



North Carolina Department of Health and Human Services  
Division of Health Service Regulation

Roy Cooper  
Governor

Dempsey E. Benton  
Interim Secretary DHHS

Mark Payne, Director  
Health Service Regulation

January 12, 2017

Lisa Griffin  
Novant Health, Inc.  
2085 Frontis Plaza Drive  
Winston-Salem, NC 27103

**Exempt from Review – Replacement Equipment**

**Record #:** 2133  
**Facility Name:** Novant Health Matthews Medical Center  
**FID #:** 945076  
**Business Name:** Novant Health, Inc.  
**Business #:** 1341  
**Project Description:** Replace CT Scanner  
**County:** Mecklenburg

Dear Ms. Griffin:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of December 30, 2016, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §131E-184(a)(7). Therefore, you may proceed to acquire without a certificate of need the Siemens SOMATOM Definition CT Scanner to replace the GE VCT 64 CT Scanner, serial number 377677CN. This determination is based on your representations that the existing unit will be removed from North Carolina and will not be used again in the State without first obtaining a certificate of need.

Moreover, you need to contact the Agency's Construction 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

**Healthcare Planning and Certificate of Need Section**

[www.ncdhhs.gov](http://www.ncdhhs.gov)

Telephone: 919-855-3873 • Fax: 919-715-4413

Location: Edgerton Building • 809 Ruggles Drive • Raleigh, NC 27603

Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

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separate determination. If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,



Gloria C. Hale  
Project Analyst



Martha J. Frisone  
Assistant Chief, Certificate of Need

cc: Construction Section, DHSR  
Paige Bennett, Assistant Chief, Healthcare Planning, DHSR  
Acute and Home Care Licensure and Certification Section, DHSR

December 30, 2016

Ms. Martha Frisone, Assistant Chief, Certificate of Need  
Healthcare Planning & Certificate of Need (CON) Section  
North Carolina Department of Health & Human Services  
809 Ruggles Drive  
Raleigh, North Carolina 27603



Re: Replacement Equipment Exemption Request Pursuant to N.C.G.S. 131E-184(a)(7) –  
CT Scanner at Novant Health Matthews Medical Center (NHMMC); Mecklenburg County

Dear Ms. Frisone:

This letter outlines Novant Health Matthews Medical Center's (NHMMC's) project to replace an existing CT Scanner located in the hospital's Radiology Department with a new Siemens Somatom Definition CT Scanner. See **Attachment A** for the vendor quote from Siemens Healthineers. The total project costs related to the replacement of the CT Scanner are \$1,153,146 including the new equipment cost of \$645,826. The project cost does not include: sales, property or excise taxes since NHMMC is a non-profit, tax-exempt organization and is not typically subject to these taxes. In addition, the expense for on-site training on the new equipment for the radiology staff is covered by the vendor quote on Page 7. The existing equipment is to be traded in and removed by Siemens (see page 7 of the quote in **Attachment A**) who will ensure that it is removed from North Carolina and not returned to North Carolina without the appropriate CON approvals.

Both the existing equipment and the replacement equipment are comparable medical equipment as explained in this letter. This exempt project will replace a functionally similar operational equipment item in the radiology department of NHMMC and will not increase the inventory of CT Scanners in Mecklenburg County. The proposed new CT Scanner is consistent with the replacement equipment definition at N.C.G.S. Section 131E-176(22a) which states that the replacement equipment is comparable to the equipment being replaced if it has the same technology as the equipment currently in use, although it may possess expanded capabilities due to technological improvements. The existing CT Scanner is used for CT scans in the hospital Radiology Department and the replacement equipment will be used for CT scans in the hospital Radiology Department.

Pursuant to 10A NCAC 14C.0303 the proposed replacement CT Scanner constitutes replacement equipment because:

1. It is comparable to the equipment currently in use. It has the same technology as the equipment currently in use, although it does possess expanded capabilities due to the technological improvements.
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.

Ms. Martha Frisone  
December 30, 2016  
Replacement Equipment Exemption – NHMMC CT Scanner  
Page 2

3. The acquisition of the new equipment will 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.
4. The existing equipment was not purchased second-hand nor was the existing equipment leased.
5. The replacement equipment is not capable of performing procedures that will result in the provision of a new health service or type of procedure that has not been provided with the existing equipment.

