Magnetic Resonance Imaging (MRI) Interested Parties Meeting

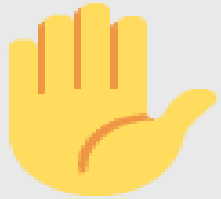
State Health Coordinating Council

Technology and Equipment Committee

October 23, 2025

If you have a question at any time, click the button by your name on the list of participants to raise your hand.

Elizabeth will call on you.



Alternatively, you may ask a question in the Chat.

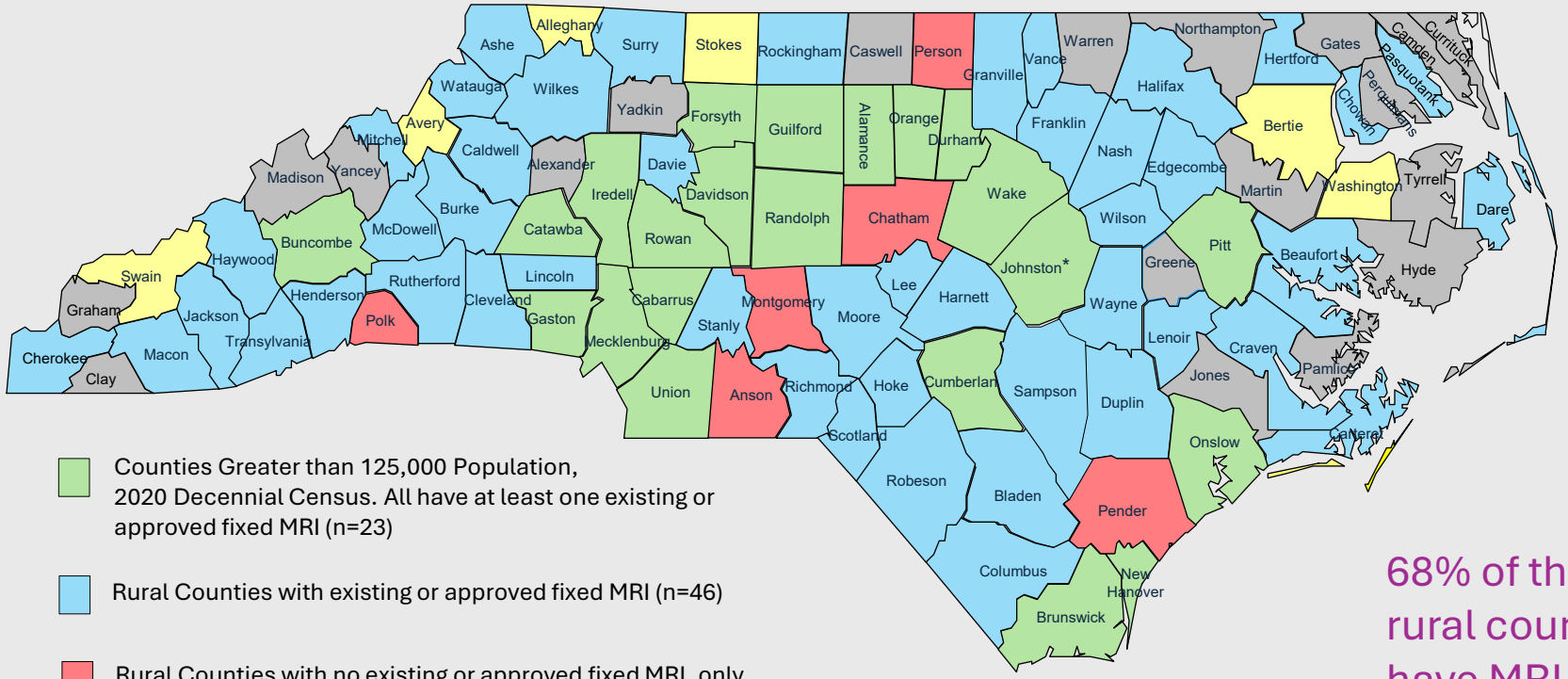
Methodology

- **MRI service areas are same as acute care bed service areas**
  - Counties with no hospital are grouped with a county with a hospital based on where largest proportion of patients receive treatment
  - A few are grouped with more than one county
- **MRI methodology revised beginning with 2023 SMFP**
  - Results of workgroup
  - Applies only to fixed scanners –petition is required to place need for mobile scanner in SMFP
    - Need determination for three mobiles was put into SMFP when new methodology was implemented
  - Need determinations are based on
    - Utilization, weighted by complexity of scan (whether scan used contrast or sedation)
    - Number of scanners in service area
    - Change over time in number of weighted scans
    - Population growth in service area
  - Projects need three years beyond reporting year (i.e., one year beyond SMFP publication year)

