

ATTACHMENT - REQUIRED STATE AGENCY FINDINGS

FINDINGS

C = Conforming

CA = Conditional

NC = Nonconforming

NA = Not Applicable

Decision Date: July 17, 2019

Findings Date: July 17, 2019

Project Analyst: Mike McKillip

Assistant Chief: Lisa Pittman

Project ID #: J-11690-19

Facility: Duke Health Holly Springs

FID #: 180516

County: Wake

Applicant: Private Diagnostic Clinic, PLLC

Project: Change of scope for Project I.D. # J-11616-18 (Develop a new diagnostic center) to add equipment

REVIEW CRITERIA FOR NEW INSTITUTIONAL HEALTH SERVICES

N.C. Gen. Stat. §131E-183(a) The Agency shall review all applications utilizing the criteria outlined in this subsection and shall determine that an application is either consistent with or not in conflict with these criteria before a certificate of need for the proposed project shall be issued.

- (1) The proposed project shall be consistent with applicable policies and need determinations in the State Medical Facilities Plan, the need determination of which constitutes a determinative limitation on the provision of any health service, health service facility, health service facility beds, dialysis stations, operating rooms, or home health offices that may be approved.

NA

Private Diagnostic Clinic, PLLC (PDC) proposes a change of scope (COS) to a previously approved project, Project I.D. # J-11616-18 (develop a new diagnostic center) to add three additional units of equipment. Specifically, the applicant proposes to acquire one ultrasound, one hysteroscope and one colposcope and locate the equipment at the new diagnostic center, Duke Health Holly Springs (DHHS).

The proposed project does not involve the addition of any new health service facility beds, services or equipment for which there is a need determination in the 2019 State Medical Facilities Plan (2019 SMFP). Also, there are no policies in the 2019 SMFP applicable to this review. Therefore, Criterion (1) is not applicable to this review.

- (2) Repealed effective July 1, 1987.
- (3) The applicant shall identify the population to be served by the proposed project, and shall demonstrate the need that this population has for the services proposed, and the extent to which all residents of the area, and, in particular, low income persons, racial and ethnic minorities, women, handicapped persons, the elderly, and other underserved groups are likely to have access to the services proposed.

C

Private Diagnostic Clinic, PLLC (PDC) proposes a change of scope (COS) to a previously approved project, Project I.D. # J-11616-18 (develop a new diagnostic center) to add three additional units of equipment. Specifically, the applicant proposes to acquire one ultrasound, one hysteroscope and one colposcope and locate the equipment at the new diagnostic center, Duke Health Holly Springs (DHHS). In Section C.13, page 32, the applicant describes the project as follows:

“The proposed project involves a change of scope to the recently approved CON Project I.D. # J-11616-18. The change in the project scope will result in a cost overrun. ... The differences in service components proposed in this application as compared to the service components in the previously approved application include acquisition of the following medical equipment:

- *Ultrasound (1)*
- *Hysteroscope (1)*
- *Colposcope (1)*

PDC intends to develop a new OB/GYN clinic (Duke Women’s Health Holly Springs) at DHHS. The proposed medical diagnostic equipment is needed to support the new specialty clinic.”

Patient Origin

N.C. Gen. Stat. §131E-176(24a) states, “Service area means the area of the State, as defined in the State Medical Facilities Plan or in rules adopted by the Department, which receives services from a health service facility.” The 2019 SMFP does not define a service area for diagnostic centers nor are there any applicable rules adopted by the Department that define the service area for diagnostic centers. Thus, the service area in this review is as defined by the applicant. Facilities may also serve residents not included in their service area. In Section C.3, page 19, the applicant provides the projected patient origin for the proposed diagnostic center in the first three operating years (CY2020-CY2022), as shown in the table below.

Projected Patient Origin for DHHS

County	Percent of Total
Wake	61.7%
Durham	16.7%
Chatham	5.0%
Lee	5.0%
Harnett	5.0%
Other	6.6%
Total*	100.0%

Source: Table on page 19 of the application.

*Totals may not foot due to rounding.

In Section C.3, page 23, the applicants state, “PDC does not project any change in patient origin for the diagnostic modalities included in the previously approved DHHS diagnostic center.” The applicant’s assumptions are reasonable and adequately supported.

