

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

NOVEMBER 20, 2025

CON REVIEW: HG-NIS-MME-1025-009

**MISSISSIPPI BAPTIST MEDICAL CENTER, INC. D/B/A BAPTIST RANKIN RADIOLOGY
ACQUISITION OF MAGNETIC RESONANCE IMAGING ("MRI") EQUIPMENT AND
OFFERING OF FIXED MAGNETIC RESONANCE IMAGING SERVICES**

CAPITAL EXPENDITURE: \$2,199,700.00

LOCATION: FLOWOOD, RANKIN COUNTY, MISSISSIPPI

STAFF ANALYSIS

I. PROJECT SUMMARY

A. Applicant Information

Mississippi Baptist Medical Center, Inc. ("MBMC") d/b/a Baptist Rankin Radiology is an award-winning acute care hospital located in Jackson, Mississippi, and is part of the Baptist Memorial Health Care system, one (1) of the largest not-for-profit health care systems in the country. MBMC currently offers MRI services through two (2) units located at its main campus, located at 1225 North State Street, and an additional unit in Madison, Mississippi. Due to the consistently high demand for MRI services at its facilities, MBMC is in need of additional MRI service capacity, and will locate its fourth MRI unit at MBMC's diagnostic imaging center in Rankin County, in order to provide a convenient, alternative access point for its patients.

This entity consists of eight (8) Officers and Directors. On October 2, 2025, the Mississippi Office of the Secretary of State issued a Certificate of Good Standing for the entity certifying that it has authority to operate in Mississippi.

The Applicant's application includes a confidential Assignment and Assumption Lease Agreement that was reviewed by the Department, schematics and drawings, and a cost estimate for the proposed project.

B. Project Description

Mississippi Baptist Medical Center, Inc. d/b/a Baptist Rankin Radiology request Certificate of Need (CON) to acquire magnetic resonance imaging ("MRI") equipment and to offer fixed MRI services at its diagnostic imaging center, Baptist Rankin Radiology, located at 151 East Metro Parkway, Suite 102, Flowood, Mississippi 39232 ("Baptist Rankin Radiology" or the "Imaging Center"). The proposed project will involve the purchase of a Siemens MRI System at a cost of \$1,438,700.00 and will require minor renovation work at an estimated cost of \$655,000.00, architect's fees of \$41,000.00, and a contingency reserve of \$65,000.00, totaling an estimated capital expenditure of \$2,199,700.00 for the proposed project.

The 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*.

The Applicant asserts MBMC intends to obligate the capital expenditure within thirty (30) days of CON approval and commence the offering of MRI services at the Imaging Center within three (3) months following CON approval.

The Applicant states the 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*.

The application includes a site approval letter from the MSDH Division of Licensure and Certification, Bureau of Fire Safety and Construction, dated October 29, 2025, indicating that site approval is not required for the proposed project.

The Applicant states the final objective of the proposed project is to increase MBMC's operational capacity for MRI services at a location that is accessible and convenient for a large number of MBMC patients in need of those services. The Applicant asserts that this application is submitted in direct response to strong community demand.

The Applicant submits the proposed project will consist of a 926 square foot interior build-out of a new MRI room, equipment room, and MRI control space, within existing shell space. The Applicant also submits the existing shell space is located on the first floor of the Imaging Center. The Applicant affirms the scope of work will include the required MRI radiofrequency ("RF") shielding components, all interior finishes, new walls and RF-shielded doors along with the required mechanical and electrical systems associated with the new MRI unit. A site plan of the Imaging Center and a floor plan of the Imaging Center that will house the MRI unit is included in the proposed application.

The Applicant states within the past two (2) years, MBMC has made various purchases of equipment in excess of \$200,000.00, none of which requires CON review. The Applicant also states Mississippi Baptist Surgery Center, LLC, d/b/a Baptist Surgery Center, an affiliated joint venture, recently completed the establishment of an ambulatory surgery center in Madison, Mississippi, and filed a Final Certificate of Need ("CON") Progress Report with the State Department of Health.

