

Carey B. McRae
cmcrae@bradley.com
(205) 521-8014 direct

Bradley
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May 31, 2017

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STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY

Via Electronic Filing

Mr. Alva Lambert
Executive Director
State Health Planning and Development Agency
100 North Union Street
RSA Union Building
Suite 870
Montgomery, AL 36130-3025

Re: Cardiovascular Institute of the Shoals; RV2017-022

Dear Mr. Lambert:

This letter is written in response to your letter dated May 18, 2017, requesting additional information regarding this reviewability determination request. Below, the requests for information from your letter are set out in underlined text, and the information is provided in boldface text.

Names of any other physician owners of the Institute: **Dr. Ajit K. Naidu is the sole owner of the Institute.**

The terms of the Institute's independent contractor agreements with any physician employees who will be performing the proposed procedures: **There are no independent contractor agreements. Dr. Brian Cole is an employee of the Institute. Only Dr. Naidu and Dr. Cole will be performing the proposed procedures.**

The equipment to be used: **The equipment to be acquired and used is a Mobile C-Arm with floating table and minor related equipment.**

Whether the treating physicians will maintain offices at the facility and the terms of such arrangements: **Dr. Naidu and Cole are the treating physicians, have offices at the Institute, and will perform the procedures at the Institute.**

The details of the billing practices for the proposed services: **All services will be billed under the Institute's physician group practice provider numbers and agreements, just as the Institute currently bills for all other physician services at the Institute.**

Financial breakdown of equipment: **The purchase of the Mobile C- Arm with floating table and minor related equipment is anticipated to cost approximately \$180,000.**

Mr. Alva Lambert
Re: Cardiovascular Institute of the Shoals
May 31, 2017
Page 2

Financial breakdown of anticipated first year annual operating costs: No additional employees or staff will be required, and the project does not include any additional leased space. Therefore, annual operating cost are not anticipated to increase.

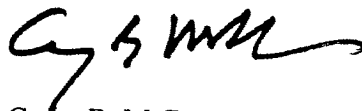
Financial breakdown of capital costs, including leases, land/building, and construction costs: The preparation of the room and space for the Mobile C-Arm will require minor renovations estimated in the range of \$25,000-\$50,000.

A statement as to whether any other health care facilities or groups hold an interest in the Institute: No other healthcare facilities or groups hold an interest in the Institute.

Clarification regarding any cardiac procedures currently being performed at the facility: The Institute is an office-based medical practice that specializes in cardiology. Institute physicians do not currently perform interventional cardiac procedures at the Institute, nor will those physicians perform interventional cardiac procedures at the Institute after the addition of the equipment and procedures made the basis of this reviewability determination request. To be clear, with this request the Institute is seeking approval to add office-based, minimally invasive endovascular treatment of upper and lower extremity arterial and venous disease. No cardiac or coronary interventions will be performed. All procedures will be percutaneous and catheter-based with no incisions.

We hope that the above answers your questions. According to your letter, upon receipt of the requested information above, your office will now review our reviewability determination request.

Sincerely,



Carey B. McRae