

**MISSISSIPPI STATE DEPARTMENT OF HEALTH
DIVISION OF HEALTH PLANNING AND RESOURCE DEVELOPMENT
APRIL 20, 2026**

**CON REVIEW NUMBER: HG-ES-0326-006
SINGING RIVER HEALTH SYSTEM – PASCAGOULA HOSPITAL
EXPANSION OF EXISTING THERAPEUTIC RADIATION SERVICES
CAPITAL EXPENDITURE: \$0.00
LOCATION: PASCAGOULA, JACKSON COUNTY, MISSISSIPPI**

STAFF ANALYSIS

I. PROJECT SUMMARY

A. Applicant Information

Singing River Health System ("SRHS" or the "Applicant") is a public community hospital system owned by Jackson County Mississippi, Located at 2809 Denny Avenue, Pascagoula, MS 39581.

The application contains a Certificate of Good Standing from the Office of the Secretary of State indicating as of April 8, 2026, Singing River Health System is in good standing with the state of Mississippi.

B. Project Description

Singing River Health System ("SRHS" or the "Applicant") seeks to expand its existing therapeutic radiation services for its cancer patients by acquiring or otherwise controlling an additional therapeutic radiation unit by an existing provider pursuant to State Health Plan Section 509.01(4). The applicant submits SRHS seeks to transition its "back-up" linear accelerator ("LINAC") to a "primary" role. The Applicant states the result would be that SRHS would operate two (2) "primary" LINAC units.

The Applicant submits on July 5, 2022, the Department of Health ("Department") issued a determination of reviewability ruling that SRHS's proposed replacement of its Varian Trilogy Linear Accelerator Unit ("Trilogy Unit") with a new Varian TrueBeam Unit ("TrueBeam Unit") did not require CON approval. The Applicant states SRHS moved the Trilogy Unit to "back-up" status and now, SRHS seeks to return the status of the Trilogy Unit from a "back-up" to a "primary" unit once again, and to operate both the Trilogy

Unit and the TrueBeam Unit as "primary" units. The Applicant states there will not be a cost of reimplementing the Trilogy Unit. The Applicant states the Trilogy Unit will be located at 2809 Denny Avenue, Pascagoula, MS 39581. The Applicant affirms that there will be no construction or renovation as part of the proposed project.

The Applicant states SRHS's final objective of the proposed project is to operate both the Trilogy Unit and the TrueBeam Unit as primary LINAC units at the Facility in order to improve access for the treatment of SRHS's oncology patients and others in need of the service as medically appropriate. The Applicant further states the anticipated date the project will be completed is within thirty (30) days of CON approval.

II. TYPE OF REVIEW REQUESTED

The Mississippi State Department of Health will review Certificate of Need (CON) applications for the acquisition or otherwise control of therapeutic radiation therapy equipment (linear accelerator) under the applicable statutory 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, Revision; all adopted rules, procedures, and plans 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 affected 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 April 30, 2026.

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

A. State Health Plan (SHP)

The *FY 2022 Mississippi State Health Plan, Third Edition* ("MSHP") contains policy statements, criteria, and standards which the applicant is required to meet before receiving CON authority for the acquisition or otherwise control of a linear accelerator and the provision of therapeutic radiation services. This application, for the addition of a linear accelerator, is in compliance with applicable policy statements and criteria and standards. This

application is for an expansion of an existing service and reinitiation of a back-up LINAC unit.

Policy Statements Regarding Certificate of Need Applications for the Acquisition or Otherwise Control of Therapeutic Radiation Equipment, and/or the Offering of Therapeutic Radiation Services (Other than Stereotactic Radiosurgery)

Service Areas:

The Applicant states SRHS affirms its understanding of this policy statement.

Equipment to Population Ratio:

The Applicant states SRHS affirms its understanding of this policy statement.

Limitation of New Services:

The Applicant states SRHS affirms its understanding of this policy statement. The Applicant submits the proposed project is for the expansion of existing services.

