



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

Pat McCrory  
Governor

Richard O. Brajer  
Secretary DHHS

Mark Payne, Director  
Health Service Regulation

October 28, 2016

Gary Qualls  
K & L Gates LLP  
P.O. Box 14210  
Research Triangle Park, NC 27709-4210

**Exempt from Review – Replacement Equipment**

**Record #:** 2085  
**Facility Name:** Carolinas HealthCare System Pineville  
**FID #:** 110878  
**Business Name:** The Charlotte-Mecklenburg Hospital Authority  
**Business #:** 1770  
**Project Description:** Temporarily replace existing fixed MRI scanner with a mobile MRI scanner  
**County:** Mecklenburg

Dear Mr. Qualls:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of October 25, 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 utilize, without a certificate of need, a temporary mobile MRI scanner. This determination is based on your representations that the existing unit will be repaired and that the temporary mobile MRI scanner will be removed from North Carolina once the repair on the fixed MRI scanner is completed and that it will not be used again in the State without first obtaining a certificate of need.

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,

Gloria C. Hale  
Project Analyst

Martha J. Frisone  
Assistant Chief, Certificate of Need

cc: Paige Bennett, Assistant Chief, Healthcare Planning, DHSR



**Healthcare Planning and Certificate of Need Section**

[www.ncdhhs.gov](http://www.ncdhhs.gov)

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

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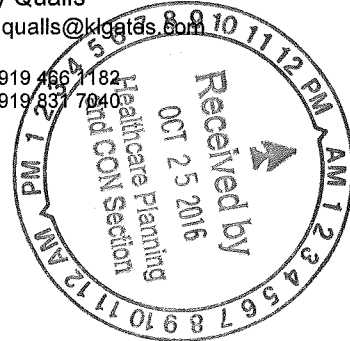
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October 25, 2016

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**By Hand Delivery**

Martha Frisone, Assistant Chief  
Healthcare Planning and Certificate of  
Need Section  
Division of Health Service Regulation  
Department of Health and Human  
Services  
809 Ruggles Drive  
Raleigh, NC 27603

**Re: No Review Request for CHS Pineville to Temporarily Use an Out-of-State Mobile MRI Scanner During Fixed MRI Scanner Repairs**

Dear Martha:

The purpose of this letter is to request that Carolinas HealthCare System Pineville (“CHS Pineville”) be permitted to temporarily lease a mobile MRI Scanner (the “Temporary Mobile Scanner”) that is not currently operating in North Carolina – through an operating lease with Alliance Imaging, Inc. – to provide a mobile MRI Scanner for approximately one (1) week while work is performed on CHS Pineville’s existing fixed MRI Scanner. Given that this temporary use does not trigger any of the Certificate of Need (“CON”) Law’s new institutional health service definitions in N.C. Gen. Stat. § 131E-176(16), CHS Pineville asks to do this without undergoing CON review.

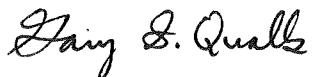
CHS Pineville’s fixed MRI Scanner needs to be totally ramped down for a number of days to de-ice the Cryostat component. As soon as this work is complete, the Temporary Mobile Scanner will no longer be used at CHS Pineville. At no time will CHS Pineville’s fixed MRI Scanner and the Temporary Mobile Scanner be operated simultaneously.

This event triggers none of the new institutional health service definitions in N.C. Gen. Stat. § 131E-176(16). For example:

- CHS Pineville will merely be paying operating lease payments for the Temporary Mobile Scanner. Thus, no capital costs will be expended as part of this temporary measure. See N.C. Gen. Stat. § 131E-176(16)(b).
- Through the very short-term operating lease, CHS Pineville is not acquiring an MRI Scanner. See N.C. Gen. Stat. § 131E-176(16)(f1)(7) and (16)(s).
- Through the very short-term operating lease, CHS Pineville is not otherwise acquiring major medical equipment. See N.C. Gen. Stat. § 131E-176(16)(p).
- No other new institutional health service definition is remotely implicated.

Based on the foregoing information, CHS Pineville hereby requests that the Agency provide a written response confirming that CHS Pineville may operate the Temporary Mobile Scanner under the facts herein without undergoing CON review. If the Agency needs additional information to assist in its consideration of this request, please apprise us as soon as possible.

Sincerely,



Gary Qualls