Attached for your convenience please find:

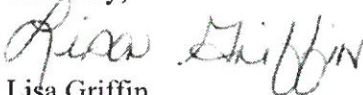
- 1) a vendor equipment price quote (**Attachment A**);
- 2) a project/capital cost schedule which identifies the components of the total project costs (**Attachment B**);
- 3) a certified estimate of related construction costs from an independent licensed North Carolina architect (**Attachment C**); and,
- 4) the NC CON equipment comparison form summarizing essential information about the proposed equipment purchase (**Attachment D**).

NHMMC's acquisition of the replacement CT Scanner does not require a certificate of need because none of the definitions of "new institutional health service" set forth in N.C.G.S. Section 131E-176(16) is implicated. As discussed above, the total cost for the project is \$1,153,146. This includes the cost of the equipment, as well as studies, surveys, designs, plans, working drawings, specifications, construction installation and other activities essential to making the equipment operational (such as staff training).

In conclusion, based on the information described above, please confirm that NHMMC's replacement equipment request does not constitute a "new institutional health service" and does fit within the replacement equipment exemption definition. Therefore, the project is not subject to certificate of need review.

Please let us know as soon as possible if you need additional information to assist in your consideration of this request. Thank you for your prompt consideration of this request.

Sincerely,



Lisa Griffin  
Manager, Certificate of Need  
Novant Health, Inc.

Enclosures

cc: Barbara Freedy, Director, CON, Novant Health  
Laura MacFadden, Vice President, Design & Construction, Novant Health

# Attachment A



Siemens Medical Solutions USA, Inc.  
40 Liberty Boulevard, Malvern, PA 19355  
Fax: (866) 309-6967

SIEMENS REPRESENTATIVE  
Stuart Waddey - (919) 605-9227

Customer Number: 0000012492

Date: 11/28/2016

**PRESBYTERIAN HOSPITAL MATTHEWS**  
1500 MATTHEW TOWNSHIP PARKWAY  
MATTHEWS, NC 28106-3310

Siemens Medical Solutions USA, Inc. is pleased to submit the following quotation for the products and services described herein at the stated prices and terms, subject to your acceptance of the terms and conditions on the face and back hereof, and on any attachment hereto.

<u>Table of Contents</u>	<u>Page</u>
SOMATOM Definition AS - New Scalable Configuration (Quote Nr. 1-9FQI2P Rev. 1) .....	3
General Terms and Conditions .....	10
Warranty Information .....	18

**Contract Total: \$645,826**  
*(total does not include any Optional or Alternate components which may be selected)*

Proposal valid until 1/31/2017

Estimated Delivery Date: 3/2017

Estimated delivery date is subject to change based upon factory lead times, acceptance date of this quote, customer site readiness, and other factors. A Siemens representative will contact you regarding the final delivery date.

This proposal includes the trade-in of equipment referenced in Trade Sheet Project # 2016-332 @ \$84,000

This offer is only valid if firm, non-contingent orders for the following quotes are simultaneously placed with Siemens:  
1-F8JWUA  
1-9FQI2P  
1-FD6FXV

Trade-in of GE scanner required.

This Quotation contains information which is confidential and proprietary to Siemens, including but not limited to discounts and pricing. The Customer may not distribute or disclose this quotation or any portion hereof to, or discuss any of the information (including pricing) contained herein with, any other customer or consultant, buying group, or other third party.

Accepted and Agreed to by:

**Siemens Medical Solutions USA, Inc.**

**PRESBYTERIAN HOSPITAL MATTHEWS**

By (sign): \_\_\_\_\_  
Name: Stuart Waddey

By (sign): \_\_\_\_\_  
Name: \_\_\_\_\_



Siemens Medical Solutions USA, Inc.  
40 Liberty Boulevard, Malvern, PA 19355  
Fax: (866) 309-6967

SIEMENS REPRESENTATIVE  
Stuart Waddey - (919) 605-9227

Title: Account Executive  
Date: \_\_\_\_\_

Title: \_\_\_\_\_  
Date: \_\_\_\_\_

*By signing below, signor certifies that no modifications or additions have been made to the Quotation.  
Any such modifications or additions will be void.*

By (sign): \_\_\_\_\_

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**SIEMENS REPRESENTATIVE**  
Stuart Waddey - (919) 605-9227

**Quote Nr:** 1-9FQI2P Rev. 1

**Terms of Payment:** 00% Down, 80% Delivery, 20% Installation  
Free On Board: Destination

**Purchasing Agreement:** VIZIENT SUPPLY LLC

VIZIENT SUPPLY LLC terms and conditions apply to Quote Nr 1-9FQI2P

**SOMATOM Definition AS - New Scalable Configuration**

All items listed below are included for this system:

