



## 2026 Iowa Certificate of Need (CON) Application

Instructions: 1. Complete all the sections below. 2. Provide concise, evidence-based responses, with supporting documentation or data as needed. 3. Reference Iowa Code 10A.714, as needed, to complete the application. 4. Upload additional documentation, as needed.

**Primary Contact**

Ms. Laura Zwiefel

**Primary Contact Employer**

Hancock County Health System

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**Facility Name**

Hancock County Health System

**Facility Address**

532 1st Street NW, Britt, Iowa 50423

**Project Title**

HCHS - Healthy Hometowns Fixed MRI Project

**Project Type**

New Equipment

**Would you like to request a summary review?**

Yes

### 1. Applicant and Facility Overview

**a. Project Purpose and Objectives:**

The purpose of this project is to utilize Healthy Hometowns project grant dollars to improve access and the level of services within Hancock County and the surrounding area. This initiative enables patients to receive high-quality care close to home through trusted health care technologists. The location of the fixed MRI at the hospital significantly reduces the physical, financial and logistical burdens associated with long-distance travel for patients.

Objectives of this project include:

- Hancock County residents, as well as surrounding area residents, will be able to receive upgraded MRI services within their own rural community, close to home.
- Residents in this rural area will have improved health outcomes with similar rates of morbidity and premature mortality to those living in Iowa's more populous areas.
- HCHS will replace the current parked mobile MRI unit with a fixed unit.

Population Served

HCHS serves a rural population within Hancock County and the surrounding area, encompassing more

than 10,580 residents. As a designated critical access hospital, HCHS functions as the primary access point for inpatient, outpatient and emergency services within the county. According to U.S. Census Bureau data:

- Approximately 25% of Hancock County residents are aged 65 or older;
- Hancock County has a poverty rate of approximately 13%, slightly higher than the state average;
- The minority population in Hancock County is approximately 9% and continues to grow;

The implementation of a fixed MRI unit at our rural hospital will have a positive impact on minority populations in our service area-particularly the Hispanic population. The fixed MRI will improve health care access for minority populations by eliminating barriers associated with scheduling delays and geographic limitations. Currently, these patients often face extended wait times or must travel long distances to receive diagnostic imaging, which disproportionately affects minority individuals.

#### Alignment with Community Needs

The installation of a fixed MRI and potentially a second MRI technologist will expand accessibility to testing both in terms of days as well as available testing times. Minority, medically underserved, rural, elderly and disabled populations often experience systemic barriers to care, including transportation challenges, lower income levels, and employment constraints that make scheduling and traveling for diagnostic imaging difficult. These barriers result in delayed diagnoses and poorer health outcomes. A fixed MRI unit addresses these issues by offering immediate, local access to essential imaging services, reducing reliance on distant facilities that require advanced scheduling and travel. This accessibility ensures that patients can receive imaging at the point of care, during the same visit when they are already engaged with the health care system, thereby improving compliance, reducing missed appointments, and accelerating treatment plans.

#### **b. Relationship to Long-Range Development Plan:**

HCHS's Strategic Plan calls for HCHS to be an organization offering high-quality health care. HCHS needs to be able to expand its MRI services, which means transitioning from a mobile unit to a fixed one. A fixed MRI better meets the Standards of Care to provide more types of MRI exams, which benefits patients in many ways:

1. MRI technology is part of the Standard of Care for the management of many chronic and acute diseases including, but not limited to cancer, cardiovascular health, mental/behavioral health, chronic disease prevention and management, maternal/child health, cardiac and breast care. A fixed unit offers more flexibility in types of exams that can be offered. To continue to be a sustainable, high-quality health care organization, HCHS will need to offer the "whole menu" of MRI services.
2. A fixed MRI unit would benefit HCHS financially, which would help ensure the organization's overall viability.

#### **c. Description of Proposed Service/Program:**

##### Service type

A fixed MRI service for HCHS has been funded by the Healthy Hometowns Grant for Best and Brightest Medical Equipment Procurement.

##### Scope

A fixed on-site MRI unit versus a parked mobile MRI unit will allow HCHS to offer more comprehensive care as noted below while improving the lives of patients and their families.

##### Intended Outcomes

A fixed on-site MRI unit versus a parked mobile MRI unit would allow HCHS to offer more comprehensive care as noted below while improving the lives of patients and their families:

- Superior Imaging Quality & Increased Efficiency & Speed: Fixed, high-field scanners complete exams more quickly, allowing for higher patient throughput and shorter wait times compared to the current slower, lower-field mobile system.

