

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

January 17, 2020

Marisa Barone
mbarone@wakehealth.edu

Exempt from Review – Replacement Equipment

Record #: 3187
Facility Name: High Point Regional Health
FID #: 943251
Business Name: Wake Forest Baptist Health
Business #: 2990
Project Description: Replace existing MRI scanner and nuclear medicine SPECT CT on main campus
County: Guilford

Dear Ms. Barone:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of January 14, 2020 and additional information of January 15, 2020, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(f). Therefore, you may proceed to acquire without a certificate of need the Siemens 3.0 tesla Vida MRI scanner and the Siemens Symbia Intevo-6 nuclear medicine SPECT CT to replace the Siemens 1.5 tesla Symphony, Serial #13284 MRI scanner and the Siemens eCam, Serial #1009 nuclear medicine SPECT CT, respectively. This determination is based on your representations that the existing units 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.

Moreover, you need to contact the Agency's Construction, Radiation Protection, 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 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,

Celia C. Inman
Project Analyst

Martha J. Frisone
Chief

cc: Construction Section, DHSR
Radiation Protection 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

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER



Marisa Barone
Director Strategic Planning and Regulatory / CON
Wake Forest Baptist Health
Medical Center Blvd
Winston-Salem, NC 27157
mbarone@wakehealth.edu

January 14, 2020

Ms. Celia Inman, Project Analyst
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
809 Ruggles Drive
Raleigh, NC 27603

Re: Request for Confirmation of Exemption for High Point Regional Health (FID # 943251; Lic # H0052) Equipment Replacements

Dear Ms. Inman,

Pursuant to NC G.S. § 131E-184 (f), Exemptions from Certificate of Need Review, I am writing to request confirmation that the project described below for High Point Regional Health (“HPRH”) is exempt from review.

HPRH plans to replace two existing pieces of equipment, all of which are located on the HPRH main campus as defined in § 131E-176 (14n). The equipment to be replaced includes: one (1) fixed MRI scanner and one (1) nuclear medicine SPECT unit. Please reference the table below for details on the equipment replacements.

MRI Scanner: The MRI scanner that is planned for replacement is currently located within the HPRH main campus. Please reference **Attachment 1** for a HPRH campus map. The replacement MRI scanner will be located in the same location as the existing MRI scanner. The equipment is being replaced as it is at the end of its useful life. The estimated capital cost for the replacement equipment and associated construction and renovations totals \$3,124,500.

Nuclear Medicine SPECT unit: The SPECT unit that is planned for replacement is currently located within the HPRH main campus. Please reference **Attachment 1** for a HPRH campus map. The replacement SPECT unit will be located in the same location as the existing SPECT unit. The equipment is being replaced as it is at the end of its useful life. The estimated capital cost for the replacement equipment and associated construction and renovations totals \$1,804,500.

Equipment Being Replaced	Current Location of Equipment	Future Location Upon Replacement	Reason for Replacement	Approximate date that equipment will be replaced	Estimated Project Capital Cost	CON Project ID #
MRI Scanner	HPRH main campus	HPRH main campus	End of useful life	March 2021	\$3,124,500	G-5924-98
SPECT unit	HPRH main campus	HPRH main campus	End of useful life	April 2021	\$1,804,500	N/A

HPRH believes this project is exempt from review, as described below. Pursuant to NC G.S. § 131E-184 (f),

“The Department shall exempt from certificate of need review the purchase of any replacement equipment that exceeds the two million dollar (\$2,000,000) threshold set forth in G.S. 131E-176(22a) if all of the following conditions are met:

- (1) *The equipment being replaced is located on the main campus.*

Please reference **Attachment 1** for a campus map of HPRH. The equipment being replaced is located within the main hospital building. The new equipment will be placed in the same location as the existing equipment.

- (2) *The Department has previously issued a certificate of need for the equipment being replaced. This subdivision does not apply if a certificate of need was not required at the time the equipment being replaced was initially purchased by the licensed health service facility.*

Please reference **Attachment 2** for the MRI CON. A certificate of need was not required for the SPECT unit.

- (3) *The licensed health service facility proposing to purchase the replacement equipment shall provide prior written notice to the Department, along with supporting documentation to demonstrate that it meets the exemption criteria of this subsection.*

HPRH respectfully requests that the facts stated above, as well as the information included in the Attachments, serve as prior written notification to the Department that the replacement of the above-mentioned equipment at HPRH meets all of the exemption criteria in NC G.S. § 131E-184 (f).