Qty	Part No.	Item Description
1	14444241	<p><b>SOMATOM Definition AS (AS+)</b></p> <p>The SOMATOM Definition AS (AS+, 128-slice configuration) is Siemens' state-of-the-art single source CT that provides the possibility to maximize clinical outcome and to minimize radiation dose. The unique STRATON X-ray source utilizes an electron beam that is accurately and rapidly deflected, creating two precise focal spots alternating 4,608 times per second. This doubles the X-ray projections reaching each detector element. The two overlapping projections result in an oversampling in z-direction. The resulting measurements interleave half a detector slice width, doubling the scan information without a corresponding increase in dose. Siemens' proprietary UFC (Ultra Fast Ceramic) detectors and the corresponding 128-slice detector electronics enable a virtually simultaneous readout of two projections for each detector element - resulting in a full 128-slice acquisition. This sampling scheme is identical to that of a 128 x 0.3 mm allowing for reconstruction of 384 slices using 0.1 mm reconstruction interval increment. The fast rotation time of 0.33 seconds (0.30 s optional) delivers excellent temporal resolution. The SOMATOM Definition AS is set to raise the standard of patient-centric productivity with FAST CARE Technology. With Siemens' FAST - Fully Assisting Scanner Technologies - the SOMATOM Definition AS can simplify typically time consuming and complex procedures during a CT examination: the scanning process gets more intuitive and the results become more reproducible. The CARE technology includes many unique features like CARE kV that sets the ideal voltage for every examination and adjusts the respective scan parameters or industry's first Adaptive Dose Shield that prevents clinically irrelevant over radiation in spiral scanning. Additionally, its large bore of 78 cm and a table load capacity of up to 307 kg (optional) opens CT to virtually all patients, meaning that virtually no patient is excluded.</p>
1	14408020	<p><b>CT Replacement AS+ Config.</b></p> <p>The SOMATOM Definition AS is a scalable 20 to 128 slice platform. The new Definition AS configuration can be field upgraded to the next generation of integrated detector technology with the Stellar detector.</p>
1	14420962	<p><b>High Speed 0.30 s Rotation</b></p> <p>Fast rotation time of 300 milliseconds for unprecedented image quality and highest scan speed. Fast gantry rotation times are the prerequisite for highest temporal resolution and are therefore essential for brilliant, motion free cardiovascular imaging.</p>
1	14420996	<p><b>100 kW Power</b></p> <p>The 100 kW power allows the X-ray generator the use of maximum power of 100kW in fine adjustable steps.</p>
1	14408111	<p><b>Extended Field of View #AWP</b></p> <p>Software program with special reconstruction algorithms that allow for visualization of objects using a FOV up to 78 cm (non-diagnostic image quality). License to use software on a single unit.</p>
1	14420766	<p><b>SAFIRE #AWP</b></p> <p>The Sinogram Affirmed Iterative Reconstruction (SAFIRE) enhances spatial resolution, reduces image noise and increases sharpness by introducing multiple iteration steps in the reconstruction process. The resulting superior image quality enables to reduce dose by up to 60%*.</p>