Methodology

- **Exclusions to methodology**
  - Specialized scanners (approved for specific purposes or locations, Table 15E-3 in the SMFP)
  - AC-3 scanners (only at academic medical teaching center hospitals)
  - Intraoperative MRI (iMRI) scanners

Distribution of MRIs by County, Based on 2020 Decennial Census Population



Counties Greater than 125,000 Population, 2020 Decennial Census. All have at least one existing or approved fixed MRI (n=23)

Rural Counties with existing or approved fixed MRI (n=46)

Rural Counties with no existing or approved fixed MRI, only mobile service. Hospital may qualify for MRI pursuant to Policy TE-3 (n=6)

Rural Counties with hospital but no fixed MRI and no mobile MRI service. May qualify for MRI pursuant to Policy TE-3 (n=6)

Rural Counties with no MRI Services and no hospital (n=19)

68% of the 77 rural counties have MRI service

Sources: 2026 State Medical Facilities Plan
Office of State Budget and Management, North Carolina 2020 Census

MRI Utilization by Population Size

	Rural Counties		Urban Counties		Total
	N	%	N	%	N
Total population	3,435,409	33%	7,003,979	67%	10,439,388
Number of existing or approved fixed scanners	83	29%	207	71%	290
Number of mobile sites*	22	14%	139	86%	161
Number of weighted scans	267,297	19%	1,160,894	81%	1,428,191

* 5 mobile sites are for CON-approved mobiles that are not yet operational: 3 are in urban counties and 2 are in rural counties. They are counted as mobile sites in this table.

Notes:

- *Need determinations are counted as fixed scanners, except as indicated.*
- *In rural counties, almost all mobile scanners have a CON.*
- *In urban counties, about 60% of mobiles have a CON.*
- *About 60 mobile scanners operated in the state in 2024.*

Sources: 2026 State Medical Facilities Plan. Data current as of 9/3/2025.
Office of State Budget and Management, North Carolina 2020 Census

Service Location and Patient County of Residence

Residence	Service Location	%
Urban	Urban	96%
Urban	Rural	4%
Rural	Rural	60%
Rural	Urban	40%

2022-2026 Need Determinations

Totals	2022 SMFP	2023 SMFP	2024 SMFP	2025 SMFP	2026 SMFP^^
		Brunswick	Carteret	Alamance	Cabarrus
		Caldwell*	Cumberland	Catawba^	Catawba
		Cleveland	Davie		Dare
		Duplin			Davidson
		D/C/W**	D/C/W**	D/C/W** / ^	Durham
			Johnston	Forsyth	Forsyth/Yadkin
			Lenoir	Guilford	Guilford
					Henderson
					Lincoln
	Mecklenburg	Mecklenburg	Mecklenburg	Mecklenburg	Mecklenburg
	P/C/C/P***			Moore	
				Nash	
		New Hanover		New Hanover	New Hanover
			Orange	Onslow	
	P/G/H/T****	P/G/H/T****	P/G/H/T****		P/G/H/T****
		Stanly			
			Union	Union^	Union
		Wake	Wake	Wake	Wake
				Wayne^	Wayne
				Wilkes	
Total Needs	**3**	**10**	**11**	**14**	**15**
Rural	**1**	**4**	**3**	**4**	**3**

Shaded Counties are Rural

* Adjusted need determination based on petition
** Durham/Caswell/Warren
*** Pasquotank/ Camden/Currituck/ Perquimans
**** Pitt/Greene/Hyde/Tyrrell
^ No CON applications received
^^ Pending Governor's approval

New Certificate of Need (CON) Statutory Provisions (N.C.G.S. § 131E-176)

- Effective November 21, 2026
- Change to definition of “Diagnostic Center” for urban counties
  - “…a freestanding facility, program, or provider, including but not limited to, physicians' offices, clinical laboratories, radiology centers, and mobile diagnostic programs, in which the total cost of all the medical diagnostic equipment utilized by the facility which cost ten thousand dollars ($10,000) or more exceeds three million dollars ($3,000,000). No facility, program, or provider, including, but not limited to, physicians' offices, clinical laboratories, radiology centers, or mobile diagnostic programs, shall be deemed a diagnostic center solely by virtue of having a magnetic resonance imaging scanner in a county with a population of greater than 125,000 according to the 2020 federal decennial census or any subsequent federal decennial census.” § 131E-176 (7a)
    - Cost of equipment only – not cost of the part of the physical plant that will house the MRI
    - If urban facility has an MRI scanner only, it is not a diagnostic center and does not need a CON