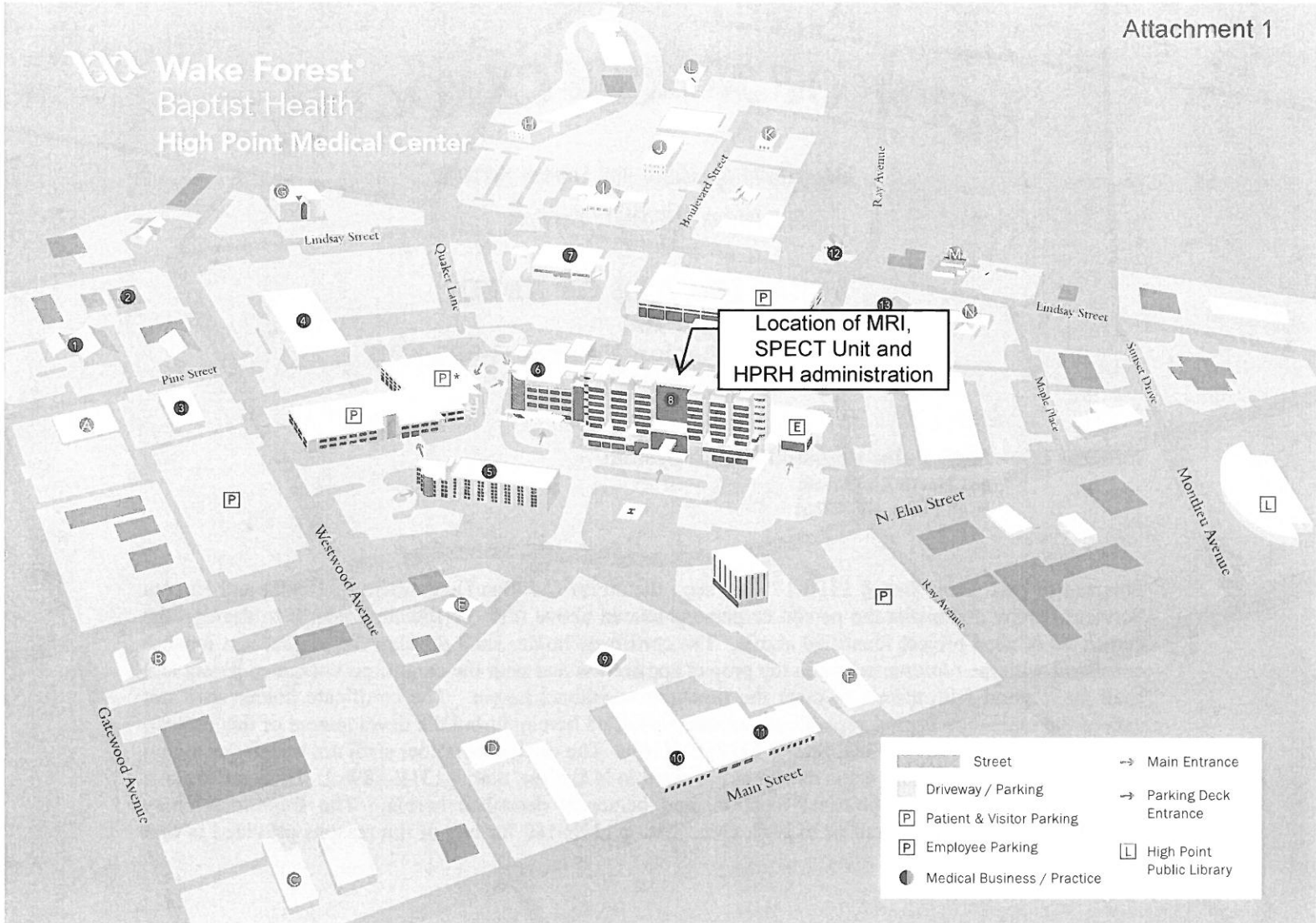
Please let me know if you have any questions or if additional information is needed.

