

**Technology and Equipment Committee Agency Report**  
**Special Need Petition for a PET Scanner/CT Simulator In HSA VI**  
**2024 State Medical Facilities Plan**

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***Petitioners:***

Carteret Health Care  
3500 Arendell Street  
Morehead City, NC 28557

***Contact:***

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***Request:***

Carteret Health Care (“CHC”) requests an adjusted need determination in the *2024 State Medical Facilities Plan (SMFP or “Plan”)* for one additional fixed Positron Emission Tomography (PET) scanner that would function as a linear accelerator simulator, to be designated for a licensed acute care hospital in Carteret County. Carteret Health Care also requests an adjustment in the performance standard for the third year of operation from 2,080 PET scans to 1,040 scans.

***Background Information:***

Chapter Two of the *SMFP* provides, in relevant part, that “[a]nyone who finds that the *North Carolina State Medical Facilities Plan* policies or methodologies, or the results of their application, are inappropriate may petition for changes or revisions. Such petitions are of two general types: those requesting changes in basic policies and methodologies, and those requesting adjustments to the need projections.” Spring petitions involve requests for changes to the *SMFP* that have the potential for a statewide effect, such as the addition, deletion or revision of policies or need determination methodologies.” Petitions requesting adjustments to need projections are reviewed in the summer. Any person may submit a certificate of need (CON) application for a need determination in the *Plan*. The CON review could be competitive and there is no guarantee that the petitioner would be the approved applicant.

The CON regulations in the *Proposed 2024 SMFP* includes standards for PET scanners. In particular, NCAC 14C .3703 (a)(7) states that “applicants proposing to acquire a fixed PET scanner... project that the...proposed fixed PET scanner shall perform 2,080 or more procedures per PET scanner during the third full fiscal year of operation following completion of the project”.

Carteret Health Care operates Carteret General Hospital (CGH), which is located in HSA VI. Currently, there are four fixed PET scanners in this service area. Two are located at Vidant Medical

Center, Nash General Hospital and CarolinaEast Medical Center each operate one scanner. At Carteret General Hospital, PET scan services are offered through a mobile unit that is owned and operated by Alliance. According to the Petitioner, this scanner provides service at CGH once a week on Sundays. Data submitted by Alliance on its most recent Registration and Inventory of Medical Equipment form regarding its services at CGH indicate that it performed 419 procedures during the 2022 reporting year. The Petitioner projects that CGH will complete 600 procedures during the 2023 data year.

***Analysis/Implications:***

The Petitioner reports that there are no available mobile scanners that have the specialized organ-specific isotopes that they assert are needed for brain, breast or prostate cancer scans. The Petitioner posits that a dual-function fixed PET scanner/CT simulator would provide more immediate access to these services. The Petitioner believes this to be important due to strain presented by travel from Carteret County to Craven County, where the nearest fixed PET scanner is located. According to the last available Patient Origin reports, during the 2022 data year, about half of Carteret's residents seek PET scanning services at CHC, but 24% of Carteret County's PET scan patients out-migrate to Craven County. An additional 21% travel to Durham, Orange and Pitt counties for services. In all, 313 patients out-migrated for PET scans in 2022.

Even if out-migration were reduced due to the enhanced services offered by a dual-function PET/CT scanner, according to the Petitioner, the number of PET scans would only increase to approximately 1,000. This is far fewer than the 2,080 scans required by the third year of a PET scanner's operation. To address the projected lower level of utilization, the Petitioner also requests that the regulatory threshold for scans be reduced from 2,080 to 1,040. Reducing the threshold would have a statewide effect on all fixed PET scanners. This request is outside of the purview of the SHCC and, in accordance with N.C.G.S. 150B, must be addressed through the rulemaking process. Also, the standard need determination methodology only establishes need for PET/CT scanners, rather than PET scanner/CT simulator machines. To obtain this equipment, a petition would be needed to establish a need determination methodology or policy for a PET scanner/CT simulator. A proposal to create a new need methodology or policy meets the Spring petition criteria as described above and should be submitted during that timeframe.

***Agency Recommendation:***

The Agency supports the standard methodology for PET scanners as presented in the *Proposed 2024 SMFP*. Based on the available information and comments submitted by the August 9, 2023 deadline, and in consideration of the factors discussed above, the Agency recommends denial of this petition.