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Qty	Part No.	Item Description
		*In clinical practice, the use of SAFIRE may reduce CT patient dose depending on the clinical task, patient size, anatomical location, and clinical practice. A consultation with a radiologist and a physicist should be made to determine the appropriate dose to obtain diagnostic image quality for the particular clinical task. The following test method was used to determine a 54 to 60% dose reduction when using the SAFIRE reconstruction software. Noise, CT numbers, homogeneity, low-contrast resolution and high contrast resolution were assessed in a Gammex 438 phantom. Low dose data reconstructed with SAFIRE showed the same image quality compared to full dose data based on this test. Data on file.
1	14444243	<b>IMAR #AWP</b> The IMAR metal artifact reduction algorithm combines three successful approaches (beam hardening correction, normalized sinogram inpainting and frequency split). This allows to reduce metal artifacts caused by metal implants such as coils, metal screws and plates, dental fillings or implants.  IMAR is compatible with extended FoV, the extended CT scale as well as the newest dose reduction feature.  Along with the new algorithm comes the simple user interface of IMAR enabling easy reconstruction of clinical images with reduced metal artifacts.
1	14420773	<b>FAST CARE Platform</b> Siemens' unique FAST CARE platform is set to raise the standard of patient-centric productivity. Utilizing FAST - Fully Assisting Scanner Technologies -, typically time-consuming and complex procedures during the scan process are extremely simplified and automated, not only improving workflow efficiency, but optimizing the overall clinical outcome by creating reproducible results, making diagnosis more reliable and reducing patient burden through streamlined examinations. Siemens' desire for as little radiation exposure as possible lies at the heart of the CARE - Combined Applications to Reduce Exposure - research and development philosophy offering a unique portfolio of dose saving features, many of them being introduced as industry's first.
1	14420771	<b>CARE Child</b> Dedicated pediatric CT imaging, including 70 kV scan modes and specific CARE Dose4D curves and protocols
1	14433993	<b>FAST Planning #AWP</b> Direct, organ-based setting of scan and recon ranges for a faster and more standardized workflow
1	14419142	<b>Workstream 4D #AWP</b> WorkStream 4D further enhances the already superb workflow of the SOMATOM CT system by offering direct generation of sagittal, coronal, oblique or double-oblique reconstructed images directly from CT raw data as part of the CT protocol.
1	14420855	<b>Standard IRS</b> Reconstruction computer for the preprocessing and reconstruction of the CT raw data. The reconstruction computer contains of a cluster of 3 high-performance GPU boards performing the preprocessing and reconstruction of the CT data. The raw data memory is 1.5 Tbyte. The peak reconstruction performance is up to 40 frames/sec.
1	14408149	<b>UHR</b> UHR mode delivers Ultra High resolution in plane of up to 24lp/cm for high defined imaging of small structures such as inner ear, joints or fractures of the bone
1	14408032	<b>Rear cover incl. gantry panels</b> Rear Cover Including gantry control panels with control functionality from the backside.
1	14408022	<b>Cooling System Air</b> Air cooling for the dissipation of heat generated in the gantry.
1	14408147	<b>Adaptive 4D Spiral</b> With the unique Adaptive 4D Spiral, dynamic CT imaging moves beyond fixed detector limitations to provide larger coverage than the actual detector size.
1	14408037	<b>HeartView CT</b> Scanning technique and program for ECG controlled data acquisition and image reconstruction with SOMATOM. The package comprises:

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Qty	Part No.	Item Description
		HeartView CT option on the syngo Acquisition Workplace console for the ECG-controlled acquisition and reconstruction of artifact-free images of the heart. The ECG signal is supplied by an ECG device integrated in the gantry. The use of the software of this option is restricted to a single system unit.
1	14408038	<b>Cardio BestPhase Plus #AWP</b> Cardio BestPhase, a software dedicated to automatically detect the optimal phase for motion-less coronary visualization. The phase is defined in either end-systole, end-diastole or both timepoints and automatically reconstructed.
1	14408219	<b>Physiological Monitoring Module</b> The Physiological Measurement Module allows to connect a 3 Channel ECG cable for ECG controlled cardiac acquisition.
1	14408040	<b>ECG cable IEC2 #D</b> ECG cable, IEC2 (AHA/US color coding).
1	14420778	<b>Multi Purpose Table</b> Patient table to support up to 200 cm scan range. Motor-driven table height adjustment from min. 55 cm to max. 92 cm, longitudinal movement of the tabletop 200 cm in increments of 0.5 mm, positioning accuracy (horizontal) is +/- 0.5 mm. The accuracy of the repositioning (horizontal) is specified as +/- 0.25 mm. Table height can be controlled alternatively by means of foot switch (2 each on both sides of the patient table). In the case of emergency stop or power failure, the tabletop can also be moved manually in horizontal direction. Max. table load: 227 kg/500 lbs (with bariatric table top up to 307 kg/676 lbs); table feed speed: 1-200 mm/s; distance between gantry front and table base 40 cm. Positioning aids: Mattress protector, head-arm support (inclusive cushion), and non-tiltable head holders with positioning cushion set, patient restraining system for head fixation, restraining-strap set with body fixation strap that can be directly connected to the patient table top, headrest, table extension, knee-leg support
1	14410232	<b>Mat for MPT Standard Table Top</b> Replacement for the positioning mattress for Standard Multi Purpose Table Top.
1	14408217	<b>High Cap. Patient &amp; Trauma Tab.Top</b> The high capacity and trauma table top offers the capability to support up to 307 kg/676 lbs of patient weight. It allows easy positioning and transfer from and to the table, due to its flat surface. Special accessories and an extended table top width of 530 mm ensure a safe and comfortable positioning for obese patients.
1	14408218	<b>High Cap. Patient &amp; Trauma Acc Kit</b> The High capacity and Trauma accessory kit contains additional Patient restraint set with a width of 400mm and additional table extensions for feet and head.
1	14414734	<b>Mattress for Bariatric Table Top</b> This mat is used for scanning non-bariatric patients on the flat, bariatric table top. Placing this mat on the bariatric table top eliminates the need to exchange the table top when non-bariatric patients are scanned. This mat has a curved profile and enables comfortable positioning of non-bariatric patients.
1	14408101	<b>Computer Desk #AWP</b> New CT desk to accommodate the control components and color monitor. Width: 1200 mm, Depth: 800 mm, Height: 720 mm.
1	14408102	<b>Computer Cabinet #AWP</b> New cabinet to accommodate the computer system and UPS. Matched to the design of the control console table. Width: 800 mm, Depth: 800 mm, Height: 720 mm
1	TILTED_SPIRAL L	<b>Gantry tilt incl. tilted spiral</b> Allows for sequential scanning with a tilted gantry between +/- 30°, depending on the vertical position of the table. Using the gantry tilt sensitive organs (like eye lenses) can be moved out of the scan range or it eases access during interventional procedures. The tilted spiral allows to utilize the gantry tilt for spiral scan modes.

