

**MISSISSIPPI STATE DEPARTMENT OF HEALTH  
DIVISION OF HEALTH PLANNING AND RESOURCE DEVELOPMENT**

**DECEMBER 29, 2025**

**CON REVIEW: POB-MME-1125-013  
ORTHO SPORT AND SPINE PHYSICIANS OF MISSISSIPPI, LLC  
ACQUISITION OF MAGNETIC RESONANCE IMAGING ("MRI") EQUIPMENT AND  
OFFERING OF FIXED MRI SERVICES  
CAPITAL EXPENDITURE: \$475,000.00  
LOCATION: SOUTHAVEN, DESOTO COUNTY, MISSISSIPPI**

**STAFF ANALYSIS**

**I. PROJECT SUMMARY**

**A. Applicant Information**

Ortho Sport and Spine Physicians of Mississippi, LLC ("OSSP of MS" or "Applicant") is the Applicant. OSSP of MS is a national orthopedic group practice with its headquarters located in Sandy Springs, GA.

OSSP of MS operates as a Physicians Practice Office with an ownership type of Limited Liability Company owned entirely by a single physician, who holds 100% ownership. OSSP of MS is in the process of opening a new location to serve Southaven, MS and its surrounding areas. The new clinic, located at 3964 Goodman Road, Suite 111, Southaven, DeSoto County, Mississippi, 38672, will offer MRI services to its patients. The application contains a Certificate of Good Standing from the Secretary of State of the State of Mississippi, dated October 27, 2025, indicating Ortho Sport and Spine Physicians of Mississippi is in good standing to do business in Mississippi.

**B. Project Description**

The Applicant states Ortho Sport and Spine Physicians of Mississippi propose to acquire magnetic resonance imaging ("MRI") equipment and to offer fixed MRI services at 3964 Goodman Road, Suite 111, Southaven, DeSoto County, Mississippi, 38672. The Applicant states the project will involve the purchase of a Esaote S-Scan MRI System at a cost of \$425,000.00 and will require minor renovation work at an estimated cost of \$50,000.00. OSSP of MS submits the total estimated capital expenditure for the proposed project is \$475,000.00. The Applicant states the anticipated date for obligation of the capital expenditure is December 2025 and the anticipated date for completion of the proposed project is February 2026.

The Applicant states that OSSP of MS proposed project fully complies with all applicable policies, criteria and standards in the Fiscal Year 2022 Mississippi State Health Plan (3rd Edition) and the General Review Criteria in the Mississippi Certificate of Need Review Manual, November 11, 2023.

The Applicant states that OSSP of MS intends to obligate the capital expenditure within thirty (30) days of CON approval and to commence the offering of MRI services within five (5) months following CON approval.

The Applicant includes a site approval letter from the MSDH Division of Licensure and Certification, Bureau of Fire Safety and Construction, dated December 12, 2025, indicating site approval is not required for the proposed project.

OSSP of MS states the final objective of the proposed project is to offer OSSP of MS patients, office-based MRI procedures to diagnosis and treat their patients.

OSSP of MS submits the proposed project will require minor renovation work to install the MRI equipment. The application includes a floor plan of the area that will house the MRI unit for the OSSP of MS.

The Applicant states OSSP of MS will comply with all applicable codes and zoning ordinances, local, state, and federal authorities. OSSP of MS further affirms that it will comply with all applicable state statutes and regulations for protection of the environment, including: 1) approved water supplies; 2) sewage and water disposal; 3) hazardous waste disposal; 4) water pollution control; 5) air pollution control; and 6) radiation control.

## **II. TYPE OF REVIEW REQUIRED**

The Mississippi State Department of Health will review applications for a Certificate of Need (CON) to acquire or otherwise control magnetic resonance imaging ("MRI") equipment and offer MRI services under the requirements of Sections 41-7-173, 41-7-191, and 41-7-193, Mississippi Code of 1972 Annotated, as amended. MSDH will also review applications for CON according to the general criteria listed in the *Mississippi Certificate of Need Review Manual, November 11, 2023*; all adopted rules, procedures, plans, criteria and standards of the MSDH; and the specific criteria and standards listed below.

In accordance with Section 41-7-197 (2) of the Mississippi Code of 1972 Annotated, as amended, any person may request a public hearing on this project within ten (10) days of publication of the staff analysis. The opportunity to request a hearing expires on January 9, 2026.

## **III. CONFORMANCE WITH THE STATE HEALTH PLAN AND OTHER ADOPTED CRITERIA AND STANDARDS**

### **A. Mississippi State Health Plan (MSHP)**

The *FY 2022 Mississippi State Health Plan* (3<sup>rd</sup> Edition) contains policy statements, criteria and standards, which an applicant is required to meet before receiving CON authority for the Acquisition or Otherwise Control of MRI Equipment and the Offering of MRI Services.

