



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 8, 2024

Tina Hinshaw

[Tina.hinshaw@akumin.com](mailto:Tina.hinshaw@akumin.com)

**Exempt from Review – Replacement Equipment**

**Record #:** 4619

Date of Request: October 9, 2024

Business Name: Alliance Healthcare Service, Inc.

Business #: 60

Project Description: Temporarily replace Mobile PET Scanner

County: Wake

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 temporarily acquire without a certificate of need the PETCT130 Serial# 1LH142UH7X1011603 to replace the PETCT171 Serial# 1S9SC4826F5834422. This determination is based on your representations that the existing PETCT171 will undergo repairs after which, upon completion of the repairs, the PETCT171 will return to service and the PTCT130 will be removed from the State 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,

Gregory F. Yakaboski  
Project Analyst

Micheala Mitchell  
Chief

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, 2024

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: Akumin - Written Notice for Exemption from CON Review for the Temporary Replacement of PETCT171

Dear Mr. McKillip and Ms. Mitchell:

I am writing regarding the need to temporarily replace PETCT scanner PETCT171 such that maintenance and repairs can be completed. Please accept this notice of exemption to temporarily replace PETCT171 with PETCT130, which is an existing mobile PETCT scanner owned by Akumin and will be utilized as the interim temporary PETCT for this scanner. When PETCT130 is no longer needed to serve as a temporary replacement for PETCT171, it will be removed from North Carolina.

The legacy Akumin PETCT PETCT171 is a scanner that has properly been reported in the 2023 NC MRI Equipment Inventory and serves:

- Albemarle Hospital
- Carteret General
- Columbus Regional Healthcare
- Lenior Memorial
- Onslow
- Outer Banks Hospital
- Scotland Memorial Hospital
- Wilson Medical
- Vidant Roanoke-Chowan

This letter provides justification and written notice regarding the replacement equipment in accordance with NCGS 131 E-184. Akumin also provides documentation that the equipment conforms to the Certificate of Need Laws and Administrative rules: GS 131E-184(a) (7) Exemptions from review to provide replacement equipment 10A NCAC 14C.0303 Replacement Equipment Administrative Rules.

#### Overview

This existing PETCT Scanner requires temporary replacement due to:

- Maintenance and repairs of the trailer which houses PETCT171. Repairs are anticipated to take 8-10 weeks.

#### Compliance Documentation

Compliance with G.S. 131E-176 (22a) Replacement Equipment Definition is evident because the temporary replacement scanner has a fair market value of \$350,000 to \$400,000 which is far less than the \$2,000,000 threshold.

The replacement MRI equipment will be used for the same diagnostic purposes as the existing equipment. In addition, Akumin is providing written notice to the Department in accordance with G.S. 131E-184 (a) (7) Exemption from Review to provide replacement equipment.

#### Applicability and Conformance with Administrative Rule 10A NCAC 14C.0303 Replacement Equipment

Akumin plans to use an existing mobile PETCT as a temporary replacement. No equipment will be purchased. The temporary replacement equipment conforms to the rules as follows:

#### 10A NCAC 14C .0303 REPLACEMENT EQUIPMENT

(a) This Rule defines the terms used in the definition of "replacement equipment" set forth in G.S. 131E-176(22a).

Akumin has reviewed this rule definition.



(b) "Currently in use" means that the equipment to be replaced has been used by the person requesting the exemption at least 10 times to provide a health service during the 12 months prior to the date the written notice required by G.S. 131E-184(a) is submitted to the CON Section.

Akumin confirms that PETCT 171 meets the definition of "currently in use" because the MRI scanner provides service during the previous 12 months prior to the date of this written notice.

(c) Replacement equipment is not "comparable" if: (1) the replacement equipment to be acquired is capable of providing a health service that the equipment to be replaced cannot provide; or (2) the equipment to be replaced was acquired less than 12 months prior to the date the written notice required by G.S. 131E-184(a) is submitted to the CON Section and it was refurbished or reconditioned when it was acquired by the person requesting the exemption.

The replacement MRI scanner is comparable to the equipment being replaced because the temporary replacement equipment will be used to acquire the same types of MRI images and data. Akumin certifies that the replacement mobile MRI equipment will be used for the same diagnostic purposes as the existing MRI unit.