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Qty	Part No.	Item Description
1	CT_RECON_384	<b>AS+ configuration z-Sharp Technology</b> The unique STRATON X-ray source utilizes an electron beam that is accurately and rapidly deflected, creating two precise focal spots alternating 4,608 times per second. This doubles the X-ray projections reaching each detector element. The two overlapping projections result in an oversampling in z-direction. The resulting measurements interleave half a detector slice width, doubling the scan information without a corresponding increase in dose. Siemens' proprietary UFC (Ultra Fast Ceramic) detectors and the corresponding 128-slice detector electronics enable a virtually simultaneous readout of two projections for each detector element - resulting in a full 128-slice acquisition. This sampling scheme is identical to that of a 128 x 0.3 mm allowing for reconstruction of 384 slices using 0.1 mm reconstruction interval increment. z-Sharp Technology, utilizing the STRATON X-ray sources and the UFC detectors, provides scan speed independent visualization of 0.33 mm isotropic voxels and a corresponding elimination of spiral artifacts in the daily clinical routine at any position within the scan field.
1	SURE_VIEW	<b>SureView</b> Provides exceptional image quality at any pitch setting, enabling you to scan faster because you can scan at any pitch without degrading image quality
1	FAST_SCAN_ASSIST	<b>FAST Scan Assistant</b> FAST Scan Assistant: An intuitive user interface for solving conflicts by changing the scan time, resp. the pitch and/or the maximum tube current manually.
1	FAST_ADJUST	<b>FAST Adjust</b> FAST Adjust: assists the user to handle system settings in a fast and easy way by automatically solving of conflicts within user defined limits by one single click on the FAST Adjust button. The limits for scan time and tube current per scan are defined via the Scan Protocol Assistant. FAST Adjust offers an undo functionality to return to previously set values.
1	UFC_DETECTOR	<b>UFC Detector</b> Ultra Fast Ceramics (UFC) technology is a unique type of scintillation technology material that quickly and efficiently transforms radiation from the X-ray tube into light signals. Its superb overall quantum efficiency and unique short afterglow enable time-critical X-ray detection at low doses and extremely fast data collection.
1	ADAPT_DOSE_SHIELD	<b>Adaptive Dose Shield</b> Adaptive Dose Shield for spiral acquisition to eliminate pre- and post-spiral over-radiation.
1	CARE_DOSE4D	<b>CARE Dose4D</b> CARE Dose4D delivers the highest possible image quality at the lowest possible dose for patients - maximum detail, minimum dose. Adaptive dose modulation for up to 60% dose reduction
1	CARE_KV	<b>CARE kV</b> CARE kV: First automated, organ-sensitive voltage setting to improve image quality and contrast-to-noise-ratio while optimizing dose and potentially reducing it by up to 60%.
1	CT_LUNGIMAGING	<b>Lung Imaging</b> For well over a decade, CT has been recognized and used as the standard of care for lung nodule detection and sizing. This is due to CT's spatial resolution, geometric accuracy, and ability to create various reconstructions and 3D views. The high contrast environment in the chest between the lungs and the nodules makes for a relatively easy detection task for clinicians using CT images. Recent advances in CT technology have allowed these scans to be effectively performed at lower doses, higher resolutions, and faster scan times. The SOMATOM Definition AS+ CT is indicated for use in low dose lung cancer screening for high risk populations*. The AS+ is delivered with two specific scan protocols to provide low dose lung cancer screening exams at approximately 1.3 mGy CTDI for a standard size adult. These default protocols utilize Siemens proprietary dose reducing features such as CARE Dose4D(tm), automatic exposure control technology that modulates and adapts dose for every patient, for high image quality at low dose. *As defined by professional medical societies.
1	CARE_PROFILE	<b>CARE Profile</b> CARE Profile: Visualization of the dose distribution along the topogram prior to the scan
1	CARE_DASHBOARD	<b>CARE Dashboard</b> Visualization of activated dose reduction features and technologies for each scan range of an examination to analyze and manage the dose to be applied in the scan

