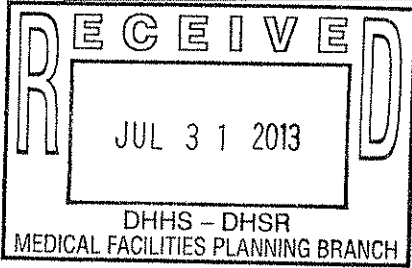




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Alliance Healthcare Services Public Hearing Comments

Good afternoon. My name is Ruth Levy of Heath Law Firm, PLLC and I represent Alliance Healthcare Services. Today's presentation is a brief overview of the more lengthy written comments that will be submitted to the State Health Coordinating Council and the Medical Facilities Planning Section.

Alliance Healthcare supports the standard methodology of the Draft 2014 SMFP that relates to Positron Emission Tomography (PET) scanners and agrees with the decision by the State Health Coordinating Council to make no changes to the methodology at this time and promulgate no need determinations for PET scanners. Alliance Healthcare has extensive experience providing mobile PET service in numerous states and has specific suggestions for strengthening the planning process in North Carolina.

Alliance Healthcare is very concerned about the comment included in the Technology and Equipment Agency Recommendation regarding the Draft 2014 SMFP which states: "... the optimum balance and distribution of mobile PET scanning services may not be in place." This comment is unsupported and was not based on any factual analysis of the distribution and utilization of all North Carolina fixed PET and mobile PET host sites.

In fact, all of the sites served by Alliance Healthcare are sites that have been specifically approved and authorized by the Division of Health Service Regulation. As you may know, over ten years ago, the State Medical Facilities Plan identified a need for two mobile PET/CT scanners to serve North Carolina, with one serving the eastern region and one serving the western region of the State. Alliance Healthcare was awarded CON approval for each of these scanners and began operation at the originally approved host sites within each region. Over the years, as new clients have requested

service, Alliance Healthcare has asked the Division of Health Service Regulation to approve the addition of host sites. Alliance Healthcare has been required to and has cooperated in obtaining regulatory approval through the Declaratory Ruling process for the addition of new sites. Thus, all of the sites served by Alliance Healthcare are either original sites identified in Alliance Healthcare's 2002 CON approval or new sites approved by the Division of Health Service Regulation.

Over the past decade, the total number of PET sites served by the two mobile scanners has increased from thirteen sites to twenty-nine sites. Service to rural counties with populations of less than 100,000 persons has expanded from four sites to nine sites in the western service area and from three sites to six sites in the eastern service area. Soon, an additional PET host site in Vance County will increase the number of host sites in rural counties in the eastern PET service area to seven. The number of mobile sites in counties with populations greater than 100,000 has also increased over time but has always remained balanced and proportional to the mix of originally-approved mobile PET host sites.

This evenhanded approach to providing mobile PET/CT scanning service in North Carolina has been highly successful in providing quality service, enhancing access and ensuring continuity of service:

- Alliance Healthcare has delivered high quality PET/CT service with excellent staff training and continuous compliance with accreditation and regulatory standards.
- Alliance Healthcare has enabled numerous hospitals in both rural and urban counties to initially implement mobile PET service and then transition to fixed PET when CON approvals were granted.
- Alliance Healthcare has the resources to provide back-up inventory of out-of-state mobile PET/CT as temporary replacement service when a North Carolina mobile PET/CT scanner requires maintenance or repairs.

Alliance Healthcare provides excellent service to the current balance of mobile PET host sites in urban and rural counties. Alliance Healthcare is dedicated to providing mobile PET services in full compliance with all applicable regulations throughout North Carolina. Thank you for your consideration and the opportunity to share accurate information. I would be glad to answer any questions.