The Applicant states MBMC does not have any outstanding Certificates of Need. The Applicant states MBMC currently complies and will continue to comply with all building codes, zoning ordinances and appropriate regulatory authorities.

The Applicant affirms MBMC hereby affirms that it will comply with all applicable codes and zoning ordinances, local, state, and federal authorities. MBMC 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.

The Applicant states MBMC does not have licensure code or accreditation standard deficiencies.

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 December 1, 2025.

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* (3rd 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 states MBMC currently offers MRI services at its main hospital campus and in Madison. The Applicant confirms a CON is required for this proposed project because MBMC proposes to initiate MRI services at a new location through the acquisition of MRI equipment, at a cost in excess of \$1.5 million.

SHP Policy Statement 2 - CON Approval Preference

The Applicant states MBMC does not propose to offer MRI services through a joint venture. The Applicant further states, the proposed project was developed in response to MBMC's need for additional MRI service capacity.

SHP Policy Statement 3 - Mobile MRI

The Applicant affirms MBMC does 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 affirms the existing MRI units in General Hospital Service Area 5 performed, on average, substantially in excess of 1,700 MRI procedures during the relevant 12-month reporting period in the current State Health Plan.

SHP Policy Statement 6 - Population-Based Formula

The Applicant submits MBMC demonstrates in Need Criterion 1(b) below, that General Hospital Service Area 5 has a reasonable and sufficient population base to support the provision of 2,700 MRI procedures at MBMC's Flowood Imaging Center 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 submits MBMC currently provides MRI services through three (3) MRI units that performed 11,540 procedures in 2024, an average of 3,847 procedures per machine. The Applicant submits this total includes 3,751 inpatient MRI procedures and 7,789 outpatient MRI procedures. The Applicant states MBMC projects that the proposed MRI unit at its Flowood Imaging Center location will perform 2,249 procedures in Year 1, 2,812 procedures in Year 2, and 2,896 procedures in Year 3. The Applicant states the projections exceeds the minimum of 2,700 procedures established by Need Criterion I(a), and is based on the

actual, historical operating experience of MRI services at MBMC. The Applicant states MBMC's current MRI volume will support at least four (4) MRI units, using the State Health Plan's Need Criterion of 2,700 procedures per year, and as many as seven (7) units, using the Plan's standard of an average of 1,700 procedures for existing providers. The Applicant states the addition of MRI equipment at MBMC's Flowood Imaging Center will provide much needed expanded MRI service capacity in a convenient, accessible location.

b. Reasonable population base:

The Applicant states that a population-based methodology also documents that more than 2,700 MRI procedures will be performed annually at MBMC's Flowood Imaging Center, located in General Hospital Service Area ("GHSA") 5. The Applicant states according to the current State Health Plan, GHSA 5 has a population of 796,224, which is the highest population of any GHSA in the state. The Applicant states this population base generated 82,962 MRI procedures in the most recent year reported in the State Health Plan. The Applicant submits that as discussed below, the average utilization of existing MRI units in GHSA 5 is 2,655. The Applicant asserts, if an additional fixed MRI unit is approved for GHSA 5, the average utilization among all existing providers would still be 2,572, without taking into account future population growth. The Applicant submits this demonstrates that the current population of GHSA 5 can easily support an additional MRI unit performing a minimum of 2,700 procedures on an annual basis.

c. Utilization of existing units:

Below is the Applicant's analysis of the utilization of all existing MRI units in GHSA 5, based on the most recent data in the current State Health Plan. The Applicant states the existing units performed an average of 2,655 procedures in the most recent 12-month period in the Plan, which is significantly higher than the minimum annual volume of 1,700 procedures. The Applicant states that, accordingly, this application fully complies with Need Criterion 1(c). The Applicant states the existing units performed an average of 3,419 procedures in the most recent twelve (12) month period in the Plan, which is twice the minimum annual volume of 1,700 procedures. The Applicant affirms this application fully complies with Need Criterion 1(c).

