

North Carolina Department of Health and Human Services Division of Health Service Regulation Certificate of Need Section

2704 Mail Service Center • Raleigh, North Carolina 27699-2704 http://www.ncdhhs.gov/dhsr/

Drexdal Pratt, Director

Beverly Eaves Perdue, Governor Albert A. Delia, Acting Secretary May 31, 2012 Craig R. Smith, Section Chief Phone: (919) 855-3873 Fax: (919) 733-8139

Catharine W. Cummer, Regulatory Counsel Duke University Health System 3100 Tower Boulevard, Box 3229 Durham, NC 27707

RE:

No Review /Duke University Health System d/b/a Duke University Hospital/Relocation of existing MRI scanner on the hospital's campus from Lenox Baker Hospital to the Duke Medical Plaza / Durham County

FID # 943138

Dear Ms. Cummer:

The Certificate of Need (CON) Section received your letter of April 27, 2012 regarding the above referenced proposal. Based on the CON law in effect on the date of this response to your request, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

It should be noted that this determination is binding only for the facts represented by you. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by the Certificate of Need Section. Changes in a project include, but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate; (3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.

In addition, you should contact the Construction Section to determine if they have any requirements for development of the proposed project. Please contact the CON Section if you have any questions.

Michael J. McKillip

Project Analyst

Craig K. Smith Craig R. Smith, Chief Certificate of Need Section

Medical Facilities Planning Section, DHSR

Construction Section, DHSR



cc:



Catharine W. Cummer Regulatory Counsel, Strategic Planning

April 27, 2011

Via Electronic Mail

Michael J. McKillip, Project Analyst Certificate of Need Section Division of Health Service Regulation 2704 Mail Service Center Raleigh, NC 27699-2704

Re: Construction Project at Duke University Hospital

Dear Mr. McKillip:

I am writing to inform you of a project proposed by Duke University Hospital ("Duke") for the relocation of an existing magnetic resonance imaging ("MRI") scanner and construction to accommodate the scanner at a hospital-based clinic at the Duke Medical Plaza on Page Road in Durham County, and to request the Section's written confirmation that this project would not require certificate of need review.

Duke proposes to relocate an MRI that is currently in operation at its Lenox Baker location on the hospital campus and was originally acquired pursuant to Project I.D. No. J-6108-99. The CON issued pursuant to an amended settlement agreement for that project provides that this scanner may be operated at any Duke-affiliated location. The new site would be a Duke University Hospital-based clinic at the Duke Medical Plaza.

The construction and related costs associated with the relocation of this equipment are estimated to be \$1,189,462, including a significant contingency. The proposed plan includes costs to construct an imaging suite, MRI pad, walkways, and private entrance, and to purchase new coils for the existing scanner.

The total cost of this project will be less than \$2 million. The project does not entail the acquisition of an MRI or other major medical equipment or create a freestanding diagnostic center (as the equipment will continue to be operated under and reported on the Duke University Hospital license). Accordingly, it is our understanding that this would not constitute a new institutional health service for which a CON would be required.



Michael J. McKillip April 27, 2011

We would appreciate your review of this request and confirmation of our understanding. Please let me know if you have any questions or if we can provide you any further information.

Very truly yours,

Catharine W. Cummer

aine Cummer