

Catharine W. Cummer
Regulatory Counsel, Strategic Planning

August 14, 2014

Via Email

Nadine Pfeiffer North Carolina Division of Health Service Regulation Medical Facilities Planning Branch 2714 Mail Service Center Raleigh, NC 27699-2714

Re: Duke University Health System Comments Regarding Petition to Amend PET

Scanner Policy

Dear Ms. Pfeiffer:

Duke University Health System, Inc. submits these comments regarding the petition filed by Novant Health and MedQuest regarding the conversion of fixed PET scanners to mobile equipment.

Novant Health and MedQuest have petitioned for an addendum to proposed Policy TE-1, Condition #4, which would allow a provider proposing to convert a fixed PET scanner to mobile the ability to serve its own related and affiliated entities in any county regardless of whether there is an existing fixed PET scanner in that county. Specifically, they propose the following language:

"...the converted mobile PET scanner...shall not serve any mobile host facility in a county where any existing or approved fixed PET scanner is located, except as required by subpart (1) above...<u>or except if the mobile PET host site is an *owned*, related, or affiliated entity of the mobile PET vendor or its parent organization."</u>

They propose this change in order to allow Novant to use a converted PET scanner to serve its own satellite hospitals in Matthews and Huntersville in Mecklenburg County, which does have existing fixed PET scanner equipment. However, the language proposed would have a much broader effect. It is not limited to hospitals <u>owned</u> (or leased) by a potential mobile PET vendor, such as Matthews and Huntersville Hospitals for Novant. Rather, it would expand that exception to any "related" or "affiliated" entities. This would allow a potential host site to enter into a contractual "affiliation" for the sole purpose of becoming eligible for mobile PET services and would allow the exception to swallow the rule.

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If the SHCC is receptive to the argument that Novant or other potential mobile PET providers should be able to serve their own hospitals in counties that already have fixed PET capacity, the exception should be limited to those host sites that are <u>owned or leased</u> by the mobile vendor, not all undefined affiliated or related sites.

Please let me know if you have any questions. Thank you for your consideration of these comments.

Sincerely, Cathaine W. Oummer

Catharine W. Cummer