



NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

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

VIA EMAIL ONLY

December 7, 2020

Conor Brockett
Conor.brockett@emergeortho.com

Exempt from Review – Replacement Equipment

Record #: 3385
Facility Name: EmergeOrtho
FID #: 200921
Business Name: Eastern Carolina Diagnostic Services, Inc.
Business #: 3322
Project Description: Replace MRI Scanner
County: Wilson

Dear Mr. Brockett:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of November 17, 2020, 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 Hitachi Oasis XP 1.2T Open MRI System to replace the Hitachi Airis Elite Open MRI Model serial #H756 and lease a mobile MRI scanner to be used temporarily while the existing MRI scanner is being replaced. This determination is based on your representations that the existing unit will be sold or otherwise disposed of and will not be used again in the State without first obtaining a certificate of need if one is required.

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,

[Handwritten signature of Gregory F. Yakaboski]

Gregory F. Yakaboski
Project Analyst

[Handwritten signature of Martha J. Frisone]

Martha J. Frisone
Chief

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

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER



November 17, 2020

Via E-mail

Martha Frisone, Chief
Healthcare Planning and Certificate of Need Section
N.C. Department of Health and Human Services
Division of Health Service Regulation
2704 Mail Service Center
Raleigh, NC 27699-2704
martha.frisone@dhhs.nc.gov

Re: Eastern Carolina Diagnostic Services' Notice of Exemption from Review for Replacement of Open MRI Scanner (Grandfathered Fixed MRI Scanner in Wilson County)

Dear Ms. Frisone,

Eastern Carolina Diagnostic Services, Inc. ("ECDS") owns and operates a grandfathered MRI scanner located at the EmergeOrtho office location at 1803 Forest Hills Road in Wilson, NC 27893. ECDS now desires to replace its MRI scanner at that site.

I write to provide advance notice to the N.C. Department of Health and Human Services, Division of Health Service Regulation, Healthcare Planning and Certificate of Need Section (the "CON Section") of ECDS's planned acquisition of replacement equipment, and to request written confirmation from the CON Section that the replacement of this MRI scanner is exempt from CON review pursuant to N.C. Gen. Stat. §131E-184(a)(7).

Regulatory Framework

North Carolina's CON Law prohibits any person from offering or developing a "new institutional health service" without first obtaining a certificate of need. N.C.G.S. § 131E-178(a). The definition of "new institutional health service" includes the following:

- The acquisition by purchase, donation, lease, transfer, or comparable arrangement of major medical equipment costing more than \$750,000. See G.S. §131E-176(16)p.
- The acquisition by purchase, donation lease, transfer, or comparable arrangement of an MRI scanner, regardless of cost. See G.S. §131E-176(16)f1.7.

As described below, the costs associated with replacing this MRI scanner will exceed \$750,000. However, G.S. 131E-184(a)(7) provides an express exemption from CON review for the acquisition and installation of "replacement equipment" costing less than \$2,000,000, so long as the CON Section receives prior written notice from the proposing party explaining why the acquisition and installation qualifies for the exemption.

The CON Law further defines “replacement equipment” as:

Equipment that costs less than two million dollars (\$2,000,000) and is purchased for the sole purpose of replacing comparable medical equipment currently in use which will be sold or otherwise disposed of when replaced. In determining whether the replacement equipment costs less than two million dollars (\$2,000,000), the costs of equipment, studies, surveys, designs, plans, working drawings, specifications, construction, installation, and other activities essential to acquiring and making operational the replacement equipment shall be included. The capital expenditure for the equipment shall be deemed to be the fair market value of the equipment or the cost of the equipment, whichever is greater.

G.S. §131E-176(22a). CON Section administrative rule further instructs that replacement equipment is “comparable” to the existing equipment if:

- (1) it has the same technology as the equipment currently in use, although it may possess expanded capabilities due to technological improvements; and
- (2) it is functionally similar and is used for the same diagnostic or treatment purposes as the equipment currently in use and is not used to provide a new health service; and
- (3) the acquisition of the equipment does not result in more than a 10% increase in patient charges or per procedure operating expenses within the first twelve months after the replacement equipment is acquired.

10A N.C.A.C. 14C .0303(d).