### **SHP Policy Statement 1 - CON Review Requirements**

The Applicant state OSSP of MS confirms a CON is required for this proposed project because OSSP of MS proposes to initiate MRI services at a new location through the acquisition of MRI equipment.

### **SHP Policy Statement 2 - CON Approval Preference**

The Applicant states OSSP of MS does not propose to offer MRI services through a joint venture. The Applicant states that OSSP of MS proposed project is intended for preventative care and early diagnosis to its patients and decrease wait times for diagnosis, travel distance, hours of operations, and increased MRI demand, etc.

### **SHP Policy Statement 3 - Mobile MRI**

The Applicant states they do not propose to offer mobile MRI services.

### **SHP Policy Statement 4 - Conversion to Fixed**

The Applicant states this Policy Statement is not applicable to the proposed project.

### **SHP Policy Statement 5 - Utilization of Existing Units**

The Applicant states OSSP of MS affirms the existing MRI units in General Hospital Service Area 1 (GHSA 1) performed, on average, substantially in excess of 1,700 MRI procedures during the relevant 12-month reporting period in the current State Health Plan. The Applicant further states the proposed project will not reduce utilization of existing MRI providers.

### **SHP Policy Statement 6 - Population-Based Formula**

The Applicant states that OSSP of MS acknowledges this Policy Statement and submits OSSP of MS demonstrates that General Hospital Service Area 1 (GHSA 1) has a reasonable and sufficient population base to support the provision of 2,700 MRI procedures at OSSP of MS, Southaven location by the second year of operation.

### **SHP Policy Statement 7 - Mobile Service Volume Proration**

The Applicant states this Policy Statement is not applicable, since this application proposed a fixed MRI unit.

### **SHP Policy Statement 8 - Addition of a Health Care Facility**

The Applicant states this Policy Statement is not applicable to the proposed project.

### **Certificate of Need Criteria and Standards for the Acquisition or Otherwise Control of Magnetic Resonance Imaging (MRI) Equipment and/or the Offering of MRI Services**

MSDH will review applications for a CON for the acquisition or otherwise control of MRI equipment and/or the offering of MRI services under the applicable statutory requirements of Sections 41-7-173, 41-7-191, and 41-7-193, Mississippi Code of 1972, as amended. MSDH will also review applications for Certificate of Need according to the general criteria listed in the *Mississippi Certificate of Need Review Manual*; all adopted rules, procedures, and plans MSDH; and the specific criteria and standards listed below.

The acquisition or otherwise control of MRI equipment is reviewable if the equipment cost is in excess of \$1,545,000.00; if the equipment and/or service is relocated; and if the proposed provider of MRI services has not provided such services on a regular basis within the period of twelve (12) months prior to the time such services would be offered, regardless of the capital expenditure.

### **SHP Need Criterion 1: Minimum Procedures/Population**

The FY 2022 Mississippi State Health Plan, Third Edition states: The entity desiring to acquire or otherwise control the MRI equipment shall demonstrate a minimum of 2,700 procedures per year by the end of the second year of operation. The applicant must show the methodology used for the projections.

#### **a. Non-hospital-based MRI facilities**

The Applicant states OSSP of Mississippi, LLC ("OSSP of MS") operates a large, established orthopedic and spine, practice across multiple states, and its patient population consistently requires a substantial volume of MRI imaging to support diagnosis and treatment planning. The Applicant states although the proposed OSSP of MS location is a new facility that has not yet seen patients at the time of this submission, OSSP providers routinely order MRI studies for their patients.

The Applicant states based on OSSP's historical patient volume, established internal referral patterns, and the imaging intensity inherent to orthopedic and spine care, OSSP of MS projects that the proposed musculoskeletal MRI unit will outperform the 2,700 MRI procedures by the end of the second year of operation and this projected utilization exceeds the minimum of the 2,700 procedures required under Need Criterion 1(a) for non-hospital-based MRI providers.

The *FY 2022 Mississippi State Health Plan Third Edition* provides that Applicants for non-hospital-based MRI facilities may submit affidavits from referring physicians. MRI procedures projected in affidavits shall be based on actual MRI procedures referred during the year.

The Applicant did not submit affidavits from referring physicians, rather OSSP of MS asserts that this projection is grounded in the actual operating experience and demonstrated imaging demands generated by OSSP's existing practice locations. The Applicant states for a new facility that has not yet opened for patient care, this methodology provides a more accurate and objective basis for forecasting utilization than reliance solely on referring physician affidavits. OSSP of MS affirms that the proposed project fully complies with Need Criterion 1(a) and meets the minimum procedure volume requirement established by the Mississippi State Health Plan.

