



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor

KODY H. KINSLEY • Secretary

MARK PAYNE • Director, Division of Health Service Regulation

VIA EMAIL ONLY

November 2, 2023

Tina Hair Hinshaw

Tina.hinshaw@akumin.com

Exempt from Review – Replacement Equipment

Record #: 4290
Date of Request: October 10, 2023
Business Name: Alliance Healthcare Services, Inc.
Business #: 3701
Project Description: Replace existing mobile PET-CT scanner
County: Statewide

Dear Ms. Hinshaw:

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 Siemens PETCT226 mobile PET scanner to replace the Siemens PETCT180 mobile PET scanner. 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,

A handwritten signature in black ink, appearing to read "Ena Lightbourne".

Ena Lightbourne
Project Analyst

A handwritten signature in black ink, appearing to read "Micheala Mitchell".

Micheala Mitchell
Chief

cc: Radiation Protection 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.ncdhhs.gov/dhsr/> • TEL: 919-855-3873

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

October 9, 2023

Mr. Mike McKillip, CON Analyst
Ms. Micheala Mitchell, Chief
Health 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 Permanent Replacement of Mobile PETCT Scanner PETCT180 (CON F-6650-02)

Dear Ms. Mitchell and Mr. McKillip:

I am writing on behalf of Alliance Healthcare Services ("Alliance") regarding the need to replace mobile PET scanner PETCT180 because improved technology is available and PETCT180 (this equipment) no longer meets the needs of the host sites. PETCT180 is an existing CON approved unit that was properly reported in the 2022 Equipment Inventory Form.

To optimize routes and host site needs, mobile PETCT 180 (CON F-6650-02) will be removed from North Carolina and will be replaced by mobile PETCT 226. The replacement mobile PETCT unit that will be brought into North Carolina as the permanent replacement.

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 the Certificate of Need laws and Administrative rules: G.S. 131E-184 (a) (7) Exemptions from review to provide replacement equipment 10A NCAC 14C.0303 Replacement Equipment Administrative Rules

Overview

The existing mobile PETCT scanner, PETCT180 (CON F-6650-02) that needs to be replaced due to its age, currently serves the following host sites:

AdventHealth-Hendersonville
100 Hospital Drive
Fletcher, NC 28792

Atrium Cleveland
201 East Grover Street
Shelby, NC 28150

Harris Regional
68 Hospital Drive
Sylva, NC 28779

UNC Pardee
800 North Justice Street
Hendersonville, NC 28791

UNC Caldwell
321 Mulberry Street, SW
Lenoir, NC 28645

Wilkes Regional Medical Center
1900 West Park Drive
North Wilkesboro, NC 28659

Compliance Documentation

Compliance with G.S. 131E-176 (22a) Replacement Equipment Definition is evident because the Fair Market Value of the replacement PETCT Scanner is \$1,642,000.

The replacement PETCT equipment will be used for the same diagnostic purposes as the existing equipment. In addition, 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.

Alliance Healthcare Services confirms that PETCT180 meets the definition of "currently in use" because this PETCT scanner provided thousands of procedures at the above listed host site throughout the previous year. The replacement PETCT scanner is improved yet comparable to the equipment being replaced because the replacement equipment will be used to acquire the same types of PETCT images and data. Alliance Healthcare Services certifies that the replacement mobile PETCT equipment will be used for the same diagnostic purposes as the existing PETCT unit.

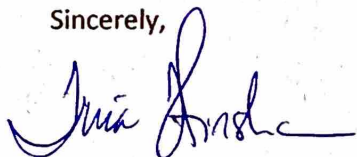
Please see the attached Equipment Comparison Form:

PETCT CON Equipment Comparison		
	Existing Equipment	Permanent Replacement Equipment
Type of Equipment	PETCT	PETCT
Manufacturer of Equipment	Siemens	Siemens
Model	Biograph Horizon 16-slice	Biograph Horizon 16-slice
Provider's Method of Identifying Equipment	PETCT180	PETCT226
Specify if Mobile or Fixed	Mobile	Mobile
Mobile Trailer Serial Number/VIN#	1S95C4826F5834422	1S9SC4824PS834047
Date of Acquisition of Each Component	2018	2023
Hold Title or Lease	Hold Title	Hold 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	\$1,452,232	\$1,642,000
Fair Market Value of Equipment	NA	\$1,642,000
Net Purchase Price of Equipment	NA	\$1,642,000
Locations When Operated		
Number Days In Use/To Be Used in NC per Year	up to 365	up to 365
Percent of Change in Patient Charges (by procedure)	NA	NA
Percent of Change in Per Procedure Operating Expenses (by Procedure)	NA	NA
Type of Procedures Currently Performed on Existing Equipment	PETCT	PETCT
Type of Procedures New Equipment is Capable of Performing	PETCT	PETCT

Thank you for your review and consideration of this information. Please call me at 805.325.3078 if you have any questions.

Sincerely,



Tina Hair Hinshaw, MBA
RVP, Mobile Operations Southeast Region
805.325.3078
tina.hinshaw@akumin.com

CC: Cherie Harrison, Manager of Operations Alliance Healthcare Services/Alliance Radiology/Akumin

From: [Mckillip, Mike](#)
To: [Stancil, Tiffany C](#)
Cc: [Mitchell, Micheala L](#)
Subject: FW: [External] PETCT Asset Permanent Replacement (PETCT180 with PETCT226)
Date: Tuesday, October 10, 2023 9:44:50 AM
Attachments: [AR_NCCON_PETCT226_Permanent Replacement of PETCT180_10092023.pdf](#)

Hi Tiffany,

This is an replacement equipment exemption letter request and it's HSA I so you can give it to Ena.
Thanks.

Mike

Michael McKillip

Team Leader, Certificate of Need

Division of Health Service Regulation, Healthcare Planning and Certificate of Need

[NC Department of Health and Human Services](#)

Office: 919-855-3877 (I am in the office on Wednesday and Friday, and can best be reached by email on Monday, Tuesday and Thursday.)

mike.mckillip@dhhs.nc.gov

809 Ruggles Drive, Edgerton
2704 Mail Service Center
Raleigh, NC 27699

Don't wait to vaccinate. Find a COVID-19 vaccine location near you at [MySpot.nc.gov](#).

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From: Tina Hinshaw <Tina.Hinshaw@akumin.com>
Sent: Tuesday, October 10, 2023 9:10 AM
To: Mitchell, Micheala L <Micheala.Mitchell@dhhs.nc.gov>; Mckillip, Mike <mike.mckillip@dhhs.nc.gov>
Cc: Tina Hinshaw <tina.hinshaw@akumin.com>; Cherie Harrison <Cherie.Harrison@akumin.com>; Rodney Skelding <rodney.skelding@akumin.com>
Subject: [External] PETCT Asset Permanent Replacement (PETCT180 with PETCT226)

CAUTION: External email. Do not click links or open attachments unless verified. Report suspicious emails with the Report Message button located on your Outlook menu bar on the Home tab.

Ms. Mitchell and Mr. McKillip,

Please see attached notice for permanent replacement of PETCT180 with a new asset, PETCT226.

Please let me know if you have any questions.

Tina

Tina Hinshaw
Regional Vice President, Southeast Mobile

[+1 805-325-3078](tel:+18053253078)

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