changes**

Alliance Healthcare Services requests that Positron Emission Tomography basic policies and methodology be changed with the service area definition of a mobile PET scanner to be the entire State of North Carolina and the definition of a mobile PET host site to include existing oncology treatment centers with one or more linear accelerators, existing or proposed Independent Diagnostic Testing Facility (IDTF) and existing or proposed licensed acute care hospitals.

Except for existing oncology treatment centers with linear accelerators, proposed new mobile PET host sites, including hospital and IDTFs, are required to provide the names and locations of providers where patients have access to all of the following services:

- (A) nuclear medicine imaging
- (B) single photon emission computed tomography ( including brain, bone, liver, gallium and thallium stress)
- (C) magnetic resonance imaging scans
- (D) computerized tomography scans
- (E) cardiac angiography
- (F) cardiac ultrasound
- (G) neuroangiography
- (H) radiation oncology
- (I) medical oncology
- (J) surgical oncology

### **Reasons for the Proposed Changes**

Current service area definitions for mobile PET scanners divide the state in half and prevent existing scanners from providing cross coverage of host sites. With the proposed change, mobile PET routes could be adjusted to redistribute workload and adjust schedules to improve service levels to hospitals. The requested change will not increase costs to the host sites or result in increased patient charges. Over time, the change in the service area would improve operating efficiencies and hold down costs.

In addition to acute care hospitals, mobile PET/CT scanners should be permitted to serve existing oncology treatment centers with linear accelerators and Independent Diagnostic Testing Facilities (IDTFs) because these types of facilities provide patient access to diagnostic procedures at lower charges. The availability of PET/CT scans at treatment centers and IDTFs could save patients thousands of dollars. More patients now have higher deductible insurance policies than in years past. According to a 2013 report by The Advisory Board Company, 41 percent of large employers offer high deductible health insurance. Patients with these types of high deductibles would prefer to have access to PET/CT scans at the lower charges in non-hospital settings.

Other states with CON regulations, including Mississippi, Connecticut, and Virginia, allow CON regulated PET/CT scanners to operate at non-hospital sites including the IDTFs. These states recognize that IDTFs must meet all of the performance standards defined by the Centers for Medicare and Medicaid Services. These requirements for PET/CT supervision require on-site qualified physicians with specialized training in PET and CT scans and must be Board Certified (ABMS) in Nuclear Medicine or Radiology.

As seen in the 2014 State Medical Facilities Plan, North Carolina has numerous freestanding oncology treatment centers with linear accelerators. These facility locations have already established referral relationships where their patients have access to a broad array of oncology diagnostic and treatment services; these oncology centers could also provide mobile PET/CT so that patients could have greater access to a continuum of services.

### **Adverse Effects on the Providers or Consumers of Health Services if the Requested Changes are Not Made**

Without the requested changes, the adverse effects on providers and patients are continued service limitations because the availability of mobile PET/CT scanners is restricted by the current eastern and western service area definition and the narrow definition of host sites. This year, or in future years, it is quite possible that one or more of the highest volume mobile host sites will petition for an adjusted need determination for a fixed scanner. Assuming this would result in an additional fixed PET/CT, there will be an opportunity to increase the availability of the existing mobile PET service to the other host sites. However, with the current service area definitions, the existing mobile PET scanners would not have the capability to provide cross coverage to rebalance the host site schedules and workload.

### **Alternatives to the Proposed Change that Were Considered and Found Not Feasible**

Alliance Healthcare Services previously submitted a declaratory ruling request to allow the two mobile PET scanners to provide cross coverage. However, this request was denied because the current service area definition that divides the state into the eastern mobile PET and western mobile PET regions is established by the State Medical Facilities Plan.

Previous proposals for additional mobile PET scanners have been submitted and denied because the majority of fixed PET/CT scanners in North Carolina are underutilized. PET utilization has not increased to the point where it is possible to demonstrate that an additional mobile PET is needed. Alliance Healthcare Services opposes the addition of another mobile PET scanner in North Carolina as this would only redistribute utilization and diminish volume at one of more of the fixed PET scanners.

## **Evidence That the Proposed Change Would Not Result in Unnecessary Duplication of Health Resources in the Area**

The requested changes would not increase the inventory of PET scanners in North Carolina. Additional PET host sites can only be added when it is permitted by a declaratory ruling. No changes to the inventory or availability of fixed PET scanners are proposed. Therefore the requested changes to the service area definition and host site requirements would not result in unnecessary duplication of health resources in North Carolina.

## **Evidence That the Requested Changes are Consistent with the Three Basic Principles of the State Medical Facilities Plan: Safety and Quality, Access, and Value.**

### **Safety and Quality**

The requested changes to the service area definition and the host site requirements support the continued operation of mobile PET scanners in accordance with the radioactive material licenses, physician supervision requirements, accreditation standards, staff licensure and training requirements. Patient safety and quality will remain priority principles for operating mobile PET service.

Oncology treatment centers with linear accelerators and Independent Diagnostic Treatment Facilities have to meet stringent safety and quality standards. These locations can be appropriate PET host sites in North Carolina.

### **Access**

Patient access to mobile PET will be enhanced by implementing the proposed changes. The eastern and western service area boundaries were useful only when the initial need determinations were promulgated for mobile PET. Now these boundaries restrict the capability of mobile PET scanners to improve scheduling and routing. Once the service area is changed to the entire state, the mobile PET scanners can adjust host site routes and schedules to be more accommodating to the host sites.

Expanding the host site requirements to include non-hospital settings is consistent with the trend of moving healthcare services to the lower cost settings. Patients deserve access to healthcare that is affordable.

### **Value**

This petition requests changes to improve the delivery of mobile PET services through better use of existing resources. Over the years, Alliance Healthcare Services has implemented mobile PET service throughout North Carolina and supported the development of many facilities that transitioned to fixed PET. The current inventory of mobile PET and fixed PET scanners represents a tremendous investment in technology that can be better utilized with approval of the requested changes.

## **Summary**

For all of the reasons stated above, Alliance Healthcare Services requests the State Health Coordinating Council to make the requested changes to the mobile PET service area definition and host site requirements. Alliance appreciates the opportunity to present this petition and thanks the Technology Committee, the SHCC and Medical Facilities Planning staff in advance for their thoughtful consideration of this information.