



NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

August 15, 2019

Tim Ludwig
CarolinaEast Medical Center
Post Office Box 12157
New Bern, NC 28561

Exempt from Review

Record #: 3024
Facility Name: CarolinaEast Medical Center
FID #: 923126
Business Name: CarolinaEast Medical Center
Business #: 2722
Project Description: Temporary Use of a Mobile MRI Scanner during relocation of two Fixed MRI Scanners
County: Craven

Dear Mr. Ludwig:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of July 26, 2019, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(7). Therefore, you may proceed to offer, develop or establish the above referenced project without a certificate of need.

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

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 Agency. 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.

If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Gregory F. Yakaboski
Project Analyst

Martha J. Frisone
Martha J. Frisone
Chief

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION
HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603
MAILING ADDRESS: 809 Ruggles Drive, 2704 Mail Service Center, Raleigh, NC 27699-2704
https://info.ncdhhs.gov/dhsr/ • TEL: 919-855-3873

Yakaboski, Greg

From: Daniel Carter <DanielCarter@ascendient.com>
Sent: Friday, July 26, 2019 12:46 PM
To: Waller, Martha K
Cc: Yakaboski, Greg
Subject: [External] Exemption notice for CarolinaEast Medical Center
Attachments: CarolinaEast Temporary MRI Exemption Notice 072619.pdf

CAUTION: External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to report.spam@hc.gov

Martha,

Please see the attached exemption notice for CarolinaEast Medical Center in Craven County, which I believe is in Greg's assigned area.

For reference, the hospital's facility ID number is 923126 and its license number is H0201.

Please let me know if you have any questions.

Thank you.

Daniel

Daniel Carter | PARTNER

danielcarter@ascendient.com | 919.226.1705 | [LinkedIn](#) | www.ascendient.com



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Received by Healthcare
Planning & CON Section
JUL 26 2019

July 26, 2019

CarolinaEast Medical Center
CarolinaEast Diagnostic Center
CarolinaEast Surgery Center
CarolinaEast Rehabilitation Hospital
CarolinaEast Heart Center
CarolinaEast Urology Center
CarolinaEast Internal Medicine
CarolinaEast Pediatrics
CarolinaEast Gastroenterology
CarolinaEast Cardiac, Thoracic & Vascular Surgery
CarolinaEast Ear, Nose & Throat
CarolinaEast Radiation Oncology
CarolinaEast Physical Medicine & Rehabilitation
CarolinaEast Home Care
CarolinaEast Foundation
CarolinaEast Wound Healing & Hyperbaric Services
Crossroads Mental Health

Ms. Martha Frisone, Chief
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
2704 Mail Service Center
Raleigh, NC 27699-2704

**RE: Temporary Equipment Replacement for
CarolinaEast Medical Center's Fixed
MRI Scanners**

Dear Ms. Frisone:

The purpose of this letter is to request that CarolinaEast Medical Center ("CEMC") be permitted to temporarily utilize one out-of-state mobile MRI scanner in place of two of its existing fixed MRI scanners. As noticed to the Agency in its October 3, 2017 exemption letter, CEMC is in the process of expanding its existing health service facility, which will include the relocation of one MRI scanner from within the medical center and the relocation of a second MRI scanner from a provider-based imaging center. Please see the document linked in the footnote below for additional details regarding this project, which was confirmed to be exempt from review on October 16, 2017¹. CEMC has now reached the point of preparing to shut down its only two existing MRI scanners so they may be relocated to the new expansion space. In order to provide continued patient access to MRI services during the time that the fixed MRI scanners are shut down for relocation, CEMC plans to contract with a mobile vendor to provide an out-of-state mobile MRI scanner. CEMC estimates the relocation and re-initialization of its MRI scanners will take approximately four months.

The information for the two existing fixed MRI scanners is as follows:

<i>Brand/Magnet</i>	<i>CON Project ID Number</i>	<i>Serial Number</i>
Philips 3.0T	P-2653-86	42117
Siemens 1.5T	P-5760-97	41245*

*Please note that previous correspondence incorrectly stated this serial number as 1155. The correct serial number is provided in the table above.

¹ https://www2.ncdhs.gov/dhsr/coneed/reviews/2017/oct/1117_craven_cmc.pdf

Ms. Martha Frisone, Chief
July 26, 2019
Page 2

As the only hospital in Craven County and the only tertiary hospital east of Greenville and north of Wilmington, CEMC believes it is vital that it continue to provide MRI services to its inpatients, outpatients and emergency patients while its only two existing fixed MRI scanners are being relocated. To ensure continued care to patients, CEMC intends to contract with Alliance HealthCare Services, Inc., to bring a mobile MRI scanner to CEMC from another state. Upon completion of the relocation of the existing fixed MRI scanners, and once CEMC is able to utilize its own MRI scanners again, the vendor will remove the mobile MRI scanner from the state, as stated in Attachment 1. At no time will CEMC scan patients on more than two MRI scanners.