Expansion of Existing Services:

The Applicant states SRHS affirms its understanding of this policy statement. The Applicant states that SRHS seeks to expand its existing LINAC services by moving its "back-up" LINAC unit (the Trilogy Unit) to a primary position. The Applicant states SRHS would then operate two (2) primary units (the Trilogy Unit and the TrueBeam Unit). The Applicant submits the Renewal of Hospital License and Annual Hospital Report does not request the number of patients treated using LINAC services. The Applicant states, however, SRHS has exceeded 320 patients in the two (2) most recent consecutive years as evidenced in an affidavit submitted by Ronnie Hathorne, Jr., Manager of Radiation Oncology for SRHS, and attached to the application.

Equipment Designated for Backup:

The Applicant affirms its understanding of this policy statement.

Definition of a Treatment:

The Applicant affirms its understanding of this policy statement.

Use of Equipment or Provision of Service:

The Applicant affirms its understanding of this policy statement.

Certificate of Need Criteria and Standards for the Acquisition or Otherwise Control of Therapeutic Radiation Equipment and/or the Offering of Therapeutic Radiation Services (other than Stereotactic Radiosurgery)

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

The acquisition or otherwise control of therapeutic radiation equipment is reviewable if the equipment cost exceeds \$3,000,000.00 The offering of therapeutic radiation services is reviewable if the proposed provider has not provided those 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.

Need Criterion 1- Project Need:

a. the need methodology as presented in this section of the Plan;

b. demonstrating that all existing machines in the service area in question have averaged 8,000 treatments per year or all machines have treated an average of 320 patients per year for the two most recent consecutive years; or

c. demonstrating that the applicant's existing therapeutic equipment has exceeded the expected level of patients' service, i.e., 320 patients per year/unit, or 8,000 treatments per year/unit for the most recent 24-month period.

The Applicant states SRHS meets Need Criterion I(c) in that its existing therapeutic equipment has exceeded 320 patients in the two (2) most recent consecutive years using the TrueBeam Unit as evidenced in the affidavit from Ronnie Hathorne, Jr., Manager of Radiation Oncology for SRHS.

Need Criterion 2: Presence of Readily Available Services

The Applicant states the Trilogy Unit will be located at 2809 Denny Avenue in Pascagoula, MS.

The Applicant states the Pascagoula Imaging Center provides access to diagnostic x-ray, CT scan, and ultrasound services and is located at 3101 Denny Avenue in Pascagoula, MS. The Applicant affirms per MapQuest, Pascagoula Imaging Center is three (3) minutes' drive time from the Trilogy Unit's location.

Need Criterion 3: Staffing Requirements

a. The service will have, at a minimum, the following full-time dedicated staff:

- i. One board-certified radiation oncologist-in-chief**
- ii. One dosimetrist**
- iii. One certified radiation therapy technologist certified by the American Registry of Radiation Technologists**
- iv. One registered nurse**

The Applicant states an affidavit included in their application, submitted by Mr. Ronnie Hathorne, Jr. states that therapeutic radiation sciences have

the following full-time dedicated staff: one (1) board-certified radiation oncologist-in-chief, one (1) dosimetrist, one (1) certified radiation therapy technologist certified by the American Registry of Radiation Technologists, and one (1) registered nurse.

b. The service will have, at a minimum, access to a radiation physicist certified or eligible for certification by the American Board of Radiology.

The Applicant submits that the radiation physicist certified or eligible for certification by the American Board of Radiology will have access to the service.

Need Criterion 4: Access to Additional Staff

The Applicant affirms that access will be available as needed to brachytherapy staff, treatment aides, social workers, dietitians, and physical therapists.

Need Criterion 5: Physician Location

The Applicant submits the SRHS Facility is located at 2809 Denny Avenue, Pascagoula, 39581.

