

North Carolina Department of Health and Human Services Division of Health Service Regulation Office of the Director

2701 Mail Service Center • Raleigh, North Carolina 27699-2701 http://www.ncdhhs.gov/dhsr/

Pat McCrory Governor Aldona Z. Wos, M.D. Ambassador (Ret.) Secretary DHHS

Drexdal Pratt, Director Phone: 919-855-3750 Fax: 919-733-2757

February 28, 2013

Catharine W. Cummer, Regulatory Counsel, Strategic Planning Duke University Health System 3100 Tower Blvd, Suite 1300 Durham NC 27707

Exempt from Review - Replacement Equipment

Facility:

Duke University Health System d/b/a Duke University Hospital

Project Description:

Dear Ms. Cummer:

Replace CT scanner

County: FID #:

Durham 943138

In response to your letter of February 14, 2013, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(7). Therefore, you may proceed to acquire, without a certificate of need, the Siemens Somatom Definition CT scanner to replace the existing GE Lightspeed 16 CT scanner [Serial # 345472CN5]. This determination is based on your representations that the existing unit will be removed from North Carolina and will not be used again in the State without first obtaining a certificate of need. Further please be advised that as soon as the replacement equipment is acquired, you must provide the CON Section and the Medical Facilities Planning Section with the serial number of the new equipment to update the inventory, if not already provided.

It should be noted that this Agency's position is based solely on the facts represented by you and that any change in facts as represented would require further consideration by this Agency and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Michael J. McKillip

Project Analyst

Craig R Smith, Chief Certificate of Need Section







Catharine W. Cummer Regulatory Counsel, Strategic Planning

February 14, 2013

Via Hand Delivery

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

Re: Equipment Replacement Project at Duke University Hospital – CT Scanner

Dear Mr. McKillip:

I am writing to provide you with prior written notice of the planned acquisition of a replacement CT scanner at Duke University Hospital. The existing and replacement equipment both can provide CT scanning services. A completed equipment comparison form and a quote for the new equipment are enclosed. The total extended selling price reflecting the fair market value of the equipment is \$1,898,692, plus a \$100,000 trade-in allowance. All installation costs for the replacement equipment in the new DUH Duke Medical Pavilion building (for which a CON was already issued) are included in the vendor quote. Duke technicians are already trained on this model and therefore Duke is not purchasing any of the training options available, nor incurring any other costs necessary to make this equipment operational. As a result, the total cost plus trade-in allowance of this equipment will be \$1,998,692. The existing equipment is currently in use at Duke, but will be removed from service in the state upon placement of the replacement equipment into service.

It is our understanding that with this prior notice, this acquisition is exempt from certificate of need review as the acquisition of replacement equipment pursuant to N.C.G.S. Section 131E-184, and we accordingly intend to proceed immediately with this project. If you have any questions, please let me know as soon as possible.

Mr. Mike McKillip February 14, 2013

Thank you for your attention to this matter. Should you have any questions, please let me know.

Very truly yours,

Catharine W. Cummer

Enclosures

cc:

Monte Brown

Britt Crewse

EQUIPMENT COMPARISON

	EXISTING	REPLACEMENT	
	EQUIPMENT	EQUIPMENT	
Type of Equipment (List Each Component)	CT Scanner	CT Scanner	
Manufacturer of Equipment	GE	Siemens	
Tesla Rating for MRIs			
Model Number	Lightspeed 16	ightspeed 16 SOMATOM Definition	
		Flash	
Serial Number	345472CN5	N/A	
Provider's Method of Identifying Equipment	CT1	N/A	
Specify if Mobile or Fixed	Fixed	Fixed	
Mobile Trailer Serial Number/VIN #			
Mobile Tractor Serial Number/VIN #			
Date of Acquisition of Each Component		2013	
Does Provider Hold Title to Equipment or Have a Capital Lease?	Title	Title	
Specify if Equipment Was/Is New or Used When Acquired	New	New	
Total Capital Cost of Project (Including Construction, etc.) <use attached="" form=""></use>		\$1,898,692	
Total Cost of Equipment	\$ 1,882,836.75	\$1,998,692 (including	
		trade-in allowance)	
Fair Market Value of Equipment		\$1,998,692	
Net Purchase Price of Equipment	\$ 1,882,836.75	\$1,898,692	
Locations Where Operated	DUH – Duke South	DUH – DMP	
Number Days In Use/To be Used in N.C. Per Year	365	365	
Percent of Change in Patient Charges (by Procedure)	NA	0	
Percent of Change in Per Procedure Operating Expenses (by Procedure)	NA	0	
Type of Procedures Currently Performed on Existing Equipment	MR Imaging	NA	
Type of Procedures New Equipment is Capable of Performing	NA	MR Imaging	

