



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

July 23, 2021

David French, Consultant to Alliance Healthcare Services
djfrench45@gmail.com

Exempt from Review – Replacement Equipment

Record #: 3612
Date of Request: July 15, 2021
Facility Name: Alliance Healthcare Services, Inc.
FID #: 040553
Business Name: Alliance Healthcare Services, Inc.
Business #: 60
Project Description: Replace existing mobile MRI
County: Forsyth

Dear Mr. French:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that the above referenced project is exempt from certificate of need review in accordance with G.S. 131E-184(a)(7). Therefore, you may acquire without a certificate of need the Siemens Signa 276, Serial # 1S9FA482X531182613 mobile MRI scanner to temporarily replace the existing Signa 273, Serial # 1S9FA482X31182591 mobile MRI, serving Wake forest Baptist Health Outpatient Imaging in Winston-Salem. 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,

Celia C. Inman

Celia C. Inman
Project Analyst

Lisa Pittman

Lisa Pittman
Assistant Chief, Certificate of Need

cc: 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.ncdhs.gov/dhsr/ • TEL: 919-855-3873

ALLIANCE HEALTHCARE SERVICES

July 15, 2021

Ms. Celia Inman, CON Analyst
Health Care Planning and Certificate of Need Section
2704 Mail Service Center
Raleigh, NC 27699-2704

RE: Alliance Healthcare Services - Written Notice for Exemption from CON Review for the Temporary Replacement of Mobile MRI Scanner SIGNA 273 Serial # 1S9FA482181183197 (Legacy Unit), in Forsyth County

Dear Ms. Inman:

Alliance Healthcare Services (Alliance) has an urgent need to temporarily replace mobile MRI scanner SIGNA 273, in Forsyth County. Please accept this notice of exemption to temporarily replace the SIGNA 273 unit with the Alliance SIGNA 276 that will be brought into North Carolina on a short-term basis. When the temporary unit, SIGNA 276 is no longer needed to serve as a temporary replacement it will be removed from North Carolina.

This letter provides justification and written notice regarding the replacement equipment in accordance with NCGS 131 E-184. Alliance Healthcare Services also provides documentation that the replacement equipment conforms to G.S. 131E-184 (a) (7) Exemptions from Review to provide replacement equipment and 10A NCAC 14C.0303 Replacement Equipment Administrative Rules.

Overview

The existing mobile MRI scanner requires temporary replacement for several reasons:

- 1) The existing SIGNA 273 urgently requires repairs to the integrated body coil requiring transport of entire scanner to the OEM's Milwaukee maintenance facility.
- 2) Service to the existing host site will be disrupted if a temporary replacement mobile MRI scanner is not provided.
- 3) Patient diagnosis and treatment at the host sites will be disrupted without access to MRI.
- 4) Alliance has no available capacity on other MRI scanners in North Carolina to provide coverage for the unit that needs to be repaired.

Alliance recognizes the need to provide high quality, cost effective, and reliable mobile MRI scanner service. The host site that will be served by the replacement mobile MRI scanner is:

Wake Forest Baptist Health
Outpatient Imaging
265 Executive Park Blvd.
Winston-Salem, NC 27103

Compliance Documentation

Compliance with G.S. 131E-176 (22a) Replacement Equipment Definition is demonstrated because the temporary replacement MRI scanner has a current fair market value of \$450,000.

The replacement MRI equipment will be used for the same diagnostic purposes as the existing equipment. Alliance is providing prior written notice to the Department in accordance with G.S. 131E-184 (a) (7) Exemption from Review to provide replacement equipment.

Conformance with Administrative Rule 10A NCAC 14C.0303 Replacement Equipment

Alliance plan to use an existing mobile MRI as a temporary replacement. The replacement MRI scanner is comparable to the equipment being replaced because the temporary replacement equipment will also obtain MRI images and data. The proposed replacement mobile MRI scanner will be used to acquire the same types of MRI images and data. No increases in costs or patient charges will result from the temporary replacement. The existing equipment SIGNA 273 will be brought back into service and the temporary replacement unit will be removed from North Carolina.

EQUIPMENT COMPARISON

	EXISTING EQUIPMENT	TEMPORARY REPLACEMENT
Type of Equipment (List Each Component)	MRI	MRI
Manufacturer of Equipment	GE	Siemens
Tesla Rating for MRIs	1.5T	1.5T
Model Number	SIGNA	SIGNA
Serial Number	1S9FA482X31182591	1S9FA482531182613
Provider's Method of Identifying Equipment	SIGNA 273	SIGNA 276
Specify if Mobile or Fixed	Mobile	Mobile
Mobile Trailer Serial Number/VIN #	1S9FA482181183197	1S9FA482531182613
Mobile Tractor Serial Number/VIN #	NA – No changes	NA – No changes
Date of Acquisition of Each Component	2014	2014
Hold Title or Lease	ROC leases from Alliance	Alliance Holds Title
Specify if Equipment Was/Is New or Used When Acquired	New	New
Total Capital Cost of Project (no construction involved)	NA	NA
Total Cost of Equipment	NA	NA
Fair Market Value of Equipment	NA	NA - Temporary
Net Purchase Price of Equipment	NA	NA
Locations Where Operated Currently	Please see list	Please see list
Number Days In Use/To be Used in N.C. Per Year	Up to 365	Temporary
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	MRI Procedures	MRI Procedures
Type of Procedures New Equipment is Capable of Performing	NA	MRI procedures

The temporary use of replacement unit to serve the host sites will be discontinued when the repair of SIGNA 273 has been completed and the scanner has been returned to service.

Thank you for your review and consideration of this information. Please call me 336 432-8308 if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "David French", written over a horizontal line.

David French
Consultant to Alliance Healthcare Services
P.O. Box 2154
Reidsville, NC 27023
djfrench45@gmail.com

Cc: Tina Hinshaw, RVP Operations Southeast Region
Jennifer Freeman and Rodney Skelding
Managers of Operations
Alliance Healthcare Services