
DELIVERED ELECTRONICALLY

July 26, 2023

Robert Adcock, Chief Executive Officer
Springfield Hospital
25 Ridgewood Road
Springfield, VT 05156

RE: Docket No. GMCB-013-23con, Springfield Hospital, MRI Equipment Upgrade

Dear Mr. Adcock:

Thank you for your letter dated July 25, 2023, requesting a jurisdictional determination regarding the above-referenced project.

Your letter represents that Springfield Hospital proposes to upgrade the existing MRI Siemens Espree 1.5 MRI camera which is housed in a modular building. Both the existing MRI and modular buildings are leased through an imaging company. The existing MRI was a refurbished unit and was installed on May 10, 2016. The hospital is proposing to lease a new Siemens Sola 1.5T MRI and the lease will also cover the building where the new MRI will be housed.

In the past year, the MRI has experienced 20 days of downtime or required a service engineer to visit and repair the equipment. In addition, the equipment is not capable of completing certain imaging that is preferred by the hospital's radiology group. The proposed new replacement MRI will provide several applications that are not currently available, including Resolve, Tricks, Dixon, and Perfusion sequences. These sequences are repeatedly requested or required for routine protocols. They are evidence-based and the gold standard for the radiology group. Resolve sequence delivers sharper imaging at higher special resolution. It is desirable for the evaluation of smaller lesions and can be useful in the differential diagnosis of benign versus malignant lesions in all anatomical regions. Tricks sequence captures a full cycle of contrast injections in carotids, which means dynamic imaging during arterial, capillary, and venous phases is obtainable. Dixon sequence's suppression of adipose tissue signal is more uniform and less affected by artifact. Perfusion sequence allows for the acquisition of serial T1-weighted images before, during, and after administration of contrast. The new equipment will provide a greater field of view and improve ability and flexibility on size protocols and greater image quality. The new scanner has larger body coils which improve image quality for patients of size. Lastly, the new scanner better identifies and reduces metal artifacts. The new capabilities will



reduce the number of patients that now have to be referred out of the area, resulting in delays in care, inconvenience, and higher costs for patients. The hospital states upgrading to the proposed Siemens Sola 1.5 T will allow for breast and prostate imaging. In 2021, providers at Springfield Hospital indicate that local providers sent a total of 152 patients to other facilities for MRI prostate imaging. In addition, Springfield Hospital's Urology clinic sent another 67 patients to other facilities for MRI prostate imaging in 2022. These scenarios inconvenienced patients and sent health care revenue out of the market area. With a current billable charge of \$2,667 for each exam, prostate imaging would have produced an additional \$405,384 and \$178,689, respectively. This would contribute to the sustainability of the facility and meet urologists' preference to refer their patients locally and enhance continuity of care.

Springfield Hospital has collaborated and consulted with Dartmouth Hitchcock Medical Center MRI Radiologists who have reviewed the project plans and desired camera technology. Radiologists at DHMC recognize the benefit to Springfield Hospital of offering services that would otherwise be sent to DHMC. The current situation burdens DHMC's already busy schedules as well as creating patient inconvenience and potentially dangerous delays in treatment. Your letter represents that the Siemens Espree 1.5 MRI unit is outdated and requires replacement in order to offer the highest standard of patient care to your local population. This upgrade will allow Springfield Hospital to meet that standard by expanding testing capabilities which contribute to the improvement of patient care, convenience, and availability.

You state that the project will require an additional monthly expenditure of \$2,499.32. Your current lease and associated monthly operating expenses are \$45,500.68 which include the camera, machine maintenance, and the building. With the new MRI, you anticipate the monthly expense will be \$48,000. This expense includes the equipment upgrade over the course of 120 months in the new lease. This amount will be an operational expense funded by incremental revenue from additional patient volume. The total incremental expense of the new lease over the course of the 120-month period is \$299,918.40. The cost for the necessary renovations required to the modular building will be completed and paid for by the imaging company. The current base staffing will be able to manage the increase in volume in the current schedule.

Springfield Hospital represents that there is no annual capital expense and the total incremental operating expense of \$299,918.40 over the course of the 120-month lease period is well below the expenditure threshold that would trigger review. Based on the representations contained in the documents you have submitted; the project is not subject to certificate of need (CON) review at this time.

As you proceed with developing and implementing this project, if there are any changes in type, scope, or cost of the project (including, but not limited to, changes in capital and/or annual operating expenses), please contact the Board immediately so we may determine whether any further process is necessary. Failure to do so as required by Green Mountain Care Board Rule 4.301(4) may result in sanctions, as specified in 8 V.S.A. § 9445.



If you have further questions, please do not hesitate to contact me at 802-760-8162.
Sincerely,

s/ Donna Jerry

Donna Jerry, Senior Health Policy Analyst
Green Mountain Care Board

cc: Laura Beliveau, Staff Attorney, GMCB