- Improved Patient Environment: Fixed, in-facility units offer better, more stable environments, reducing the claustrophobia and anxiety sometimes associated with a cramped, temporary trailer environment.
- Safety: Our current unit has steps and a lift. However, if there is a patient who needs to be transported by bed, HCHS staff must go outside to enter the mobile unit. Weather in Iowa is always changing and freezing temperatures, rain and extreme heat are a reality. If a patient suffers from a medical event in a parked MRI unit, transportation and treatment are difficult and less efficient.
- Reliability: Fixed units offer greater magnetic stability, which improves diagnostic accuracy, while parked mobile units are more susceptible to operational downtime due to weather in our area.
- Transportation: This has been an identified weakness by residents via the Hancock County Public Health Community Health Assessment. Having an enhanced MRI system close to residents' homes would be a benefit for the patient, and those who patients rely on, to give rides to appointments.
- Expansion of Services: HCHS will add exams such as pelvic exams to the list of offerings.
- Financial Stewardship: HCHS pays \$34,900 a month, or \$418,800 per year renting the parked MRI. A newer fixed MRI machine would eliminate the rental costs and lower the electric expense as a parked unit uses more power due to being outdoors.

**d. Target Population: Specify geographic and demographic areas.**

**Geographic and Demographic Areas**

HCHS serves a rural population within Hancock County and the surrounding area, encompassing more than 10,580 residents. As a designated critical access hospital, HCHS functions as the primary access point for inpatient, outpatient and emergency services within the county. According to U.S. Census Bureau data:

- Approximately 25% of Hancock County residents are aged 65 or older;
- Hancock County has a poverty rate of approximately 13%, slightly higher than the state average;
- The minority population in Hancock County is approximately 9% and continues to grow.

All these factors can make access to health care difficult as there is no public transportation readily available in Hancock County. Access to a fixed MRI unit close to home mitigates the lack of public transportation in the area.

**e. Relation to Existing Provider Network: Summarize relationship with other health care providers/services in the region.**

HCHS partners with several organizations and agencies throughout the area that would benefit from HCHS having a fixed MRI unit, including:

- Ambulance Services in Garner, Britt and Forest City

These services would benefit from fewer calls for patient transports for MRI services. In these communities, ambulance services are mostly volunteer based. HCHS wants to be mindful of human resources and call on these services only when absolutely necessary.

- MercyOne North Iowa

Owens the clinic in nearby Forest City, Iowa, which sends many of its patients for all types of services, including MRIs, to Hancock County Health System (HCHS). The distance from Forest City to HCHS's location in Britt is approximately 19 miles away while Forest City to Mason City is 30 miles. Being closer means less wait time, quicker care and faster treatment.

- MercyOne Network

There are seven hospitals within the Northern Iowa portion of MercyOne's network. HCHS offers to care for patients when other CAHs are faced with downtime or backlog for any service, including MRI.

- Community

About 56% of HCHS's patients are elderly (65 and older.) A fixed MRI would be beneficial to these patients due to ease of entering the fixed MRI room.

**f. Funding Sources and Financial Resources: Identify and document sources of funding and financial viability.**

HCHS received a Healthy Hometowns Grant for Best and Brightest Medical Equipment Procurement.

Additional monies needed to complete the project will be provided through HCHS's Operations Fund.

**Current # of Beds (if changing)**

**Current bed type (if changing)**

**Requested # of Beds (if changing)**

**Requested bed type (if changing)**

**Document Upload**

## **2. Community Need and Service Gaps**

### **a. Description of Need:**

Hancock County Health System has offered MRI services for the past 25 years. When MRI services began at HCHS, it was with a mobile unit that was brought on site for just a few hours a week. In April 2022, HCHS made a strategic decision to begin offering MRI services on a more regular basis via a leased parked MRI truck. Since having a parked unit, HCHS performs approximately 43 MRIs per month - or about 520 MRIs per year. The volumes with parked MRI unit are limited by the time per exam, types of exams that can be offered, and having only one technologist. With a fixed MRI, HCHS plans to grow volumes to 2000+ annually with decreased time per exam, more exam types to be offered, and increasing the number of technologists.