Utilization of Existing MRI Units in General Hospital Service Area 5

Provider	Type	FTE	Procedures (2020)
Baptist Medical Center - Attala, Inc.	M	.20	90
Baptist Medical Center - Leake, Inc.	M	.20	354
Baptist Medical Center - Yazoo, Inc.	M	.25	408
Central MS Diagnostics, LLC	F	1.00	1,100
Copiah County Medical Center	M	.20	636
Kosciusko Medical Clinic	F	1.00	3,000
Magee General Hospital	F	1.00	360
Merit Health Central	F(2)	2.00	2,198
Merit Health Madison	M	1.00	829
Merit Health Rankin	F	1.00	741
Merit Health River Oaks	F	1.00	3,795
Merit Health River Region	F	1.00	1,913
Miss. Baptist Medical Center	F (3)	3.00	10,258
Miss. Diagnostic Imaging Center (Flowood MS Imaging)	F	1.00	1,406
Mission Primary Care Clinic	M	1.00	1,199
Miss. Sports Medicine & Orthopedic	F (2)	2.00	6,515
Open MRI Jackson Radiology	F	1.00	275
SE Lackey Memorial Hospital	M	.45	607
Sharkey/Issaquena Community Hospital	M	.20	127
Southern Diagnostic Imaging	F	1.00	5,185
Holmes County Hospital & Clinics	M	.20	277
Ridgeland Diagnostic Center	M	.30	353
Scott Regional Hospital	M	.20	112
Simpson General Hospital	M	.05	57
St. Dominic's Jackson-Memorial Hospital	F (4)M	4.00	18,778
University of MS Medical Center	F (7)	7.00	22,389
Total		31.25	82,962

82,962 ÷ 31.25 = 2,654.78

SHP Need Criterion 2: Equipment Requirements

- a. **FDA Approval** - The Applicant states the proposed Siemens MAGNETOM Altea MRI equipment is FDA-approved. The Applicant's application includes an excerpt from the Equipment Quote from Siemens, that has been redacted, in order to exclude confidential and proprietary information.

- b. **Qualified Personnel** – The Applicant states MBMC certifies that only qualified personnel will be allowed to operate the MRI equipment.
- c. **Fixed/minimum volume contracts** - The Applicant further affirms that MBMC 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 states MBMC hereby affirms that the information and data 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, for Mississippi Baptist Medical Center, Inc., dated October 2, 2025.

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

The Applicant states that in this application, MBMC requests CON approval to offer MRI services through the utilization of Siemens MRI equipment at MBMC's Flowood Imaging Center location.

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 submits MBMC currently provides MRI services through three (3) MRI units that performed 11,540 procedures in 2024, an average of 3,847 procedures per machine. The applicant states MBMC projects that the proposed MRI unit at its Flowood Imaging Center location will perform 2,249 procedures in Year 1, 2,812 procedures in Year 2, and 2,896 procedures in Year 3. The Applicant states that this exceeds the minimum of 2,700 procedures established by Need Criterion I(a), and is based on the actual, historical operating experience of MRI services at MBMC. The Applicant states that MBMC's current MRI volume will support at least four (4) MRI units, using the State Health Plan's Need Criterion of 2,700 procedures per year, and as many as seven (7) units, using the Plan's standard of an average of 1,700 procedures per unit for existing providers. The Applicant affirms the addition of MRI equipment at MBMC's Flowood Imaging Center will provide much needed expanded MRI service capacity in a convenient, accessible location.

b. Reasonable population base

The Applicant submits a population-based methodology documents that more than 2,700 MRI procedures will be performed annually at MBMC's Flowood Imaging Center, located in General Hospital Service Area ("GHSA") 5. The Applicant states, according to the current State Health Plan, GHSA 5 has a population of 796,224, which is the highest population of any GHSA in the state. The Applicant states this population base generated 82,962 MRI procedures in the most recent year reported in the State Health Plan. The Applicant affirms as discussed below, the average utilization of existing MRI units in GHSA 5 is 2,655. The Applicant asserts if an additional fixed MRI unit is approved for GHSA 5, the average utilization among all existing providers would still be 2,572, without taking into account future population growth. The Applicant submits this demonstrates that the current population of GHSA 5 can easily support an additional MRI unit performing a minimum of 2,700 procedures on an annual basis.

c. Utilization of existing units.