The Applicant indicates that Dr. John Bechtel resides at 521 East Beach Drive, Ocean Springs 39564, which is twenty-six (26) minutes from the Facility.

The Applicant also indicates that Dr. Brad Greenfield resides at 3424 Oakleigh Circle, Ocean Springs, 39564, which is seventeen (17) minutes from the Facility.

Need Criterion 6: Access to a Modern Simulator

The Applicant affirms that it will have access to a modern simulator capable of precisely producing the geometric relationships of the treatment equipment to a patient and which produces high quality diagnostic radiographs.

- a. **If the simulator is located at a site other than where the therapeutic radiation equipment is located, protocols will be established which will guarantee that the radiation oncologist who performs the patient's simulation will also be the same radiation oncologist who performs the treatments on the patient.**

The Applicant affirms that the conditions of this statement will be met as regarding the use of the simulator.

- b. **If the simulator uses fluoroscopy, protocols will be established to ensure that the personnel performing the fluoroscopy have received appropriate training in the required techniques related to simulation procedures.**

The Applicant affirms that the conditions at this statement will be met as regarding the use of the simulator.

Note: X-rays produced by diagnostic X-ray equipment and photon beams produced by megavoltage therapy units are unsuitable for precise imaging of anatomic structures within the treatment volume and do not adequately substitute for a simulator.

The Applicant affirms its understanding of this statement.

Need Criterion 7: Access to Computerized Treatment Planning System

The Applicant affirms that SRHS will have access to a computerized treatment planning system with the capability of simulation of multiple external beams, display isodose distributions in more than one (1) plane, and perform dose calculations for brachytherapy implants.

Note: It is highly desirable that the system has the capability of performing CT based treatment planning.

The Applicant affirms its understanding of this statement.

Need Criterion 8: Supervision of Treatment

The Applicant affirms that all treatments will be under the control of a board certified or board eligible radiation oncologist.

Need Criterion 9: MSDH Division of Radiological Health Approval

The Applicant affirms that the proposed site, plans and equipment shall receive approval from the MSDH Division of Radiological Health before service begins.

Need Criterion 10: Quality Assurance Program

- a. **The therapeutic radiation program shall meet, at a minimum, the physical aspects of quality assurance guidelines established by the American College of Radiology (ACR) within twelve (12) months of initiation of the service.**
- b. **The service shall establish a quality assurance program which complies, at a minimum, with the standards established by the American College of Radiology.**

The Applicant affirms that it will establish a quality assurance program for the service as specified above.

Need Criterion 11: Failure to Comply

The Applicant affirms its understanding and agreement that failure to comply with Need Criterion #10(a) and (b) may result in revocation of the CON (after due process) and subsequent termination of authority to provide therapeutic radiation services.

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 affirms its understanding of this Criterion.

GR Criterion 2 - Long Range Plan

The Applicant's long-range plan is to increase its capacity to provide therapeutic radiation services to better serve its oncology patients. The Applicant also seeks to best utilize existing resources (i.e., the Trilogy Unit) which is currently only available in a back-up capacity. The Applicant states the planning process began several years ago when the Applicant realized that the number of procedures it performed within a year and the number of oncology patients served remained high for its existing therapeutic radiation services. The Applicant submits, based on this sustained rate of high utilization, SRHS decided the best and most cost-effective way to achieve its long-range plan was to seek to expand its existing services by reintroducing the Trilogy Unit as a primary unit.

GR Criterion 3- Availability of Alternatives

The Applicant considered maintaining the status quo (i.e., keeping the Trilogy Unit in its current back-up role) and expanding the number of hours in which the facility provides therapeutic radiation services using the TrueBeam unit. The Applicant submits, however, expansion of shift hours to cover the increased need for services would strain employee coverage to cover non-traditional hours of operation. The Applicant further submits, therefore, the SRHS began exploring all available approaches under the CON laws for reintroducing the Trilogy Unit as a primary unit.

