



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

April 22, 2021

Denise Gunter
Denise.gunter@nelsonmullins.com

Exempt from Review – Replacement Equipment

Record #: 3535
Project ID#: O-6665-02
Date of Request: April 21, 2021
Business Name: Cape Fear Mobile Imaging, LLC and MedQuest Associates, Inc.
Business #: 333/2692
Project Description: Temporarily replace a mobile MRI scanner while the unit undergoes repairs
County: Wake and Durham

Dear Ms. Gunter:

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 proceed to acquire without a certificate of need the MQ 26 mobile MRI scanner (GE 1.5T 23X) to temporarily replace the MQ 17 mobile MRI scanner (Siemens Espree 1.5T). This determination is based on your representations that the temporary replacement unit will be removed and will not be used again in the State without first obtaining a certificate of need if one is required following the repairs to the existing unit.

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,

Michael J. McKillip
Project Analyst

Lisa Pittman
Acting Chief, Certificate of Need

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
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AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

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April 21, 2021

Via Electronic Mail

Ms. Lisa Pittman, Acting Chief
North Carolina Department of Health and Human Services
Division of Health Service Regulation
Healthcare Planning and Certificate of Need Section
809 Ruggles Drive
Raleigh, North Carolina 27603

Re: Temporary Use of Mobile MRI Scanner to Substitute for Project I.D. No.
O-6665-02
Durham and Wake Counties
Health Service Area IV

Dear Ms. Pittman:

On behalf of Cape Fear Mobile Imaging, LLC (“CFMI”) and MedQuest Associates (“MedQuest”) (collectively, “MedQuest”), I am writing to notify the CON Section of the temporary use of an out-of-state mobile MRI scanner (“Temporary Scanner”) to cover the route of a 1.5T mobile MRI scanner that is out of service. The out-of-service scanner is known internally as MQ 17, CON Project I.D. No. O-6665-02 (“MQ 17”)

During the evening of April 21, 2021, MQ 17, a Siemens Espree 1.5T machine, experienced a magnet quench. Quenching is the process whereby there is a sudden loss of absolute zero of temperature in the magnet coils, so that they cease to be super conducting and become resistive, thus eliminating the magnetic field. This results in helium escaping from the cryogen bath extremely rapidly. Quenching may cause severe and irreparable damage to the super conducting coils.

MQ 17 currently serves the following host sites in Durham and Wake Counties:

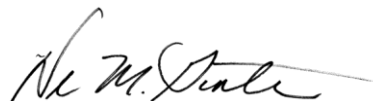
Host Site	Address	Days of Service
Orthopaedic Specialists of North Carolina	11200 Governor Manly Way, Suite 309 Raleigh, NC 27614	Monday/Thursday
Cary Orthopaedics	1120 SE Cary Pkwy Suite 100, Cary, NC 27518	Tuesday
Durham South Park	5107 Southpark Dr #101, Durham, NC 27713	Wednesday

To avoid disrupting patient diagnosis and treatment, CFMI is arranging a services agreement with another mobile scanner in the MedQuest inventory that is currently outside of North Carolina (the "Temporary Scanner"). The Temporary Scanner is known internally as MQ 26, a GE 1.5T 23X machine. The Temporary Scanner will cover MQ 17's route for the time that MQ 17 is out of service. CFMI and MedQuest presently estimate that MQ 17 will be out of service for at least two to three weeks. When the repair of MQ 17 is completed, CFMI MedQuest will cease using the Temporary Scanner, take it out of state, and resume using MQ 17 pursuant to the current schedule. No acquisition of an MRI scanner will occur by virtue of CFMI and MedQuest's arrangement to use the Temporary Scanner. The Temporary Scanner will be used to provide the same type of MRI scans that MQ 17 provides. No new health services will be provided. There will be no increase in patient charges as a result of allowing the Temporary Scanner to cover MQ 17's route while it is being repaired.

Accordingly, CFMI and MedQuest respectfully requests written confirmation from the Agency that the proposed use of the Temporary Scanner while MQ 17 is out of service does not require a CON.

Thank you for your time and attention. Please do not hesitate to contact me if you have any questions.

Sincerely,



Denise M. Gunter

Lisa Pittman
April 21, 2021
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