Analysis of Need

In Section C.4, pages 20-23, the applicant explains why it believes the population projected to utilize the proposed diagnostic equipment included in the COS application needs the proposed services, including:

- The proposed diagnostic equipment is essential to the evaluation and diagnosis of obstetric/gynecologic conditions and diseases, and represents the basic equipment necessary to operate a physician clinic such as Duke Women’s Health Holly Springs (pages 20-21).
- The availability of office-based diagnostic services is cost-effective in comparison to hospital-based services (pages 21-22).
- The projected population growth in the service area, which indicates the female population of Wake County will grow at annual rate of 2.2 percent from 2019 to 2022 (pages 22-23).

The information provided by the applicant in the pages referenced above is reasonable and adequately supported for the following reasons:

- The applicant’s assumptions are based on its historical experience operating similar services in Brier Creek and Wake Forest.
- The applicant provides information regarding the current and projected population by county for its proposed service area from the North Carolina Office of State Budget and Management (NCOSBM).

Projected Utilization

In Section Q, Form C, the applicant provides projected utilization for the additional diagnostic equipment proposed in this COS application through the first three full operating years of the proposed project (CY2020-CY2022) as summarized in the following table.

Additional (COS) Diagnostic Equipment Utilization			
YEAR	Ultrasound	Colposcope	Hysteroscope
CY2020 Year 1	548	95	40
CY2021 Year 2	617	107	45
CY2022 Year 3	685	119	50

Source: Form C, Section Q of the application.

The applicant provides its assumptions and methodology for projecting utilization for its proposed services in Section Q, Form C, pages 83-88, which is summarized as follows:

Ultrasound

On page 83 of the application, the applicant states that it determined a “*yield rate*” of 228 ultrasound procedures per physician is consistent with the ultrasound utilization experience of other similar PDC clinics. The applicant also assumed an initial three-year ramp up period. The applicant’s ultrasound utilization projections are summarized in the following table.

Projected Ultrasound Utilization, CY2020-CY2022

		CY2020	CY2021	CY2022
A	Units of equipment	1	1	1
B	Number of physicians	3	3	3
C	Yield Rate: Procedures/Physician	228	228	228
D	Ramp Up	80%	90%	100%
= B x C x D	Total Projected Procedures	548	617	685

Source: Section Q, page 84

Colposcope

On pages 84-85 of the application, the applicant states that it determined a “*yield rate*” of 40 colposcope procedures per physician is consistent with the colposcope utilization experience of other similar PDC clinics. The applicant also assumed an initial three-year ramp up period. The applicant’s colposcope utilization projections are summarized in the following table.

Projected Colposcope Utilization, CY2020-CY2022

		CY2020	CY2021	CY2022
A	Units of equipment	1	1	1
B	Number of physicians	3	3	3
C	Yield Rate: Procedures/Physician	40	40	40
D	Ramp Up	80%	90%	100%
= B x C x D	Total Projected Procedures	95	107	119

Source: Section Q, page 86

Hysteroscope

On pages 86-87 of the application, the applicant states that it determined a “yield rate” of 17 hysteroscope procedures per physician is consistent with the hysteroscope utilization experience of other similar PDC clinics. The applicant also assumed an initial three-year ramp up period. The applicant’s hysteroscope utilization projections are summarized in the following table.

Projected Hysteroscope Utilization, CY2020-CY2022

		CY2020	CY2021	CY2022
A	Units of equipment	1	1	1
B	Number of physicians	3	3	3
C	Yield Rate: Procedures/Physician	17	17	17
D	Ramp Up	80%	90%	100%
= B x C x D	Total Projected Procedures	40	45	50

Source: Section Q, page 88

Projected utilization is reasonable and adequately supported for the following reasons:

- The applicant’s utilization projections are supported by the historical utilization experience of existing equipment at similar clinics already operated by the applicant.
- The applicant provides letters from physicians expressing support for the proposed project and their intention to refer patients to the proposed equipment at DHHS in Exhibit 5 of the application.

Access

In Section C.11, page 29, the applicant states PDC will continue to provide services to all patients regardless of income, racial/ethnic origin, gender, physical or mental condition, age, ability to pay, or any other factor. In Section L.6, page 71, the applicant projects the following payor mix for PDC’s obstetric/gynecologic services during the second year of operation (CY2021) following completion of the project, as shown in the following table.

Payment Source	OB/GYN Services Percent of Total Procedures
Self Pay/Charity Care	0.15%
Medicare	5.60%
Medicaid	0.60%
Insurance	92.07%
Other Government	1.58%
Total*	100.00%

Source: Table on page 71 of the application.