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Qty	Part No.	Item Description
1	NEMA_XR-29	<b>NEMA_XR-29 Standard</b> This system is in compliance with NEMA XR-29 Standard Attributes on CT Equipment Related to Dose Optimization and Management, also known as Smart Dose.
1	ACCESS_PROTECT	<b>Access Protection</b> Scan Protocols are password protected allowing only authorized staff members to access and permanently change protocols
1	CT_UPS_DEF_AS	<b>Standard UPS for Definition AS</b> The standard partial system uninterruptible power system (UPS) is built directly into the power distribution cabinet (PDC) and supports the critical circuits for table and gantry electronics, console computer, image reconstruction system, and the internal Ethernet switch (to ensure connectivity). This enables safe removal of patient if outage occurs during scanning.  The UPS allows for a safe shutdown of the CT scanner in the event of power interruption. The UPS provides 5-7 minutes of power, during which the user is prompted and guided through the process to perform a safe shutdown of the system. This safe shutdown ensures that no data is lost.
1	CT_PM	<b>CT Project Management</b> A Siemens Project Manager (PM) will be the single point of contact for the implementation of your Siemens equipment. The assigned PM will work with the customer's facilities management, architect or building contractor to assist you in ensuring that your site is ready for installation. Your PM will provide initial and final drawings and will coordinate the scheduling of the equipment, installation, and rigging, as well as the initiation of on-site clinical education.
1	CT_ADDL_RIGGING	<b>Additional Rigging CT \$7,500</b>
1	CT_STD_RIGGING	<b>CT Standard Rigging and Installation</b> This quotation includes standard rigging and installation of your CT new system.  Standard rigging into a room with reasonable access, as determined by Siemens Project Management, during standard working hours (Mon. - Fri./ 8 a.m. to 5 p.m.) It remains the responsibility of the Customer to prepare the room in accordance with the SIEMENS planning documents. Any special rigging requirements (Crane, stairs, etc.) and/or special site requirements (e.g. removal of existing systems, etc.) is an incremental cost and the responsibility of the Customer. All other "out of scope" charges (not covered by the standard rigging and installation) will be identified during the site assessment and remain the responsibility of the Customer.
1	4SPAS014	<b>Low Contrast CT Phantom &amp; Holder</b>
1	PSPD250480Y 3K	<b>Surge Protective Device (SPD)</b>
1	CT_TRADE_IN_ALLOW	<b>CT Trade-In of existing GE 64 slice project#2016-332 deinstall date 03 / 2017 expires 03/23/17 -\$84,000</b>
1	CT_PR_CCX	<b>Price on Demand Comp Conv</b>
1	CTSP4002	<b>CT Slicker</b> Thermoseal seams and flaps deflect fluids, reducing contaminant penetration into the cushion and table. Contaminants are retained on the tabletop or shunted to the floor. Cleanup is faster, more thorough, and contaminant build-up is reduced. Built using heavy, clear, micro matte vinyl, and top grade hook and loop fastening strips (Velcro) to better fit the specified table. Custom vinyl resists tears and minimizes radiologic interference. Latex free. Set includes CT Skirts.  Includes warranty from RADSCAN Medical.
2	CT_A_DEFSYN GO_BCLS	<b>Definition Systems Basic syngo Class</b> Tuition for (1) imaging professional to attend Siemens Classroom Course at Siemens Training Center. The objectives of this basic syngo class are to introduce the user to the Siemens SOMATOM CT Definition user interface of the syngo platform, scanning parameters and their effect on image quality, and instructions on building

*Trade in*

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Stuart Wadley - (919) 605-9227