- a. Advantages and Disadvantages:** The Applicant asserts the disadvantages of keeping the Trilogy Unit as a back-up unit (and the reasons this option was not chosen) were that one (1) it limited the capability of the Applicant to provide therapeutic radiation services to its oncology patients who were utilizing the TrueBeam Unit at a high level, and two (2) it left a viable option for providing additional access to therapeutic radiation services unutilized. The Applicant further asserts there was no identified advantage of keeping the Trilogy Unit as a back-up unit in light of the need for increased service capacity.

The Applicant states the advantages of expanding the existing therapeutic radiation services were that one (1) it would double the capacity of the SRHS to provide these services, two (2) it would increase access to the services for its oncology patients, and three (3) it would maximize the Applicant's utilization of existing resources

available to it. The Applicant further states there were no identified disadvantages of moving the Trilogy Unit back to a primary unit.

- b. New Construction Projects:** The Applicant states this provision is not applicable to this proposed project as it is not a new construction project.
- c. Beneficial Effects to the Health Care System:** The Applicant submits the selected option (i.e., to move the Trilogy Unit back to a primary unit) most effectively benefits the health care system because it doubles the access available at SRHS for its oncology patients to receive therapeutic radiation services. The Applicant states that according to the most recent State Health Plan there are only three (3) providers of such services in General Hospital Service Area 9. The Applicant states this option also meets the CON general policies as it will improve the health of Mississippi residents as it will allow cancer patients quicker access to essential treatments, it will increase the accessibility and quality of health services, and it will provide cost containment as the proposed project simply seeks to reintroduce an existing health care resource that is currently not utilized back into full-time service, all of which comes at a capital expenditure of \$0.
- d. Effective and Less Costly Alternatives:**
 - i. Unnecessary Duplication of Services:** The Applicant states there is not an effective and less costly alternative for the proposed project that is currently available in the area. As discussed above, the approval of this proposed project simply changes the status of the second LINAC machine at SRHS from a back-up unit to a primary unit. The Applicant states there is not a less costly equipment option, because the proposed project's capital expenditure is \$0, and there is not a more effective option for increasing access than providing another machine to operate for SRHS' cancer patients.
 - ii. Efficient Solution:** The Applicant states there is not a more efficient solution than using an existing LINAC unit that is already in possession of SRHS and is ready to treat patients almost immediately upon approval of a CON.
- e. Improvements and Innovations:** The Applicant asserts the proposed project fosters improvements in the financing of health

services as there is no financing required for this proposed project. The Applicant states the proposed project fosters improvements in the delivery of health services as it doubles the capacity for SRHS to provide therapeutic radiation services to its oncology patients.

The Applicant indicates the proposed project promotes health care quality assurance as the Applicant already has an established quality assurance program in effect for its current operational LINAC unit, which can be adjusted to cover a second LINAC unit. The Applicant states the proposed project promotes cost effectiveness because there is not a capital expenditure for the proposed project.

- f. **Relevancy:** The Applicant asserts the therapeutic radiation services are an essential treatment modality against cancer, and its demand is increasing due to the anticipated increase in cancer incidence. The Applicant submits in the United States, one (1) in three (3) people will be diagnosed with cancer during their lifetime. The Applicant states the number of new cancer cases is expected to increase by approximately twenty-seven and five tenths' percent (27.5%) worldwide from 2020 to 2030. The Applicant asserts radiation therapy is an essential treatment that will be used, at some point, in over half of all cancer patients. The Applicant further asserts that therefore, as the rate in cancer incidence increases, so will the need for therapeutic radiation. The Applicant submits that allowing the Applicant to reintroduce the Trilogy Unit will allow for greater access to this form of treatment in the service area to meet this increasing need.

GR Criterion 4 - Economic Viability

- a. **Proposed Charge:** The Applicant states the proposed charges for therapeutic radiation service will mirror the existing charge master used for the TrueBeam Unit because they will provide identical therapeutic radiation service.

