



North Carolina Department of Health and Human Services
Division of Health Service Regulation
Certificate of Need Section

2704 Mail Service Center ■ Raleigh, North Carolina 27699-2704

Beverly Eaves Perdue, Governor
Lanier M. Cansler, Secretary

www.ncdhs.gov/dhsr

Craig R. Smith, Section Chief
Phone: 919-855-3875
Fax: 919-733-8139

January 23, 2012

Greg S. Bass
CHS Management Company
PO Box 32861
Charlotte NC
28232

RE: No Review/ Carolinas Medical Center-Union/ Relocate an existing 4-slice CT scanner from the Outpatient Treatment Pavilion to the hospital Imaging Department; purchase a refurbished 64-slice CT scanner and install in the Outpatient Treatment Pavillion (into space vacated by the 4-slice CT scanner)/ Union County
FID #061032


Dear Mr. Bass:


The Certificate of Need (CON) Section received your letter of January 19, 2012 regarding the above referenced proposal. Based on the CON law **in effect on the date of this response to your request**, the proposal described in your correspondence is not governed by, and therefore, does not currently require a certificate of need. However, please note that if the CON law is subsequently amended such that the above referenced proposal would require a certificate of need, this determination does not authorize you to proceed to develop the above referenced proposal when the new law becomes effective.

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 Certificate of Need Section. 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.

In addition, you should contact the Construction Section, DHSR to determine if they have any requirements for development of the proposed project. Please contact the CON Section if you have any questions. Also, in all future correspondence you should reference the Facility I.D.# (FID) if the facility is licensed.

Sincerely,


Paula Quirin,
Project Analyst


Craig R. Smith, Chief
Certificate of Need Section

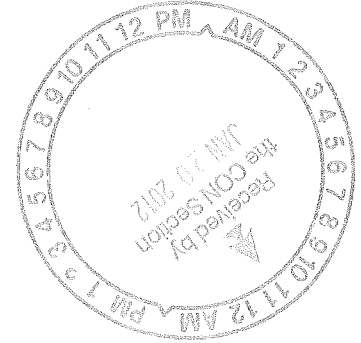
cc: Construction Section, DHSR
Medical Facilities Planning Section, DHSR





Paula

Carolinan HealthCare System



James E.S. Hynes
Chairman

Michael C. Tarwater, FACHE
Chief Executive Officer

Joseph G. Piemont
President & COO

January 19, 2012

Paula Quirin, Project Analyst
North Carolina Department of Health and Human Services
Division of Health Service Regulation
Certificate of Need Section
809 Ruggles Drive
Raleigh, North Carolina 27603-0530

Re: Acquisition of 64-Slice CT Scanner at Carolinas Medical Center-Union

Dear Ms. Quirin:

Carolinan Medical Center-Union (CMC-Union) is planning to purchase a refurbished 64-slice CT scanner. CMC-Union recently relocated a 16-slice CT scanner from the Imaging Department in the hospital to Carolinas Medical Center-Waxhaw as required by the Carolinas Medical Center-Waxhaw CON Conditions (Project ID F-7706-06). This project includes the following two components:

1. Relocating the current 4-slice CT scanner from the Outpatient Treatment Pavilion to the Imaging Department on the first floor of the hospital (into the space vacated by the 16-slice CT scanner). The cost to relocate the 4-slice CT scanner and to upfit the room is included in this project.
2. Purchasing and installing a refurbished 64-slice CT scanner in the Outpatient Treatment Pavilion (into the space vacated by the 4-slice CT scanner). The cost to purchase the refurbished 64-slice CT scanner and to upfit the room is included in this project.

The overall capital costs for this project are estimated to be \$749,595. That amount consists of \$599,017 to purchase and install the refurbished 64-slice CT scanner. A quote from the equipment vendor is provided for your review in Attachment 1. The total capital cost schedule is provided for your review in Attachment 2 and includes "the costs of the equipment, studies, surveys, designs, plans, working drawings, specifications, construction, installation, and other activities essential to acquiring and making operational" the refurbished 64-slice CT.

Paula Quirin
Page 2
January 19, 2012

Based upon the facts as described above, given that the total capital cost for the project is under \$750,000, the equipment does not meet the definition of "major medical equipment" included in N.C.G.S. 131E-176(14o). Therefore, this is not a new institutional health service as defined in N.C.G.S. 131E-176(16) and is not subject to certificate of need review. This letter serves as notification of our intent to proceed with this project. We would appreciate your written concurrence that this project does not require a certificate of need. If you have any questions or require further information regarding this project, please call me at 704-355-0314.

