

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

**MARCH 9, 2026**

**CON REVIEW: HG-NIS-MME-0126-001  
BAPTIST MEMORIAL HOSPITAL – UNION COUNTY, INC.  
D/B/A BAPTIST IMAGING CENTER- SALTILLO  
ACQUISITION OF MAGNETIC RESONANCE IMAGING (“MRI”) EQUIPMENT AND  
OFFERING OF FIXED MAGNETIC RESONANCE IMAGING SERVICES  
CAPITAL EXPENDITURE: \$1,279,000.00  
LOCATION: SALTILLO, LEE COUNTY, MISSISSIPPI**

**STAFF ANALYSIS**

**I. PROJECT SUMMARY**

**A. Applicant Information**

Baptist Memorial Hospital - Union County, Inc. ("BMHUC" or "Applicant") d/b/a Baptist Imaging Center -Saltillo ("BICS") is a not-for-profit corporation with seven (7) officers and directors. Baptist Memorial Hospital-Union County, Inc. d/b/a Baptist Imaging Center-Saltillo, is located at 200 HWY. 30 West, New Albany, MS.

On December 15, 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 schematics and drawings, a cost estimate for the proposed project and a confidential Lease Agreement, that was reviewed by the Department.

**B. Project Description**

The Applicant proposes acquiring Magnetic Resonance Imaging ("MRI") equipment and to offer fixed MRI services at the diagnostic imaging center that will be located at 119 City Market Drive, Saltillo, Mississippi 38866 (the "Imaging Center"). The proposed project involves purchasing a Siemens MRI System at a cost of \$918,000.00 and will require minor renovation work at an estimated cost of \$260,000.00, architect's fees of \$41,000.00, although the cost will be minimized since the architect is based within BMHUC, and a contingency reserve of \$60,000.00. The total estimated capital expenditure for the proposed project is \$1,279,000.00

The Applicant submits the final objective of the proposed project is to increase BMHUC's operational capacity for MRI services by distributing access to a remote population, improving convenience and access for patients. The Applicant states currently, one (1) MRI is operating at the Hospital. The Applicant states a patient's average waiting time is one (1) week to schedule an MRI. The Applicant asserts locating another MRI at a second location distributes the service for improved convenience for the remote patient population. The Applicant submits the wait time for an MRI appointment that is typically one (1) week, will be reduced for all patients needing MRI services. The Applicant states BMHUC's application is submitted in direct response to strong community demands as shown in

affidavits from community physicians with patients in need of MRI services and the wait time involved in getting an appointment. The Applicant states this proposed project is responsive to patient needs and goals for improving patient satisfaction, with digital accessibility and physical convenience.

The Applicant submits the Siemens Magnetom will be added to the imaging center that is scheduled to open February 1, 2026 and space for the MRI within the imaging center has been designated for future growth. The Applicant states the shell and core are in place, including but not limited to, site work, grounds work, drainage, parking, fencing, mechanical and electrical systems. The Applicant further states the renovations will involve shielding and buildout and approximately 748 square feet will include the MRI equipment, control room and storage.

The Applicant affirms BMHUC has made expenditures within the past two (2) years that were in excess of \$200,000.00:

- In 2024, \$235,283.00 was spent on Anesthesia Machines.

The Applicant asserts a Certificate of Need was not required for any capital projects and BMHUC currently does not have outstanding CON applications.

The Applicant states BMHUC currently complies and will continue to comply with all building codes, zoning ordinances and appropriate regulatory authorities.

The Applicant states BMHUC confirms that it will comply with all applicable codes and zoning ordinances, local, state, and federal authorities. BMHUC 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 submits the proposed project is not to correct licensure code or deficiencies of an existing facility.

The Applicant affirms that other services planned or provided do not require approval by the Division of Radiological Health. The Applicant states the services offered at the Baptist imaging center in Saltillo include mammography, dexa, computerized tomography ("CT")/angiography, conventional x-ray and MRI.

## 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 March 19, 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 BMHUC currently offers MRI services at its main hospital, but a CON is required for this project because BMHUC has not provided the service within the last 12 months at the Saltillo location. BMHUC proposes to initiate MRI services at a new location through the acquisition of MRI equipment although the MRI equipment is less than \$1,500,000.00.