Without affidavits from the referring physicians, the Mississippi State Department of Health cannot make a determination that OSSP of MS has referred patients for MRI services in GHSA 1 during the past 12-month period and that OSSP of MS will perform the minimum 2,700 procedures in GHSA 1 by the end of the second year of operation.

**b. Reasonable population base:**

The Applicant states OSSP of MS states that a population-based methodology, as set forth in the FY 2022 Mississippi State Health Plan, Third Edition, supports and confirms that more than 2,700 MRI procedures will be performed annually by the proposed OSSP of MS musculoskeletal MRI unit. The Applicant state the proposed facility is located within General Hospital Service Area ("GHSA") 1, which OSSP of MS defines as its primary service area and which consists of the following counties:

OSSP of MS submits that the GHSA 1 service area population supports the projected utilization of the proposed OSSP of MS musculoskeletal MRI unit in accordance with the population-based methodology set forth in Section 512.01.05 of the FY 2022 Mississippi State Health Plan, Third Edition. GHSA 1 consists of DeSoto, Marshall, Panola, Tate, and Tunica Counties, has a 2025 projected population of 302,539 according to Map 5-1 in the State Health Plan. Using the State Health Plan Formula  $V = (X \times Y) \div 1,000$  and applying the statewide MRI use rate of 81.6 procedures per 1,000 population, the projected annual MRI demand for this service area is 24,680 procedures.

The Applicant state although OSSP of MS is a new location, OSSP's multi-state orthopedic and spine practices consistently generate MRI volumes that meet or exceed State Health Plan expectations. The Applicant state the population-based formula confirms that GHSA 1 can support a new MRI unit performing at least 2,700 procedures annually, fully satisfying the population requirement of Need Criterion 1.

**c. Utilization of existing units:**

The Applicant states OSSP of MS submits an analysis of the utilization of all existing MRI units in GHSA 1, based on the FY 2019 and FY 2020 of data reported in Table 5-6 of the Mississippi State Health Plan. According to the Plan, GHSA 1 contains six (6) MRI units that collectively performed in FY 2020, 15,650 MRI procedures, resulting in an average utilization of 2,608 procedures per unit. This average significantly exceeds the State Health Plan minimum standard of 1,700 procedures per MRI unit. OSSP of MS affirms that these utilization levels demonstrate strong and sustained regional demand for MRI services and that the addition of the proposed OSSP of MS MRI unit will not reduce the viability or utilization of existing providers. OSSP of MS asserts that this application fully complies with Need Criterion 1(c) regarding the utilization of existing MRI units within the defined service area.

**SHP Need Criterion 2: Equipment Requirements**

- a. FDA Approval** - The Applicant affirms the proposed Esaote S-SCAN MRI equipment is FDA-approved. The Applicant submitted a quote for the and FDA approval with the application.
- b. Qualified Personnel** – The Applicant certifies that only qualified personnel will be allowed to operate the MRI equipment.

- c. **Fixed/minimum volume contracts** - The Applicant states OSSP of MS will not permit the equipment to be rented, leased or otherwise used by any other provider on a contractual basis.

### **SHP Need Criterion 3 – Data Requirements**

The Applicant affirms that the information and data described in Need Criterion 3 will be maintained and made available to the MSDH within fifteen (15) business days of request.

### **SHP Need Criterion 4: Business Registration**

The application includes a Certificate of Good Standing from the Mississippi Secretary of State, dated October 27, 2025.

### **SHP Need Criterion 5: CON Approval/Exemption for MRI Equipment**

The Applicant states that in this application, OSSP of MS requests CON approval to offer MRI services through the utilization of Esaote S-Scan MRI equipment at the new location at 3964 Goodman Road, Suite 111, Southaven, DeSoto County, Mississippi, 38672.

## **Certificate of Need (CON) Criteria and Standards for the Offering of Fixed or Mobile MRI Services**

### **CON Need Criterion 1: Minimum Procedures/Population**

The entity desiring to offer MRI services must document that the equipment shall perform a minimum of 2,700 procedures (or 1,700 procedures for rural hospitals) by the end of the second year of operation. This criterion includes both fixed and mobile MRI equipment. The application must show the methodology used for the projections.

#### **a. Non-hospital-based MRI facilities**

The Applicant states OSSP of Mississippi, LLC ("OSSP of MS") operates a large, established orthopedic and spine, practice across multiple states, and its patient population consistently requires a substantial volume of MRI imaging to support diagnosis and treatment planning. The Applicant states although the proposed OSSP of MS location is a new facility that has not yet seen patients at the time of this submission, OSSP providers routinely order MRI studies for their patients.