Qty	Part No.	Item Description
		protocols, demonstration of software functions, and hands-on sessions. This class includes lunch, economy airfare, and lodging for (1) imaging professional. All arrangements must be arranged through Siemens designated travel agency. This educational offering must be completed (12) months from install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.
1	CT_INITIAL_32	<b>Initial onsite training 32 hrs</b> Up to (32) hours of on-site clinical education training, scheduled consecutively (Monday - Friday) during standard business hours for a maximum of (4) imaging professionals. Training will cover agenda items on the ASRT approved checklist. Uptime Clinical Education phone support is provided during the warranty period for specified posted hours. This educational offering must be completed (12) months from install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.
1	CT_FOLLOWUP_32	<b>Follow-up training 32 hrs</b> Up to (32) hours of follow-up on-site clinical education training, scheduled consecutively (Monday - Friday) during standard business hours for a maximum of (4) imaging professionals. Uptime Clinical Education phone support is provided during the warranty period for specified posted hours. This educational offering must be completed (12) months from install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.
1	CT_ADD_32	<b>Additional onsite training 32 hours</b> Up to (32) hours of on-site clinical education training, scheduled consecutively (Monday - Friday) during standard business hours for a maximum of (4) imaging professionals. Training will cover agenda items on the ASRT approved checklist if applicable. This educational offering must be completed (12) months from install end date. If training is not completed within the applicable time period, Siemens obligation to provide the training will expire without refund.
1	SY_PR_TEAMPLAY	<b>teampay Welcome &amp; Registration Package</b> teampay is a cloud-based network that brings together your imaging modality users, the systems' dose and utilization data, and the users' expertise to help you improve the delivery of care to your patients. Basic features are provided free of charge. Premium features (benchmarking, non-Siemens devices) are provided on a trial basis for three months at no charge, and may be used thereafter on a subscription fee basis. To register: <a href="http://teampay.siemens.com/#/InstitutionRegistration/1">http://teampay.siemens.com/#/InstitutionRegistration/1</a>

**System Total: \$645,826**

**Siemens Medical Solutions USA, Inc.**  
40 Liberty Boulevard, Malvern, PA 19355  
Fax: (866) 309-6967



**SIEMENS REPRESENTATIVE**  
Stuart Waddey - (919) 605-9227

**FINANCING:** The equipment listed above may be financed through Siemens. Ask us about our full range of financial products that can be tailored to meet your business and cash flow requirements. For further information, please contact your local Sales Representative.

**ACCESSORIES:** Don't forget to ask us about our line of OEM imaging accessories to complete your purchase. All accessories can be purchased or financed as part of this order. To purchase accessories directly or to receive our accessories catalog, please call us directly at 1-888-222-9944 or contact your local Sales Representative.

**COMPLIANCE:** Compliance with legal and internal regulations is an integral part of all business processes at Siemens. Possible infringements can be reported to our Helpdesk "Tell us" function at [www.siemens.com/tell-us](http://www.siemens.com/tell-us).

# Attachment B

## PROPOSED CAPITAL COSTS

Project Name: **MMC CT Scan Replacement**

December 22, 2016

Proponent: **Novant Health Matthews Medical Center**

### 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	\$		-
	Sub-Total Site Preparation Costs		\$	-
(6)	Other (specify)		\$	-
(7)	<b>Sub-Total Site Costs</b>		\$	-

### B. Construction Contract

(8)	Cost of Materials			
	General Requirements	\$		25,485.00
	Concrete/Masonry	\$		978.00
	Woods/Doors & Windows/Finishes	\$		19,982.00
	Thermal & Moisture Protection	\$		60.00
	Equipment/Specialty Items	\$		1,955.00
	Mechanical/Electrical/Plumbing	\$		35,741.00
	Metals	\$		2,340.00
	Other Demolition / Deris Removal	\$		7,832.00
	Sub-Total Cost of Materials		\$	94,373.00
(9)	Cost of Labor GC Labor		\$	184,016.00
(10)	Other - Permitting and Fees		\$	4,317.00
(10) (a)	Other - Construction Contingency		\$	23,950.00
(11)	<b>Sub-Total Construction Contract</b>		\$	<b>306,656.00</b>
(12)	Building Purchase		\$	-
(13)	Fixed Equipment Purchase		\$	645,826.00
	Other: ADD Trade-In Value of Existing Scanner		\$	84,000.00
(14)	Movable Equipment Purchase		\$	-
(15)	Removal & Disposal of PMC Cath Lab #1		\$	-
(16)	Landscaping		\$	-
(17)	Consult Fees			
	Architect and Engineering Fees	\$		31,750.00
	Market Analysis	\$		-
	Other - (Specify)	\$		-
	Sub-Total Consultant Fees		\$	31,750.00
(18)	Financing Costs (e.g. Bond Loan, etc)		\$	-
(19)	Interest During Construction		\$	-
(20)	Other Project Contingency		\$	84,914.00
	Other Permitting and Fees		\$	-
	Other Information Technology		\$	-
(21)	<b>Sub-Total Miscellaneous</b>		\$	<b>846,490.00</b>
(22)	<b>Total Capital Cost of Project (Sum A-C above)</b>		\$	<b>1,153,146.00</b>