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

The Applicant states BMHUC does not propose to offer MRI services through a joint venture. The project was developed in response to BMHUCs need for additional MRI service capacity with the opportunity to distribute the service within the rural hospital's service area.

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

The Applicant affirms BMHUC is not proposing to offer mobile MRI services, but proposes to offer fixed MRI services, at the Saltillo outpatient location.

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

The Applicant states this Policy Statement is not applicable to the proposed project. The Applicant states the MRI service equipment at the hospital is fixed and the new unit will be fixed at the hospital's Saltillo outpatient location.

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

The Applicant states the most recent 12-month period available in the current MS State Health Plan is 2020. The Applicant also states that as discussed elsewhere in the application, BMHUC and the Baptist Imaging Center - Saltillo ("BIC-S") are in General Hospital Service Area Two (2) (GHSA2) in the State Health Plan. GHSA2 has eight (8) providers and with 11.7 FTE units as shown below. The Applicant states the average use of 11.70 FTE units is 2,801.71 that is far above the required average of 1,700 MRI procedures.

The Applicant believes that another MRI unit might have been recently approved for GHSA two (2) through a determination process. The Applicant affirms the addition of another unit

would raise the FTE units to 12.70, which would still provide an average that is far above 1,700 MRI procedures. (32,780 procedures/ 12.70 FTE = 2,581 average procedures per unit).

**Utilization of Existing MRI Units in General Hospital Service Area 2**

Provider	Type	FTE	Procedures (2020)
Baptist Memorial Hospital - Booneville	F	1.00	735
Baptist Memorial Hospital - Union County	F	1.00	2,874
The Imagine: Center ( Lee Countv)	F (2)	2.00	5,700
Magnolia Regional Health Center	F (2)	2.00	7,352
Medical Imaging at Barnes Crossing	F	1.00	2,700
North Mississippi Medical Center	F(4)	4.00	12,722
Tippah County Hospital	M	.10	142
NMMC-Iuka	M	.60	555
		<b>11.70</b>	<b>32,780</b>

32.780 / 11.70 = 2,801.71

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

The Applicant submits in response to Need Criterion I(b) below, BMHUC demonstrates that General Hospital Service Area two (2) has a reasonable and sufficient population base to support the provision of 1,700 procedures for rural hospitals at Baptist Imaging Center - Saltillo 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 of 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**

Need Criterion 1 states that "MRI equipment exclusively servicing rural hospitals (those located outside U.S. Census Bureau Metropolitan Statistical Areas with seventy-five (75) or less beds) shall be required to demonstrate a minimum of 1,700 procedures per year by the end of the second year of operation." This Criterion recognizes that a rural hospital will typically have fewer patients and imaging procedures than a hospital located in an urban area.

Consequently, the State Health Plan reduces the minimum volume of MRI procedures for a rural hospital from the 2,700 annual procedure volume that applies to non-rural hospitals.

The Applicant states Union and Lee Counties are both outside of U.S. Census Bureau Metropolitan Statistical Areas and, therefore, are rural. The Applicant submits that significantly, the Need Criterion does not refer to "licensed" beds, and it is well-established that a hospital's licensed bed capacity frequently does not reflect the actual inpatient utilization of that facility. BMHUC is licensed for 153 acute care beds, but during the period commencing in December of 2014 and ending in September of 2025, Baptist-Union's average daily census (of both acute and observation patients) **never exceeded (fifty-two) 52 occupied beds.**

The Applicant states for these reasons, BMHUC qualifies as a "rural hospital" under Need Criterion 1 and is required to demonstrate a minimum of 1,700 annual MRI procedures by the end of the second year of operation. The Applicant submits in further support of this conclusion, a Department of Health Staff Analysis, recommended approval of BMHUC's CON application, to establish swing bed services. The Applicant states the Staff Analysis noted, as highlighted on page 2, that federal regulations "state that a hospital licensed for more than 100 beds may be eligible for swing-bed approval if it uses and staffs for fewer than 100 beds." The Applicant states the Department of Health staff then observed that during the three (3) most recent years, Baptist-Union reported an average daily census of fifty (50) patients. The Applicant states as a result of that low ADC, the staff concluded that Baptist-Union should qualify as a swing bed provider, even with more than 100 licensed beds, if all other licensure and certification requirements were met.