The Applicant states based on OSSP's historical patient volume, established internal referral patterns, and the imaging intensity inherent to orthopedic and spine care, OSSP of MS projects that the proposed musculoskeletal MRI unit will outperform the 2,700 MRI procedures by the end of the second year of operation and this projected utilization exceeds the minimum of the 2,700 procedures required under Need Criterion 1(a) for non-hospital-based MRI providers.

The Applicant further states OSSP of MS further asserts that this projection is grounded in the actual operating experience and demonstrated imaging demand generated by OSSP's existing practice locations. The Applicant states for a new facility that has not yet opened for patient care, this methodology provides a more accurate and objective basis for forecasting utilization than reliance solely on referring physician affidavits. OSSP of MS affirms that the proposed project fully

complies with Need Criterion 1(a) and meets the minimum procedure volume requirement established by the Mississippi State Health Plan.

However, the Applicant did not demonstrate, by submission of affidavits from referring physicians, that the facility will meet the 2,700 minimum requirement by the end of the second year of operation.

**b. Reasonable population base**

The Applicant states OSSP of MS states that a population-based methodology, as set forth in the FY 2022 Mississippi State Health Plan, Third Edition, supports and confirms that more than 2,700 MRI procedures will be performed annually by the proposed OSSP of MS musculoskeletal MRI unit. The proposed facility is located within General Hospital Service Area ("GHSA") 1, which OSSP of MS defines as its primary service area and which consists of the following counties:

The Applicant states OSSP of MS submits that the GHSA 1 service area population supports the projected utilization of the proposed OSSP of MS musculoskeletal MRI unit in accordance with the population-based methodology set forth in Section 512.01.05 of the FY 2022 Mississippi State Health Plan, Third Edition. GHSA 1 consists of DeSoto, Marshall, Panola, Tate, and Tunica Counties, has a 2025 projected population of 302,539 according to Map 5-1 in the State Health Plan. Using the State Health Plan Formula  $V = (X \times Y) \div 1,000$  and applying the statewide MRI use rate of 81.6 procedures per 1,000 population, the projected annual MRI demand for this service area is 24,680 procedures. The Applicant further state this projected demand far exceeds the minimum 2,700 procedures required for a non-hospital-based MRI unit under Need Criterion 1(a), demonstrating that the GHSA 1 population can easily support the proposed service. The Applicant states although the OSSP of MS facility is a new location that has not yet seen patients at the time of this submission, OSSP's established multi-state orthopedic and spine practices consistently generate MRI utilization consistent with, and often higher than, the levels implied by State Health Plan methodology. The Applicant states the population-based formula confirms that GHSA 1 can readily support a new MRI unit performing at least 2,700 procedures annually, satisfying the population component of Need Criterion 1.

**c. Utilization of existing units.**

The Applicant states OSSP of MS submits an analysis of the utilization of all existing MRI units in GHSA 1, based on the FY 2019 and FY 2020 of data reported in Table 5-6 of the Mississippi State Health Plan. According to the Plan, GHSA 1 contains six (6) MRI units that collectively performed in FY 2020, 15,650 MRI procedures, resulting in an average utilization of 2,608 procedures per unit. The Applicant states this average significantly exceeds the State Health Plan minimum standard of 1,700 procedures per MRI unit. OSSP of MS affirms that these utilization levels demonstrate strong and sustained regional demand for MRI services and that the addition of the proposed OSSP of MS MRI unit will not reduce the viability or utilization of existing providers. OSSP of MS asserts that this application fully complies with Need Criterion 1(c) regarding the utilization of existing MRI units within the defined service area.

### **CON Need Criterion 2: Availability of Diagnostic Imaging Modalities**

The Applicant confirms they will be offering a full range of diagnostic imaging modalities, including those noted in this criterion.

### **CON Need Criterion 3: Non-Discrimination**

The Applicant affirms that neither the facility where the service is provided nor its participating medical personnel shall have policies or procedures which would exclude patients because of race color, age, sex, ethnicity or ability to pay.

### **CON Need Criterion 4: Staffing Requirements**

The Applicant must document that the following staff will be available:

#### **a. Director**

The Applicant affirms the current MRI Director of OSSP's MRI Services meets these standards and will be available with respect to MRI services at OSSP of MS.

#### **b. One Full-time MRI Technologist-Radiographer**

The Applicant affirms that the current MRI Technologist meets these requirements and also will be available with respect to MRI services at OSSP of MS.

### **CON Need Criterion 5: Experimental Procedures**

The Applicant states this criterion is not applicable to the proposed project.

### **CON Need Criterion 6: Data Requirement**

The Applicant affirms that the information and data described in this criterion will be maintained and made available to MSDH within fifteen (15) business days of request.