Sincerely,



Greg S. Bass, Director
CHS Management Company

Attachments

cc: F. Del Murphy, Jr., CHS Management Company
Michael Lutes, Carolinas Medical Center-Union
Dave Anderson, Carolinas Medical Center-Union

Attachment 1

Equipment Vendor Quote

Quotation Number: P2-C118952 V 5

Carolinas Medical CenterUnion
600 Hospital Dr
Monroe NC 28112-6000

Attn: Mr. Chris Hollar
600 Hospital Dr
Monroe NC 28112

Date: 12-01-2011

This Agreement (as defined below) is by and between the Customer and the GE Healthcare business ("GE Healthcare"), each as identified herein. GE Healthcare agrees to provide and Customer agrees to pay for the Products listed in this GE Healthcare Quotation ("Quotation"). "Agreement" is defined as this Quotation and the terms and conditions set forth in either (i) the Governing Agreement identified below or (ii) if no Governing Agreement is identified, the following documents:

- 1) This Quotation that identifies the Product offerings purchased or licensed by Customer;
- 2) The following documents, as applicable, if attached to this Quotation: (i) GE Healthcare Warranty(ies); (ii) GE Healthcare Additional Terms and Conditions; (iii) GE Healthcare Product Terms and Conditions; and (iv) GE Healthcare General Terms and Conditions.

In the event of conflict among the foregoing items, the order of precedence is as listed above.

This Quotation is subject to withdrawal by GE Healthcare at any time before acceptance. Customer accepts by signing and returning this Quotation or by otherwise providing evidence of acceptance satisfactory to GE Healthcare. Upon acceptance, this Quotation and the related terms and conditions listed above for the Governing Agreement, if any, shall constitute the complete and final agreement of the parties relating to the Products identified in this Quotation. The parties agree that they have not relied on any oral or written terms, conditions, representations or warranties outside those expressly stated or incorporated by reference in this Agreement in making their decisions to enter into this Agreement. No agreement or understanding, oral or written, in any way purporting to modify this Agreement, whether contained in Customer's purchase order or shipping release forms, or elsewhere, shall be binding unless hereafter agreed to in writing by authorized representatives of both parties. Each party objects to any terms inconsistent with this Agreement proposed by either party unless agreed to in writing and signed by authorized representatives of both parties, and neither the subsequent lack of objection to any such terms, nor the delivery of the Products, shall constitute an agreement by either party to any such terms.

By signing below, each party certifies that it has not made any handwritten modifications. Manual changes or mark-ups on this Agreement (except signatures in the signature blocks and an indication in the form of payment section below) will be void.

- Terms of Delivery: FOB Destination
- Quotation Expiration Date: 12-09-2011
- Billing Terms: 100% billing at Ship Completion (Fulfillment) / Delivery
- Payment Terms: 60 DAYS NET
- Governing Agreement: CSS-GEHC MVA July 15 2011

Each party has caused this agreement to be signed by an authorized representative on the date set forth below. Please submit purchase orders to GE Healthcare
3200 N. Grandview Blvd., Mail Code WT-897, Waukesha, WI 53188

GE HEALTHCARE

J Anders
Product Sales Specialist Date

CUSTOMER

Michael Lukas 12/3/11
Authorized Customer Date
Michael Lukas, President
Print Name and Title

PO #

Desired Equipment First Use Date

GE Healthcare will use reasonable efforts to meet Customer's desired equipment first use date. The actual delivery date will be mutually agreed upon by the parties.

INDICATE FORM OF PAYMENT:

(If there is potential to finance with a lease transaction, GE HFS or otherwise, select lease.)

Cash * Lease HFS Loan

If financing please provide name of finance company below*:

*Selecting Cash or not identifying GE HFS as the finance company declines option for GE HFS financing.