- b. **Projected Levels of Utilization:** The Applicant submits the basis for requesting the expansion of the existing therapeutic radiation services is the current high utilization levels for SRHS's oncology patients. The Applicant further submits based on the State Health Plan need criterion 1, there is no requirement to project levels of

utilization associated with this project as the Applicant has served greater than 320 patients per year for the last two (2) years, consistent with the requirements for SHP need criterion I(c).

- c. **Financial Feasibility Study:** The Applicant affirms there is no capital expenditure for the proposed project ; therefore, a financial feasibility study is not needed.
- d. **Financial Forecasts:** The Applicant affirms based on the size of SRHS, and the proposed project not having a capital expenditure , the Applicant does not anticipate this proposed project will cause any significant deviation from the financial statements of the (3) three-year historical period.
- e. **Means of Covering Expenses in Event of Failure to Meet Projections:** The Applicant states SRHS will use cash reserves and gross revenues from its other profit-generating service lines to cover any shortfall in projected revenues for this proposed project.
- f. **Impact of Proposed Project on Health Care Cost:** The Applicant anticipates that the proposed project will have a positive impact on gross revenues for therapeutic radiation services and that SRHS will see only incremental increases in expenses per procedure. The Applicant states the indirect costs associated with the proposed project will remain unchanged since the Applicant only proposes to move the Trilogy Unit from a back-up position to a primary position. The Applicant indicates that many of the direct costs will remain stagnant as SRHS already incurs them to maintain the Trilogy Unit's status as a back-up unit. The Applicant states SRHS does not anticipate that the proposed project will have a significant impact on Medicaid.

GR Criterion 5 - Need for the Project

- a. **Access by Population Served:** The Applicant states since its inception, the Applicant's oncology patients have utilized the TrueBeam Unit in an amount sufficient to meet SHP Need Criterion I(c) for expansion of existing therapeutic radiation services. The Applicant also states the need for the proposed expansion of services has been demonstrated in the Applicant's responses throughout this Application. The Applicant affirms SRHS does not discriminate on the basis of income, race, ethnicity, sex, disability, age or any other basis.

The Applicant states all oncology patients who reside in the area and who qualify to receive the service due to medical necessity as ordered by their physicians, may receive such treatments regardless of the categories listed.

b. Relocation of Services: This criterion is not applicable. The applicant affirms this is not a relocation project.

c. Current and Projected Utilization of Comparable Facilities: The Applicant states that according to the most recent State Health Plan the facilities in the proposed service area of General Hospital Service Area nine (9) have significant utilization of therapeutic radiation services. The applicant states due to the reasons identified in Criterion 3(f); there is a substantial likelihood that the need for therapeutic radiation services will continue to increase in the near future.

The Applicant states as discussed throughout this application, the Applicant meets the SHP Need Criteria I(c) for the expansion of existing therapeutic radiation services due to its high volume of oncology patients who received treatment at its facility over the last two (2) years.

d. Probable Effect on Existing Facilities in the Area: The Applicant does not expect any adverse effect to existing facilities because the purpose of the project is to expand the Applicant's capability to serve its own oncology patients. The Applicant states in addition, with the steady increase in the incidence of cancer in the United States and the growing population of coastal Mississippi, the Applicant anticipates that no adverse impact will be experienced on the utilization rate of surrounding facilities. The Applicant states the existing service providers along the Gulf Coast should continue to provide appropriate and efficient services to their patients following the implementation of the proposed project for the previously referenced reasons here and throughout the application, including but not limited to Criterion 3(f).

e. Community Reaction: The application contains fourteen (14) letters of support from Mississippi, physicians, health care providers, and patients, and from Bobby Cox, the Mayor of Ocean Springs.

In addition, the application received one (1) affidavit from Ronnie J. Hathorne, a manager of Radiation Oncology for Singing River Health System in Pascagoula, MS.