### **CON Need Criterion 7: CON Approval/Exemption for MRI Equipment**

The Applicant states that in this application, OSSP of MS requests CON approval to offer MRI services through the utilization of Esaote S-Scan MRI equipment at the new location at 3964 Goodman Road, Suite 111, Southaven, DeSoto County, Mississippi, 38672.

## **B. General Review (GR) Criteria**

Chapter 8 of the *Mississippi Certificate of Need Review Manual, Revised November 11, 2023*; addresses general criteria by which all CON applications are reviewed. This application is in substantial compliance with general review criteria contained in the *Manual*.



### **GR Criterion 1 –State Health Plan:**

The Applicant asserts the proposed project substantially complies with all applicable policies, standards and criteria governing the offering of MRI services and the acquisition and control of MRI equipment, as set forth in the *Fiscal Year 2022 Mississippi State Health Plan (Third Edition)*.

### **GR Criterion 2 - Long Range Plan:**

The Applicant states that the long-range plan focuses on serving the needs of patients to accessible health services. The Applicant further states this project will ensure that residents in these counties have a closer and more affordable option due to patients who are in need of MRI services, have to seek alternative options. In addition, the Applicant states the proposed service supplies a cheaper and more convenient MRI service provider that will be available.

### **GR Criterion 3- Availability of Alternatives:**

The Applicant identified three (3) alternatives considered with respect to the project: (1) work to improve existing settings; (2) establish new service locations in new territories; and (3) expand existing service locations.

#### **a. Advantages and Disadvantages of Alternatives:**

OSSP of MS states that after determining the acquisition of a dedicated MRI unit is essential to future patient needs, OSSP of MS executive team evaluated several alternative locations for the proposed service. OSSP of MS selected the new clinical location because a substantial portion of its orthopedic and spine patients require MRI imaging, and placing the unit on-site will significantly improve patient convenience, access, and continuity of care. In addition, locating the MRI unit within GHSA 1 serving DeSoto, Marshall, Panola, Tate, and Tunica Counties—will improve the geographic distribution of MRI services across the region, reduce reliance on external imaging providers, and achieve a more balanced distribution of patients in need of MRI procedures, thereby alleviating pressure on existing MRI units in the service area.

The Applicant states the disadvantages include the capital and maintenance costs of establishing a new MRI unit, the challenge of recruiting MRI technologists in a competitive market, and the operational effort required to integrate imaging services into a new clinical setting.

#### **b. New Construction Projects:**

The Applicant states this criterion is not applicable to the proposed project.

#### **c. Beneficial Effects to the Health Care System:**

OSSP of MS states that as noted above, the acquisition of an MRI unit at OSSP of MS will address the need for additional MRI service capacity and result in greater patient convenience.

**d. Effective and Less Costly Alternatives:**

**i. Unnecessary Duplication of Services:**

The Applicant states the proposed project does not represent an unnecessary duplication of services. The Applicant further states the existing MRI providers in the area operate near capacity or are not conveniently located for the applicant's patient population.

**ii. Efficient Solution:**

The Applicant states that the proposed MRI services will provide a more efficient solution by integrating imaging services within the Applicant's existing orthopedic and spine practice, improving access, reducing delays, and enhancing continuity of care.

**e. Improvements and Innovations:**

The Applicant affirms that the proposed Esaote S-Scan MRI system will enhance the quality of diagnostic imaging services offered by HCPA in a cost-effective clinical setting.

**f. Relevancy:**

The Applicant asserts that there is a clear industry trend toward shifting and expanding health services into more efficient, accessible, and cost-effective clinical facilities.

**GR Criterion 4 - Economic Viability:**

**a. Proposed Charge:**

The Applicant states the proposed charges for the MRI services offered by OSSP of MS are noted in the financial analysis projected spreadsheet.

**b. Projected Levels of Utilization:**

OSSP of MS states that the projected levels of MRI utilization demonstrate clear and sufficient demand to support the proposed unit. The Applicant states these projections are based on OSSP's established orthopedic and spine patient base, which generates high MRI procedure needs consistent with comparable OSSP locations in other states. The Applicant states the anticipated procedure volume aligns with State Health Plan expectations and supports the economic viability of the project.

**c. Financial Feasibility Study:**

The Applicant states this is not applicable to the proposed project since the capital expenditure is \$475,000.00.

**d. Financial Forecasts:**

The Applicant states this is not applicable to the proposed project since this is a new location.

**e. Covered Expenses:**

The Applicant states they do not anticipate that the project will fail to meet projected revenues but has financial resources available to cover expenses.