The Applicant indicates that Baptist-Union has been recognized as a leading "rural hospital" by a national health consulting firm. The Applicant states in 2019,

The Chartis Center for Public Health named Baptist-Union one of the top 100 rural and community hospitals in the United States.

BMHUC currently provides MRI services for inpatients and outpatients through one (1) fixed MRI at the hospital. The numbers by FY for the past 3 years are:

<u>YEAR</u>	<u>PROCEDURES</u>
2025	3,525
2024	3,523
2023	3,516

The Applicant states as noted above, BMHUC consistently utilizes fewer than fifty-three (53) acute care beds and qualifies as a rural hospital for this application. The Applicant states for the past three (3) years, the hospital has been providing annually more than twice the number of procedures required for the minimum number of 1,700 procedures for a rural hospital during the second year of operation. The Applicant states an MRI unit for outpatients at Saltillo will provide needed capacity in a convenient, accessible location. The Applicant states the Affidavits from referring physicians support projections that 1,626 procedures will occur in year one (1), 1,914 will occur in year two (2) and 2,105 will occur in year three (3).

**b. Reasonable population base:**

The Applicant states that a population-based methodology also documents that more than 1,700 MRI procedures will be performed annually at the Saltillo location. The Applicant submits that the Baptist Imaging Center is located in GHSA2. The Applicant states that according to the current State Health plan, GHSA 2 has a population of 298,421. The Applicant submits this population base generated 32,780 MRI procedures in the most recent year reported in the State Health Plan.

The Applicant submits that as previously discussed, the average utilization of existing MRI units in GHSA 2 is 2,801. The Applicant states, if an additional fixed MRI unit is approved for GHSA 2, the average utilization among all existing providers would still be 2,581, without taking into account future population growth. The Applicant states that the current population of GHSA 2 can easily support an additional MRI unit performing a minimum of 1,700 procedures on an annual basis.

**c. Utilization of existing units:**

The Applicant states, as previously presented, the average use of 11.70 FTE units in GHSA2 is 2,801.71, that is above the required average of 1,700 MRI procedures.

**SHP Need Criterion 2: Equipment Requirements**

- a. **FDA Approval** - The Applicant states the proposed Siemens MAGNETOM MRI equipment is FDA-approved. The Applicant's application includes the amount in the financial tables.
- b. **Qualified Personnel** – The Applicant states MBHUC certifies that only qualified personnel will be allowed to operate the MRI equipment.
- c. **Fixed/minimum volume contracts** - The Applicant further affirms that MBHUC 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 BMHUC hereby affirms that the information and data described above 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 Baptist Memorial Hospital – Union County, Inc., dated December 15, 2025.

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

The Applicant states that in this application BMHUC requests CON approval to offer MRI services through the utilization of Siemens MRI equipment at Baptist Imaging Center - Saltillo.

**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**

Need Criterion 1 states that "MRI equipment exclusively servicing rural hospitals (those located outside U.S. Census Bureau Metropolitan Statistical Areas with seventy-five (75) or less beds) shall be required to demonstrate a minimum of 1,700 procedures per year by the end of the second year of operation." This Criterion recognizes that a rural hospital will typically have fewer patients and imaging procedures than a hospital located in an urban area.

Consequently, the State Health Plan reduces the minimum volume of MRI procedures for a rural hospital from the 2,700 annual procedure volume that applies to non-rural hospitals.

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**b. Reasonable population base**

The Applicant states that a population-based methodology also documents that more than 1,700 MRI procedures will be performed annually at the Saltillo location. The Applicant submits that the Baptist Imaging Center is located in GHSA2. The Applicant states that according to the current State Health plan, GHSA 2 has a population of 298,421. The Applicant submits this population base generated 32,780 MRI procedures in the most recent year reported in the State Health Plan.