Siemens Medical Solutions USA, Inc. 51 Valley Stream Parkway, Malvern, PA 19355

Fax: (866) 309-6967

SIEMENS REPRESENTATIVE

Stuart Waddey - (919) 605-9227

PRELIMINARY PROPOSAL

Date: 2/13/2013 Customer Number: 0000005901

DUKE UNIVERSITY HEALTH SYSTEM-DUKE MEDICAL CENTER

Erwin Road Durham, NC 27710

The warranty for the Products will be twelve (12) months commencing on the earlier of first patient use or sixty (60) days from installation completion.

Pricing is contingent on Customer purchasing POS Service Agreement at time of purchase.

Quote Nr:

1-1PA0WO Rev. 2

SOMATOM Definition Flash

All items listed below are included for this system:

Qty Part No. **Item Description**

SOMATOM Definition Flash 14430738

> The SOMATOM Definition Flash features second generation Dual Source CT, using two X-ray sources and two new Stellar Detectors at the same time, to open a door to unprecedented levels of patient friendliness with the speed to cover the entire thorax in less than a second - if necessary even without breath hold. Besides, it enables reduction in dose for all scans, resulting, e.g. in dose down to sub-mSv for cardiac imaging. In its second generation, Dual Energy automatically provides a second contrast for the best possible diagnosis without any extra dose. revolutionary new Stellar Detectors are the first fully integrated detectors that minimize electronic noise and crosstalk through their TrueSignal Technology. They take CT imaging where it has never gone before by generating ultra-thin 0.5 mm slices with the Edge Technology. With the highest spatial resolution in CT they visualize even finest image details, for example for more accurate stenosis quantification, plague and stent analysis. Finally, FAST CARE focuses on patient-centric productivity. FAST functions simplify time-consuming and complex procedures, such as scan or recon preparations, ideally to a single click, for more reproducible and quicker results. The new additional CARE Features continuously reduce radiation dose to the lowest achievable minimum in every scan from pediatric to bariatric imaging - while preserving the image quality - to make the benefits of CT scanning safer for your patients.

SAFIRE #AWP 14430820

The Sinogram Affirmed Iterative Reconstruction (SAFIRE) enhances spatial resolution, reduces image noise and increases sharpness by introducing multiple iteration steps in the reconstruction process. The resulting higher image quality enables to reduce dose by up to 60%*. *In clinical practice, the use of SAFIRE may reduce CT patient dose depending on the clinical task, patient size, anatomical location, and clinical practice. A consultation with a radiologist and a physicist should be made to determine the appropriate dose to obtain diagnostic image quality for the particular clinical task. The following test method was used to determine a 54 to 60% dose reduction when using the SAFIRE reconstruction software. Noise, CT numbers, homogeneity, low-contrast resolution and high contrast resolution were assessed in a Gammex 438 phantom. Low dose data reconstructed with SAFIRE showed the same image quality compared to full dose data based on this test. Data on file.

FAST CARE Platform 14420827

Siemens' unique FAST CARE platform is set to raise the standard of patient-centric productivity. Utilizing FAST -Fully Assisting Scanner Technologies - typically time-consuming and complex procedures during the scan process are extremely simplified and automated, not only improving workflow efficiency, but optimizing the clinical outcome by creating reproducible results, making diagnosis more reliable and reducing patient burden through streamlined examinations. Siemens' desire for as little radiation exposure as possible lies at the heart of the CARE - Combined Applications to Reduce Exposure - research and development philosophy offering a unique portfolio of dose saving features, many of them being introduced as industry's first.

