

RV2019-038

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Jun 12 2019

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

June 12, 2019

ELECTRONICALLY FILED VIA EMAIL TO shpda.alabama.gov

Ms. Emily T. Marsal Alabama State Health Planning & Development Agency 100 North Union Street, Suite 870 Montgomery, Alabama 36104

Re: Reviewability Determination Request Addition of an Ultrasound Unit Mobile Open MRI, LLC 6576 Airport Boulevard Mobile, Alabama 36608

Dear Ms. Marsal:

I am seeking a determination of whether a review for Certificate of Need pursuant to Alabama Code §22-21-263 is required prior to the addition of an ultrasound machine to an existing MRI center. Our interpretation of the code is that ultrasound is not a new "institutional health service" but rather an acquisition of "major medical equipment." As per the project description herein, the addition of an ultrasound unit requiring capital outlay of \$120,000 with projected annual operating costs of \$100,000 would fall under both major medical equipment thresholds of (a) \$2 million in capital expenditure (as indexed for inflation) and (b) \$800,000 in annual operating costs, both as outlined in Alabama Code §22-21-263(2).

This determination is being sought by:

Mobile Open MRI, LLC

Attn: Therese Hendrix 3480 Preston Ridge Road

Suite 600

Alpharetta, GA 30005

Email: thendrix@medquestmail.com

Phone: (678) 992-7256

The proposed ultrasound will serve Mobile County, Alabama from Mobile Open MRI located at 6576 Airport Blvd., Mobile, AL 36608

The ultrasound unit will be utilized to provide outpatient ultrasound exams.

Ms. Melissa Marsal- ALSHPDA June 12, 2019 Page 2 of 2

The approximate costs for the proposed project are as follows:

Equipment: \$110,000

Other capital costs: (Lease/Building/Construction): \$10,000

Total Capital Outlay: \$120,000

First year annual operating costs: \$100,000

Mobile Open MRI, LLC is a wholly owned subsidiary of MedQuest, Inc., which is a wholly owned subsidiary of Novant Health, Inc. MedQuest, Inc., headquartered at 3480 Preston Ridge Road, Suite 600, Alpharetta, GA 30005, is a leading owner, operator and manager of outpatient diagnostic imaging facilities, with a network of nearly 50 imaging centers in seven states under management and a strategic focus on collaborating with leading health systems. More information is available at www.mqimaging.com. Novant Health, Inc., headquartered at 2085 Frontis Plaza Blvd, Winston-Salem, NC 27103, is a not-for-profit integrated system of 15 medical centers and more than 1,600 physicians serving patients in North Carolina, South Carolina and Virginia. More information is available at www.novanthealth.org.

Attached is attestation by Bruce W. Elder, President of Mobile Open MRI, LLC affirming the content of this request.

Thank you for considering this request. You may contact me on my direct line (678) 992-7415 or by email to thendrix@medquestmail.com you have any questions or require additional information.

Sincerely,

MOBILE OPEN MRI, LLC

Thurse Hendrich

Therese Hendrix

Director, Sales and Marketing

Affirmation of Requesting Party:

The undersigned, being first duly sworn, hereby make oath or affirm that he is President of Mobile Open MRI, LLC, has knowledge of the facts in this request, and to the best of his information, knowledge and belief, such facts are true and correct.

Affiant Bruce W. Elder	
SUBSCRIBED AND SWORN to before me this _	12 4h day of June 2019
Jernsen Swearingen Notary Public	
My commission expires: 02-01-2022	EXPIRES GEORGIA FEB. 1, 2022