*Totals may not foot due to rounding.

The projected payor mix is reasonable and adequately supported.

Conclusion

The Agency reviewed the:

- Application
- Exhibits to the application

Based on that review, the Agency concludes that the application is conforming to this criterion for the following reasons:

- The applicant adequately identifies the population to be served.
- The applicant adequately explains why the population to be served needs the services proposed in this application.
- Projected utilization is reasonable and adequately supported.
- The applicant projects the extent to which all residents, including underserved groups, will have access to the proposed services (payor mix) and adequately supports its assumptions.

- (3a) In the case of a reduction or elimination of a service, including the relocation of a facility or a service, the applicant shall demonstrate that the needs of the population presently served will be met adequately by the proposed relocation or by alternative arrangements, and the effect of the reduction, elimination or relocation of the service on the ability of low income persons, racial and ethnic minorities, women, handicapped persons, and other underserved groups and the elderly to obtain needed health care.

NA

The applicant does not propose the reduction or elimination of a service. Therefore, Criterion (3a) is not applicable to this review

- (4) Where alternative methods of meeting the needs for the proposed project exist, the applicant shall demonstrate that the least costly or most effective alternative has been proposed.

CA

PDC proposes a change of scope (COS) to a previously approved project, Project I.D. # J-11616-18 (develop a new diagnostic center) to add three additional units of equipment. Specifically, the applicant proposes to acquire one ultrasound, one hysteroscope and one colposcope and locate the equipment at the new diagnostic center, Duke Health Holly Springs (DHHS).

In Section E.2, pages 42-43, the applicant describes the alternatives it considered and explains why each alternative is either more costly or less effective than the alternative proposed in this application to meet the need. The alternatives considered were:

- Maintain the status quo – The applicant states this was not an effective alternative due to the fact that the proposed equipment is necessary to provide high-quality, cost-effective outpatient specialty services.
- Develop the diagnostic center in another location – The applicant states this was not an effective alternative because locating the diagnostic center in close proximity to the Duke Health Women’s Clinic represents the most cost-effective alternative in terms of resource-sharing.

The applicant adequately demonstrates that the alternative proposed in this application is the most effective alternative to meet the need for the following reasons:

- The application is conforming to all statutory review criteria.
- The alternative will meet the need for additional diagnostic equipment to meet the needs of the OB/GYN clinic.
- The alternative is more cost-effective and convenient for patients and medical staff.

Conclusion

The Agency reviewed the:

- Application
- Exhibits to the application

Based on that review, the Agency concludes that the application is conforming to this criterion for the reasons stated above. Therefore, the application is approved subject to the following conditions:

- 1. Private Diagnostic Clinic, PLLC shall materially comply with all representations made in the certificate of need application.**
- 2. Private Diagnostic Clinic, PLLC shall acquire no more than one unit of ultrasound equipment, one unit of colposcope equipment and one unit of hysteroscope equipment.**
- 3. Private Diagnostic Clinic, PLLC as part of this project, shall not acquire any equipment that is not included in the project’s proposed capital expenditures in Section Q of the application and that would otherwise require a certificate of need.**
- 4. No later than three months after the last day of each of the first three full years of operation following initiation of the services authorized by this certificate of need, Private Diagnostic Clinic, PLLC shall submit, on the form provided by the Healthcare Planning and Certificate of Need Section, an annual report containing the:**
 - a. Payor mix for the services authorized in this certificate of need.**
 - b. Utilization of the services authorized in this certificate of need.**

- c. Revenues and operating costs for the services authorized in this certificate of need.
- d. Average gross revenue per unit of service.
- e. Average net revenue per unit of service.
- f. Average operating cost per unit of service.

5. Private Diagnostic Clinic, PLLC shall acknowledge acceptance of and agree to comply with all conditions stated herein to the Agency in writing prior to insurance of the certificate of need.

- (5) Financial and operational projections for the project shall demonstrate the availability of funds for capital and operating needs as well as the immediate and long-term financial feasibility of the proposal, based upon reasonable projections of the costs of and charges for providing health services by the person proposing the service.

C

PDC proposes a change of scope (COS) to a previously approved project, Project I.D. # J-11616-18 (develop a new diagnostic center) to add three additional units of equipment. Specifically, the applicant proposes to acquire one ultrasound, one hysteroscope and one colposcope and locate the equipment at the new diagnostic center, Duke Health Holly Springs (DHHS).