### **b. Assessment of Existing Services and Gaps:**

**Adequacy**

The parked MRI unit lacks adequacy due to less efficiency, high operational costs, and limited exam types.

**Accessibility**

By acquiring a fixed MRI system, HCHS will expand access to a full menu of services for residents of Hancock County and the surrounding area, significantly reducing the need for patients to travel outside the county for care.

**Utilization Rates**

The parked MRI unit limits utilization due to limited exam types and the time per exam.

### **c. Alternatives Analysis:**

**Alternative Less Cost-Effective Methods**

MRI is the Standard of Care required for diagnosing many diseases. Other more cost-effective methods, such as x-rays and CT exams, limit diagnostic capabilities.

**Rationale**

Rationale going from a parked MRI to a fixed MRI includes the ability to offer a larger menu of needed exams and lower on-going operational costs as well as an improved patient environment reducing the claustrophobia and anxiety sometimes associated with cramped, temporary trailer environment.

### **d. Accessibility Considerations:**

**Distance and Convenience**

- A fixed on-site MRI unit versus a parked mobile MRI unit would allow HCHS to offer more comprehensive care, improving the lives of patients and their families by reducing travel distance for services and offering convenient scheduling times.

**Transportation Barriers**

- Transportation has been an identified weakness by residents via the Hancock County Public Health Community Health Assessment. Having an enhanced MRI system close to residents' homes would be a benefit for the patient, and those that patients rely on, to give rides to appointments since Hancock County

has no readily available public transportation service.

#### Service Accessibility

- Accessibility of services for rural populations is a concern in the state of Iowa. The installation of a fixed MRI and a second MRI technologist will expand accessibility to testing in both in terms of days as well as available testing times. A fixed MRI unit offers immediate, local access to essential imaging services, reducing reliance on distant facilities that require advanced scheduling and travel. This accessibility ensures that patients can receive imaging at the point of care, during the same visit when they are already engaged with the health care system, thereby improving compliance, reducing missed appointments, and accelerating treatment plans.

#### **e. Community Input/Support:**

Patients from Hancock County and the surrounding area have expressed appreciation for being able to receive MRI and other services close to home. These patients also have expressed some concerns with the parked MRI unit being difficult to enter and exit as it requires some steps or accessing a lift. Patients who need to be transported by bed, require HCHS staff to go outside to enter the mobile unit with the patient. Weather in Iowa is always changing and sometimes residents are faced with freezing temperatures, rain, or extreme heat. These patients have stated they would appreciate an MRI unit located inside the building.

#### **Document Upload (if needed)**

#### **f. Non-discriminatory Access:**

MRI services will be offered without discrimination and include the ability of allopathic and osteopathic practices to order testing. HCHS recognizes and adheres to the Nondiscrimination Statement: Discrimination is Against the Law. HCHS Complies with applicable Federal Civil Rights laws and does not discriminate on the basis of race, color, national origin, age, disability or sexual orientation. Providers outside the HCHS network can order MRI exams based on their licensure and scope of practice.

### **3. Impact on Existing Providers**

#### **a. Impact Assessment:**

HCHS would be the only facility to offer a fixed MRI service in Hancock County and the immediate surrounding area. We accept referrals from all providers, including providers within HCHS's network and those outside of network, thus reducing scheduled time gaps in patient care.

#### **b. Community and Economic Impact: Broader system effect and value-added to the community.**

HCHS acquiring a fixed MRI will have a broader system effect and add value to the community. Businesses in our area continue to grow and need to recruit employees. Ease of access to health care is a priority for many organizational leaders in determining where to start and expand businesses. For potential employees, access to health care is important when deciding where to live, work and raise their families. Lack of public transportation has been cited by the community at-large and having a fixed MRI service close to home will be value-added for all residents.

#### **c. Efficiency in Use of Resources: Shared/cooperative arrangements to maximize efficiency.**

A fixed MRI will be beneficial to all local and area providers and their patients. HCHS will provide a high-quality reliable service utilizing a certified technologist to provide easy access to care. The fixed MRI service at HCHS will maximize efficiency by offering more appointment times thus faster scan results to provider partners allowing faster diagnosis and hopefully better patient outcomes.