Quotation Number: P2-C118952 V 4

Item No.	Qty	Description
1	1	<p data-bbox="565 384 930 409">GoldSeal Certified LightSpeed VCT</p> <p data-bbox="565 432 1498 495">Refurbished VCT including: - 700 mA/85 KW Xray Tube and generator - 0.40 s Rotation (0.35 s rotation optional) - 16 frames per second recon time - 1700 table included</p> <p data-bbox="565 518 1377 581">The LightSpeed VCT standard delivers technologies that deliver true clinical performance with the ability to acquire sub-mm resolution with wider coverage.</p> <ul style="list-style-type: none"> <li data-bbox="581 604 1498 741">• Exclusive V-Res (TM) Detector technology providing 40mm of volume acquisition capability with 58,368 individual detector elements comprised of 64 rows of 0.625mm thickness at isocenter delivering up to 0.35mm of resolution for optimized MPR and 3D imaging. <li data-bbox="581 764 1498 827">• Breakthrough diode technology providing true 64 channel acquisition and a platform for future growth. <li data-bbox="581 850 1295 875">• 40mm anatomical coverage per rotation with 0.625mm slices. <li data-bbox="581 898 1498 982">• Enhanced features for cardiac applications including: ECG waveform display on the console, cardiac optimized bowtie filters for dose reduction and cardiac specific image filters. <li data-bbox="581 1005 1498 1346">• Complete workflow solutions to support the acquisition of 64 sub-mm slices per rotation including: <ul style="list-style-type: none"> <li data-bbox="646 1060 1498 1188">- Xtream(TM) FX, the next evolution of GE's workflow platform built on the LINUX operating system and delivering fast reconstruction of full fidelity images and a fast network transfer with rates of up to 6 images per second. <li data-bbox="646 1211 1498 1274">- Direct MPR that enables the move from 2D review to prospective 3D image review of axial, sagittal, coronal and oblique planes...automatically. <li data-bbox="646 1297 1498 1346">- Exam Split delivering the capability to "split" a series of patient images into separate groups for networking. <li data-bbox="581 1369 1498 1432">• Vari-Speed, GE's exclusive variable speed capability for enhanced coronary angiography (0.4s, 0.42, 0.45, 0.47, 0.5, 0.6, 0.7, 0.8, 0.9, 1.0s). <li data-bbox="581 1455 1498 1480">• Performix Pro VCT 100 tube and generator technology delivering 85kW, 700mA. <li data-bbox="581 1503 1498 1608">• OptiDose management features: new bowtie filters optimized for cardiac applications and pediatric body exams, fully 3-Dose modulation, ECG dose modulation, color coding for kids, tracking collimator hardware and software for x-ray beam tracking to name a few. <li data-bbox="581 1631 1498 1776">• InSite Broadband Built In - includes hardware install support essential for systems to be ready for high speed internet connection. Enables customer to access services designed to: improve quality, enhance performance, increase productivity, reduce costs, reduce downtime, expand imaging capabilities, and increase privacy and security of data transmission.



Quotation Number: P2-C118952 V 4

Item No.	Qty	Description
		<p>NOTE: THIS SYSTEM WILL ONLY INSTALL INTO A ROOM WITH A MINIMUM ROOM WIDTH 14FT 6IN</p> <p>WARRANTY The published company warranty in effect on the date of shipment shall apply. The Company reserves the right to make changes. All specifications are subject to change.</p> <p>SITING CONSIDERATIONS See the Pre-Installation manual for details of the siting requirements for LightSpeed VCT.</p> <p>REGULATORY COMPLIANCE This product is designed to comply with applicable standards under the Radiation Control for Health and Safety Act of 1968.</p> <p>Laser alignment devices contained with this product are appropriately labeled according to the requirements of the Center for Devices and Radiological Health.</p> <p>This product is a CT-compliant device which satisfies regulations regarding Electro-Magnetic Compatibility (EMC) and Electro-Magnetic Interference (EMI), pursuant to IEC-601.</p> <p>Availability</p> <p>Since Gold Seal Preowned Equipment may be Offered Simultaneously to Several Customers, its Sale to You is Subject to Availability and Subject to Prior Sale at the Time You Offer to Purchase It. If the Equipment is no Longer Available, (1) We Will Attempt to Identify Other Gold Seal Preowned Equipment in Our Inventory That Meets Your Needs, and (2) if Substitute Equipment is Not Acceptable to You, We Will Cancel Your Order and Refund Any Deposit You Have Paid us for the Canceled Order.</p>
2	1	<p>CT Main Disconnect Panel - 125 Amp with Auto Restart</p> <p>FEATURES/BENEFITS</p> <ul style="list-style-type: none"> • Custom panel serves as the main power disconnect between the CT system and the facility 400-480V power source Panel provides short circuit, overload, undervoltage release, automatic restart, and emergency shut down for the CT system • Reduces installation time and cost by providing a single-point power connection eliminating the need to mount and wire a number of individual components • Standardized design and testing assures high product quality and system reliability • On systems where the optional 12.5 kVA partial system UPS is ordered, the Main Disconnect Panel also provides mandated emergency power off control via a UPS output disconnect function included in the panel design • Provides a standardized platform for future UPS or other GE engineered