The Applicant attached an analysis of the utilization of all existing MRI units in GHSA 5, based on the most recent data in the current State Health Plan. The Applicant submits that the existing units performed an average of 2,655 procedures in the most recent 12- month period in the Plan, which is twice the minimum annual volume of 1,700 procedures. Accordingly, the applicant affirms that this application fully complies with Need Criterion 1 (c).

CON Need Criterion 2: Availability of Diagnostic Imaging Modalities

The Applicant states MBMC currently offers a full range of diagnostic imaging modalities, including those noted above. The Applicant states that in addition to MRI services, the Flowood Imaging Center will offer computed tomography, digital x-ray, mammography, ultrasound, and bone density testing.

CON Need Criterion 3: Non-Discrimination

The Applicant states that MBMC hereby 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 that Dr. Timothy Usey will serve as the Medical Director for MRI services provided at the Flowood Imaging Center. The Applicant also affirms Dr. Usey has extensive knowledge of and experience with MRI and diagnostic imaging

b. One Full-time MRI Technologist-Radiographer

The Applicant affirms MBMC's current MRI Technologist meets these requirements and also will be available with respect to MRI services at MBMC's Flowood Imaging Center location.

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 states that MBMC hereby affirms that the information and data described above 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 in this application, MBMC requests CON approval to offer MRI services through the utilization of Siemens MRI equipment at MBMC's Flowood Imaging Center location.

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 MBMC's long-range plan focuses on serving the needs of patients through a comprehensive range of accessible outpatient health services. The Applicant states as previously noted, MBMC's three (3) existing MRI units have experienced high levels of utilization for many years, demonstrating the need for additional MRI service capacity. The Applicant asserts in order to address this need, MBMC's governing board and senior leadership reviewed and assessed various options and determined that the most clinically appropriate and efficient alternative was to acquire an additional MRI unit and locate it at MBMC's Flowood Imaging Center.

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:

The Applicant states that having determined that the acquisition of an additional MRI unit was essential in order to service current and future patient needs, MBMC considered alternative locations for the placement of the new unit. The Applicant states that since MBMC already operates two (2) MRI units on its main hospital campus in Jackson, and an additional unit at its imaging center in Madison, the Applicant has made the decision to place the new unit at MBMC's Flowood Imaging Center in Rankin County. The Applicant affirms this will result in an improved geographic distribution of MBMC's MRI services in the Jackson Metropolitan area and will achieve a more balanced distribution of patients in need of an MRI procedure, thereby alleviating the high utilization of MBMC's existing units.

b. New Construction Projects:

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

c. Beneficial Effects to the Health Care System:

The Applicant states that as noted above, the addition of an MRI unit at MBMC Flowood Imaging Center's location 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 asserts that the proposed project does not involve a duplication of services because MBMC currently offers MRI services, and the acquisition of a new MRI unit is in direct response to the clear need for additional MRI service capacity.

ii. Efficient Solution:

The Applicant asserts that the placement of the new MRI unit at MBMC Flowood Imaging Center's is an efficient solution to the identified need for additional MRI service capacity by making the unit accessible to the significant number of patients who require an MRI study.

e. Improvements and Innovations:

The Applicant affirms the proposed Siemens MRI equipment will enhance the quality of diagnostic imaging services offered by MBMC, in a cost effective, clinical setting.

f. Relevancy:

The Applicant asserts there is a clear industry trend in which health services are being moved to and expanded in more efficient, accessible, and less costly outpatient facilities. The Applicant affirms the proposed project is consistent with this trend.