As always, contact the CON staff if you have questions

New Certificate of Need (CON) Statutory Provisions (N.C.G.S. § 131E-176)

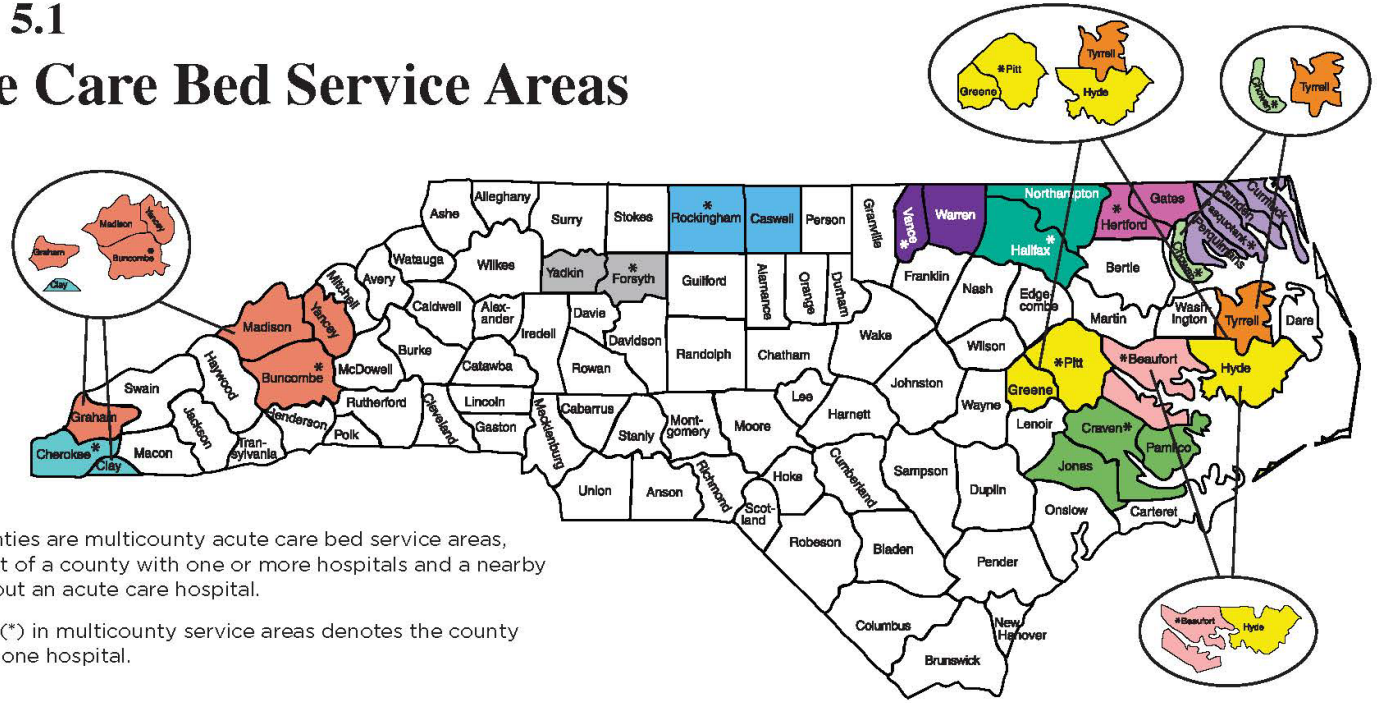
- Effective November 21, 2026
- Change to definition of “Major Medical Equipment” for urban counties (hospitals and diagnostic centers)
  - “…a single unit or single system of components with related functions which is used to provide medical and other health services and which costs more than two million dollars ($2,000,000).”
  - “Major medical equipment does not include replacement equipment as defined in this section or magnetic resonance imaging scanners in counties with a population greater than 125,000 according to the 2020 federal decennial census or any subsequent federal decennial census.” § 131E-176 (14o)

As always, contact the CON staff if you have questions

Key Points

- **Law is silent on mobile scanners**
  - ...which means that it applies to mobile scanners, but how? Stay Tuned
- **Applies to freestanding facilities and hospitals**
- **2020 Decennial Census**
  - Must use population as of 2020, not intercensal population estimates based on the 2020 census (like the SMFP normally uses)
  - If a county achieves > 125,000 population before next decennial census, it must wait until 2030 census data is available.
- **MRI uses acute care bed service areas (SMFP Chapter 5)**
  - Some service areas have more than one county, but...
  - ...even if a multicounty service area has > 125,000 population, the **county** where the MRI will be developed must have > 125,000 to be exempt from CON
  - How will it apply to service areas with both urban and rural counties?