GR Criterion 6 – Access to the Facility or Service

a. Access

1. Access to Services:

The Applicant states all oncology patients whose doctors order LINAC services are eligible to receive therapeutic radiation services regardless of any classification identified in this criterion.

2. Access to the Proposed Services:

The Applicant states these residents will have access to the proposed services as described in this application.

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:

Gross Patient Revenue				
	Medically Indigent (%)	Charity Care (%)	Medically Indigent (\$)	Charity Care (\$)
Historical Year 2024		3.4%		146,221,916
Historical Year 2025		3.4%		155,987,954
Projected Year 1		3.4%		159,107,713
Projected Year 2		3.4%		162,289,867

b. Existing Obligations:

The Applicant asserts the facility does not have existing obligations

under any federal regulation requiring provision of uncompensated care, community service, or access by minority/handicapped persons.

i. **Describe the remaining obligation:** The Applicant states this criterion is not applicable to the proposed project.

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

The Applicant submits the need for increased access to therapeutic radiation services explained throughout this application for SRHS's cancer patients applies to all patients, regardless of whether the patient receives insurance through a government program like Medicare or Medicaid, or if they are self-pay or indigent patients.

d. Access to Proposed Facility:

The Applicant submits SRHS Cancer Center is accessible to all patients regardless of physical limitation and easily accessible through any means of transportation.

e. Access Issues:

i. Transportation and Travel:

The Applicant states the SRHS therapeutic radiation location is easily accessible through virtually any means of transportation.

ii. Restrictive Admission Policy:

The application includes a copy of SRHS's current health equity commitment and non-discrimination policy.

iii. Access to Care by Medically Indigent Patients:

The Applicant submits access to care is available to all cancer patients who meet medical necessity requirements and whose health care provider has ordered therapeutic radiation services.

iv. Operational Hours of Service:

1. Regular Operation:

The Applicant states SRHS's operating hours will be Monday through Friday, 8:00 a.m. to 4:30 p.m.

2. Emergency Operation:

The Applicant asserts SRHS offers a phone number for providers and patients to reach the Cancer Center for after-hours assistance, and the provision of emergency services is available on an as needed basis consistent with existing resources.

GR Criterion 7- Information Requirement

Singing River Health System- Pascagoula Hospital affirms that they will record and maintain the information required by this criterion and shall make the data available to the Mississippi Department of Health within fifteen (15) business days of request.

GR Criterion 8 - Relationship to Existing Health Care System

a. **Comparable Services:** The Applicant states that based on its location, the Cancer Center primarily serves SRHS cancer patients residing in or near Jackson County. The Applicant submits there are no comparable services in Jackson County and submits SRHS cancer patients currently receive therapeutic radiation services through its existing primary LINAC unit, which has operated at the Cancer Center for several years.

b. Effect on Existing Health Services

i. **Complement Existing Services:** The Applicant states the proposed project will affect existing operations at SRHS's Cancer Center by providing additional accessibility for its

cancer patients to receive necessary therapeutic radiation services.

- ii. **Provide Alternative or Unique Service:** The Applicant states there are no comparable existing services in Jackson County.
 - iii. **Provide a service for a specified target population:** The Applicant states therapeutic radiation services are targeted to treat oncology patients receiving treatment at SRHS's Cancer Center
 - iv. **Provide services for which there is an unmet need:** The Applicant asserts the services will meet an unmet need in Jackson County for SRHS's cancer patients due to increased demand for timely and accessible therapeutic radiation services, as demonstrated in the Applicant's responses throughout this application.
- c. **Adverse Impact:** The Applicant asserts, there will be an adverse impact to the existing health care system, and specifically to SRHS's cancer patients, if the proposed project is not implemented, as it will leave an existing LINAC machine unused which has the capability of providing needed services to SRHS's increasing cancer patient population. The Applicant states the timely treatment is critical for cancer patients and based on increasing demand among SRHS's cancer patient population, timely access to such services will be harmed if SRHS is unable to utilize all available resources to serve its patients.
 - d. **Transfer/Referral/Affiliation Agreements:** The Applicant states this criterion is not applicable. The Applicant states the application's scope is to expand an existing service at the Applicant's Cancer Center. The Applicant further states the Cancer Center will provide all necessary treatment for its patients.