The existing equipment, PETCT171, will be temporarily replaced by PETCT130, which will be removed from North Carolina once repairs to PETCT171 are completed. The temporary use of replacement PETCT130 will be discontinued in approximately eight to nine weeks (January 2025) when the repair of PETCT171 has been completed and returned to service.

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](mailto:tina.hinshaw@akumin.com)

CC: Rodney Skelding, Manager of Operations, Akumin

**From:** [Tina Hinshaw](#)  
**To:** [Yakaboski, Greg](#)  
**Cc:** [Tina Hinshaw](#)  
**Subject:** Re: [External] Re: Question re: Exemption Request for Temporary PETCT mobile replacement  
**Date:** Wednesday, November 6, 2024 11:02:14 AM  
**Attachments:** [image001.jpg](#)

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Greg,

I received the statement below from Akumin legal this morning.

The mobile units and CONs in North Carolina are held by and operated by Alliance Healthcare Services, Inc. ("Alliance"). Alliance is a wholly owned subsidiary of Akumin Operating Corp. with assets, operations, licenses and permits held by Alliance. If additional information is needed regarding the corporate structure or ownership, please let us know.

Tina

On Tue, Nov 5, 2024 at 3:58 PM Tina Hinshaw <[tina.hinshaw@akumin.com](mailto:tina.hinshaw@akumin.com)> wrote:

Greg,

Thank you. I have followed up with Akumin legal counsel again today for an update. I apologize for this delay...as soon as I know more, I'll send it your way. If you will, please DO put me on your calendar to follow up again next week.

Again, thank you.

Tina

On Tue, Nov 5, 2024 at 10:58 AM Yakaboski, Greg <[greg.yakaboski@dhhs.nc.gov](mailto:greg.yakaboski@dhhs.nc.gov)> wrote:

Hey Tina,

Just following up to see if you ever heard back from legal counsel re: the correct Business Name....if there is a name change.

Thanks,

Greg

Sincerely,

*Gregory F. Yakaboski*

**Gregory F. Yakaboski**

Project Analyst

[Division of Health Service Regulation](#), Certificate of Need

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

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#StayStrongNC and get the latest at [nc.gov/covid19](https://nc.gov/covid19)

Office: 919-855-3873

[Greg.Yakaboski@dhhs.nc.gov](mailto:Greg.Yakaboski@dhhs.nc.gov)

809 Ruggles Drive, Edgerton Building

2704 Mail Service Center

Raleigh, NC 27699-2704

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---

**From:** Tina Hinshaw <[tina.hinshaw@akumin.com](mailto:tina.hinshaw@akumin.com)>

**Sent:** Thursday, October 31, 2024 11:59 AM

**To:** Yakaboski, Greg <[greg.yakaboski@dhhs.nc.gov](mailto:greg.yakaboski@dhhs.nc.gov)>

**Cc:** Tina Hinshaw <[tina.hinshaw@akumin.com](mailto:tina.hinshaw@akumin.com)>

**Subject:** Re: [External] Re: Question re: Exemption Request for Temporary PETCT mobile replacement

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PETCT171 Serial# 1S9SC4826F5834422

PETCT130 Serial# 1LH142UH7X1011603

I'm awaiting response from Akumin legal counsel on the status of 'official' name change.


Thank you.

Tina

**Tina Hinshaw**  
Vice President, Regional

logo



 +1 805-325-3078

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 [akumin.com](http://akumin.com)

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On Thu, Oct 31, 2024 at 11:35 AM Yakaboski, Greg <[greg.yakaboski@dhhs.nc.gov](mailto:greg.yakaboski@dhhs.nc.gov)> wrote:

Hey Tina,

2 Questions:

#1) can you provide the serial #'s for the 2 PET Scanners

#2) For our records/data base- is Akumin now the official new business name for Alliance? If yes, please provide the full "official" business name as well as an address.