The Applicant submits that as previously discussed, the average utilization of existing MRI units in GHSA 2 is 2,801. The Applicant states, if an additional fixed MRI unit is approved for GHSA 2, the average utilization among all existing providers would still be 2,581, without taking into account future population growth. The Applicant states that the current population of GHSA 2 can easily support an additional MRI unit performing a minimum of 1,700 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 BMHUC currently offers a full range of diagnostic imaging modalities, including those noted above. The Applicant states in addition to MRI services, BICS will offer computed tomography/angiography, digital x-ray, mammography, ultrasound, and bone density testing.

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

The Applicant states that BMHUC 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. Jeffrey Ryan O'Rear, M.D., will serve as the Medical Director for MRI services provided at BICS. Dr. O'Rear has extensive knowledge of and experience with MRI and diagnostic Imaging.

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

The Applicant affirms BMHUC's current MRI Technologist meets these requirements and also will be available with respect to BICS.

### **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 BMHUC hereby 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 in this application, BMHUC requests CON approval to offer MRI services through the utilization of Siemens MRI equipment at Baptist Imaging Center - Saltillo.

The Applicant affirms this proposed project is a new location. The Applicant's application includes thirty (31) affidavits documenting 1,923 referrals.

## **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 Baptist Memorial Hospital- Union County's Long-Range Plan is to provide care close to home in the local community. The Applicant submits Saltillo is a growing community with limited healthcare resources. The Applicant states Baptist would like to provide access to imaging services for the local community and providers to ensure quick, easy, timely access to care. The Applicant states our goal is to provide access to MRI services within three (3) days of request.

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

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

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

The Applicant states as explained in the Long-Range Plan, BMHUC provides MRI and other diagnostic imaging services in response to community health needs and medically underserved groups. The Applicant further states additional capacity is necessary to serve existing patients with current and growing needs. The Applicant states to serve patients more conveniently with distribution of services over more of the rural market area while reducing waiting time, Saltillo was chosen as a timely location.

**b. New Construction Projects:**

The Applicant states the modernization of existing facilities was not an option to meet the current need.

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

The Applicant states that more capacity will reduce patient waiting times , improves convenience for many and should contribute positively to personal patient satisfaction.

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

**i. Unnecessary Duplication of Services:**

The Applicant asserts an effective, less costly solution is not available and more capacity is needed.

**ii. Efficient Solution:**

The Applicant asserts the placement of the MRI distributes services across the service area.

**e. Improvements and Innovations:**

The Applicant affirms the proposed Siemens MRI equipment will enhance the quality of diagnostic imaging services offered by BMHUC, 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 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 BMHUC are presented in the accompanying financial analysis tables and are based on BMHUCs historical charge structure for the services.

**b. Projected Levels of Utilization:**

The Applicant states BMHUC'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 BMHUC's Chief Financial Officer.

**d. Financial Forecasts:**

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

**e. Covered Expenses:**

The Applicant states BMHUC 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 the proposed project's impact on Medicare, Medicaid and other payers is reflected in the financial analysis tables of the application and below.

**Net Patient Revenue-Medicare**

Year 1	\$337,948.00
Year 2	\$397,839.00
Year 3	\$437,539.00

**Net Patient Revenue- Medicaid**

Year 1	\$144,835.00
Year 2	\$170,502.00
Year 3	\$187,517.00

**Net Patient Revenue-Commercial**

Year 1	\$386,227.00
Year 2	\$454,672.00
Year 3	\$500,044.00

**Cost Per Procedure**

Year 1	\$226.00
Year 2	\$203.00
Year 3	\$186.00

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

**a. Access by Population Served:**

The Applicant affirms BMHUC currently provides MRI services and other diagnostic imaging services in response to community health needs. The Applicant further affirms medically underserved groups and those noted above will continue to have access to these services at BMHUC.

**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 BMHUC currently provides MRI and other diagnostic imaging services in response to community health needs, and medically underserved groups, including those noted above, will continue to have access to these services at BMHUC.

**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 2 is clearly needed and will not adversely impact these providers.

**e. Community Reaction to Service:**

The application contained two (2) letters of support from Deonne Henry, the Chief Operating Officer (COO) of Urologic, and Michael Shane Scott, DO at Internal Medicine and Pediatric Clinic.