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PRO 1-5NSZL1

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PRELIMINARY PROPOSAL

Qty	Part No.	Item Description
1	14420834	CARE Child Dedicated pediatric CT imaging, including 70 kV scan modes and specific CARE Dose4D curves and protocols
1	14410507	X-CARE Partial scanning to reduce direct X-ray exposure for the most dose-sensitive body regions, e.g. the breasts, thyroid gland or eye lens
1	14420832	FAST Advanced Package Utilizing Siemens' unique FAST - Fully Assisting Scanner Technologies - time-consuming and complex procedures such as scan or recon preparations are extremely simplified - ideally reduced to a single click. The FAST Advanced Packages offers an attractive bundle of FAST features to comprehensively optimize scan and recon preparations.
1	14420828	FAST Planning #AWP Immediate, organ-based setting of scan and recon ranges aiming for a faster and more standardized workflow at the scanner.
1	14420829	FAST Spine #AWP Accurate and anatomically aligned preparation of spine recons with just a single click.
1	14420831	FAST Cardio Wizard On-screen step-by-step guide to cardiac scanning for higher reliability and reproducibility in cardiac CT.
1	14410337	CT Replacement Def. Flash SOMATOM Definition Flash base configuration.
1	14410339	syngo Dual Energy Scan with SPS The syngo Dual Energy Scan with SPS (Selective Photon Shield) option allows the use of both SOMATOM Definition Flash X-ray sources simultaneously at different energies, while the Selective Photon Shield reduces dose and at the same time increases energy separation by blocking unnecessary parts of the energy spectrum. syngo Dual Energy offers the possibility to acquire two spiral data sets simultaneously from a single scan running the tubes at 80/140 kV or 100/140 kV. The results are two data sets with diverse information.
1	14428553	FAST DE (DE WorkStream 4D) FAST Dual Energy (DE) is a 4D workflow for the Dual Energty data with direct generation of axial, sagittal, coronal, or double-oblique images from standard Dual Energy scanning protocols. The Advantage: the elimination of time consumuing, error prone, manual reconstruction steps and a reduction of data volume up to a factor of 10, since virtually all diagnostic information is captured in 3D slices.
1	14406485	Keyboard English Keyboard in the above-mentioned language.
1	14403163	Hose pipe 30 m insulated Hose pipes to connect the "Cooling System" with the gantry.
1	14402889	Cable loom 25 m Cable loom used to connect the power distribution system (PDS) with the gantry.
1	14402956	Computer Desk New CT desk to accommodate the control components and color monitor. Width: 1200 mm, Depth: 800 mm, Height: 720 mm.
1	14402933	Computer Cabinet New cabinet to accommodate the computer system and UPS. Matched to the design of the control console table. Width: 800 mm, Depth: 800 mm, Height: 720 mm
1	14406461	syngo Expert-I #AWP Expert-i enables the physician to interact with the syngo CT Workplace from virtually anywhere in your hospital.
1	14428036	CARE Contrast III Integrated solution for a simplified bolus injector coupling. It synchronizes scan and contrast injection and transfers the injector protocol data in the patient protocol, in the e-logbook and to MPPS (if configured).

