



North Carolina Department of Health and Human Services  
Division of Health Service Regulation

Pat McCrory  
Governor

Richard O. Brajer  
Secretary DHHS

Mark Payne  
Assistant Secretary for Audit and  
Health Service Regulation

July 1, 2017

Catharine W. Cummer  
3100 Tower Blvd  
Suite 1300  
Durham, NC 27707

**Exempt from Review – Replacement Equipment**

**Record #:** 1979  
**Facility Name:** Duke University Hospital  
**FID #:** 943138  
**Business Name:** Duke University Health System  
**Business #:** 639  
**Project Description:** Replace existing X-ray equipment  
**County:** Durham

Dear Ms. Cummer:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of June 17, 2016, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(7). Therefore, you may proceed to acquire, without a certificate of need, the Philips Healthcare DR-multi-purpose XR equipment. This determination is based on your representations that the unit will be removed from North Carolina and will not be used again in the State without first obtaining a certificate of need.

Moreover, you need to contact the Agency’s Construction and Acute and Home Care Licensure and Certification Section to determine if they have any requirements for development of the proposed project.

It should be noted that the 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 office and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

*Bernetta Thorne-Williams*  
Bernetta Thorne-Williams  
Project Analyst

*Martha J. Frisone*  
Martha J. Frisone,  
Assistant Chief, Certificate of Need

cc: Construction Section, DHSR  
Paige Bennett, Assistant Chief, Healthcare Planning, DHSR  
Acute and Home Care Licensure and Certification Section, DHSR

**Healthcare Planning and Certificate of Need Section**

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-715-4413

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

An Equal Opportunity/ Affirmative Action Employer



No Review # 1979

FID# 943138

Buss#  
639



Duke University Health System

Catharine W. Cummer  
Regulatory Counsel, Strategic Planning



June 17, 2016

Via Electronic Mail

Ms. Martha Frisone  
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 – X-Ray Equipment

Dear Ms. Frisone:

I am writing to provide you with prior written notice of the planned acquisition of X-ray equipment at Duke University Hospital. Duke University Hospital (DUH) intends to replace existing computed radiography equipment located in Duke North with Digital Radiography, which will allow for uniform imaging standards across the health system. The existing and replacement equipment both provide X-ray imaging services. A completed equipment comparison form and capital cost form are enclosed. The total project cost is less than \$2 million. The vendor's quote is available for your review upon request. The existing equipment is currently in use at Duke, but upon placement of the replacement equipment into service it will be removed from service in the state unless its use elsewhere is first approved by the state.

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.

Ms. Martha Frisone  
June 17, 2016  
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Thank you for your attention to this matter. Should you have any questions, please let me know.

Very truly yours,

A handwritten signature in black ink, appearing to read "Catharine W. Cummer". The signature is fluid and cursive, with the first name being the most prominent.

Catharine W. Cummer

Enclosures

cc: Monte Brown  
Britt Crewse

EQUIPMENT COMPARISON

	EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type of Equipment (List Each Component)	Chest XR	DR multi-purpose XR
Manufacturer of Equipment	GE Healthcare	Philips Healthcare
Tesla Rating for MRIs	NA	NA
Model Number	Revolution XQ/i	DigitalDiagnost 4.1
Serial Number	86332VP4	Unknown at this time
Provider's Method of Identifying Equipment	Asset # 122431	Unknown at this time
Specify if Mobile or Fixed	Fixed	Fixed
Mobile Trailer Serial Number/VIN #	NA	NA
Mobile Tractor Serial Number/VIN #	NA	NA
Date of Acquisition of Each Component	9/28/2000	TBD
Does Provider Hold Title to Equipment or Have a Capital Lease?	Provider holds title	TBD
Specify if Equipment Was/Is New or Used When Acquired	New	New
Total Capital Cost of Project (Including Construction, etc.) <Use Attached Form>	\$ 380,072	\$ 790,700
Total Cost of Equipment		\$ 407,046
Fair Market Value of Equipment		\$ 385,045
Net Purchase Price of Equipment		\$ 385,045
Locations Where Operated	Duke University Hospital	Duke University Hospital
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	Diagnostic x-ray	NA
Type of Procedures New Equipment is Capable of Performing	NA	Diagnostic x-ray

**PROPOSED TOTAL CAPITAL COST OF PROJECT**

Project Name:

Provider/Company:

**A. Site Costs**

(1) Full purchase price of land		\$ _____	
Acres _____ Price per Acre \$ _____			
(2) Closing costs		\$ _____	
(3) Site Inspection and Survey		\$ _____	
(4) Legal fees and subsoil investigation		\$ _____	
(5) Site Preparation Costs			
Soil Borings.....	\$ _____		
Clearing-Earthwork...	\$ _____		
Fine Grade For Slab...	\$ _____		
Roads-Paving.....	\$ _____		
Concrete Sidewalks....	\$ _____		
Water and Sewer.....	\$ _____		
Footing Excavation....	\$ _____		
Footing Backfill.....	\$ _____		
Termite Treatment....	\$ _____		
Other (Specify).....	\$ _____		
Sub-Total Site Preparation Costs		\$ _____	
(6) Other (Specify)		\$ _____	
(7) Sub-Total Site Costs			\$ _____

**B. Construction Contract**

(8) Cost of Materials			
General Requirements	\$ _____		
Concrete/Masonry	\$ _____		
Woods/Doors & Windows/Finishes	\$ _____		
Thermal & Moisture Protection	\$ _____		
Equipment/Specialty Items	\$ _____		
Mechanical/Electrical	\$ _____		
Other (Specify)	\$ _____		
Sub-Total Cost of Materials.....		\$ _____	
(9) Cost of Labor.....		\$ _____	
(10) Other (Specify).....		\$ _____	
(11) Sub-Total Construction Contract			\$ 270,124

**C. Miscellaneous Project Costs**

(12) Building Purchase.....		\$ _____	
(13) Fixed Equipment Purchase/Lease		\$ _____	
(14) Movable Equipment Purchase/Lease		\$ _____	
(15) Furniture		\$ 407,046	
(16) Landscaping		\$ _____	
(17) Consultant Fees			
Architect and Engineering Fees	\$ 47,070		
Legal Fees.....	\$ _____		
Market Analysis.....	\$ _____		
Other (Specify).....	\$ _____		
Other (Specify).....	\$ _____		
Sub-Total Consultant Fees.....		\$ _____	
(18) Financing Costs (e.g. Bond, Loan, etc.).		\$ _____	
(19) Interest During Construction.		\$ _____	
(20) Other (Specify)		\$ 66,460	(utilities, permits, inspections, contingency)
(21) Sub-Total Miscellaneous..			\$ 520,576
(22) Total Capital Cost of Project (Sum A-C above)			\$ 790,700

I certify that, to the best of my knowledge, the costs of the proposed project named above are complete and correct.

\_\_\_\_\_  
 (Signature of Licensed Architect or Engineer) Date Certified: \_\_\_\_\_

I assure that, to the best of my knowledge, the above costs for the proposed project are complete and correct and that it is my intent to carry out the proposed project as described.

*Matthew B...* VP & Secretary DHS Date Signed: 6-17-16  
 \_\_\_\_\_  
 (Signature and Title of Officer Authorized to Represent Provider/Company)