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

**a. Access**

**1. Access to Services:**

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

**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>Gross Patient Revenue</b>				
	Medically Indigent (%)	Charity Care(%)	Medically Indigent (\$)	Charity Care (\$)
Historical Year 2024	4.7	4.7	\$38,583,070.00	\$38,583,070.00
Historical Year 2025	4.3	4.3	\$39,371,528.00	\$39,371,528.00
Projected Year 1	4.1	4.1	\$40,000,007.00	\$40,000,007.00
Projected Year 2	3.9	3.9	\$40,119,431.00	\$40,119,431.00

Note: In BMH-Union County'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 BMHUC currently serves and will continue to serve Medicare, Medicaid and medically indigent patients.

**d. Access to Proposed Facility:**

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

**e. Access Issues:**

**i. Transportation and Travel:**

The Applicant states the Baptist Imaging Center - Saltillo is located at 119 City Market Drive and is easily accessible from Highway 145. The Applicant further states, Saltillo is located north of Tupelo in Lee County and has a population of approximately 5,100 residents.

**ii. Restrictive Admission Policy:**

The application includes a copy of BMHUC's current Admissions Policy. The Applicant further states BICS will be an outpatient location,

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

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

**iv. Operational Hours of Service:**

**1. Regular Operation:**

The Applicant states BMHUC'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 BMHUC hereby affirms that it will maintain the information stated in this criterion and make it available to the 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 MRI services are currently provided by hospitals, clinics and freestanding providers throughout GHSA 2. The Applicant also states BMHUC 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 BMHUC.

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

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

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

According to the Applicant, BMHUC serves patients throughout GHSA 2. 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 at BMHUC clearly demonstrates the need for this project.

**c. Adverse Impact:**

The Applicant submits if the project is not implemented, BMHUC'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, BMHUC will hire one (1) additional MRI technicians. The Applicant further submits personnel will be recruited through Baptist Memorial Health Care Corporation extensive contacts and resources

**b. Contractual Services:**

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

**c. Existing Facilities or Services:**

The Applicant states BMHUC is accredited by the Joint Commission, which surveys hospitals every three (3) years and as part of the survey process, the Joint Commission rigorously reviews staffing as a core component of patient safety and quality care. The Applicant states surveyors assess competence, skill mix, and staffing levels through observation and documentation review. The Applicant submits as of 2026, new requirements emphasize nurse staffing as a key performance metric for safety. BMHUC's Joint Commission accreditation clearly demonstrates that the hospital has a satisfactory staffing history.

**d. Alternative Uses of Resources:**

The Applicant states as previously discussed; the proposed project is the best alternative for the provision of additional MRI service capacity in response to community needs.

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

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

The Applicant states BMHUC offers a comprehensive range of 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 BMHUC does not anticipate a material change in costs or charges as a result of this proposed project. The Applicant has included the cost and charge information with this Application.

### **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 BMHUC 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 BMHUC 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**

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 submits recent acknowledgements include:

2019-2025: Leapfrog Hospital Safety Grade "A"

2024-2025: Women's Choice Award  
 2025: Guardian of Excellence Award-Employee & Physician Engagement  
 2025: Becker's Top 10 Most Recommended Hospital in MS (Pt Preference)  
 2025: Best Hospitals Women's Choice Award ER Wait Time & Efficiency  
 2025: Employee Engagement Score 4.47/5.0 (97<sup>th</sup>% rank vs. national, 91% response rate, top hospital in the Baptist system)  
 2025: RN Employee Engagement Score 4.48/5.0 (top in the Baptist system)  
 2025: Provider Engagement Score 4.54/5.0 (92<sup>nd</sup>% rank vs. national, 80% response rate)

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

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

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

The Applicant affirms BMHUC is accredited by the Joint Commission, American College of Surgeons, Commission on Cancer Accreditation for all oncology sites, American Society of Clinical Oncology Quality Oncology Program Initiatives for all oncology sites, College of American Pathology Accredited Lab and the American College of Radiology.