Sincerely,



Marisa Barone
 Director, Strategic Planning and Regulatory / CON
 Wake Forest Baptist Health

**Wake Forest[®]
Baptist Health
High Point Medical Center**



High Point Medical Center ⑧
 The Emergency Center [E]
 Esther R. Culp Women's Center
 Piedmont Joint Replacement Center
 High Point Medical Center Hospital Medicine

Hayworth Cancer Center ⑤
 Radiation Oncology
 PET/CT Imaging
 WFBH Hematology & Oncology - High Point
 Cancer Resource Center
 Inpatient Rehab Center
 Inpatient Behavioral Health

Congdon Heart and Vascular Center ④
 The Fitness Center
 Medical Staff Relations
 Women's Imaging Suite
 WFBH Heart and Vascular - High Point [P]*
 WFBH Pinewest OB/GYN - Westwood [P]*

The Surgery Center ⑦

**Public Relations & Marketing
Contact Center ⑫**

Human Resources ⑨

Pathology ⑬

The Rehab Center ⑪
 Speech Therapy
 Wound Center

Millis Health Education Center ⑩
 High Point Regional Health Foundation

404 Westwood Building ④
 Central Carolina Dermatology
 High Point Pediatrics
 High Point Nephrology
 WFHN Internal Medicine - Westwood
 WFHN Infectious Disease - High Point
 WFBH Neurosurgery - High Point
 WFHN Surgical Specialists - Westwood
 WFHN Gynecology - Westwood

319 Westwood Building ③
 WFHN Transitional Care

300 Gatewood Building ①
 WFHN Diabetes Health - High Point
 WFHN Endocrinology - Emerywood
 WFHN Bariatric & Weight Management - Gatewood

Billing Office ②
 Patient Accounts

**Physician Practices or
nearby Businesses**

- Ⓐ WFBH Urology - Gatewood
- Ⓑ WFBH OB/GYN - Elm
- Ⓒ BMI Nephrology
- Ⓓ Allergy and Asthma Center
- Ⓔ Karen Lanier, DDS
- Ⓕ Community Clinic of High Point
- Ⓖ Bethany Medical Center
- Ⓗ WFBH Gastroenterology - High Point
WFHN Ear Nose & Throat - Quaker Lane
- Ⓘ WFBH Orthopedics & Sports
Medicine - High Point
- Ⓝ WFBH Neuroscience
WFHN Pediatrics - Quaker Lane
- Ⓚ WFBH Behavioral Health - Emerywood
- Ⓛ WFBH Pain Center - Quaker Lane
- Ⓜ Oral & Maxillofacial Surgeons:
Dr. DeSalvo & Russell
- Ⓝ WFBH Internal Medicine - Emerywood

STATE OF NORTH CAROLINA

Department of Health and Human Services

Division of Facility Services

CERTIFICATE OF NEED

for

Project Identification Number G-5924-98

FID# 943251

ISSUED TO: High Point Regional Health System

601 North Elm Street

High Point, NC 27261

Pursuant to N.C. Gen. Stat. § 131E-175, et. seq., the North Carolina Department of Health and Human Services hereby authorizes the person or persons named above (the "certificate holder") to develop the certificate of need project identified above. The certificate holder shall develop the project in a manner consistent with the representations in the project application and with the conditions contained herein and shall make good faith efforts to meet the timetable contained herein. The certificate holder shall not exceed the maximum capital expenditure amount specified herein during the development of this project, except as provided by N.C. Gen. Stat. § 131E-176(16)e. The certificate holder shall not transfer or assign this certificate to any other person except as provided in N.C. Gen. Stat. § 131E-189(c). This certificate is valid only for the scope, physical location, and person(s) described herein. The Department may withdraw this certificate pursuant to N.C. Gen. Stat. § 131E-189 for any of the reasons provided in that law.

SCOPE: Acquire one low-field open fixed magnetic resonance imaging (MRI) scanner. Upon completion of the project, the hospital shall operate no more than two fixed MRI scanners/Guilford County

CONDITIONS: See Reverse Side

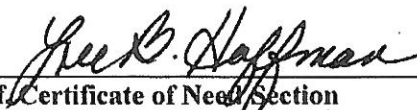
PHYSICAL LOCATION: High Point Regional Health System
601 North Elm Street
High Point, NC 27261

MAXIMUM CAPITAL EXPENDITURE: \$1,774,228

TIMETABLE: See Reverse Side

FIRST PROGRESS REPORT DUE: December 1, 1999

This certificate is effective as of the 6th day of August, 1999.


