



State of Tennessee
Health Facilities Commission

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Date: August 28, 2024

To: HFC Members

From: Logan Grant, Executive Director

Re: CONSENT CALENDAR JUSTIFICATION
Holston Medical Group at Meadowview Lake — CN2405-011
For the addition of a 3.0 Tesla magnet strength MRI to its existing MRI service
located at 2033 Meadowview Lane, Kingsport (Sullivan County), Tennessee 37660.

As permitted by Statute and further explained by Commission Rule later in this memo, I have placed this application on the Consent Calendar based upon my determination that the application appears to meet the established criteria for granting a Certificate of Need.

Need, Consumer Advantage Attributed to Competition, and Quality Standards appear to have been demonstrated as detailed below.

At the time the application entered the review cycle, it was not opposed. If the application is opposed prior to it being heard, it will be moved to the bottom of the regular agenda and the applicant will make a full presentation.¹

Summary

Holston Medical Group at Meadowview Lake is seeking approval for the addition of a 3.0 Tesla magnet strength MRI to its existing MRI service located at 2033 Meadowview Lane, Kingsport (Sullivan County), Tennessee 37660.

¹ Commission Rule 0720-10-.04(a) provides that the “next regular agenda” means the next regular calendar to be considered at the same monthly meeting.

Executive Director Justification

This application has been placed on the Consent Calendar, based upon my determination that the application appears to meet the established criteria for granting a Certificate of Need.

- **Need** - *This application is necessary to reduce scheduling time for patients who are currently waiting 6 weeks for a 3.0 Tesla MRI scan in the service area hospitals and to relieve capacity burdens on the applicant's existing 1.5 Tesla MRI unit which is operating well above optimum capacity (5,280 per unit – 183.3% of optimum utilization). In addition, there is approximately a 2.5 week wait time for scheduling procedures on this unit.*
- **Consumer Advantage Attributed to Competition** – *There is a need for a 3.0 Tesla MRI to handle specific case types including orders for prostate MRIs, small part orthopedic studies (hands and feet), and neurological scans. In addition, the proposed MRI will provide a lower cost imaging option. The proposed gross charge in Year 2 is \$683 for the proposed MRI which is lower than the average gross charge per fixed MRI procedure reported in the project service area of \$2,907.03 in 2022.*
- **Quality** - *The applicant will maintain accreditation through the American College of Radiology (ACR).*