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PRELIMINARY PROPOSAL

Qty	Part No.	Item Description
1	14420838	syngo CT.3D Workplace #CTWP
		A dedicated syngo CT processing workplace, designed to optimize data management at the CT scanner.
1	14430821	SAFIRE #CTWP The Sinogram Affirmed Iterative Reconstruction (SAFIRE) enhances spatial resolution, reduces image noise and increases sharpness by introducing multiple iteration steps in the reconstruction process. The resulting higher image quality enables to reduce dose by up to 60%*.
1	14420911	FAST Spine #CTWP Accurate and anatomically aligned preparation of spine recons with just a single click.
1	14420997	FAST Planning #CTWP Immediate, organ-based setting of scan and recon ranges aiming for a faster and more standardized workflow at the scanner.
1	14428558	CARE Profile #CTWP CARE Profile, a part of the FAST CARE platform, visualizes the dose distribution along the topogram prior to the scan.
1	14414501	syngo Dual Energy #CTWP The syngo(r) Dual Energy option allows the initial evaluation of Dual Energy DICOM data. Requires the syngo Dual Energy Scan option. The resulting two data sets (80/140 kV or 100/140 kV) that contain diverse information can be reviewed with a generic viewer located on a dedicated syngo task card.
1	14406485	Keyboard English Keyboard in the above-mentioned language.
1	14402893	Cable 25m # syngo CTWP 25 meter connection between CT workplace and CT system. Contains both, power and network connection between workplace and the CT system, makes additional power supply unnecessary.
1	14402933	Computer Cabinet New cabinet to accommodate the computer system and UPS. Matched to the design of the control console table. Width: 800 mm, Depth: 800 mm, Height: 720 mm
1	CT_INITIAL_32	Initial onsite training 32 hrs
	<u>-</u>	Up to (32) hours of on-site clinical education training, scheduled consecutively (Monday - Friday) during standard business hours for a maximum of (4) imaging professionals. Training will cover agenda items on the ASRT approved checklist. Uptime Clinical Education phone support is provided during the warranty period for specified posted hours. This educational offering must be completed (12) months from install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.
1	CT_PM	CT Project Management
	OT OTP PIO	A Siemens Project Manager (PM) will be the single point of contact for the implementation of your Siemen's equipment. The assigned PM will work with the customer's facilities management, architect or building contractor to assist you in ensuring that your site is ready for installation. Your PM will provide initial and final drawings and will coordinate the scheduling of the equipment, installation, and rigging, as well as the initiation of on-site clinical education.
1	CT_STD_RIG_I NST	CT Standard Rigging and Installation
		This quotation includes standard rigging and installation of your CT new system. Standard rigging into a room with reasonable access, as determined by Siemens Project Management, during standard working hours (Mon Fri./ 8 a.m. to 5 p.m.) It remains the responsibility of the Customer to prepare the room in accordance with the SIEMENS planning documents. Any special rigging requirements (Crane, stairs, etc.) and/or special site requirements (e.g. removal of existing systems, etc.) is an incremental cost and the responsibility of the Customer. All other "out of scope" charges (not covered by the standard rigging and installation) will be identified during the site assessment and remain the responsibility of the Customer.
	CT_PR_FLSH_	
1	CC_BON	Flash Comp Conversion Bonus