GR Criterion 9 - Availability of Resources

a. New Personnel:

The Applicant does not anticipate that it will require new personnel to staff the Trilogy unit.

b. Contractual Services:

The Applicant states SRHS purchases contractual services from Varian for limited support for C-LINAC services on a five (5) year term. The Applicant submits no changes to its existing agreement is necessary to implement this project.

c. Existing Facilities or Services:

The Applicant states SRHS is a complete health care system that offers comprehensive health services by operating three (3) hospitals, numerous clinics and specialty practices including its Cancer Center. The Applicant states SRHS has been able to satisfactorily staff its Cancer Center with all necessary personnel and does not anticipate any problems with adding radiation therapists, if needed, especially given its work training radiation therapy students from the University of South Alabama.

d. Alternative Uses of Resources:

The Applicant asserts there were no alternative uses of resources considered. The Applicant states LINAC units provide therapeutic radiation services only to its cancer patients. The Applicant states SRHS has no options for alternative use of the Trilogy unit at this time other than to expand accessibility of therapeutic radiation services at its Cancer Center, which is needed for the reasons explained above. SRHS states to the extent that medical advancements allow for the use of the Trilogy unit for other purposes and other health care conditions, the Applicant will evaluate the potential to use the unit for such services at that time.

GR Criterion 10 - Relationship to Ancillary or Support Services

a. Support and Ancillary Services:

The Applicant states to the extent that ancillary service needs arise, the Cancer Center has available resources necessary to assist the implementation of the project.

b. Changes in Costs or Charges:

The Applicant submits that there will be no change in costs or charges to therapeutic radiation services offered by SRHS as a result of this 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 the addition of another primary LINAC unit will allow an opportunity for a greater number of students to train on the units than at present.

GR Criterion 12 – Access by Health Professional Schools

The Applicant states SRHS works with students from the University of South Alabama who are studying radiation therapy. SRHS submits they assist in training these students by assist in their preparation to take their boards.

GR Criterion 13 – Access to Individuals Outside Service Area

The Applicant states SRHS does not propose to provide services to individuals who do not reside in its existing service area.

GR Criterion 14 – Construction Projects

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

GR Criterion 15 – Competing Applications

There are no competing application on file with the Department of Health for the Expansion of Existing Therapeutic Radiation Services.

GR Criterion 16 - Quality of Care

a. Past Quality of Care:

The Applicant asserts the Cancer Center is accredited by the American College of Surgeons Commission on Cancer for eight (8) consecutive years. The Applicant states the Commission on Cancer recognizes cancer care programs for their commitment to providing comprehensive, high-quality, and multidisciplinary patient-centered care. The Applicant submits the Cancer Center is a member of the University of Alabama at Birmingham Health System Cancer Community Network, which includes cancer centers across Alabama, Georgia, Florida, Mississippi and Tennessee to promote collaboration between UAB and community physicians, in order to

pursue high quality patient outcomes, improve access to early cancer detection and treatment, and optimize patient satisfaction at a local level.

b. Improvement of Quality of Care:

The Applicant states the proposed project will improve the quality of care delivered to the target population as it will be required to meet the accreditation standards imposed on the Cancer Center (as identified above) and improve accessibility and thereby shorten wait times for cancer patients to receive therapeutic radiation services.

c. Accreditation and/or Certificates:

The Applicant asserts the Cancer Center is a Commission on Cancer accredited program accredited by the American College of Surgeons Commission on Cancer for eight (8) consecutive years.