GR Criterion 4 - Economic Viability:

a. Proposed Charge:

The Applicant states the proposed charges for the MRI services to be offered by MBMC are presented in the accompanying financial analysis tables and are based on MBMC's historical charge structure for the services.

b. Projected Levels of Utilization:

The Applicant states MBMC's current and projected levels of utilization of MRI services reflect the need for the proposed project.

c. Financial Feasibility Study:

The application contains a financial feasibility study letter prepared by MBMC's Chief Financial Officer.

d. Financial Forecasts:

The Applicant states MBMC does not project that its financial forecasts will deviate significantly from the facility's historical financial experience.

e. Covered Expenses:

The Applicant states MBMC does 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 the proposed project involves the offering of MRI services, which are cost effective by improving health outcomes and avoiding more invasive or costly procedures. The Applicant affirms an early and accurate diagnosis through MRI imaging technology improves treatment outcomes and reduces health care costs. The Applicant also affirms that it is well recognized that the

absence of timely diagnostic imaging interventions will generally result in higher health care costs at a later date.

The Applicant states MBMC has projected impact on payors, including Medicare, Medicaid and commercial reimbursement, as well as cost per procedure, as follows:

Net Patient Revenue-Medicare

Year 1	\$362,494.00
Year 2	\$471,242.00
Year 3	\$504,795.00

Net Patient Revenue- Medicaid

Year 1	\$20,783.00
Year 2	\$27,017.00
Year 3	\$ 28,941.00

Net Patient Revenue-Commercial

Year 1	\$ 934,071.00
Year 2	\$1,214,292.00
Year 3	\$1,300,750.00

Cost Per Procedure

Year 1	\$305.00
Year 2	\$249.00
Year 3	\$290.00

GR Criterion 5 - Need for the Project

a. Access by Population Served:

The Applicant affirms MBMC currently provides MRI and other diagnostic imaging services in response to community health needs, and medically underserved groups, including those noted in this criterion, will continue to have access to these services at MBMC.

b. Relocation of Services: The Applicant states 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 as documented in this application, the existing MRI providers in General Hospital Service Area 5, including MBMC, continues to experience high utilization of their services, and the need for an additional MRI unit is clearly established under the State Health Plan's need formulas.

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 5 is clearly needed and will not adversely impact these providers.

e. Community Reaction to Service:

The application contained two (2) letters of support from physicians at Baptist Medical Group.

GR Criterion 6- Access to the Facility or Service

a. Access

1. Access to Services:

The Applicant states MBMC will be accessible to all residents who are primarily in GHSA 5. The Applicant further states MBMC does not exclude patients because of race, age, sex, ethnicity, or ability to pay.

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.

	Medically Indigent (%)	Charity Care (%)	Medically Indigent (\$)	Charity Care (\$)
Historical Year FY 2023	3.311%	3.31%	\$74,958,292.00	\$74,958,292.00
Historical Year FY 2024	3.37%	3.37%	\$90,091,901.00	\$90,091,901.00
Projected Year 1	3.35%	3.35%	\$100,424,255.00	\$100,424,255.00
Projected Year 2	3.31%	3.31%	\$103,488,953.00	\$103,488,953.00

NOTE: The Applicant states in MBMC's financial projections, charity care includes medically indigent patients (not including Medicaid), so the percentages and dollar figures provided above are the same for charity care and medically indigent (combined).

b. Existing Obligations:

The Applicant asserts the facility has no existing obligations under any federal regulation requiring provision of uncompensated care, community service, or access by minority/handicapped persons. The Applicant affirms this criterion is not applicable to the proposed project.