Project Description

ECDS’s existing grandfathered fixed MRI scanner is an Hitachi Airis Elite Open MRI model, serial number H756, that was acquired new in 1992. This model has limited software applications and scanning capabilities. The proposed replacement unit is a new fixed Hitachi Oasis XP Open MRI System that will be acquired on or around February 1, 2020.

Construction will be necessary to the existing building to remove the current unit and install the replacement unit into a renovated MR suite. The construction plan also calls for the addition of a small chiller pad and equipment room. The estimated amount of all construction costs, which includes development of the architectural plans is \$470,760. See Exhibit A (All Access Quotation).

The purchase cost of the replacement unit is estimated at \$1,152,100, and includes a cooler/chiller unit and multiple software packages. Accessories including a foot/ankle coil, wrist coil, supplemental software, and warranties will be included in the project at additional purchase cost of \$97,900. The quotation also includes an allowance to offset costs for temporary access to a leased mobile MRI unit (Siemens Magnetom Symphony 1.5T), for when neither the current nor

replacement equipment is available for patient care activities during the course of the project. See Exhibit B (Hitachi Quotation).¹

Meeting the Exemption

The replacement of ECDS's fixed MRI scanner is within the parameters of the statutory exemption based on the following information:

1. The equipment being replaced is currently in use at the EmergeOrtho office located at 1803 Forest Hills Road in Wilson, NC.
2. The total estimated cost to acquire and install the MRI scanner is less than \$2,000,000, placing the project within the statutory exception. The total estimated cost is based on the following quotations:

Construction (includes architectural plans)	\$470,760
Replacement Scanner	\$1,152,100
Scanner Accessories	\$97,900
Total	\$1,720,760

3. The MRI scanner currently in use will be removed upon acquisition and installation of the replacement MRI scanner, disposed of by the seller of the replacement scanner, and no longer used by ECDS in the State.
4. The replacement MRI scanner will have the same capabilities as the scanner being replaced, although it may have some additional capabilities due to technological advances. It is also functionally similar to the unit currently in use and will be used for the same diagnostic and treatment purposes.
5. ECDS is not acquiring any other new major medical equipment or offering any new institutional health services in this equipment replacement project.
6. The project will not result in an increase patient charges or per procedure operating expenses in the first twelve months after acquiring the replacement equipment.

Conclusion

We believe the proposed replacement of ECDS's existing MRI scanner is exempt from review by the CON Section and that no CON is required for this project. We would request your written confirmation of this position following your review of the provided documentation.

¹ The vendor's quotation document included as Exhibit B identifies Wilson Orthopedic Surgery & Neurology Center as the customer requesting the quotation. This is a drafting error. The correct customer name is Eastern Carolina Diagnostic Services, Inc.

*Ms. Frisone Exemption Notice
ECDS Grandfathered MRI Scanner
Nov. 17, 2020*

Thank you for your review and consideration of this information. Please contact me at (919) 809-2514 or conor.brockett@emergeortho.com if you have any questions.

Sincerely,

Conor Brockett

Conor Brockett (Nov 17, 2020 08:11 EST)

Conor Brockett
General Counsel

Enclosures

Cc: B. Todd Smith, M.D.; todd.smith@emergeortho.com

EXHIBIT A



Emerge Ortho
1803 Forest Hills Road
Wilson, NC 27893

September 28, 2020
All Access Job #2020-1007

Attn: Rebecca Lewis

RE: Hitachi Oasis Upgrade Project

Dear Rebecca,

The following is the design build construction scope for the above referenced project. This quote is based on our site visit and the attached standard site planning information provided by Hitachi site specific plan. The undersigned proposes and in accordance with the attached scope of work to furnish all labor, material, tools, equipment, and management required for the re-construction of the MR Suite for the sum listed below:

The MR suite consists of an interior renovation of 700 +/-s.f. and a 240 s.f. addition for the equipment room. The purpose of this proposal is to define the extent of the design and construction work required to complete the project described above. This work is to be completed as outlined by the Scope of Work, exclusions and qualifications.

