



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

October 30, 2024

Ms. Taylor Spell
Tspell2@capefearvalley.com

Exempt from Review – Replacement Equipment

Record #: 4623
Date of Request: September 30, 2024
Facility Name: Cape Fear Valley-Bladen County Hospital
FID #: 942974
Business Name: Cumberland County Hospital System, Inc.
Business #: 578
Project Description: Replace existing CT scanner
County: Bladen

Dear Ms. Spell:

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 Somatom X.cite Excel CT scanner to replace the existing Philips Brilliance CT 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,

Tanya M. Saporito
Project Analyst

Micheala Mitchell
Chief

cc: Acute and Home Care Licensure and Certification Section, DHSR
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



BEHAVIORAL HEALTH CARE
BLADEN COUNTY HOSPITAL
CAPE FEAR VALLEY
MEDICAL CENTER
CAPE FEAR VALLEY
REHABILITATION CENTER
HEALTH PAVILION NORTH
HIGHSMITH-RAINEY
SPECIALTY HOSPITAL
HOKE HOSPITAL

September 30, 2024

Ms. Tanya Saporito
Project Analyst, Healthcare Planning & Certificate of Need Section
Division of Health Service Regulation
N.C. Department of Health and Human Services
2704 Mail Center Service
Raleigh, NC 27699-2704

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HOMECARE & HOSPICE, LLC
CUMBERLAND COUNTY EMS
FAMILY BIRTH CENTER
HEART & VASCULAR CENTER
HEALTHPLEX
LIFELINK
CRITICAL CARE TRANSPORT
SLEEP CENTER

RE: Replacement of CT Scanner at Cape Fear Valley-Bladen / Bladen County

Ms. Saporito:

The purpose of this letter is to give the North Carolina Department of Health and Human Services, Division of Health Service Regulation, Healthcare Planning and Certificate of Need Section (the "Agency") prior written notice pursuant to NCGS § 131E-184(f) that Bladen Healthcare, LLC ("CFV-Bladen")¹ plans to replace a CT scanner located on the hospital's main campus.

NCGS § 131E-184(a)(7) provides an exemption from CON review for the acquisition and installation of "replacement equipment" costing less than \$3,000,000.00, provided that the CON Section receives prior written notice from the party proposing to acquire the equipment which explains why the proposed acquisition and installation qualifies under this exemption.

"Replacement equipment" is defined at N.C. Gen. Stat. § 131E-176(22a) as equipment which costs less than \$3,000,000 and is "purchased for the sole purpose of replacing comparable medical equipment currently in use which will be sold or otherwise disposed of when replaced."

According to 10A NCAC 14C .0303, "Replacement equipment" is "comparable" to the equipment being replaced if:

1. It is capable of providing the same health service as the equipment currently in use; and
2. The equipment to be replaced was acquired more than 12 months prior and was not refurbished or reconditioned when originally acquired.

¹ For information purposes, Bladen Healthcare, LLC is 100 percent owned by Cumberland County Health System, Inc. doing business as Cape Fear Valley Health System (CFVHS).



CAPE FEAR VALLEY HEALTH

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The replacement of the CT scanner at CFV-Bladen falls within the parameters of this exemption. Specifically:

1. Please see Attachment A for a copy of the replacement equipment comparison table, which demonstrates the proposed CT scanner is comparable to the equipment being replaced.
2. The CT scanner being replaced was acquired in 2013 and was not refurbished or reconditioned when originally acquired.
3. As shown in Attachment B, the estimated project cost for the replacement CT scanner is less than \$3M, which includes equipment and renovations to accommodate the replacement equipment.
4. This letter serves as prior written notice to the Department.

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SLEEP CENTER

CFVHS requests that the Division of Health Service Regulation make a determination that the replacement of the CT scanner, as proposed herein, does not constitute a new institutional health service and is thus exempt from certificate of need review.

Please contact me at 910.615.7529 or tspell2@capefearvalley.com regarding any questions concerning this request.

Sincerely,

Taylor Spell
Senior Finance & Strategic Planning Analyst
Cape Fear Valley Health System

Attachment A
Replacement Equipment: Documentation of Comparable Equipment

<u>CFV-Bladen Replacement CT Scanner</u>	
Type of Equipment	Philips Brilliance 64 slice
Manufacturer of Equipment	Philips
Tesla Rating for MRI	N/A
Model Number	Brilliance
Serial Number	366
Provider's Method of Identifying Equipment	Bladen CT
Specify if Mobile or Fixed	Fixed
Mobile Trailer Serial Number / VIN #	N/A
Mobile Tractor Serial Number / VIN #	N/A
Date Acquired	11/9/2013
Does Provider Hold Title to Equipment or Have a Capital Lease?	Owned
Specify if Equipment Was/Is New or Used When Acquired	New
Total Capital Cost of Project (Including Construction, etc.) <See Attachment B>	\$1,189,093
Total Cost of Equipment	\$953,713
Location Where Operated	Main Hospital
Number of Times Equipment was Used to Provide a Health Service during the 12 months prior to the Date of the Written Notice	365 days
Type of Procedures Currently Performed on Existing Equipment	CT Scans
Type of Procedures New Equipment is Capable of Performing	CT Scans

**Attachment B
Replacement Equipment: Capital Cost**

	Bladen CT
Projected Capital Cost Form:	Philips Brilliance 64 slice
Building Purchase Price	
Purchase Price of Land	
Closing Costs	
Site Preparation	
Construction / Renovation Contract (s)	\$235,380
Landscaping	
Architect / Engineering Fees	
Medical Equipment	\$953,713
Non-Medical Equipment	
Furniture	
Consultant Fees (specify)	
Financing Costs	
Interest during Construction	
Other (Specify)	
TOTAL CAPITAL COSTS	\$1,189,093