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

The Applicant states MBMC currently serves and will continue to serve Medicare, Medicaid and medically indigent patients.

d. Access to Proposed Facility:

The Applicant submits the services offered by MBMC are accessible to residents of the area served by its physicians.

e. Access Issues:

i. Transportation and Travel:

The Applicant states the MBMC Flowood Imaging Center is located at 151 East Metro Parkway in Flowood, Mississippi, and is easily accessible from Mississippi Highway 25.

ii. Restrictive Admission Policy:

The application includes a copy of MBMC's current Admissions Policy.

iii. Access to Care by Medically Indigent Patients:

The Applicant submits MBMC is fully accessible to medically indigent patients.

iv. Operational Hours of Service:

1. Regular Operation:

The Applicant states MBMC's 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

The Applicant states that MBMC hereby affirms 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.

GR Criterion 8 - Relationship to Existing Health Care System

a. Comparable Services:

The Applicant states MRI services are currently provided by hospitals, clinics and freestanding providers throughout GHSA 5. The Applicant also states MBMC offers MRI services to both inpatients and outpatients

b. Effect on Existing Health Services:

i. Complement existing services:

The Applicant asserts MRI services are part of the extensive continuum of care offered by MBMC.

ii. Provide Alternative or Unique Services:

The Applicant asserts the proposed project will allow MBMC's patients to access MRI services in a new, convenient outpatient setting.

iii. Provide Services for a Specific Target Population:

According to the Applicant, MBMC is a large health system which serves patients throughout GHSA 5 as well as in other areas of the state. The Applicant states this patient population will benefit from having access to an additional MRI unit in a new, accessible location.

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

The Applicant asserts the consistently high utilization of MRI services clearly demonstrates the need for this project.

c. Adverse Impact:

The Applicant submits if the project is not implemented, MBMC's 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 submits in order to staff the proposed project, MBMC will hire two (2) additional MRI technicians. The Applicant further submits MBMC will recruit the additional personnel through its extensive contacts and resources.

b. Contractual Services:

The Applicant states MBMC has clinically related contractual services for speech pathology and the peripherally inserted central catheter ("PICC") line team.

c. Existing Facilities or Services:

The Applicant states MBMC's satisfactory staffing history is most clearly demonstrated by its accreditation by the Joint Commission. The Applicant states that the Joint Commission's accreditation process includes an evaluation of the hospital's compliance with performance standards, which include staffing. The Applicant asserts that during an onsite survey, the Joint Commission's surveyors reviewed how the hospital credentials staff assesses their competency and provides ongoing training. The Applicant submits that the surveyors evaluate the methods used by the hospital to determine staffing adequacy, frequency of measurement, and what has been done with the results. Additionally, the Applicant states the survey will consider the hospital's performance improvement initiatives related to competency assessment for staff. The Applicant further states, MBMC's Joint Commission accreditation demonstrates that the hospital has achieved compliance with rigorous standards on staffing.

d. Alternative Uses of Resources:

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

GR Criterion 10 – Relationship to Ancillary or Support Services

a. Support and Ancillary Services:

The Applicant states MBMC offers a comprehensive range of diagnostic imaging and other health services and currently has all necessary support and ancillary services needed for the proposed project.

b. Changes in Costs or Charges:

The Applicant submits that MBMC does not anticipate a material 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 MBMC supports the clinical needs of health professional training programs and is accredited by the Southern States CME Collaborative for continuing medical education for physicians.

GR Criterion 12 – Access by Health Professional Schools

The Applicant states MBMC serves the clinical needs of health professional training programs through its accreditation by the Southern States CME Collaborative.

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.

GR Criterion 15 – Competing Applications

The Applicant states 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 MBMC is accredited by the Joint Commission and is the recipient of the Magnet Recognition for nursing excellence and has achieved platinum recognition for its high-quality heart attack care from the American College of Cardiology and the American Heart Association. The Applicant states that in U.S. News and World Report's 2024-2025 list of Best Hospitals, MBMC ranked first in Mississippi and in Jackson for the sixth year in a row and earned "high performing" ratings in thirteen (13) medical specialties.

b. Improvement of Quality of Care:

The Applicant states the proposed project is directly responsive to the demonstrated need for additional MRI capacity at MBMC, in order to effectively serve current and future patients.

c. Accreditation and/or Certificates:

The Applicant affirms MBMC is accredited by the Joint Commission and certified for participation in the Medicare and Medicaid programs.