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PRELIMINARY PROPOSAL

Qty	Part No.	Item Description
1	RL2NK6747	Interface heat exchanger This heat exchanger unit is utilized as an interface system between the gantry's integrated cooling system and the on-site cooling water supply. Required is an on-site cooling water supply with a flow temperature range from 2 to 8°C [36 to 46 °F] with a nominal flow of 4 m³/h [17.6 gpm]. Includes one year parts and labor warranty through Riedel. Compatible with the Siemens SOMATOM Definition.
1	CTSP4002	CT SLICKER; SENSATION AND VOLUME ZOOM
1	PSPD250480Y 3K	Surge Protective Device (SPD)
1	4SPAS014 CT_ADDL_RIG	Low Contrast CT Phantom & Holder
1	GING	Additional Rigging CT_\$4,000
2	CT_SUMMIT_T VL	Siemens World Summit 2013 Orlando This scientific program will provide clinical education sessions by leading CT experts for (1) attendee. Economy airfare, summit-related meals, and lodging are included for (1) attendee, who must be chosen by Customer from its personnel. All travel and lodging arrangements must be made through Siemens' designated travel agency. Attendee is responsible for payment of all other expenses incurred, including airfare upgrades and lodging for a period longer then necessary to attend the Summit. Attendance at this Siemens SOMATOM World Summit Orlando, June 5 through 7, 2013. Failure to attend this Summit will result in forfeiture of any alternative benefits or value, including without limitation attendance at other Siemens-sponsored events and/or discounts. Void where prohibited by local law and/or policy.
2	CT_PR_SOMA _SUMMIT	2013 SOMATOM World Summit Promotion
1	14428190	CT with syngo.via purchase CT with syngo.via (identifier)
1	14428502	CT Acute Care Engine @via#1 The CT Acute Care Engine provides disease oriented workflows which allow lifesaving diagnostics when every second counts. The workflows consist of dedicated scan modes & software modules and cover the wide variety of challenging acute situations, from efficient acute chest pain management to abdominal imaging, as well as stroke imaging. Scan modes - Extended FOV of 78 cm for obese patient imaging - HeartView Flash, including FlashSpiral (e.g. for sub-mSv cardiac scanning) - ECG-Gated Spiral for high and irregular heart rates - Flash Cardio Sequence for moderate heart rates - 0.28 s rotation time to freeze any motion (e.g. cardiac motion) - MinDose ECG Pulsing for 30-50% dose saving in cardiac function - syngo Volume Perfusion CT Neuro (on syngo Acquisition Workplace) Software Modules: - syngo.CT CaScoring for quick risk assessment - syngo.CT Coronary Analysis for quantitative assessment of coronary arteries - syngo.CT Cardiac Function for left ventricular functional assessment - syngo.CT Vascular Analysis for assessment of general vascular pathologies, such as AAA - syngo.CT Neuro DSA for bone-free visualization of cerebral vessels - syngo Volume Perfusion CT - Neuro for dynamic 4D quantification of stroke (single user) - syngo Neuro Perfusion Weighted Map (PWM) for static 3D visualization of cerebral blood volume (single user) Additional integrated Dual Energy (DE) functionality: (To enable the DE functionality at least 1 user license of the respective DE application has to be purchased) - syngo.CT Vascular Analysis - DE Direct Angio - DE integration of syngo.CT DE Heart PBV
1	14428568	CT Acute Care Engine Pro @via#1 The CT Acute Care Engine Pro extends the dynamic range for stroke imaging beyond detector widths. It allows the assessment of even smallest bone details and provides Right Ventricular Assessment for prognostic evaluation of pulmonary disease. The automated segmentation, anatomical labeling and display of the main vessels speed up the reading process for faster diagnosis. Additional Scanner Options: - Adaptive 4D Spiral Plus acquisition for whole organ perfusion - z-UHR for ultra high isotropic resolution, e.g. in inner ear down to 0.24 mm - Tiltable (adjustable) head holder for optimal positioning of stroke patients Additional Software Modules: - syngo.CT Cardiac Function - Enhancement for visualization of ischemia from early or late enhanced images - syngo.CT Cardiac Function - Right Ventricle for right ventricular functional assessment - syngo.CT Vascular Analysis - Autotracer for automatic identification and anatomical labeling of main vessels - syngo.CT Dynamic Angio for the assessment of time-resolved CT images. At least 5000 images will be supported syngo Volume Perfusion CT - Neuro for dynamic 3D quantification and visualization of stroke and brain tumors (additional user)

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14410341

Dynamic scan mode to visualize ventricular myocardial perfusion for identification of perfusion defects. Applies sequential technique for minimum dose and 75 ms temporal resolution for scanning even at high heart rates.

Heart Perfusion Scanning

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PRELIMINARY PROPOSAL

Qty	Part No.	Item Description
1	14419013	Multi Purpose Table Flash The Multi Purpose table is especially designed for multi disciplinary use, while still enabling ultra-fast spiral scanning up to 400 mm/s (458 mm/s with HeartView Flash). It's flexible design allows to exchange table tops for routine radiology, Trauma, RTP or bariatric use.
1	14408231	High Cap. Patient & Trauma Tab.Top The high capacity and trauma table top offers the capability to support up to 307 kg/676 lbs of patient weight. It allows easy positioning and transfer from and to the table, due to its flat surface. Special accessories and an extended table top width of 530 mm ensure a safe and comfortable positioning for obese patients.
1	14408232	High Cap. Patient & Trauma Acc Kit The High capacity and Trauma accessory kit contains additional Patient restraint set with a width of 400mm and additional table extensions for feet and head.
1	14414739	Mattress for Bariatric Table Top This mat is used for scanning non-bariatric patients on the flat, bariatric table top. Placing this mat on the bariatric table top eliminates the need to exchange the table top when non-bariatric patients are scanned. This mat has a curved profile and enables comfortable positioning of non-bariatric patients.
1	14408233	Physiological Monitoring Module The Physiological Monitoring Module allows to connect a 3 Channel ECG cable for ECG controlled cardiac acquisition.
1	14403008	ECG Cable IEC2 #D ECG cable, IEC2 (AHA/US color coding).
1	14413432	Server HW Config XL syngo.via server hardware configuration XL
1	14412241	Software License Ext. Server HW XL Mandatory license extension for embedded applications on Hardware systems with more than one CPU. Second CPU license.
1	14413436	HP Care Pack. 5y 24x7 HW Support HP Care Pack Services upgrade or extend the standard warranty with enhanced, customized on-site and remote support for hardware for 5 years.
1	14412923	syngo MMWP Client #1 This is a syngo MultiModality Workplace advanced post-processing workstation, comprising Windows XP PC with syngo(r) base user software, syngo 3D, syngo Expert-i and monitor. The syngo MMWP Client workplace is already prepared for advanced 3D post-processing regarding hardware performance and graphics card. The software functionality can be extended to suit specific user clinical needs by adding optional cross-modality and modality-specific application modules.
1	14413472	Modality Integration CT Modality integration of the syngo MMWP Client with primary use CT.
2	14412926	syngo Keyboard USA English English (US) syngo(r) keyboard
1	14429311	PACS-Driven Implementation Pkg. This PACS-Driven Implementation Package includes installation and integration services for syngo.via in a radiologic workflow mainly supported by the PACS functionality. This package includes professional services, such as: - Installation of the syngo.via server software on the server hardware - Installation of the syngo.via client software on one clinical workplace for one user - Connection to up to 5 DICOM nodes - Image call-up of syngo.via from the PACS' user interface - Integration of syngo.via into the IT infrastructure using Active Directory, if applicable - Configuration of basic syngo.via workflows and rules - Integration of one syngo.via client workplace with one syngo MultiModality Workplace 2009A.