# Attachment C

100 Queens Road  
Suite 200  
Charlotte, NC 28204  
704/372-2740  
www.McCullochEngland.com

December 7, 2016  
H1556/17



Mr. Darren McKeithan  
Sr. Construction Manager  
Novant Health  
1900 Randolph Road, Suite 500  
Charlotte NC, 28204

Re: CT Scan Replacement  
Novant Health Matthews Medical Center  
Matthews, NC

Dear Darren,

This letter shall certify to the best of our knowledge, that the construction costs shown below are the costs which might be expected for this scope of work.

**Preliminary Construction Cost Estimate**

**CT Scan Replacement**

Estimated Construction Cost: .....	\$	306,657.00
Construction Contingency: .....	\$	<u>84,914.00</u>
Total: .....	\$	391,571.00

Estimated Architectural/Engineering Fee: .....\$ 31,750.00

**Preliminary Estimated Construction Schedule**

- (1) Phase = (10) Weeks

The Preliminary Construction Cost Estimate and Schedule duration has been established with the assistance of Rodgers Builders of Charlotte, North Carolina

This estimate is for construction costs and Architectural/Engineering fees only. The above estimate does not include equipment, furniture, financing costs, security system costs, IT system costs, or other costs generally attributable to a project of this nature.

Richard A. Henly AIA  
Larry E. May, Jr. AIA  
Grace O. Murray AIA  
Michael D. Rowell AIA  
Ellen S. Standish AIA  
Richard B. Butler AIA  
James M. Wiley AIA  
Jack L. Gill AIA  
Michael K. Satterfield AIA  
Steve A. Assante AIA  
Daniel A. Kinken AIA  
Garrett M. Olin AIA

An Architectural Corporation

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December 7, 2016  
H1556/17

If you should require any additional information, please do not hesitate to give me a call.

Sincerely,

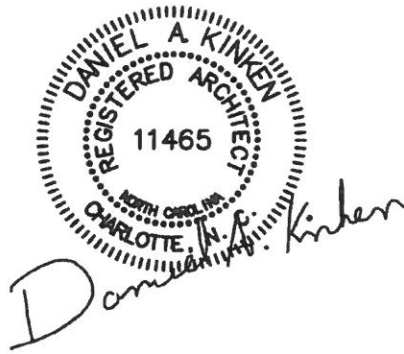


McCULLOCH ENGLAND ASSOCIATES ARCHITECTS

*Daniel A. Kinken*

Daniel A. Kinken, AIA LEED AP BD&C  
Architect

CC:



# Attachment D

Novant Health Matthews Medical Center (NHMMC) CT Scanner	EXISTING EQUIPMENT	REPLACEMENT EQUIPMENT
Type of Equipment (List Each Component)	CT Scanner	CT Scanner
Manufacturer of Equipment	GE	Siemens
Tesla Rating for MRIs	n/a	n/a
Model Number	VCT 64	SOMATOM Definition
Serial Number	377677CN	TBD
Provider's Method of Identifying Equipment	Internal Numbering System	Internal Numbering System
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	April 2006	TBD
Does Provider Hold Title to Equipment of Have a Capital Lease?	Title	Title to be Held by NHMMC upon Purchase
Specify if Equipment Was/Is New or Used When Acquired	New	New
Total Capital Cost of Project (Including Construction, etc.) <Use Attached Form>	\$1,500,000*	\$ 1,153,146
Total Cost of Equipment	\$ 1,044,136	\$ 645,826
Fair Market Value of Equipment	\$ 84,000	\$ 645,826
Net Purchase Price of Equipment	\$1,044,136	\$ 645,826
Locations Where Operated	NHHMC Radiology Dept.	NHHMC Radiology Dept.
Number Days In Use/To be Used in N.C. Per Year	365	365
Percent of Change in Patient Charges (by Procedure)	None	None
Percent of Change in Per Procedure Operating Expenses (by Procedure)	None	None
Type of Procedures Currently Performed on Existing Equipment	CT Scans	----
Type of Procedures New Equipment is Capable of Performing	-----	CT Scans

NOTE> \* - Estimated since total cost was not available in current asset system given the age of the project