Capital and Working Capital Costs

In Section Q, Form F.1b, the applicant projects the total capital cost of this COS project as shown in the table below.

	Original Costs (Project ID # J-11616-18)	Additional Costs for COS Equipment	Total
Construction	\$536,000	\$75,000	\$611,000
Medical Equipment	\$1,311,746	\$138,679	\$1,450,425
Miscellaneous Costs	\$55,000	\$76,000	\$131,000
Total	\$1,902,746	\$289,679	\$2,192,425

In Section Q, the applicant provides the assumptions used to project the capital cost.

In Section Q, the applicant projects \$50,778 in total start-up costs and \$63,326 in initial operating expense for total working capital of \$114,104, which is \$24,104 more than the \$90,000 in working capital projected by the applicant in the previously approved project, Project I.D. # J-11616-18.

Availability of Funds

In Section F, page 49, the applicant states that the capital cost will be funded as shown in the table below.

Sources of Capital Cost Financing

Type	Private Diagnostic Clinic, PLLC	Total
Loans	\$ 0	\$0
Accumulated reserves or OE *	\$76,000	\$76,000
Bonds	\$0	\$0
Other (Equipment Leases)	\$138,679	\$138,679
Other (Facility Lease)	\$75,000	\$75,000
Total Financing	\$289,679	\$289,679

* OE = Owner's Equity

Exhibit 7 contains a letter dated April 4, 2019 from the Chief Financial Officer for Private Diagnostic Clinic, PLLC documenting its intention to provide accumulated reserves for the capital and working capital needs of the proposed project. Exhibit 7 also contains a letter dated April 5, 2019 from a Senior Vice President for First Citizens Bank stating that PDC has sufficient funds in its account to fund the capital and working capital needs of the proposed project.

Financial Feasibility

The applicant provided pro forma financial statements for DHHS for the first three full fiscal years of operation following completion of the project. In Form F.3, the applicant projects that revenues will exceed operating expenses in the first three operating years of the project, as shown in the table below.

Duke Health Holly Springs

	1 st Fiscal Year	2 nd Fiscal Year	3 rd Fiscal Year
Total Gross Revenues (Charges)	\$3,361,027	\$3,887,414	\$4,442,391
Total Net Revenue	\$1,403,655	\$1,624,520	\$1,857,467
Total Operating Expenses (Costs)	\$1,402,426	\$1,466,144	\$1,532,629
Net Income	\$1,229	\$158,377	\$324,838

The assumptions used by the applicant in preparation of the pro forma financial statements are reasonable, including projected utilization, costs and charges. See Section Q of the application for the assumptions used regarding costs and charges. The discussion regarding projected utilization found in Criterion (3) is incorporated herein by reference.

Conclusion

The Agency reviewed the:

- Application
- Exhibits to the application

Based on that review, the Agency concludes that the application is conforming to this criterion for the following reasons:

- The applicant adequately demonstrates that the capital and working capital costs are based on reasonable and adequately supported assumptions.
 - The applicant adequately demonstrates availability of sufficient funds for the capital and working capital needs of the proposal.
 - The applicant adequately demonstrates sufficient funds for the operating needs of the proposal and that the financial feasibility of the proposal is based upon reasonable projections of costs and charges.
- (6) The applicant shall demonstrate that the proposed project will not result in unnecessary duplication of existing or approved health service capabilities or facilities.

C

Private Diagnostic Clinic, PLLC (PDC) proposes a change of scope (COS) to a previously approved project, Project I.D. # J-11616-18 (develop a new diagnostic center) to add three additional units of equipment. Specifically, the applicant proposes to acquire one ultrasound, one hysteroscope and one colposcope and locate the equipment at the new diagnostic center, Duke Health Holly Springs (DHHS).

N.C. Gen. Stat. §131E-176(24a) states, “*Service area means the area of the State, as defined in the State Medical Facilities Plan or in rules adopted by the Department, which receives services from a health service facility.*” The 2019 SMFP does not define a service area for diagnostic centers nor are there any applicable rules adopted by the Department that define the service area for diagnostic centers. Thus, the service area in this review is as defined by the applicant. Facilities may also serve residents not included in their service area.