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PRELIMINARY PROPOSAL

Qty	Part No.	Item Description
1	SY_PR_VIASR	VIA Srvr Excel L XL Promo (FMV\$-20,000)
ı	VR	This promotion enables customers with purchase of a Siemens syngo.via system which includes Server hardware, syngo.via base license and corresponding user licenses a price reduction in the amount of \$20,000.00 for the syngo.via server Excel Edition, Server HW Config L, or Server HW Config XL. To qualify, Customer's binding purchase order must be received by Siemens on or before March 31, 2013 and syngo.via system delivery if not purchased with a Siemens scanner, must occur no later than September 30, 2013.
1	14429288	Server HW Installation Service
		Basic installation service for the syngo.via server hardware with the operating system at the customer's site. Integration into the Local Area Network of the customer and to Siemens Remote Service over internet connection.
1	14429291	MMWP Client HW Implemention Service
		Implementation services for one syngo MultiModality Workplace include the tasks for installation, configuration and integration of one syngo MMWP 2010A (VE40A).
1	14429294	Upgrade PACS to RIS Implementation
		The syngo.via system has been previously installed with the PACS-Driven Implementation. It is now to be upgraded to the RIS-Driven Implementation Package. The RIS-Driven Implementation Package includes installation and integration services for syngo.via in a radiologic workflow mainly supported by the RIS functionality of a DICOM Modality Worklist for preprocessing of images in syngo.via. This upgrade package includes professional services, such as: - Image call-up of syngo.via from the PACS' or RIS' user interface, if image call-up has not been installed previously - Integration of syngo.via into the IT infrastructure using Active Directory, if it has not been configured in syngo.via previously - Configuration of DICOM Modality Worklist integration in syngo.via.
1	14429043	License Multi Server Access
		The Multi Server Access Feature provides easy access to examinations which are distributed over different syngo.via servers (up to three servers are supported). The feature is available for syngo.via desktop integration scenarios where the PACS/RIS application is the leading system in customer's reading workflow and triggers the context-specific syngo.via launch (e.g. based on Study UID). This PACS/RIS call-up launches syngo.via studies automatically for reading even if they are located on different syngo.via servers in multiple clinical areas (e.g. Radiology, Cardiology, Neurology). Scope of Delivery: Software License
1	14429283	Prof.Serv. for MultiServerAccess
		Configuration of syngo.via Multiserver
1	SY_VIRINTL_4	Virtual Initial Consultation, syngo.via
		This virtual initial consultation session, up to 4 hrs in duration, is designed to define the clinical customization of syngo.via specific to radiology workflow. Through direct communication with a clinical education specialist, this session will identify and configure site-specific workflow and imaging storage and retrieval parameters. This educational offering must be conducted no more than 4 weeks before the scheduled system turnover event. This consultation session will be scheduled during standard business hours, Monday through Friday. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.
1	SY_INITIAL_24	Initial onsite training 24 hrs syngo.via
	- -	Up to (24) hours of on-site clinical applications training on syngo.via basic navigation and modality specific clinical workflows, scheduled consecutively (Monday - Friday) during standard business hours for a maximum of (4)users. Training will focus on the use of syngo.via in clinical routine and customization of systems based on workflow needs. This educational offering must be completed (12) months from turnover date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.
1	SY8VIAITVC	Virtual syngo.via IT Admin Training
1	SY_WP_ADVC LS	NG syngo.via CT CI Engines Classroom