**f. Impact of Proposed Project on Health Care Cost:**

The Applicant states they are primarily a personal-injury-based practice, for example, MVA, Slip and Falls, etc. The Applicant states charges are dependent on insurance policies. The Applicant states OSSP of MS does not accept any government programs. The Applicant further states the proposed project will increase its patient's quality of care, timely diagnosis, and treatment

**GR Criterion 5 - Need for the Project**

**a. Access by Population Served:**

The Applicant states OSSP of MS affirms that it will provide MRI and other diagnostic imaging services in response to community health needs, and medically underserved groups, including those noted in this criterion.

**b. Relocation of Services:** This criterion is not applicable as the Applicant does not propose to relocate services.

**i. Replacement Facility:**

The Applicant states this criterion is not applicable to the proposed project.

**ii. Utilization of Existing Space Post Relocation of Services:**

The Applicant affirms this criterion is not applicable to the proposed project.

**c. Current and Projected Utilization of Comparable Facilities:**

The Applicant states that high utilization of MRI providers in GHSA 1, including the projected new location of OSSP of MS, demonstrates the need for the projected MRI.

**d. Probable Effect on Existing Facilities in the Area:**

The Applicant states in view of the high utilization of MRI services experienced by existing providers, the addition of an MRI unit in GHSA 1 is clearly needed and will not adversely impact these providers.

**e. Community Reaction to Service:**

The Applicant states OSSP of MS received no opposition letters regarding this project.

The application did not contain any letters of support from the local community for the project.

**GR Criterion 6- Access to the Facility or Service**

**a. Access**

**1. Access to Services:**

The Applicant states they will be accessible to all residents who are primarily in GHSA I. OSSP of MS further states they will not exclude patients because of race, age, sex, ethnicity, or ability to pay.

**However, the Applicant admits OSSP of MS will not serve government patients, such as Medicare and Medicaid patients.**

**2. Access to the Proposed Services:**

The Applicant states the residents of the proposed project will have access to the services.

**3. Gross Patient Revenues:** The following table shows the projected estimated gross patient revenues of health care to medically indigent and charity care patients for Years 1 and 2 for the proposed project.

	<b>Medically Indigent (%)</b>	<b>Charity Care (%)</b>	<b>Medically Indigent (\$)</b>	<b>Charity Care (\$)</b>
Historical Year FY 2023	N/A	N/A	N/A	N/A
Historical Year FY 2024	N/A	N/A	N/A	N/A
Project Year 1	3%	N/A	\$4500.00	N/A
Project Year 2	3%	N/A	\$7200.00	N/A

**b. Existing Obligations:**

The Applicant states OSSP of MS confirmed the facility has no existing obligations under any federal regulation requiring provision of uncompensated care, community service, or access by minority/handicapped persons.

**c. Unmet Needs of Medicare, Medicaid, and Medically Indigent Patients:**

The Applicant states they do not accept any government programs. Therefore, the Applicant has not demonstrated that it will meet the unmet needs of the patients in the area.

**d. Access to Proposed Facility:**

The Applicant states the services offered are accessible to residents of the projected area.

**e. Access Issues:**

**i. Transportation and Travel:**

The Applicant states they will be located at 3964 Goodman Road, Suite 111, Southaven, DeSoto County, Mississippi, 38672, which is easily accessible from U.S. Highway 51 and Interstate 55.

**ii. Restrictive Admission Policy:**

The Applicant states this criterion is not applicable because OSSP of MS is not an inpatient facility.

**iii. Access to Care by Medically Indigent Patients:**

The Applicant affirms OSSP of MS is accessible to medically indigent patients.

**iv. Operational Hours of Service:**

**1. Regular Operation:**

The Applicant states operating hours will be Monday through Friday, 8:00 a.m. to 5:00 p.m.

**2. Emergency Operation:**

The Applicant asserts this criterion is not applicable to the proposed project.

## **GR Criterion 7- Information Requirement**

OSSP of MS states that it will maintain the information stated in this criterion and make it available to the Department of Health with fifteen (15) business days of request. However, the Applicant does not propose to provide care to Medicaid patients.

## **GR Criterion 8 - Relationship to Existing Health Care System**

### **a. Comparable Services:**

The Applicant states MRI services are currently offered by hospitals, clinics and freestanding providers in Southaven surrounding areas. The Applicant states OSSP of MS will provide MRI services to its patients for timely diagnosis and treatment.

### **b. Effect on Existing Health Services:**

#### **i. Complement existing services:**

OSSP of MS asserts that MRI services are an essential component of the comprehensive continuum of patient care provided, supporting timely diagnosis and treatment planning.

#### **ii. Provide Alternative or Unique Services:**

The Applicant asserts the proposed project will allow patients to continue to access MRI services in an outpatient setting.