Thanks,

Greg

Sincerely,

*Gregory F. Yakaboski*

**Gregory F. Yakaboski**

Project Analyst

[Division of Health Service Regulation](#), Certificate of Need

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

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809 Ruggles Drive, Edgerton Building

2704 Mail Service Center

Raleigh, NC 27699-2704

**From:** Tina Hinshaw <[tina.hinshaw@akumin.com](mailto:tina.hinshaw@akumin.com)>

**Sent:** Wednesday, October 16, 2024 4:27 PM

**To:** Yakaboski, Greg <[greg.yakaboski@dhhs.nc.gov](mailto:greg.yakaboski@dhhs.nc.gov)>

**Subject:** Re: [External] Re: Question re: Exemption Request for Temporary PETCT mobile replacement

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I'm so sorry Greg. That was a typo. Corrected letter attached

**Tina Hinshaw**  
Vice President, Regional



+1 805-325-3078  
[tina.hinshaw@akumin.com](mailto:tina.hinshaw@akumin.com)  
[akumin.com](http://akumin.com)

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On Wed, Oct 16, 2024 at 4:16 PM Yakaboski, Greg <[greg.yakaboski@dhhs.nc.gov](mailto:greg.yakaboski@dhhs.nc.gov)> wrote:

Tina,

In your original email request you seek to temporarily replace PETCT171 with PETCT130 until repairs to PETCT171 are completed.

However, in the last paragraph (see below) the letter refers to SIG 89 and SIG 273. Please clarify.

*The existing equipment, PETCT171, will be temporarily replaced by PETCT130, which will be removed from North Carolina once repairs*

*to SIG 89 are completed. The temporary use of replacement SIG 273 will be discontinued in approximately eight to nine weeks (January*

2025) when the repair of PETCT171 has been completed and returned to service.

Thanks,

Greg

Sincerely,

*Gregory F. Yakaboski*

**Gregory F. Yakaboski**

Project Analyst

[Division of Health Service Regulation](#), Certificate of Need

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

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**From:** Tina Hinshaw <[tina.hinshaw@akumin.com](mailto:tina.hinshaw@akumin.com)>

**Sent:** Thursday, October 10, 2024 4:16 PM

**To:** Yakaboski, Greg <[greg.yakaboski@dhhs.nc.gov](mailto:greg.yakaboski@dhhs.nc.gov)>

**Cc:** Rodney Skelding <[rodney.skelding@akumin.com](mailto:rodney.skelding@akumin.com)>; Tina Hinshaw <[tina.hinshaw@akumin.com](mailto:tina.hinshaw@akumin.com)>

**Subject:** [External] Re: Question re: Exemption Request for Temporary PETCT mobile replacement

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Greg,

Please see attached. Let me know if there is anything further you need. I appreciate



the phone call.

Regards,

Tina

**Tina Hinshaw**  
Vice President, Regional



 +1 805-325-3078

 [tina.hinshaw@akumin.com](mailto:tina.hinshaw@akumin.com)

 [akumin.com](http://akumin.com)

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On Thu, Oct 10, 2024 at 2:55 PM Yakaboski, Greg <[greg.yakaboski@dhhs.nc.gov](mailto:greg.yakaboski@dhhs.nc.gov)> wrote:

Hey Tina,

Just left you a voice mail. Could you please email over a copy of the 2023 MRI Inventory Form for PETCT171 which you would like to temporarily replace while it undergoes repairs/maintenance.

Just need some additional information which I think will be on that form.

Thanks,

Greg

Sincerely,

*Gregory F. Yakaboski*

**Gregory F. Yakaboski**

Project Analyst

[Division of Health Service Regulation](#), Certificate of Need

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

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**Tina Hinshaw**  
Vice President, Regional



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 tina.hinshaw@akumin.com  
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October 9, 2024

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: Akumin - Written Notice for Exemption from CON Review for the Temporary Replacement of PETCT171

Dear Mr. McKillip and Ms. Mitchell:

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The legacy Akumin PETCT PETCT171 is a scanner that has properly been reported in the 2023 NC MRI Equipment Inventory and serves:

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- Carteret General
- Columbus Regional Healthcare
- Lenior Memorial
- Onslow
- Outer Banks Hospital
- Scotland Memorial Hospital
- Wilson Medical
- Vidant Roanoke-Chowan

This letter provides justification and written notice regarding the replacement equipment in accordance with NCGS 131 E-184. Akumin also provides documentation that the equipment conforms to the Certificate of Need Laws and Administrative rules: GS 131E-184(a) (7) Exemptions from review to provide replacement equipment 10A NCAC 14C.0303 Replacement Equipment Administrative Rules.

#### Overview

This existing PETCT Scanner requires temporary replacement due to:

- Maintenance and repairs of the trailer which houses PETCT171. Repairs are anticipated to take 8-10 weeks.