In Section G.3, page 54, the applicant explains why it believes its proposal would not result in the unnecessary duplication of existing or approved diagnostic services in the service area. The applicant states:

“PDC’s change in project scope will not result in unnecessary duplication of existing or approved health service capabilities.... The identified need is internal to PDC, as it involves a PDC specialty clinic and the medical diagnostic equipment necessary to support it. No other provider can or should provide for the internal clinic diagnostic needs at PDC. ... The proposed OB/GYN clinic and associated diagnostic equipment is needed by the obstetric-gynecologic providers who will practice at Duke Health Holly Springs, to aid them in diagnosing their patients’ illnesses or conditions.”

The applicant adequately demonstrates that the proposal would not result in an unnecessary duplication of existing or approved services in the service area because the applicant adequately demonstrates that the proposed diagnostic equipment is needed in addition to the existing or approved services.

Conclusion

The Agency reviewed the:

- Application
- Exhibits to the application

Based on that review, the Agency concludes that the application is conforming to this criterion for the reasons stated above.

- (7) The applicant shall show evidence of the availability of resources, including health manpower and management personnel, for the provision of the services proposed to be provided.

C

In Project I.D. #J-11616-18, the applicant was found conforming to this Criterion. The applicant proposes no changes in the current COS application that would affect that determination.

- (8) The applicant shall demonstrate that the provider of the proposed services will make available, or otherwise make arrangements for, the provision of the necessary ancillary and support services. The applicant shall also demonstrate that the proposed service will be coordinated with the existing health care system.

C

In Project I.D. #J-11616-18, the applicant was found conforming to this Criterion. The applicant proposes no changes in the current COS application that would affect that determination.

- (9) An applicant proposing to provide a substantial portion of the project's services to individuals not residing in the health service area in which the project is located, or in adjacent health service areas, shall document the special needs and circumstances that warrant service to these individuals.

NA

The applicant does not project to provide the proposed services to a substantial number of persons residing in Health Service Areas (HSAs) that are not adjacent to HSA IV where the services will be offered. Furthermore, the applicant does not project to provide the proposed services to a substantial number of persons residing in other states that are not adjacent to the North Carolina county in which the services will be offered. Therefore, Criterion (9) is not applicable to this review.

- (10) When applicable, the applicant shall show that the special needs of health maintenance organizations will be fulfilled by the project. Specifically, the applicant shall show that the project accommodates: (a) The needs of enrolled members and reasonably anticipated new

members of the HMO for the health service to be provided by the organization; and (b) The availability of new health services from non-HMO providers or other HMOs in a reasonable and cost-effective manner which is consistent with the basic method of operation of the HMO. In assessing the availability of these health services from these providers, the applicant shall consider only whether the services from these providers:

- (i) would be available under a contract of at least 5 years duration;
- (ii) would be available and conveniently accessible through physicians and other health professionals associated with the HMO;
- (iii) would cost no more than if the services were provided by the HMO; and
- (iv) would be available in a manner which is administratively feasible to the HMO.

NA

(11) The applicant is not an HMO. Therefore, Criterion (10) is not applicable to this review. Repealed effective July 1, 1987.

(12) Applications involving construction shall demonstrate that the cost, design, and means of construction proposed represent the most reasonable alternative, and that the construction project will not unduly increase the costs of providing health services by the person proposing the construction project or the costs and charges to the public of providing health services by other persons, and that applicable energy saving features have been incorporated into the construction plans.

C

In Project I.D. # J-11616-18, the application was found conforming to this criterion. In Section K, the applicant states that there were no changes proposed in this COS application except an updated line drawing to show the addition of the OB/GYN clinic at DHHS and the addition of 363 square feet of upfitted space to accommodate the additional diagnostic equipment. Line drawings are provided in Exhibit 6.

(13) The applicant shall demonstrate the contribution of the proposed service in meeting the health-related needs of the elderly and of members of medically underserved groups, such as medically indigent or low income persons, Medicaid and Medicare recipients, racial and ethnic minorities, women, and handicapped persons, which have traditionally experienced difficulties in obtaining equal access to the proposed services, particularly those needs identified in the State Health Plan as deserving of priority. For the purpose of determining the extent to which the proposed service will be accessible, the applicant shall show:

- (a) The extent to which medically underserved populations currently use the applicant's existing services in comparison to the percentage of the population in the applicant's service area which is medically underserved;

C

In Project I.D. #J-11616-18, the applicant was found conforming to this Criterion. The applicant proposes no changes in the current COS application that would affect that determination.