Figure 5.1
Acute Care Bed Service Areas



Shaded counties are multicounty acute care bed service areas, which consist of a county with one or more hospitals and a nearby county without an acute care hospital.

The asterisk (*) in multicounty service areas denotes the county with at least one hospital.

Hospitals	Multicounty Service Area	Color Code
Annie Penn Hospital, UNC Rockingham Hospital	Rockingham, Caswell	
Atrium Health Wake Forest Baptist, Novant Health Forsyth Medical Center, Novant Health Medical Park Hospital	Forsyth, Yadkin	
CarolinaEast Medical Center	Craven, Jones, Pamlico	
ECU Health Beaufort Hospital (A campus of ECU Health Medical Center)	Beaufort, Hyde	
ECU Health Chowan Hospital	Chowan, Tyrrell	
ECU Health Medical Center	Pitt, Greene, Hyde, Tyrrell	
ECU Health North Hospital	Halifax, Northampton	
ECU Health Roanoke-Chowan Hospital	Hertford, Gates	
Erlanger Murphy Medical Center	Cherokee, Clay	
Maria Parham Health	Vance, Warren	
Mission Hospital	Buncombe, Clay, Graham, Madison, Yancey	
Sentara Albemarle Medical Center	Pasquotank, Camden, Currituck, Perquimans	

Policies

- **Policy TE-2**
  - Intraoperative MRI (iMRI) scanners (implemented in 2016 SMFP)
  - Can be used only in operating room suite
  - Excluded from inventory and need determination methodology
  - Only hospitals located in metropolitan statistical areas (MSA) with at least 350,000 residents are eligible.
  - How will Policy TE-2 operate under new law?
    - Urban hospital will not need a CON, so they do not need to apply for an iMRI under this policy
    - Will a hospital in a rural county that is in an MSA >= 350,000 need a CON?
      - This situation is unlikely, but we believe they would apply under this policy, but we are seeking clarification

- **Policy TE-3**
  - Allows hospitals without an MRI to obtain one if they have 24/7 emergency coverage (implemented in 2017 SMFP)
  - CON requires performance standards that are lower than other MRIs.
  - Primarily applies to rural hospitals but can also apply to a new hospital in any county
  - TE-3 scanners <u>are</u> in methodology
  - New law does not change process for rural counties
    - A hospital in an urban county will no longer need to apply under TE-3

Legacy Fixed MRI Scanners

- Owners may relocate anywhere in the state without a CON
  - Owner may or may not also be the service provider

- Provider contracts with owner of legacy scanner
  - As contract with provider expires…
    - owner may remove and relocate scanners to other areas
    - provider may opt not to renew contract and obtain their own scanner

- If owner removes scanners from current location, owner has options
  - **may** contract with provider to serve rural county, thus increasing access
  - **may** convert fixed scanner to mobile

- Urban hospital that owns legacy scanner may relocate to satellite facility (hospital or freestanding) in rural county under same owner

Mobile Scanner Considerations

- About 60 mobile scanners that operate in NC in a typical year. About half are “legacy.” Obtained before CON law covered MRI.
  - New law does not affect these scanners
- If a mobile scanner with a CON currently serves only urban counties, can it be approved to add a rural county without a new CON?
  - Yes
- If you want to obtain a new mobile scanner under the new law …
  - Law refers to scanners “**in** a county” with > 125,000 population, but what does this mean?
    - Corporate offices? – no
  - If the owner proposes to serve both rural and urban counties, is a need determination and a CON required?
  - If an owner purchases a new mobile in an urban county can they then serve both rural and urban counties?

Reporting to the Agency **(Division of Health Service Regulation)**

- Reporting of inventory and utilization should be useful to urban providers as they plan to obtain additional MRIs
- Hospital License Renewal Application (LRA) will continue to report as usual
  - Hospitals already report utilization on equipment not covered by CON
- Registration and Inventory (R&I) forms currently only cover equipment governed by CON, both legacy and CON-approved
- State does not license MRI scanners
  - After new law goes into effect – owners/providers in freestanding imaging centers in urban counties will not be required to report purchase, construction, or utilization to any other state agency or any other section of DHSR
- **Submission of Registration and Inventory forms in January 2026 will not change because the new law is not yet in effect**

Tentative Agency Approach

1. **2026 and 2027 need determination methodology remains the same**
   - 2026 need determinations are pending Governor's approval
   - 2027 need determination calculations will include rural counties only
2. **Revisit methodology after trends in data based on market shifts become apparent**
   - How many years?
   - Will there be a large proliferation of new MRIs in urban counties?
     - If so, this may affect standard need determinations in rural counties.
3. **Investigate mechanism to provide performance data for urban counties in information-only table beginning in 2027 SMFP**