DIVISION 0: A&E:

- Complete architectural and structural & MEP design services as required for building permit.
- All meeting with Manufacturer staff for approvals.
- Pre-construction meetings
- Weekly subcontractor meeting and bi-weekly owner meetings.
- Submittals and shop drawings as required
- Digital As-built drawings to reflect all new work

DIVISION 1: GENERAL REQUIREMENTS:

- 1.1 The work includes all general trade work, electrical and mechanical work, and project management needed for the renovation of the medical equipment suite.
- 1.2 Provide all licenses.
- 1.3 Maintain a fulltime job superintendent.
- 1.4 Scheduled construction meetings with the customer.
- 1.5 Provide and publish a construction schedule.
- 1.6 Cleanup and haul away all construction-related debris. Final cleaning will be provided.
- 1.7 Provide general liability insurance.
- 1.8 Provide transportation, hauling, storage, and protection for all contractor provided construction materials and equipment.
- 1.9 Construction work will be performed during normal working hours between 7:00 a.m. and 5:00 p.m.
- 1.10 Construction is to be performed in one phase.
- 1.11 Customer is to provide clear, unrestricted access to the construction site.

DIVISION 2: SITE WORK:

- 2.1 Remove masonry and EFIS at delivery path.
- 2.2 Demolition of existing room and RF shielding.
- 2.3 Saw cut for plumbing and electrical trenches.
- 2.4 Excavation of new equipment room foundation.
- 2.5 Excavation for plumbing, electrical and slab structural work.
- 2.6 Excavation and restoration for new service to equipment room

DIVISION 3: CONCRETE:

- 3.1 Supply, form and pour concrete footers and walls per structural plan
- 3.2 Supply 3500 PSI concrete for equipment room slab and chiller pad.



DIVISION 4: MASONRY:

- 4.1 Supply new EFIS system on new equipment room.
- 4.2 Repair EFIS opening, match color as closely as possible.

DIVISION 5: METALS:

- 5.1 Provide steel framing system for equipment room addition..
- 5.2 Provide wire mesh and steel dowels at all slab infill areas except for the MR and equipment room scan room.

DIVISION 6: WOOD PLASTICS COMPOSITES:

- 6.1 Fire rated materials for blocking as required.

DIVISION 7: THERMAL & MOISTURE PROTECTION:

- 7.1 Sound and thermal insulation per plans.
- 7.2 Rubber roof cuts and repair for all new roof penetrations including pitch pockets.

DIVISION 8: DOORS & WINDOWS:

- 8.1 All interior doors per door schedule.
- 8.2 All door hardware per door schedule.

DIVISION 9: FINISHES:

- 9.1 Gypsum wallboard: (GWB) shall be of 48" width and of maximum practical lengths to minimize end-to-end butt joints. Standard thickness for all applications shall be 5/8" Type "X" with tapered edges.
- 9.2 Joint compounds shall be field or factory-mixed vinyl-based all-purpose compounds. GWB shall extend full height at all walls for acoustic privacy; rough tape GWB joints above finished ceilings.
- 9.3 All GWB shall be screwed to metal framing with fasteners and spacing to comply with ASTM C840 and listed UL Assemblies.
- 9.4 Interior wall framing shall consist of 20-gauge metal studs with 1 5/8" flanges and spaced at 16" c/c. Partitions shall extend full height from floor deck to the underside of floor or roof deck above unless noted otherwise. Provide deep leg and heavier gauge deflection tracks at the top of all walls.
- 9.5 Suspension systems shall match existing [assumed standard 15/16ths exposed tee, direct hung] All material in scan room shall be non-ferrous.
- 9.6 Type B: General applications; Armstrong Cirrus Tegular, #512. [2x2 pattern]
- 9.7 Vinyl Plank flooring.
- 9.8 For reference purposes all the products below are as manufactured by Sherwin Williams. Equal products by recognized manufacturers shall be considered.
Paint all wood wall cleats used to support countertops. Paint with wall color.
All door units are factory finished interior.

DIVISION 10: SPECIALTIES:

N/A

DIVISION 11: EQUIPMENT:

N/A

DIVISION 12: FURNISHINGS:

- 12.1 Supply PL millwork finish schedule.
- 12.2 Supply PL countertops per finish schedule.