#### **iii. Provide Services for a Specific Target Population:**

The Applicant states this proposed project will provide direct access to MRI services for our orthopedic patients, who require MRI services.

#### **iv. Provide Services for Which There is an Unmet Need:**

The Applicant states that the MRI service will supply the necessary diagnostic imaging service that's needed to ensure patients are treated in a timely manner.

### **c. Adverse Impact:**

The Applicant states if the project is not implemented, patients will be deprived of the benefits of receiving MRI services in an additional, convenient and accessible location.

### **d. Transfer/Referral/Affiliation Agreements:**

The Applicant states this criterion is not applicable to the proposed project.

## **GR Criterion 9 - Availability of Resources**

### **a. New Personnel:**

The Applicant states in order to staff the proposed project, OSSP of MS will hire a Physician Assistant or Nurse Practitioner, one (1) MRI technologist, one (1) Medical Assistant and one (1) Patient Care Coordinator.

### **b. Contractual Services:**

The Applicant states this criterion is not applicable to the proposed project.

### **c. Existing Facilities or Services:**

The Applicant states Ortho Sport and Spine Physicians maintain a strong and satisfactory staffing history across its multistate network of orthopedic and spine locations. The Applicant states OSSP of MS follows standardized staffing, credentialing which includes accreditation by Intersocietal Accreditation Commission (IAC) for MRI, and competency-based training protocols at all locations to ensure high-quality patient care. The Applicant further asserts that although OSSP of MS is a new facility, the organization's established multistate operations demonstrate its proven ability to recruit, train, and maintain qualified clinical and support staff.

### **d. Alternative Uses of Resources:**

The Applicant states OSSP of MS states, as previously discussed, the proposed project is the best alternative for the provision of health services in response to community needs.

## **GR Criterion 10 – Relationship to Ancillary or Support Services**

### **a. Support and Ancillary Services:**

The Applicant states they will offer additional diagnostic imaging modalities, which includes conventional radiography.

### **b. Changes in Costs or Charges:**

The Applicant does not anticipate a change in costs or charges as a result of this proposed project.

### **c. Accommodation of Changes in Costs or Charges:**

The Applicant states this criterion is not applicable to the proposed project.

**GR Criterion 11- Health Professional Training Programs**

The Applicant states this criterion is not applicable to the proposed project.

**GR Criterion 12 – Access by Health Professional Schools**

The Applicant states this criterion is not applicable to the proposed project.

**GR Criterion 13 – Access to Individuals Outside Service Area**

The Applicant states this criterion is not applicable to the proposed project.

**GR Criterion 14 – Construction Projects**

The application includes a cost estimate for the renovation work for the proposed project.

**GR Criterion 15 – Competing Applications**

There are no competing applications related to this proposed project on file with the Department.

**GR Criterion 16 - Quality of Care**

**a. Past Quality of Care:**

The Applicant asserts they are committed to providing high-quality, patient-centered healthcare, while ensuring services are delivered efficiently and effectively.

**b. Improvement of Quality of Care:**

The Applicant states OSSP of MS proposed project is directly responsive to the demonstrated need for MRI services in order to effectively serve future patients.

**c. Accreditation and/or Certificates:**

The Applicant affirms they will apply for accreditation from The Intersocietal Accreditation Commission (IAC) following pending approval and installation of MRI.



#### IV. FINANCIAL FEASIBILITY

##### A. Capital Expenditure Summary

Cost Item	Estimated Cost	Percentage (%) of Total
Construction Cost -New	\$ 0	0%
Construction Cost-Renovation	50,000.00	10.53%
Capital Improvements	0	0%
Fixed Equipment	425,000.00	89.47%
Non-fixed Equipment	0	0%
Fees (Architectural, Consultant, etc.)	0	0%
Contingency Reserve	0	0%
Capitalized Interest	0	0%
Legal and Accounting Fees	0	0%
<b>TOTAL PROPOSED CAPITAL EXPENDITURE</b>	<b>\$475,000.00</b>	<b>100.00%</b>

OSSP of Mississippi proposes to renovate approximately 2,800 square feet to house a fixed MRI unit an estimated cost of \$17.86 per square foot.

##### B. Method of Financing

The Applicant financed a loan through Paragon Bank for \$425,000.00 at 8%, from 4/10/25 to 4/10/30.

##### C. Effect on Operating Costs

See attached OSSP of MS's three-year projected operating statement for the proposed project.