#### Compliance Documentation

Compliance with G.S. 131E-176 (22a) Replacement Equipment Definition is evident because the temporary replacement scanner has a fair market value of \$350,000 to \$400,000 which is far less than the \$2,000,000 threshold.

The replacement MRI equipment will be used for the same diagnostic purposes as the existing equipment. In addition, Akumin is providing written notice to the Department in accordance with G.S. 131E-184 (a) (7) Exemption from Review to provide replacement equipment.

#### Applicability and Conformance with Administrative Rule 10A NCAC 14C.0303 Replacement Equipment

Akumin plans to use an existing mobile PETCT as a temporary replacement. No equipment will be purchased. The temporary replacement equipment conforms to the rules as follows:

##### 10A NCAC 14C .0303 REPLACEMENT EQUIPMENT

(a) This Rule defines the terms used in the definition of "replacement equipment" set forth in G.S. 131E-176(22a).

Akumin has reviewed this rule definition.



(b) "Currently in use" means that the equipment to be replaced has been used by the person requesting the exemption at least 10 times to provide a health service during the 12 months prior to the date the written notice required by G.S. 131E-184(a) is submitted to the CON Section.

Akumin confirms that PETCT 171 meets the definition of "currently in use" because the MRI scanner provides service during the previous 12 months prior to the date of this written notice.

(c) Replacement equipment is not "comparable" if: (1) the replacement equipment to be acquired is capable of providing a health service that the equipment to be replaced cannot provide; or (2) the equipment to be replaced was acquired less than 12 months prior to the date the written notice required by G.S. 131E-184(a) is submitted to the CON Section and it was refurbished or reconditioned when it was acquired by the person requesting the exemption.

The replacement MRI scanner is comparable to the equipment being replaced because the temporary replacement equipment will be used to acquire the same types of MRI images and data. Akumin certifies that the replacement mobile MRI equipment will be used for the same diagnostic purposes as the existing MRI unit.

The existing equipment, PETCT171, will be temporarily replaced by PETCT130, which will be removed from North Carolina once repairs to SIG 89 are completed. The temporary use of replacement SIG 273 will be discontinued in approximately eight to nine weeks (January 2025) when the repair of PETCT171 has been completed and returned to service.

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](mailto:tina.hinshaw@akumin.com)

CC: Rodney Skelding, Manager of Operations, Akumin

**From:** [Mitchell, Micheala L](#)  
**To:** [Stancil, Tiffany C](#)  
**Cc:** [Mckillip, Mike](#)  
**Subject:** FW: [External] NCCON-PETCT130 Temporary replacement of PETCT 171  
**Date:** Wednesday, October 9, 2024 11:15:58 AM  
**Attachments:** [AR\\_NCCON\\_PETCT130\\_Temp\\_Coverage\\_for\\_PETCT171\\_10092024.pdf](#)

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Hoping your recovery is going smooth Tiffany!

Would you mind logging this exemption and assigning to Greg?

Micheala Mitchell, JD  
[NC Department of Health and Human Services](#)  
[Division of Health Service Regulation](#)  
Section Chief, Healthcare Planning and CON Section  
809 Ruggles Drive, Edgerton Building  
2704 Mail Service Center  
Raleigh, NC 27699-2704  
Office: 919 855 3879  
[Micheala.Mitchell@dhhs.nc.gov](mailto:Micheala.Mitchell@dhhs.nc.gov)

---

**From:** Tina Hinshaw <tina.hinshaw@akumin.com>  
**Sent:** Wednesday, October 9, 2024 11:11 AM  
**To:** Mckillip, Mike <mike.mckillip@dhhs.nc.gov>; Mitchell, Micheala L <Micheala.Mitchell@dhhs.nc.gov>  
**Cc:** Rodney Skelding <rodney.skelding@akumin.com>; Tina Hinshaw <tina.hinshaw@akumin.com>  
**Subject:** [External] NCCON-PETCT130 Temporary replacement of PETCT 171

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Please see attached documentation for temporary replacement with PETCT 130 due to maintenance issues with PETCT 171.

Please call or email with any questions or concerns.

Regards,  
Tina

**Tina Hinshaw**  
Vice President, Regional

 [+1 805-325-3078](tel:+18053253078)  
 [tina.hinshaw@akumin.com](mailto:tina.hinshaw@akumin.com)  
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