DIVISION 13: SPECIAL CONSTRUCTION:

- 13.1 Provide, install, and test its USC-26 Radio Frequency Shielded Enclosure which consists of rigid modular wall, floor and ceiling panels in an integral framing system designed to provide a sound mechanical structure and low impedance RF joints.
- 13.2 Our shielded room can be completely disassembled and relocated and still maintain its shielding characteristics.
- 13.3 The proposed system will provide an attenuation of 100 dB to electric fields and plane waves from 10 MHz to 100 MHz and 100 dB to magnetic fields from 1 MHz to 30 MHz when tested in accordance with MIL-STD-285.



- 13.4 The RF shielded panels consist of 26-gauge galvanized steel laminated to a wood core on both sides. The Interconnecting framing members consist of electro-zinc plated channel. The RF walls are self-supporting and require no parent host structure.
- 13.5 This proposal is for one (1) shielded enclosure with nominal dimensions of 27 ft. x 17 ft. x 10 ft. high including the following:
- One (1) RF shielded personnel door with clear opening 4 ft. x 7 ft., Type RCM-154 Flush Sill (FS) with key cylinder door lock.
 - Polyvinyl and masonite underlayment and masonite isolation layer.
 - 1/8" vinyl filler tile.
 - RF waveguide air vents for HVAC (18" x 12" supply, 18" x 12" return)
 - One (1) RF waveguide air vent for pressure equalization.
 - One (1) RF waveguide air vent for exhaust fan (18" x 18")
 - One (1) RF waveguide for cryogen exhaust system (4" □ x 16" long)
 - RF pipe penetrations for sprinkler as required.
 - Four (4) 1 1/2" diameter waveguides for Hitachi water and helium lines.
 - One (1) brass ground stud with 2 brass ground bus bars.
 - Four (4) dual (2-wire) 30 ampere power filters for receptacles, lighting, etc.
 - One (1) dual (2-wire) 1-amp filter for fire alarm.
 - One (1) RF Control Room window (4 ft. x 3 ft.)
 - RF filter tunnel to accommodate Hitachi Filter panel.
 - Framed opening to accommodate magnet entry.
 - Isolated Ceiling hangers to support RF ceiling from parent structure above.
 - Ceiling eyebolts installed on 4 ft. grid for installation of drop ceiling.
 - One (1) Ground isolation monitor to be connected by USC and monitored by General Contractor during remaining construction. RF shield to maintain a minimum of 1,000 ohms resistance to ground.
 - Installation by one AAB non-union crew.
 - Preliminary RF attenuation test performed at completion of the basic RF enclosure.
 - Final RF acceptance test performed after the installation of MRI system and completion of RF enclosure magnet entry. A test will be performed in accordance with MRI vendor specification and a test report issued.
 - **Warranty:** AAB guarantees that the basic RF shielded enclosure provided is free from defective materials and workmanship and will retain the specified RF shielding characteristics for a period of five (5) years from date of acceptance test. Excluded from the above are doors, filters, and waveguides which shall have a one (1) year warranty.
 - Engineering drawings, Bill of Materials, and Installation drawings will be furnished
 - Shipping costs included
- 13.6 Cryogen vent modifications to meet Hitachi requirements, Utilizing existing riser and discharge system.
- 13.7 Provide 1 ea. 1/16" Lead door, 1 ea. 4' X 4' lead window 1/16" equivalent.
- 13.7 Provide 1/16" roll lead for perimeter walls per physicist report.

DIVISION 14: CONVEYING SYSTEMS:

- 14.1.1 Rigging of the Hitachi provided chiller.
- 14.1.2 All other rigging by others

DIVISION 15: MECHANICAL

- 15.1 All work associated with the installation of Hitachi provided chiller.
- 15.2 All Plumbing work per plans
- 15.3 All HVAC work per plans.
- 15.3 All Fire Sprinkler work per plans.



DIVISION 16: ELECTRICAL

16.1 All electrical work per plans.

EXCLUSIONS and QUALIFICATIONS:

1. Includes state sales tax on materials only.
2. Excludes all Power company fees and work. We will coordinate all the power company approvals and field work, if upgrade to service is required.
3. Excludes site surveys, easements and variances.
4. Zoning applications and permits.
5. Any work with telephone, intercom, or security systems.
6. Any work removing hazardous material or encapsulation of same except as outlined by this proposal.
7. Removal or relocation of existing plumbing, electrical conduits, or other installation above the ceilings and in the floor below that may be required to facilitate the proposed work.
8. Removal of existing medical equipment.
9. Any work with emergency power.
10. Any spray-on fire protection.
11. Medical gas work
12. Emergency power for the equipment.
13. All construction will be performed in one (1) phase.
14. All work is based on normal working hours.
15. Final pricing upon completed design,

Construction Costs: \$470,760.00 (four hundred seventy thousand seven hundred sixty dollars)

During the design phase we will look at all phases for possible value engineering to reduce the scope and price as much as possible.