- (b) Its past performance in meeting its obligation, if any, under any applicable regulations requiring provision of uncompensated care, community service, or access by minorities and handicapped persons to programs receiving federal assistance, including the existence of any civil rights access complaints against the applicant;

C

In Project I.D. #J-11616-18, the applicant was found conforming to this Criterion. The applicant proposes no changes in the current COS application that would affect that determination.

- (c) That the elderly and the medically underserved groups identified in this subdivision will be served by the applicant's proposed services and the extent to which each of these groups is expected to utilize the proposed services; and

C

In Section L.6, page 71, the applicant projects the following payor mix for PDC's obstetric/gynecologic services during the second year of operation (CY2021) following completion of the project, as shown in the following table.

Payment Source	OB/GYN Services Percent of Total Procedures
Self Pay/Charity Care	0.15%
Medicare	5.60%
Medicaid	0.60%
Insurance	92.07%
Other Government	1.58%
Total*	100.00%

Source: Table on page 71 of the application.
*Totals may not foot due to rounding.

In Section L.6, page 71, the applicant provides the assumptions and methodology used to project payor mix in the second full fiscal year of operation following completion of the project. The projected payor mix is reasonable and adequately supported because it is based on the applicant's historical experience at PDC clinics in Wake Forest and Brier Creek.

The Agency reviewed the:

- Application
- Exhibits to the application

Based on that review, the Agency concludes that the application is conforming to this criterion.

- (d) That the applicant offers a range of means by which a person will have access to its services. Examples of a range of means are outpatient services, admission by house staff, and admission by personal physicians.

C

In Project I.D. #J-11616-18, the applicant was found conforming to this Criterion. The applicant proposes no changes in the current COS application that would affect that determination.

- (14) The applicant shall demonstrate that the proposed health services accommodate the clinical needs of health professional training programs in the area, as applicable.

C

In Project I.D. #J-11616-18, the applicant was found conforming to this Criterion. The applicant proposes no changes in the current COS application that would affect that determination.

- (15) Repealed effective July 1, 1987.
- (16) Repealed effective July 1, 1987.
- (17) Repealed effective July 1, 1987.
- (18) Repealed effective July 1, 1987.
- (18a) The applicant shall demonstrate the expected effects of the proposed services on competition in the proposed service area, including how any enhanced competition will have a positive impact upon the cost effectiveness, quality, and access to the services proposed; and in the case of applications for services where competition between providers will not have a favorable impact on cost-effectiveness, quality, and access to the services proposed, the applicant shall demonstrate that its application is for a service on which competition will not have a favorable impact.

C

In Project I.D. #J-11616-18, the applicant was found conforming to this Criterion. The applicant proposes no changes in the current COS application that would affect that determination.

- (19) Repealed effective July 1, 1987.
- (20) An applicant already involved in the provision of health services shall provide evidence that quality care has been provided in the past.

C

In Section O.3, pages 77-78, the applicant identifies the diagnostic centers located in Wake and Durham counties in North Carolina owned, operated or managed by the applicant or a related entity. The applicant identifies a total of five operational facilities and one approved facility of this type. On page 78 the applicant states,

“PDC has never had its Medicare or Medicaid provider agreement terminated. PDC’s operational diagnostic centers have provided quality care and operated in compliance with Medicare Conditions of Participation during the 18 months immediately preceding submission of the application. Diagnostic centers are not licensed facilities, therefore, there are no Division of Health Service Regulation licensure requirements.”

After reviewing and considering information provided by the applicant regarding the quality of care provided at all five facilities, the applicant provided sufficient evidence that quality care has been provided in the past. Therefore, the application is conforming to this criterion.

- (21) Repealed effective July 1, 1987.
- (b) The Department is authorized to adopt rules for the review of particular types of applications that will be used in addition to those criteria outlined in subsection (a) of this section and may vary according to the purpose for which a particular review is being conducted or the type of health service reviewed. No such rule adopted by the Department shall require an academic medical center teaching hospital, as defined by the State Medical Facilities Plan, to demonstrate that any facility or service at another hospital is being appropriately utilized in order for that academic medical center teaching hospital to be approved for the issuance of a certificate of need to develop any similar facility or service.

NA

PDC proposes a change of scope (COS) to a previously approved project, Project I.D. # J-11616-18 (develop a new diagnostic center) to add three additional units of equipment. Specifically, the applicant proposes to acquire one ultrasound, one hysteroscope and one colposcope and locate the equipment at the new diagnostic center, Duke Health Holly Springs (DHHS). There are no administrative rules that are applicable to this proposed COS project.