Tuition for (1) imaging professional to attend Siemens Classroom Course at Siemens Training Center. The objectives of this class are to review CT post-processing and advanced software options in an interactive setting with hands-on sessions using syngo.via. This class includes lunch, economy airfare, and lodging for (1) imaging professional. All arrangements must be arranged through Siemens designated travel agency. This educational offering must be completed (12) months from install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.

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PRELIMINARY PROPOSAL

Qty	Part No.	Item Description
1	SY_PR_ADVU SR	VIA Advanced User Promo (FMV\$-10,000)
•		This promotion enables customers with purchase of a Siemens syngo.via system and Web Reporting license which includes Server hardware, syngo.via base license and corresponding user licenses a price reduction in the amount of \$10,000.00 for the syngo.via WebReport Base Package. To qualify, Customer's binding purchase order must be received by Siemens on or before March 31, 2013 and syngo.via system delivery if not purchased with a Siemens scanner, must occur no later than September 30, 2013
1	14429106	syngo.via Advanced User #1
		One Advanced User License of the syngo.via client server solution for multi-modality image reading. It provides 2D, 3D, 4D image reading capabilities at almost every workplace for various modalities (e.g. CT, MR, PET/CT, CR, XA image types). The syngo.via client runs on standard Windows computers in the network and integrates into radiologist's reading workplace (RIS; PACS) for efficient image reading based on a wide range of imaging applications (advanced visualization applications) for different clinical cases. Those applications are available as additional options for syngo.via. The syngo.via licensing model is flexible and tailored to the number of concurrent users (users working at the same time). The service support for syngo.via requires the provision of an administrator with dedicated tasks and a minimum broadband Internet connection bandwidth.
4	14429107	syngo.via Advanced User #1+ The additional syngo.via Advanced User license provides Advanced 2D, 3D, 4D image reading capabilities for an additional Advanced User
1	14428260	syngo.CT DE Advanced Package #1+ The syngo.CT Dual Energy Advanced Package upgrade contains an additional single user access for: - syngo.CT Dual Energy Advanced Package
1	14420563	syngo Dual Energy #MM The syngo(r) Dual Energy option allows the initial evaluation of Dual Energy DICOM data. Requires the syngo Dual Energy Scan option. The resulting two data sets (80/140 kV or 100/140 kV) that contain diverse information can be reviewed with a generic viewer located on a dedicated syngo task card.
1	14430954	syngo DE Muscoskeletal #MM+ In combination with syngo Dual Energy, syngo DE Musculoskeletal offers the enhanced visualization of tendons and ligaments.
1	14430955	syngo DE Hard Plaques #MM+
·		In combination with syngo Dual Energy, syngo DE Calcium Removal offers the identification and automatic removal of calcifications, display of the vessel lumen without interfering hard plaques.
1	14430956	syngo DE Lung Nodules #MM+
		In combination with syngo Dual Energy, syngo DE Lung Nodules allows to visualize the contrast agent concentration in lung nodules without use of an additional non contrast scan.
1	14430957	syngo DE Xenon #MM+
		In combination with syngo Dual Energy, syngo DE Xenon allows to visualize Xenon concentration in lung without use of an additional non contrast scan.
1	14430958	syngo DE Gout #MM+
		In combination with syngo Dual Energy, syngo DE Gout offers the visualization of uric acid crystals in peripheral extremities.
1	14418764	syngo.MR General Engine #1
		The syngo.MR General Engine extends syngo.via by adding software for professional and routine MR radiology usage. It includes workflows for dedicated MR examinations that load and structure examination results automatically into meaningful layouts including user support to make sure that no data is missed. syngo.MR General Engine contains several MR Radiology workflows, cardiovascular workflows and MR Evaluation features.
1	14412948	syngo DTI Evaluation #MM
		Application card for advanced post-processing and visualization of Diffusion Tensor Imaging (DTI) data. DTI Evaluation enables calculation of different diffusion parameter images and common ROI-based evaluation of parameter images and anatomical images, as well as color-coded display and fused 3D visualization in the anatomical context.