Please don't hesitate to call me with any questions or if further breakout is required.

Thank you,

A handwritten signature in black ink, appearing to read "Allen Dionne", is written over a horizontal line.

Allen Dionne

Project Manager

Wilson Orthopedic Surgery & Neurology Center

HHAC Quotation for:

Wilson Orthopedic Surgery & Neurology Center
 1803 Forest Hills Rd
 Wilson, NC 27893
 US

This quotation constitutes Hitachi Healthcare Americas Corporation's offer to provide products and services described herein. By signing below, the Customer unconditionally accepts Hitachi Healthcare Americas Corporation's offer, including all of the terms and conditions of the offer contained herein.

This agreement shall not bind Hitachi Healthcare Americas Corporation until it has been countersigned by an authorized representative in its corporate offices in Twinsburg, Ohio.

Ship To Address:

EmergeOrtho - Wilson
 1803 Forest Hills Rd
 Wilson, NC 27893
 US

Quotation Valid: 45
 Expiration Date: 11/29/2020
 Account Executive: Jason Brewer
 Phone Number: (330) 425-1313 x3609
 Email Address: brewerj@hitachihealthcare.com



HITACHI
 Inspire the Next

CT · MR · US · DR · IT

Customer Acceptance

Hitachi Healthcare Americas Corporation

Signature: *B. Todd Smith*
 Print Name: B. Todd Smith MD
 Print Title: President
 Date: 10/23/2020

Submitted by: _____ Date: _____
 Accepted by: _____ Date: _____

NON-DISCLOSURE STATEMENT: The CONTENTS OF THIS QUOTATION SHALL NOT BE DISCLOSED TO ANYONE EXCEPT TO EMPLOYEES OF CUSTOMER WITH A LEGITIMATE NEED TO KNOW SUCH INFORMATION WITHOUT FIRST OBTAINING THE EXPRESS WRITTEN CONSENT OF HHAC.

Wilson Orthopedic Surgery & Neurology Center

System

Quantity	Item	Part Number	Description	List Price	Unit Price	Extended Unit Price
1	866031	OASISXP	OASIS XP 1.2T Open MRI System	3,100,000.00	1,152,100.00	1,152,100.00

Oasis 1.2T MRI system sets a high standard for patient-centric care. A unique achievement in high-performance imaging, the Oasis truly open architecture features advanced magnet design, Zenith RF Technology and robust clinical capabilities to achieve high throughput diagnostic performance.

With an unobstructed viewing angle and the industry's most accommodating patient table, no other MRI system enables you to capture and retain as broad a patient demographic as Oasis. Even the most challenging patients can be handled with confidence, without compromising on safety, performance, or efficiency.

1	211477	Trade AE	Trade-in Credit - Airis Elite S/N H756 (Trade Credit included in Price Above)			Included
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Trade in includes Inspection, De-installation, Transportation, and Rigging Allowance, not to exceed \$8,500.

Customer shall be responsible for arranging and paying for all necessary construction costs in connection with the de-installation and removal of the Equipment, including providing adequate rig path and support structure where necessary.

Quoted trade values are good for units received by HHAC within 150 days of the quote date. Trade value also subject to condition and completeness of the trade when received by HHA.

Trade value may be reduced for units received by HHAC after 150 days and the invoice amount for the new order may be increased so that the gross selling price remains the same.

All outstanding debt with HHAC related to the trade in unit must be satisfied prior to the return of any monies on deposit with HHAC.

Included Items

Quantity	Item	Part Number	Description	List Price	Unit Price	Extended Unit Price
1	626995	626995	Chiller Haskris OPC12	50,000.00		Included

Provides a chilled water source for Oasis and Echelon in those cases where chilled water is unavailable or does not meet Hitachi requirements. A compact design and outdoor installation minimizes installation requirements.