CEMC already has a mobile pad in place that will accommodate the mobile scanner, so no construction or other capital costs will be necessary to provide the temporary service. CEMC understands that the costs for leasing the temporary mobile scanner are considered operational costs by the Healthcare Planning and Certificate of Need Section; as such, CEMC is not requesting that any costs for the temporary replacement be reviewed. CEMC merely requests confirmation that it may temporarily use the out-of-state mobile MRI in place of its fixed MRI scanners, both of which have Certificates of Need.

CEMC hopes to commence this work within the next few weeks, so please let me know if I can provide any additional information to expedite our request.

Sincerely,



Tim Ludwig
Vice President, Ancillary Services
CarolinaEast Health System

Attachment 1



18201 Von Karman, Suite 600
Irvine, California 92612

July 18, 2019

Martha Frisone, Chief
Celia Inman, Project Analyst
Healthcare Planning and Certificate of Need Section
2704 Mail Service Center
Raleigh, NC 27699-2704

RE: CarolinaEast Intends to Utilize Alliance Healthcare Services
For Temporary Interim Replacement Equipment
MRI Scanner SYM 72

Dear Ms. Frisone:

I am writing to confirm that CarolinaEast Health System (CarolinaEast) intends to contract with Alliance Healthcare Services (Alliance) to utilize a temporary replacement MRI scanner, while CarolinaEast will be relocating both its permanent MRI units from their current Diagnostic Center and the hospital to the new Diagnostic Center. Alliance plans to bring MRI scanner SYM 72 (Siemens Symphony, Serial Number 26229) to New Bern to provide interim service. This is an Alliance mobile unit that will be parked at the CarolinaEast facility only on a temporary basis.

CarolinaEast is submitting a CON exemption request to obtain a replacement MRI scanner (mobile) that will be located on the facilities mobile pad (main campus). CarolinaEast intends to utilize the Alliance SYM 72 only for the interim period of time while the existing CarolinaEast MRI's are de-installed and reinstalled. The Alliance MRI scanner SYM 72 will be removed from North Carolina once CarolinaEast has completed its relocation project. The Alliance MRI SYM 72 will not be used again in North Carolina without Alliance first obtaining a Certificate of Need if one is required.

Please email or call me if additional information is needed from Alliance Healthcare Services to support this arrangement. Thank you for your consideration.

Sincerely,

Melissa VanOostrom

Melissa VanOostrom
Operations Manager

CC: Rick Fisher, CarolinaEast
Melissa VanOostrom, Alliance
Ken Manning, Alliance



DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH SERVICE REGULATION

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

MARK PAYNE
DIRECTOR

October 16, 2017

Tim Ludwig
CarolinaEast Medical Center
Post Office Box 12157
New Bern, North Carolina 28561

Exempt from Review

Record #: 2415
Facility Name: CarolinaEast Medical Center
FID #: 923126
Business Name: CarolinaEast Health System
Business #: 2722
Project Description: Hospital expansion for the diagnostic center and the cancer center
County: Craven

Dear Mr. Ludwig:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your correspondence of October 12, 2017 and October 3, 2017, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(g). Therefore, you may proceed to offer, develop or establish the above referenced project without a certificate of need.

However, you need to contact the Agency's Construction Section and the 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 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 Agency. 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.

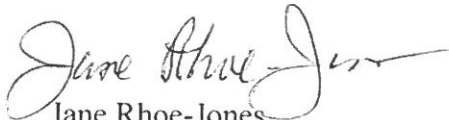
HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION
WWW.NCDHHS.GOV
TELEPHONE 919-855-3873
LOCATION: EDGERTON BUILDING • 809 RUGGLES DRIVE • RALEIGH, NC 27603
MAILING ADDRESS: 2704 MAIL SERVICE CENTER • RALEIGH, NC 27699-2704
AN EQUAL OPPORTUNITY/ AFFIRMATIVE ACTION EMPLOYER

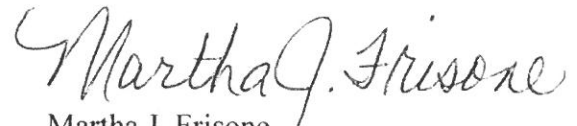


Tim Ludwig
October 16, 2017
Page 2

If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,


Jane Rhoe-Jones
Project Analyst


Martha J. Frisone
Chief, Healthcare Planning and
Certificate of Need Section

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR
Sharetta Blackwell, Program Assistant Healthcare Planning, DHSR