IV. FINANCIAL FEASIBILITY

A. Capital Expenditure Summary

Cost Item	Estimated Cost	Percentage (%) of Total
Construction Cost -New	0.00	0%
Construction Cost-Renovation	\$655,000.00	29.78%
Capital Improvements	0.00	0%
Fixed Equipment	0.00	0%
Non-fixed Equipment	\$1,438,700.00	65.40%
Fees (Architectural, Consultant, etc.)	\$41,000.00	1.86%
Contingency Reserve	\$65,000.00	2.96%
Capitalized Interest	0.00	0%
Legal and Accounting Fees	0.00	0%
TOTAL PROPOSED CAPITAL EXPENDITURE	\$2,199,700.00	100.00%

MBMC proposes renovating approximately 926 square feet of space to house a fixed MRI unit at an estimated cost of \$821.81 per square foot.

B. Method of Financing

The Applicant states MBMC will purchase the MRI equipment with their working cash reverses.

C. Effect on Operating Costs

See Attachment 1 for MBMC'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
Medicare	\$8,451,751.00	50.00%
Medicaid	\$470,347.00	3.00%
Commercial	\$7,774,210.00	46.00%
Self-Pay	\$169,021.00	1.00%
Charity	0.00	0.00%
Other	\$54,566.00	0.00%
Total	\$16,919,895.00	<u>100.00%</u>

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 November 20, 2025

VI. CONCLUSION AND RECOMMENDATION

This project is 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.

Therefore, the Division of Health Planning and Resource Development recommends approval of the application submitted by Mississippi Baptist Medical Center, Inc. d/b/a Baptist Rankin Radiology for the Acquisition of MRI Equipment and Offering of Fixed MRI Services.

Attachment 1
Mississippi Baptist Medical Center d/b/a Rankin Radiology
Three-Year Operating Statement (Project Only)

	Year 1	Year 2	Year 3
Revenue			
Inpatient Care Revenue	\$0.00	\$ 0.00	\$0.00
Outpatient Revenue	\$16,919,895.00	\$21,995,863.00	\$23,561,969.00
Gross Patient Revenue	\$16,919,895.00	\$21,995,863.00	\$23,561,969.00
Charity	\$192,485.00	\$250,230.00	\$268,047.00
Deductions from Revenue	\$15,596,792.00	\$20,275,829.00	\$21,719,469.00
Net Patient Care Revenue	\$1,130,618.00	\$1,469,804.00	\$1,574,454.00
Other Operating Revenue	\$0.00	\$0.00	\$0.00
Total Operating Revenue	\$1,130,618.00	\$1,469,804.00	\$1,574,453.00
Operating Expenses			
Salaries	\$166,000.00	\$170,980.00	\$176,109.00
Benefits	\$33,200.00	\$34,196.00	\$35,222.00
Supplies	\$23,857.00	\$31,014.00	\$33,222.00
Services	\$0.00	\$0.00	\$131,020.00
Lease Expenses	\$23,584.00	\$24,056.00	\$24,537.00
Depreciation	\$439,940.00	\$439,940.00	\$439,940.00
Interest	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$0.00
Total Operating Expenses	\$686,581.00	\$700,186.00	\$840,051.00
Net Operating Income	\$444,037.00	\$769,618.00	\$734,403.00
	Proposed Year 1	Proposed Year 2	Proposed Year 3
Inpatient Days	0	0	0
Outpatient Visits	0	0	0
Procedures	2,249	2,812	2,896
Charge per Outpatient Day	\$0.00	\$0.00	\$0.00
Charge per Inpatient Day	0	0	0
Charge per Procedure	\$7,522.00	\$7,822.00	\$8,136.00
Cost per Inpatient Day	0	0	0
Cost per Outpatient Day	0	0	0
Cost per Procedure	\$305.00	\$249.00	\$290.00

Totals may differ due to rounding.