1	206237	PV CE-MRA	Auto Table Step Software - OASIS	22,000.00		Included
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Enables user program of table increment for multi-stage imaging. Complete spine studies are programmable and can be executed from the operator console.

1	454049	PC-MRA	Phase Contrast MRA PC-MRA Software - Oasis	10,635.00		Included
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1	540354	isoFSE	isoFSE, 3D Isotropic FSE Software - Oasis	22,500.00		Included
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isoFSE-XP: 3D volume T2 isotropic fast spin echo with variable refocusing flip angle technique. Isotropic voxel allows a user to acquire an image in one plane and create high quality images of other planes through Multi-Planar Reformating (MPR).

1	636620	IHE SWF-PIR	Workflow Plus IHE SWF-PIR Software - Oasis	24,000.00		Included
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OASIS WORKFLOW PLUS: interoperability suite enhances productivity by promoting seamless integration of Oasis with a DICOM compliant HIS/RIS. Workflow Plus gives Oasis IHE Scheduled Workflow/Patient Information Reconciliation profile support, enabling study status flagging to and query of a patient worklist from the HIS/RIS. Data entry errors are thus minimized, promoting operational efficiency.

WORKFLOW PLUS™ adds the following DICOM Service Classes:

Modality Worklist Management (MWL) - Support of this service class enables the MR system to access scheduled patient information from a DICOM 3.0 compliant hospital or radiology information system, potentially enhancing patient throughput and reducing data entry errors

Performed Procedure Step - Works in concert with Modality Worklist Management to update study status from the MR system to the hospital or radiology information system (HIS/RIS)

Options

Quantity	Item	Part Number	Description	List Price	Unit Price	Extended Unit Price
1	758747	FatSep	FatSep, Dixon Fat Separation Software - Oasis	18,000.00	9,500.00	9,500.00

Wilson Orthopedic Surgery & Neurology Center

Fat Separation: An alternative to fat saturation or STIR for robust fat suppression based on the Dixon method. Particularly useful when tissue susceptibility (e.g. chest, neck, axilla, brachial plexus, foot, ankle), magnetic field in-homogeneity or administration of contrast agents complicate other fat suppression methods. Also aids in the suppression of metal artifacts.

1	794086	MR-RWC-120 DOC397	RAPID MA Wrist Coil - Oasis	27,500.00	12,000.00	12,000.00
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OASIS RAPID Multi Array Wrist Coil: Large enough to support a broad patient demographic, the wrist coil's three channel solenoid design delivers very high spatial resolution at high SNR. This coil supports RAPID and conventional imaging modes.

1	201462	MR-HRF-120 DOC661	Foot/Ankle Coil - Oasis	33,750.00	18,000.00	18,000.00
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This high performance coil complements Oasis' orthopedic imaging advantages, delivering high-resolution, high uniformity imaging of the structures of the lower leg, foot and ankle. Its seven channel "boot" design provides for easy set-up, optimum coverage, reduced motion and patient comfort.

1	862359	MRIAUDIO1400	MRI Audio Music System	10,000.00	8,400.00	8,400.00
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Includes everything imagers need in a complete system to enhance the patient experience during their exam and improving the efficiency of the MRI.

- Digital Amplifier is the industry's simplest and most intuitive amplifier to help technologists without hassle.
- Over-Ear and In-Ear Headphones reduce and isolate MR noise for a quieter, more relaxing scan.
- 3G Transducer. Creates high-fidelity pneumatic audio for comforting patients.
- 9' pneumatic tube connects the patient headphones to the Audio transducer inside the scan room. Semi-rigid for better patient comfort and sound quality. Pneumatic Tubing will not twist, knot, or crimp.
- iPad Mini and iPad Mount w/ lock compatible with popular audio applications (e.g. Spotify, iTunes and Pandora)
- iPad has a direct window of communication with MRaudio Support for video chat using FaceTime.
- Patient volume and music selection controls with voice feedback for maximum comfort, assurance, and distraction
- Technologists Sound System with Bose speakers allowing technologists to listen to same music as the patient
- Interface to MR system console for proper mixing of music and two-way voice communication

Included Services and Allowances

Quantity	Item	Part Number	Description	List Price	Unit Price	Extended Unit Price
1	694991	ShipIns-Oasis	Shipping & Insurance - Oasis	20,000.00		Included
Includes domestic truck freight charges and transportation insurance; additional charges apply for international and ocean freight expenses						
1	920014	920014	Installation Services - Oasis			Included

This option specifically includes only the following items:

- a. Preparation of a Basic Site Plan
- b. Shim Plates (if necessary)
- c. Installation, Calibration, and Testing of System
- d. Cryogenics (not included at locations outside U.S. and P.R)

Excluded from the installation cost are such typical items as: Transportation, Rigging System into Scan Room, Site Construction, Construction providing a clear path for Rigging, Floor Shoring, Floor Leveling, etc.

