## Huntsville Cardiovascular Clinic, P.C.

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May 29, 2019

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State Health and Planning Development Agency 100 North Union Street RSA Union Building, Suite 870 Montgomery, AL 36130-3025

RE: Non-Reviewability Determination Request for Huntsville Cardiovascular Clinic, P.C.

Dear Ms. Norman:

On behalf of Huntsville Cardiovascular Clinic, P.C., I am writing to submit a reviewability request in accordance with the Alabama State Health Planning and Development Agency's Certificate of Need (CON) program rules and regulations (410-1-7-.02).

Huntsville Cardiovascular Clinic, P.C. (HCC) would like to request non-reviewability to include Cardiac PET scanning services.

These Cardiac PET scans would be in addition to Cardiac SPECT scans currently performed in our facility. By offering this more advanced testing option, we are confident we will be able to:

- 1) Reduce radiation exposure;
- 2) increase accuracy for patients with higher BMIs (Body Mass Index);
- 3) more accurately predict medical necessity for further procedures;
- eliminate unnecessary procedures or services;
- 5) and increase patient satisfaction and positive outcomes.

The criteria as adopted by the Supreme Court for the Physician Office Exemption are as follows:

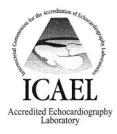
- The proposed services are to be provided, and related equipment used, exclusively by the
  physicians identified as owners or employee of the physician's practice for the care of
  their patients.
- 2) The proposed services are to be provided, and related equipment used, at any office of such physicians.
- 3) All patient billing related to such services are through, or expressly on behalf of, the physicians' practice.
- 4) The equipment shall not be used for inpatient care, nor by, through or on behalf of a health-care facility.

Huntsville Cardiovascular Clinic will, through the performance of the tests previously reviewed, meet the above criteria respectively as follows:

- 1) Tests will be performed only by physician owners or by physician employees of HCC.
- 2) All tests will be performed in the office of HCC, currently located at 4601 Whitesburg Dr., Suite 201, Huntsville, AL 35802. All equipment necessary for the performance of the above test will be used only in the office of HCC.
- 3) All patient billing for the tests performed will be done on behalf of HCC.
- 4) At no time will the equipment used for the performance of our office-based test be used for inpatient care, nor by, through or on behalf of any other healthcare facility.







Based on the information given above, the proposed tests in this matter should meet the criteria adopted by the Alabama Supreme Court for application of the Physician Office Exemption. Although the Physician Office Exemption serves as a bar to CON review, for your notice and information, we can also affirm that this venture will not exceed the CON expenditure threshold nor will it constitute a "new institutional health service" under Alabama Code 22-21-263 and the Rules because:

- a) No new health care facility or health maintenance organization will be constructed, developed or acquired;
- b) No major medical equipment will be acquired by or on behalf of a health care facility that exceeds the statutory purchase price or operating expense thresholds;
- c) No new health care facility beds or stations will be added;
- d) No new health service that is currently offered by HCC will be provided with the implementation of the test described in this document, and;
- e) No other event reviewable under the CON law or Rules will occur as a result of our implementation of the test described in this document.

With the support of this document we request that the Alabama State Health Planning and Development Agency grant a determination of non-reviewability to Huntsville Cardiovascular Clinic, P.C., for the proposed test as described above.

No other healthcare facilities or groups have any financial interests in this reviewability determination request.

An electronic payment for the filing fee in the amount of \$1,000 will be made today via the SHPDA online portal. Please see the attached financial breakdown.

Please do not hesitate to contact us directly at (256) 880-1050 x105 or <a href="mailto:rhedrick@hsvheartmds.com">rhedrick@hsvheartmds.com</a> if you require any further information or have questions.

Affirmation of the Requesting Party:

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

**Notary Public** 

My commission expires: 03-01- 2031

## Financial Breakdown

- 1) Start-Up Cost: Total = \$480,000
  - a. Cardiac PET system (all other necessary equipment is already owned) \$375,000
  - b. Infusion system shipping and setup \$5,000
  - c. Renovation cost \$100,000
- 2) Estimated Annual Operating Costs: Total = \$856,254
  - a. Equipment Maintenance \$75,000
  - b. CardioGen-82 Generator \$553,254
  - c. Infusion System Service Agreement \$24,000
  - d. Wages \$120,000
  - e. Equipment Loan Payment \$84,000
- \* Please note that the space needed for the PET system is within our current office so there will be no increase in cost related to space.