



Comment in Support of Policy TE-4 in the *Proposed 2021 SMFP*

COMMENTER

Carolina Neurosurgery & Spine Associates
225 Baldwin Avenue
Charlotte, North Carolina 28204

Mary Cloninger
Chief Executive Officer
(704) 831-3100
Mary.Cloninger@CNSA.com

Carolina Neurosurgery & Spine Associates (CNSA) appreciates the opportunity to comment on the new policy included in the *Proposed 2021 State Medical Facilities Plan (SMFP)*. While CNSA's petition filed this past spring to add a similar policy was denied in favor of the current version of proposed Policy TE-4, **CNSA strongly supports the policy and believes that, as written, it appropriately addresses the issues raised in its petition** as well as issues raised by another petitioner regarding vendor-owned fixed MRI scanners.

While we understand that some providers, particularly the existing mobile vendor with the largest inventory of "grandfathered" MRI scanners, are opposed to this new policy, we believe that it is consistent with similar policies adopted by the State Health Coordinating Council (SHCC) that have also been effective at allowing providers to address unique needs that the standard methodologies do not. Of note, since the adoption of Policies TE-1, TE-2 and TE-3, few CON applications have been submitted under these policies¹, indicating that while they may be helpful for a few specific situations, they have not resulted in the "disastrous implications" that those opposing this policy seem to believe would occur. We believe this is evidence that the policies are working appropriately and suggests that Policy TE-4 would likely function similarly.

Further, we believe that Policy TE-4 is consistent with the three basic principles: safety and quality, access, and value, a fact which also speaks to its appropriateness. For CNSA, a practice with significant MRI volume that requires multiple MRI scanners, the ability to own a highly utilized scanner rather than contract with a vendor will provide more direct control and oversight over the MRI staff and ensure the highest quality and safety standards through training specific to the neurosurgery and spine-related images required for effective patient care. From an access perspective, ownership of its own scanner, rather than reliance on a mobile vendor for an MRI scanner that serves only CNSA sites, will ensure that patients have ongoing access to the best technology, without the limitations required by a third party contractor. Finally, the policy would enhance value, by lowering the cost of providing the service, which is always an important factor, and has become even more so with the evolution of reimbursement models, such as Medicare

¹ Specifically, one application was submitted under Policy TE-1 and one under Policy TE-2; three applications were submitted under Policy TE-3.

Comment: Policy TE-4 in *Proposed 2021 SMFP*
Carolina Neurosurgery & Spine Associates
Page 2 of 2

Advantage and North Carolina Medicaid Managed Care. These Basic Principles should guide the SHCC's decisions, not the hyperbolic rhetoric of a single vendor that controls a substantial portion of the grandfathered MRI inventory in the state.

While we will reserve specific comments pending the review of any comments or petitions filed on this policy, it should be noted that we have enjoyed a long-term relationship with Alliance Imaging and appreciate its role in providing imaging services to numerous sites across the state. We strongly support the approval of Policy TE-4 in the *2021 SMFP*, however, which we believe would allow the opportunity for a few providers, like CNSA, to apply for a Certificate of Need based on their high utilization. It would not prevent Alliance Imaging or other vendors from continuing to serve dozens of sites across the state, particularly those who do not have the volume to support their own scanner.

CNSA appreciates the SHCC's adoption of Policy TE-4 in the *Proposed 2021 SMFP* and believes it should remain in the final *2021 SMFP*. Please let us know if we can assist the Council, its committees, and the staff during the process.

Thank you.