Chief, Certificate of Need Section
Division of Facility Services

CONDITIONS

1. High Point Regional Health System shall materially comply with the representation in its certificate of need application and in its supplemental documents dated May 10, 1999 and June 25, 1999. In those instances in which representations conflict, High Point Regional Health System shall materially comply with the last-made representations. High Point Regional Health System shall also materially comply with the following conditions.
2. The approved capital expenditure for this project shall be \$1,774,228.

TIMETABLE

Design

Completion of final drawings and specifications _____	September 1, 1999
Approval of final drawings and specifications by the Construction Section, DFS _____	November 1, 1999

Construction

Approval of site by the Construction Section, DFS _____	November 1, 1999
Contract Award _____	November 1, 1999
25% completion of construction _____	January 15, 2000
50% completion of construction _____	April 1, 2000
75% completion of construction _____	July 15, 2000
Completion of construction _____	September 15, 2000
Occupancy/offering of service(s) _____	October 1, 2000

Acquisition of Medical Equipment

Order of equipment _____	February 1, 2000
Arrival of equipment _____	June 1, 2000
Operation of equipment _____	October 1, 2000

Other Milestones

Licensure of Facility _____	October 1, 2000
-----------------------------	-----------------

EQUIPMENT COMPARISON
 Equipment Name and Location: Siemens Symbia Intevo-6, HPRH Main Campus

	EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type of Equipment (List Each Component)	NM SPECT	NM SPECT-CT
Manufacturer of Equipment	Siemens	Siemens
Tesla Rating for MRIs	N/A	N/A
Model Number	eCam	Symbia Intevo-6
Serial Number	1009	
Provider's Method of Identifying Equipment		
Specify if Mobile or Fixed	Fixed	Fixed
Mobile Trailer Serial Number/VIN #	N/A	N/A
Mobile Tractor Serial Number/VIN #	N/A	N/A
Date of Acquisition of Each Component	1999	2020
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>	Unknown from 1999	\$1,804,500
Total Cost of Equipment	Unknown from 1999	\$609,000
Fair Market Value of Equipment		
Net Purchase Price of Equipment		\$609,000
Locations Where Operated	High Point Medical Center	High Point Medical Center
Number Days In Use/To be Used in N.C. Per Year	365	365
Percent of Change in Patient Charges (by Procedure)	N/A	N/A
Percent of Change in Per Procedure Operating Expenses (by Procedure)	N/A	\$121,800 annual depreciation
Type of Procedures Currently Performed on Existing Equipment	General Nuclear Medicine exams	
Type of Procedures New Equipment is Capable of Performing		General Nuclear Medicine exams with new/additional Technology-attenuation correction

Received by Healthcare
 JAN 15 2020
 Planning & CON Section

EQUIPMENT COMPARISON
 Equipment Name and Location: Fixed MRI, High Point Regional Health Main Campus (G-5924-98)

	EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type of Equipment (List Each Component)	MRI	MRI
Manufacturer of Equipment	Siemens	Siemens
Tesla Rating for MRIs	1.5T	3.0T
Model Number	Symphony	Vida
Serial Number	13284	
Provider's Method of Identifying Equipment		
Specify if Mobile or Fixed	Fixed	Fixed
Mobile Trailer Serial Number/VIN #	N/A	N/A
Mobile Tractor Serial Number/VIN #	N/A	N/A
Date of Acquisition of Each Component	1999	2020
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>	Unknown from 1999	\$,3,124,500
Total Cost of Equipment	Unknown from 1999	\$1,961,000
Fair Market Value of Equipment		
Net Purchase Price of Equipment		\$1,961,000
Locations Where Operated	High Point Medical Center	High Point Medical Center
Number Days In Use/To be Used in N.C. Per Year	365	365
Percent of Change in Patient Charges (by Procedure)	N/A	N/A
Percent of Change in Per Procedure Operating Expenses (by Procedure)	N/A	\$163,417 annual depreciation
Type of Procedures Currently Performed on Existing Equipment	MRI, MRA, Head, Body, Extremity	
Type of Procedures New Equipment is Capable of Performing		Cardiac, Breast and Prostate