##### D. Cost to Medicaid/Medicare

The Applicant's projection of charges to third party payors is as follows (based on gross patient revenue):

Payor	First Year Revenue	Utilization Percentage
<b>Medicare</b>	\$0.00	0.00%
<b>Medicaid</b>	\$0.00	0.00%
<b>Commercial</b>	\$28,125.00	25.00%
<b>Self-Pay</b>	\$0.00	0.00%
<b>Charity</b>	\$0.00	0.00%
<b>Other</b>	\$84,375.00	75.00%
<b>Total</b>	<b>\$112,500.00</b>	<b><u>100.00%</u></b>

"Other" payor category includes reimbursement sources that do not fall within Medicare, Medicaid, commercial insurance, self-pay, or charity classifications. Specifically, this

category reflects payments received from Workers' Compensation programs as well as automobile and liability insurance carriers.

## **V. RECOMMENDATION OF OTHER AFFECTED AGENCIES**

The Division of Medicaid (Division) was provided with a copy of this application for review and comment; however, the Division of Medicaid has not provided a comment on the proposed project as of December 29, 2025.

## **VI. CONCLUSION AND RECOMMENDATION**

This project is not in substantial compliance with the criteria and standards for the acquisition or otherwise control of magnetic resonance imaging (MRI) equipment and offering MRI services contained in the *FY 2022 Mississippi State Plan (Third Edition)*; Chapter 8 of the *Mississippi Certificate of Need Review Manual, Revised - November 11, 2023*; and all adopted rules, procedures, and plans of the Mississippi State Department of Health.

The Applicant did not submit affidavits to support its assertion that OSSP of MS can generate a minimum of 2,700 MRI procedures by the second year of operation. Without affidavits, the Department is unable to determine if the Applicant has referred patients for MRI services in GHSA 1 during the past year or if it will meet the need criterion of providing 2,700 MRI procedures.

The Applicant does not demonstrate that all patient in the service area will have access to care at its facility. The Applicant specifically states that OSSP of MS does not accept government programs. Therefore, OSSP of MS' MRI services will not be available to patients receiving Medicare and Medicaid.

Further, the Applicant did not demonstrate community support for the project by submission of any letters of support from the community.

Therefore, the Division of Health Planning and Resource Development recommends disapproval of the application submitted by Ortho Sport and Spine Physicians of Mississippi, LLC, for the Acquisition of MRI Equipment and Offering of Fixed MRI Services at Orthopedic and Sports Medicine Clinic.

**Attachment 1**

**Ortho Sport and Spine Physicians of Mississippi, LLC  
 Three-Year Operating Statement (Project Only)**

	Year 1	Year 2	Year 3
<b>Revenue</b>			
Inpatient Care Revenue	\$0.00	\$ 0.00	\$0.00
Outpatient Revenue	\$112,500.00	\$ 180,000.00	\$ 225,000.00
<b>Gross Patient Revenue</b>	<b>\$ 112,500.00</b>	<b>\$ 180,000.00</b>	<b>\$ 225,000.00</b>
Charity	\$0.00	\$0.00	\$0.00
Deductions from Revenue	\$0.00	\$0.00	\$0.00
<b>Net Patient Care Revenue</b>	<b>\$112,500.00</b>	<b>\$180,000.00</b>	<b>\$225,000.00</b>
Other Operating Revenue	\$0.00	\$0.00	\$0.00
<b>Total Operating Revenue</b>	<b>\$112,500.00</b>	<b>\$180,000.00</b>	<b>\$225,000.00</b>
<b>Operating Expenses</b>			
Salaries	\$80,000.00	\$80,000.00	80,000.00
Benefits	\$0.00	\$0.00	\$0.00
Supplies	\$20,000.00	\$20,000.00	\$20,000.00
Services – MRI Annual Service Contract	\$35,000.00	\$35,000.00	\$35,000.00
Lease Expenses	\$6,008.00	\$6,008.00	\$6,008.00
Depreciation	\$0.00	\$0.00	\$0.00
Interest	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$0.00
<b>Total Operating Expenses</b>	<b>\$141,008.00</b>	<b>\$141,008.00</b>	<b>\$141,008.00</b>
<b>Net Operating Income (Loss)</b>	<b>(\$28,508.00)</b>	<b>\$38,992.00</b>	<b>\$83,992.00</b>
	<b>Proposed Year 1</b>	<b>Proposed Year 2</b>	<b>Proposed Year 3</b>
Inpatient Days	\$0.00	\$0.00	\$0.00
Outpatient Visits	250	250	250
Procedures	250	400	500
Charge per Outpatient Day	\$450.00	\$720.00	\$900.00
Charge per Inpatient Day	\$0.00	\$0.00	\$0.00
Charge per Procedure	\$450.00	\$450.00	\$450.00
Cost per Inpatient Day	\$0.00	\$0.00	\$0.00
Cost per Outpatient Day	\$564.00	\$564.00	\$564.00
Cost per Procedure	\$564.00	\$353.00	\$282.00