

GENERAL COUNSEL'S REPORT

April 27, 2016

A. Wellmont Bristol Regional Medical Center, Bristol, (Sullivan County), TN – CN0005-034A.
Request is to expand mobile PET service from 2 to 3 days per week.

- CN0005-034A permitted the initiation of mobile PET services 1 day per week.
- A modification was unanimously approved on October 26, 2005 to expand from 1 to 2 days per week.



**Bristol Regional
Medical Center**
A Member of Wellmont Health System

March 10, 2016

Tennessee Health Services
and Development Agency
Melanie Hill, Executive Director
Andrew Jackson Building, 9th Floor
502 Deaderick Street
Nashville, TN 37243

Re: CN0005-034

Dear Ms. Hill:

Wellmont Bristol Regional Medical Center (BRMC) currently operates a two days per week mobile PET scanner service pursuant to an original Certificate of Need (CN0005-034) granted on August 23, 2000 to initiate mobile PET services, and a modification approved on October 26, 2005 (CN005-034A) to expand from one to two days of mobile service. With this letter, BRMC is requesting an additional modification to its Certificate of Need for mobile PET imaging services to expand from two (2) mobile days to three (3) days of service.

Three days of mobile PET service is of critical importance to our radiology department's ability to meet the phenomenal growth of volume we are experiencing in PET imaging. For the year ending December 31, 2014, BRMC performed 598 PET scans and for the year ending December 31, 2015, BRMC performed 800 PET scans, reflecting a 33% increase in the most recent year. Furthermore, after two months ending February 29, 2016, BRMC is on pace to perform a projected 1,013 PET scans in the calendar year 2016. Using the Tennessee Guidelines for Growth standard of 1,125 procedures per year per PET scanner, a pro-rata standard of 225 procedures per year per mobile day of scanner service (1,125 divided by 5 working days per week) should reasonably apply. Hence, a two day per week mobile PET service should be achieving a volume of 450 procedures per year, and a three day per week mobile PET service should achieve a threshold volume of 675 procedures per year. Given the 800 procedures performed in 2015, BRMC performed 77% more procedures than the pro-rata standard of 450 procedures for its current two days of mobile service and a full 18% more than the pro-rata standard of 675 procedures for the requested third mobile day of service.

The limited capacity is limiting BRMC's ability to provide timely service to patients and the physicians who refer them for this critical service. Given the 33% increase that BRMC has experienced in 2015 and the current continuing growing volumes exceeding reasonable capacity, BRMC respectfully requests the Agency to favorably consider the need for a third day of mobile PET service.

1 Medical Park Blvd.
Bristol, TN 37620
423.844.1121
www.wellmont.org

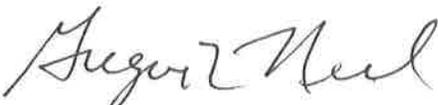
Melanie Hill, Executive Director
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The requested modification is financially feasible because there is no capital cost involved and no fixed costs will increase. The contract for mobile services is on a per scan basis, thus no additional operating expense will be incurred until each individual scan is performed. Expanding by one additional day of mobile PET would not trip the \$5.0 million dollar threshold for a new certificate of need.

The only other providers of PET services in Sullivan County include a sister hospital within the Wellmont Health System, Holston Valley Medical Center (HVMC) and Indian Path Medical Center (IPMC), both located in Kingsport. HVMC is currently providing three days of mobile PET imaging services and has experienced similar growth in PET imaging to the point of exceeding capacity for its three days of service. The modest expansion of PET services proposed for BRMC will not adversely affect other providers in the County, therefore, would not adversely affect the orderly development of services in Sullivan County.

Thank you for your attention to this request. I look forward to hearing from you regarding when an action before the Agency is required. If you have any questions, please do not hesitate to call me at (423) 844-4205.

Sincerely,



Gregory L. Neal, FACHE
Chief Executive Officer
Wellmont Bristol Regional Medical Center
423-844-4205

cc: Jim Christoffersen, General Counsel
Andy Hall, VP Government Relations, WHS
✓ Byron Trauger, JD

STATE OF TENNESSEE
HEALTH FACILITIES COMMISSION



Certificate of Need CN0005-034A is hereby granted under the provisions of T.C.A. §68-11-101, *et seq.*, and the rules and regulations issued thereunder by this Commission

to **Wellmont Health System**
1905 American Way
Kingsport, TN 37660

for **Wellmont Bristol Regional Medical Center**

This Certificate is issued for the initiation of mobile PET services for one (1) day per week.

on the premises located at **1 Medical Park Boulevard**
Bristol (Sullivan County), TN 37620

for an estimated project cost of **\$623,281.00**

The Expiration Date for this Certificate of Need is

September 1, 2002

or upon completion of the action for which the Certificate of Need was granted, whichever occurs first. After the expiration date, this Certificate of Need is null and void.

Date Approved August 23, 2000

Date Issued September 27, 2000


Chairman

Secretary