**IV. FINANCIAL FEASIBILITY**

**A. Capital Expenditure Summary**

<b>Cost Item</b>	<b>Estimated Cost</b>	<b>Percentage (%) of Total</b>
Construction Cost -New	0.00	0.00%
Construction Cost-Renovation	\$260,000.00	20.33%
Capital Improvements	0.00	0.00%
Fixed Equipment	\$918,000.00	71.77%
Non-fixed Equipment	0.00	0.00%
Fees (Architectural, Consultant, etc.)	\$41,000.00	3.21%
Contingency Reserve	\$60,000.00	4.69%
Capitalized Interest	0.00	0.00%
Legal and Accounting Fees	0.00	0.00%
<b>TOTAL PROPOSED CAPITAL EXPENDITURE</b>	<b>\$1,279,000.00</b>	<b>100.00%</b>

BMHUC proposes renovating approximately 748 square feet of space to house a fixed MRI unit at an estimated cost of \$482.62 per square foot.

**B. Method of Financing**

The Applicant states BMHUC will purchase the MRI equipment with their working cash reserves.

**C. Effect on Operating Costs**

See Attachment 1 for BMHUC'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):

<b>Payor</b>	<b>First Year Revenue</b>	<b>Utilization Percentage</b>
<b>Medicare</b>	\$2,816,242.00	35.00%
<b>Medicaid</b>	\$1,206,961.00	15.00%
<b>Commercial</b>	\$3,218,563.00	40.00%
<b>Self-Pay</b>	\$482,784.00	6.00%
<b>Charity</b>	\$321,856.00	4.00%
<b>Other</b>	0.00	0.00%
<b>Total</b>	<b>\$8,046,406.00</b>	<b><u>100.00%</u></b>

**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 March 9, 2026.

**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 Baptist Memorial Hospital – Union County, Inc. d/b/a Baptist Imaging center – Saltillo for the Acquisition of MRI Equipment and Offering of Fixed MRI Services.

**Attachment 1**  
**Baptist Memorial Hospital – Union County d/b/a Baptist Imaging Center- Saltillo**  
**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	\$8,046,406.00	\$9,472,328.00	\$10,417,580.00
<b>Gross Patient Revenue</b>	<b>\$8,046,406.00</b>	<b>\$9,472,328.00</b>	<b>\$10,417,580.00</b>
Charity	\$283,234.00	\$333,426.00	\$366,699.00
Deductions from Revenue	\$6,797,606.00	\$8,002,221.00	\$8,800,770.00
<b>Net Patient Care Revenue</b>	<b>\$965,566.00</b>	<b>\$1,136,681.00</b>	<b>1,250,111.00</b>
Other Operating Revenue	\$0.00	\$0.00	\$0.00
<b>Total Operating Revenue</b>	<b>\$965,566.00</b>	<b>\$1,136,681.00</b>	<b>\$1,250,111.00</b>
<b>Operating Expenses</b>			
Salaries	\$103,892.00	\$105,451.00	\$107,032.00
Benefits	\$25,973.00	\$26,363.00	\$26,758.00
Supplies	\$30,330.00	\$49,920.00	\$50,908.00
Services	\$0.00	\$0.00	\$0.00
Lease Expenses	\$0.00	\$0.00	\$0.00
Depreciation	\$207,667.00	\$207,667.00	\$207,667.00
Interest	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$0.00
<b>Total Operating Expenses</b>	<b>\$367,862.00</b>	<b>\$389,401.00</b>	<b>\$392,365.00</b>
<b>Net Operating Income</b>	<b>\$597,704.00</b>	<b>\$747,280.00</b>	<b>\$857,746.00</b>
	<b>Proposed Year</b>	<b>Proposed Year</b>	<b>Proposed Year</b>
	<b>1</b>	<b>2</b>	<b>3</b>
Inpatient Days	0	0	0
Outpatient Visits	0	0	0
Procedures	1,626	1,914	2,105
Charge per Outpatient Day	\$0.00	\$0.00	\$0.00
Charge per Inpatient Day	0	0	0
Charge per Procedure	\$4,949.00	\$4,949.00	\$4,949.00
Cost per Inpatient Day	0	0	0
Cost per Outpatient Day	0	0	0
Cost per Procedure	\$226.00	\$203.00	\$186.00

**Totals may differ due to rounding.**