



**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
<http://www.ncdhhs.gov/dhsr/>

Drexdal Pratt, Director

Beverly Eaves Perdue, Governor
Albert A. Delia, Acting Secretary

Craig R. Smith, Section Chief
Phone: (919) 855-3873
Fax: (919) 733-8139

November 27, 2012

Greg Bass, Director
CHS Management Company
P.O. Box 32861
Charlotte, NC 28232

Exempt from Review – Temporary Replacement of Equipment

Facility: Carolinas Medical Center-University
Project Description: Temporary replacement of an existing fixed MRI scanner with a mobile MRI scanner at CMC-University
County: Mecklenburg
FID #: 923516

Dear Mr. Bass:

In response to your letter of May 30, 2012 the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(7). Therefore, you may proceed to acquire, without a certificate of need, the GE 1.5T mobile MRI scanner equipment to temporarily replace the existing fixed Phillips Intera 1.5T MRI scanner, serial number 781105005263. The temporary replacement of the existing fixed MRI scanner is a result of minor renovations to be done to the MRI suite as a part of a larger renovation of the Radiology Department. This determination is based on your representations that as soon as the renovation project is completed, GE will remove the mobile MRI scanner from North Carolina and it will not be used again in the State without first obtaining a certificate of need. At no time should the fixed MRI and mobile MRI scanner be used concurrently. Further please be advised that as soon as the replacement equipment is acquired, you must provide the CON Section and the Medical Facilities Planning Section with the serial number of the replacement equipment to update the inventory, if not already provided. In addition, you should contact the Construction Section to determine if they have any requirements for development of the proposed project.

It should be noted that this 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 Agency and a separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Fatimah Wilson

Fatimah Wilson
Project Analyst

Craig R. Smith

Craig R. Smith
Chief Certificate of Need Section

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





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Fatimah Wilson

Fatimah Wilson
Project Analyst

Craig R. Smith

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Chief Certificate of Need Section

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





Carolinah HealthCare System

James E.S. Hynes
Chairman

Michael C. Tarwater, FACHE
Chief Executive Officer

Joseph G. Piemont
President & COO

May 30, 2012

Mr. Craig R. Smith, Chief
Certificate of Need Section
Division of Health Service Regulation
809 Ruggles Drive
Raleigh, North Carolina 27603

RE: Temporary Replacement of MRI Scanner with a Mobile MRI Scanner at Carolinas
Medical Center-University

Dear Mr. Smith:

Carolinah Medical Center-University (CMC-University) is planning to undergo a minor renovation of the MRI suite as part of a larger renovation of the Radiology Department. The renovation is primarily aesthetic in nature including replacing the floor and wall finishes. During the renovation the MRI scanner will not be available to treat patients. In order to maintain this vital service for our patients, CMC-University is requesting approval to temporarily replace its existing fixed scanner with a mobile MRI scanner for the duration of the renovation project. The project is projected to start in early June and last seven to 10 days.

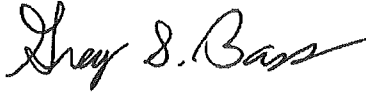
During the renovation project CMC-University will contract with General Electric/ Interim Mobile Solutions (GE) for the use of a 1.5T mobile MRI scanner not currently licensed to operate in North Carolina. As soon as the renovation project is completed GE will remove the mobile MRI scanner from North Carolina and it will not be operated in the state without appropriate CON approval. At no time will the fixed MRI and mobile MRI scanners be used concurrently and the number of MRI scanners in use in the service area will not increase. I have attached a replacement equipment comparison form as Attachment 1. There are no capital costs associated with the use of the mobile MRI because CMC-University already has a functional mobile pad. The projected total capital expenditure for the entire project is \$627,000.

Based upon the project as described above, pursuant to N.C. Gen. Stat. § 131 E-184 (a)(7), this letter serves as notification of our intent to proceed with this project. We

Craig R. Smith
May 30, 2012
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would appreciate your written concurrence that this project is exempt from CON review. If you have any questions or require further information regarding this project, please contact me at 704-355-0314.

Sincerely,

A handwritten signature in cursive script that reads "Greg S. Bass". The signature is written in black ink and is positioned above the printed name and title.

Greg S. Bass, Director
CHS Management Company

Carolinas Medical Center University – Temporary Replacement of Fixed MRI with Mobile MRI
Attachment 1 - EQUIPMENT COMPARISON

	Existing Equipment	Replacement Equipment
Type of Equipment (List each component)	Fixed MRI	Mobile MRI
Manufacturer of Equipment	Phillips	GE Medical Systems
Tesla Rating for MRIs	1.5 T	1.5T
Model Number	Intera 1.5 T	GE 1.5T
Serial Number	781105005263	N/A
Provider's Method of Identifying Equipment	Asset Tag on device	N/A
Specify if Mobile or Fixed	Fixed	Mobile
Mobile Trailer Serial Number/VIN #	Not applicable	N/A
Mobile Tractor Serial Number/VIN #	Not applicable	N/A
Date of Acquisition of Each Component	2002	N/A
Does Provider Hold Title to Equipment or Have a Capital Lease?	Owns	Daily rent charge
Specify if Equipment Was/Is New or Used When Acquired	New	Used
Total Capital Cost of Project (Including Construction, etc.)	\$3,291,416	N/A
Total Cost of Equipment	\$1,914,400	N/A
Fair Market Value of Equipment	\$1,914,400	N/A
Net Purchase Price of Equipment	\$1,914,400	N/A
Locations Where Operated	CMC-University 8800 North Tryon St Charlotte, NC 28262	CMC-University 8800 North Tryon St Charlotte, NC 28262
Number Days in Use/To Be Used in N.C. per Year	365	10
Percent of Change in Patient Charges (by procedure)		None
Percent of Change in Per Procedure Operating Expenses (by procedure)		None
Type of Procedures Currently Performed on Existing Equipment	All standard MRI protocols	
Type of Procedures New Equipment is Capable of Performing	All standard MRI protocols	All standard MRI protocols