IV. FINANCIAL FEASIBILITY

A. Capital Expenditure Summary

Cost Item	Projected Cost	Percentage of Cost (%)
Construction – New	\$0.00	0.00%
Construction (Renovation)	\$0.00	0.00%
Fixed Equipment	\$0.00	0.00%
Non-fixed Equipment	\$0.00	0.00%
Fees (Architectural)	\$0.00	0.00%
Contingency Reserve	\$0.00	0.00%
Legal and Accounting Fees	\$0.00	0.00%
Other (one doorway, Painting, cosmetic)	\$0.00	0.00%
Total Capital Expenditure	\$0.00	0.00%

B. Cost to Medicaid/Medicare

The applicant's projections of gross patient revenue percentage and actual dollar amount to Medicaid and Medicare payor sources for the first year of operation are presented below (Project Only):

Payor Mix	Utilization Percentage (%)	First Year Revenue (\$)
Medicare	58%	\$3,199,063.00
Medicaid	3%	\$162,163.00
Commercial	28%	\$1,552,199.00
Self-Pay	2%	\$116,679.00
Charity Care	3%	\$190,305.00
Other	6%	\$306,746.00
Total	*100%	\$5,527,155.00

C. Effect on Operating Cost

See Attachment 1 for SRHS's three (3) year projected operating statement for the proposed project.

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 April 20, 2026.

V. CONCLUSION AND RECOMMENDATION

This project is in substantial compliance with the criteria and standards for the Expansion of Existing Therapeutic Radiation 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 Singing River Health System- Pascagoula Hospital for the Expansion of Existing Therapeutic Radiation Services

Attachment 1

Singing River Health System- Pascagoula Hospital Expansion of Existing Therapeutic Radiation Services Three-Year Operating Statement (Project Only)			
	Year 1	Year 2	Year 3
Revenue			
Patient Revenue:			
Inpatient	\$81,305.00	\$82,931.00	\$84,590.00
Outpatient	\$5,445,850.00	\$5,554,767.00	\$5,665,863.00
Gross Patient Revenue	\$5,527,155.00	\$5,637,698.00	\$5,750,452.00
Charity Care	\$190,305.00	\$194,111.00	\$197,993.00
Deductions from Rev.	\$4,554,720.00	\$4,645,814.00	\$4,738,730.00
Net Patient Revenue	\$782,131.00	\$797,773.00	\$813,729.00
Other Operating Revenue	\$2,136.00	\$2,179.00	\$2,222.00
Total Operating Revenue	\$784,267.00	\$799,952.00	\$815,951.00
Expenses			
Operating Expenses:			
Salaries	\$ 315,689.00	\$ 322,003.00	\$328,443.00
Benefits	\$29,192.00	\$29,775.00	\$30,371.00
Supplies	\$3,863.00	\$3,940.00	\$4,019.00
Service	\$236,636.00	\$241,369.00	\$246,196.00
Lease	\$0.00	\$0.00	\$0.00
Depreciation	\$0.00	\$0.00	\$0.00
Interest	\$0.00	\$0.00	\$0.00
Other	\$56,236.00	\$57,361.00	\$58,508.00
Total Expenses	\$641,616.00	\$654,448.00	\$667,537.00
Net Income (Loss)	\$142,651.00	\$ 145,504.00	\$148,414.00
Assumptions			
Inpatient days			
Outpatient days	0	0	0
Procedures	1,503	1,533	1,564
Charge/inpatient day	\$ 0.00	\$ 0.00	\$ 0.00
Charge per outpatient	\$ 0.00	\$ 0.00	\$ 0.00
Charge per procedure	\$ 3,677.00	\$3,677.00	\$3,677.00
Cost per inpatient day	\$ 0.00	\$ 0.00	\$ 0.00
Cost per outpatient day	\$ 0.00	\$ 0.00	\$ 0.00
Cost per procedure	\$427.00	\$427.00	\$427.00

Applicants' totals may differ due to rounding.