1	552147	552147	Rigging Allowance - Oasis	15,000.00		Included
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A rigging allowance for standard rigging costs into a room on ground floor of the building occurring between standard working hours Monday through Friday 8:00 am to 5 pm. Provided no monies are then due and owing to HHA, upon receipt by HHA of the final system payment, HHA will promptly pay the rigging invoice on behalf of the customer, not to exceed \$15,000.

Any construction and shoring costs associated with providing a clear rigging path are the responsibility of the customer. Any rigging requiring a special crane (e.g. over 80 tons), special site requirements (e.g. seismic anchoring, split delivery, removal of existing equipment) and or beyond the standard rigging definition (e.g., multiple story, chiller on roof, afterhours/weekends/holidays) is an incremental cost and the responsibility of the customer. Any additional costs due to the rescheduling of the rig/delivery by the customer or their agents (General Contractor) will be the responsibility of the customer.

1	395584	ChillerWarr	Chiller Warranty - Term to match total system warranty			Included
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1	420111	420111	Uptime Guarantee- 99%			Included
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Hitachi guarantees 99% uptime on the operation of your system. For every quarter covered by your warranty or SMA that you're down more than 1% of the time, you'll received an additional month of service free of charge. (Excludes downtime as a result of the Chiller, where applicable)

Wilson Orthopedic Surgery & Neurology Center

12	774671	774671	Months of Standard Warranty - Oasis	11,500.00	Included
Standard Warranty – Warranty price includes system warranty (number of months indicated in Quantity column of Price Page), including Preventative Maintenance and all parts and labor (excludes labor for chiller located outside the U.S. and Puerto Rico and third-party items such as printer, injector, etc). PMs will be performed at manufacturer recommended intervals. The HHAC warranty will begin upon the completion of installation. During the warranty period, HHAC service coverage hours will be 8:00 a.m. to 9:00 p.m., Monday through Friday. Preventative Maintenance can be scheduled during these hours allowing completion by 9:00 p.m.					
12	535571	535571	Months of Additional Warranty - Oasis (For a Total of (24) Months of Warranty	11,500.00	Included
1	495320	495320	Mobile Allowance	50,000.00	50,000.00

Payment Terms:

Total Amount: \$1,250,000.00

- a. Hospital PO or \$50,000 deposit is due with signed order
- b. 80% is due after delivery upon invoice. Net 45 Days.
- c. 20% is due upon acceptance. Net 45 Days.

From: [Frisone, Martha](#)
To: [Waller, Martha K](#)
Subject: Fwd: [External] Letter/Notice of Exemption from ECDS
Date: Tuesday, November 17, 2020 8:41:06 AM
Attachments: [Exhibit A. All Access Construction Quotation.pdf](#)
[Exhibit B. Hitachi Quotation.pdf](#)
[ECDS Exemption Ltr to M. Frisone, 11-17-2020 \(signed\).pdf](#)

Get [Outlook for iOS](#)

From: Conor Brockett <conor.brockett@emergeortho.com>
Sent: Tuesday, November 17, 2020 8:24:28 AM
To: Frisone, Martha <martha.frisone@dhhs.nc.gov>
Cc: B. Todd Smith M.D. <Todd.Smith@emergeortho.com>
Subject: [External] Letter/Notice of Exemption from ECDS

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Ms. Frisone, good morning.

Please find attached the Letter/Notice of Exemption (and two exhibits) from Eastern Carolina Diagnostic Services, Inc., pertaining to its proposal to replace its grandfathered fixed MRI in Wilson County. We look forward to any questions, and ultimately confirmation, from the agency that this is an exempt project.

Sincerely,
Conor

Conor Brockett | *General Counsel & Chief Compliance Officer*
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