Quotation Number: P2-C118952 V 4

Item No.	Qty	Description
		<p>modifications or upgrades</p> <p>SPECIFICATIONS</p> <ul style="list-style-type: none"> • Dimensions (H x W): 30.24 in. x 19.78 in. • Enclosure Depth: 7.05 in. • Handle Depth: 10.3 in. • Weight: 110 lbs. • UL, cUL and CE labeled • Panel disconnect provides OSHA lockout/tagout provisions • Surface or semi-flush mounting • Partial system UPS sold separately (E4502F) <p>COMPATIBILITY</p> <ul style="list-style-type: none"> • CT LS Pro 16, LS Pro 32, RT Systems, LS VCT, CT 750HD, Discovery 690 VCT <p>NOTES:</p> <ul style="list-style-type: none"> • Customer is responsible for rigging and arranging for installation with a certified electrician • ITEM IS NON-RETURNABLE AND NON-REFUNDABLE
3	1	<p>Slicker - CT HD750 and VCT w/GT 2000 Table (2 Piece Set)</p> <p>FEATURES/BENEFITS</p> <ul style="list-style-type: none"> • Two-piece, sealed slicker cushion set has comfort pads enclosed inside the slicker cover and extender cover • Durable, clear PVC plastic cover facilitates faster, more thorough cleanup of blood and fluids • Increase system uptime by protecting table from spills and particulate contaminants • Thermo-sealed seams and flaps prevent contaminote buildup in hard to clean areas <p>COMPATIBILITY</p> <ul style="list-style-type: none"> • VCT with GT 2000 Table, CT HD750
4	1	<p>Footswitch Slicker for CT HD750 and VCT Systems</p> <p>The footswitch slicker for CT VCT 2000 and 1700 systems is made of durable, clear PVC plastic that protects the footswitch and facilitates faster, more thorough cleanup of contamination caused by blood and other body fluids. Cover is held securely in</p>



Quotation Number: P2-C118952 V 4

Item No.	Qty	Description
		place with Velcro...H
5	1	4 Days CT TiP Onsite Training Four Days CT Onsite Training provided from 8AM to 5PM, Monday through Friday. Includes T&L expenses. Days provided consecutively. This training program must be scheduled and completed within 12 months after the date of product delivery.
6	1	LightSpeed 4-slice Deinstall, Reinstall, Calibration, and Testing by GE Healthcare - valued at \$29,295
7	1	Moving, storage, and delivery of LightSpeed 4-slice by Hi-Tech Transportation, Inc - value at \$3,675.00 <i>(do not need)</i>

Quote Summary:

Total Quote Net Selling Price \$631,987.39

(Quoted prices do not reflect state and local taxes if applicable. Total Net Selling Price Includes Trade In allowance, if applicable.)



Attachment 2
Capital Cost Schedule

Project name: Acquire Refurbished 64-Slice CT Scanner

A. Site Costs

(1) Full purchase price of land		\$ -
Acres _____ Price per Acre \$ _____		
(2) Closing costs		\$ -
(3) Site Inspection and Survey		\$ -
(4) Legal fees and subsoil investigation		\$ -
(5) Site Preparation Costs		
Soil Borings	\$ -	
Clearing-Earthwork	\$ -	
Fine Grade for Slab	\$ -	
Roads/Paving	\$ -	
Concrete Sidewalks	\$ -	
Water and Sewer	\$ -	
Footing Excavation	\$ -	
Footing Backfill	\$ -	
Termite Treatment	\$ -	
Other (Specify)	\$ -	
Sub-Total Site Preparation Costs	\$ -	\$ -
(6) Other (Specify)		\$ -
(7) Sub-Total Site Costs		\$ -

B. Construction Contract

(8) Cost of Materials		
General Requirements	\$ -	
Concrete/Masonry	\$ -	
Doors & Windows/Finishes	\$ -	
Thermal & Moisture Protection	\$ -	
Equipment/Specialty Items	\$ -	
Mechanical/Electrical	\$ -	
Other (Specify)	\$ -	
Sub-total Cost of Materials		\$ -
(9) Cost of Labor		\$ -
(10) Other (Specify)		\$ -
(11) Sub-Total Construction Contract		\$ 84,883.00

C. Miscellaneous Project Costs

(12) Building Purchase		\$ -
(13) Fixed Equipment Purchase/Lease		\$599,017.00
(14) Movable Equipment Purchase/Lease		\$ -
(15) Furniture		\$ -
(16) Landscaping		\$ -
(17) Consultant Fees		
Architect and Engineering Fees	\$ 33,100.00	
Legal Fees	\$ -	
Market Analysis	\$ -	
Other (Permit, DHSR, Physicist Fees,)	\$ 3,300.00	
Sub-Total Consultant Fees		\$ 36,400.00
(18) Financing Costs (e.g., Bond, Loan, etc.)		\$ -
(19) Interest During Construction		\$ -
(20) Other (Equipment Relocation)		\$ 29,295.00
(21) Sub-Total Miscellaneous		\$664,712.00
D. Total Capital Cost of Project (Sum A-C above)		\$749,595.00

I certify that, to the best of my knowledge, the construction costs of the proposed project named above are complete and correct.


(Signature of Licensed Architect or Engineer)

1/12/12
Date Certified

I assure that, to the best of my knowledge, the capital costs of the proposed project named above are complete and correct and that it is my intent to carry out the proposed project as described.

DAVE ANDERSON
(Signature and Title of Officer Authorized to Represent Provider/Company)

1-12-12
Date Certified