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anatomical context.

Siemens Medical Solutions USA, Inc.

51 Valley Stream Parkway, Malvern, PA 19355

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PRELIMINARY PROPOSAL

Qty	Part No.	Item Description
1	14412949	syngo DTI Tractography #MM syngo(r) DTI Tractography allows the visualization of multiple white matter tracts of the human brain based on diffusion tensor imaging data. DTI Tractography is optimized to support the presurgical planning and to allow for neuro physiological research with respect to connectivity and white matter pathology. The option syngo DTI Evaluation is a prerequisite for DTI Tractography Advanced 3D visualization of white matter tracts in the context of 2D or 3D anatomical datasets and DTI datasets (also fMRI results if the option "BOLD 3D Evaluation" is present) - Interactive QuickTracking displays the tract originating from the mouse pointer position while moving over the DTI data set Texture Diffusion, a highly versatile in-plane visualization of white matter tracts, allows to display and read DTI Tractography results on PACS reading stations and in the OR Seed points for tracking with single ROI and with multiple ROIs to assess connectivity Tract and seeding ROI statistics (mean/max FA value, min/mean/max ADC value,).
6	04456682	License Transfer

License transfer from one system to another system.

System Total: \$1,898,692

OPTIONS:

Qty	Part No.	Item Description	Extended Price
2	CT_DEFSYNG O_BCLS	Definition Systems Basic syngo Class Tuition for (1) imaging professional to attend Siemens Classroom Course at Siemens Training Center. The objectives of this basic syngo class are to introduce the user to the Siemens SOMATOM CT Definition user interface of the syngo platform, scanning parameters and their effect on image quality, and instructions on building protocols, demonstration of software functions, and hands-on sessions. This class includes lunch, economy airfare, and lodging for (1) imaging professional. All arrangements must be arranged through Siemens designated travel agency. This educational offering must be completed (12) months from install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.	+ \$8,400
1	CT_FOLLOWU P_32	Follow-up training 32 hrs Up to (32) hours of follow-up on-site clinical education training, scheduled consecutively (Monday - Friday) during standard business hours for a maximum of (4) imaging professionals. Uptime Clinical Education phone support is provided during the warranty period for specified posted hours. This educational offering must be completed (12) months from install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.	+ \$7,400
1	CT_ADD_32	Additonal onsite training 32 hours Up to (32) hours of on-site clinical education training, scheduled consecutively (Monday - Friday) during standard business hours for a maximum of (4) imaging professionals. Training will cover agenda items on the ASRT approved checklist if applicable. This educational offering must be completed (12) months from install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.	+ \$7,400
1	SY_FOLLOWU P_16	Follow up training 16 hrs, syngo.via Up to (16) hours of follow-up on-site clinical applications training on syngo.via navigation and modality specific clinical workflows, scheduled consecutively (Monday - Friday) during standard business hours for a maximum of (4)users. Training will focus on the optimization of syngo.via in clinical routine and customization of systems based on clinical workflow needs. Advanced clinical applications will be covered for users previously attending initial applications training. This educational offering must be completed (12) months from turnover date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.	+ \$5,700

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PRELIMINARY PROPOSAL

FINANCING: The equipment listed above may be financed through Siemens. Ask us about our full range of financial products that can be tailored to meet your business and cash flow requirements. For further information, please contact your local Sales Representative.

Siemens Healthcare is pleased to submit this Preliminary Pricing Proposal. A Preliminary Pricing Proposal is provided for planning purposes only; it is not contractually binding. To receive a contractually binding proposal for the Products listed above, inclusive of Terms, Conditions, and Warranty coverage, please contact your Siemens Healthcare Sales Representative.

Siemens Healthcare

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