### **4. Financial and Operational Feasibility**

#### **a. Financial Projections and Feasibility:**

Project Summary Budget

Project Item: SIGNA Voyager 1.5T 70cm Wide-Bore Magnetic Resonance System; Cost: \$1,578,864.30; Funding Source: Healthy Hometowns Grant for Best and Brightest Medical Equipment Procurement

Project Item: Renovation of space; Cost: \$603,400; Funding Source: \$315,000 from Healthy Hometowns Grant for Best and Brightest Medical Equipment Procurement and HCHS will fund the balance of renovation cost form Operations.

Project Item: Administrative, Cost of Training; \$6,023.04; Funding Source: Healthy Hometowns Grant for Best and Brightest Medical Equipment Procurement.

The 3-year budget projections are attached.

#### **Document Upload (3-year budget projections)**

Copy of MRI In House Proforma 2026.02.pdf

Copy of MRI In House Proforma - PAGE 2 DATA - 2026.02.pdf

#### **b. Staffing and Operations:**

##### Staffing Plan

HCHS plans on continuing with its current full-time technologist. As volumes build, HCHS will expand MRI service hours and hire an additional technologist.

##### Operational Structure

The basic operational structure is already in place for the parked MRI unit and can translate easily to the fixed MRI service. Additional safety training will be provided to the entire staff due to the fixed MRI being placed within the department.

##### Management

The management structure is already in place for the parked MRI unit and can translate easily to the fixed MRI service.

##### Resources Required

With the fixed MRI unit, the high cost of leasing the parked unit will no longer be required. A service agreement will be needed when the one-year warranty expires on the new fixed MRI unit. The service agreement cost will be much less than the leasing cost. HCHS will supplement grant funding to complete minor renovations to the fixed MRI area.

#### **c. Short and Long-term Viability:**

##### Viability and Sustainability

Grant funding through Healthy Hometowns for the fixed MRI unit, partial minor renovations and administrative costs will greatly help to reduce the return on investment timeline. As described in the proforma, the projected increase in volume and payments from payers will support the on-going operational costs and allow the organization to have a positive operational margin.

## **5. Community and Economic Impact**

#### **a. Community Engagement:**

##### Evidence of Outreach

Community members and stakeholders will be actively engaged throughout this process. There is already strong support for the fixed MRI service as previously indicated. The HCHS Marketing Department will develop a communication/marketing plan to both internal and external audiences, including marketing targeting the minority population.

##### Inclusion of Diverse Population

Again, marketing strategies will reach out the diverse populations, including minorities, disabled, and elderly, where they are including churches, grocery stores, etc.

#### Responsiveness to Community Concerns

HCHS has a culture that cares for patients, including listening If there is a concern expressed. We listen empathically and, if possible, come to a resolution.

#### **b. Resource Availability:**

##### Appropriate Staff

HCHS employees a certified MRI technologist. HCHS will hire a second MRI technologist as volumes increase expanding accessibility to testing in both in terms of days as well as available testing times. The fixed MRI unit will be more time efficient and HCHS will be able to offer more exams per day than now offered.

##### Management

The management structure is already in place for the parked MRI unit and can translate easily to the fixed MRI service.

##### Other Resources

With the fixed MRI unit, the high cost of leasing the parked unit will no longer be required. A service agreement will be needed when the one-year warranty expires on the new fixed MRI unit. The service agreement cost will be much less than the leasing cost. HCHS will supplement grant funding to complete minor renovations to the fixed MRI area.

##### Alternative Uses for Resources

The money saved on the difference between the lease agreement and service agreement will be used to help fund other needed health care services and bad debt.

#### **c. Organizational Relationships:**

##### Relation to Ancillary/Support Services

HCHS has a parked MRI service. This fixed MRI service will continue to work with ancillary and support services much like the parked unit but will be able to offer more exams.

##### Arrangement with Non-Local Specialty Entities

HCHS maintains an affiliation agreement with MercyOne, which has a family medicine residency program. These residents have an opportunity to do a rotation at HCHS and a fixed MRI will enhance that rotation. HCHS physicians are willing to provide residency program rotations to other medical residencies and to medical students per request.

## **6. Project Planning**

#### **a. Project Timeline:**

##### Major Milestones and Projected Timeline

Iowa HHS will submit contracts to CMS for approval - Approximately one month

HCHS will submit CON application - Approximately one week

Iowa HHS will submit to contractor for review and signature - Five days

Submission of procurement and implementation plan report - 60 days

Review of procurement and implementation plan report and summary review of CON application and approval - One month

Procure architect for design and develop with HCHS Board of Directors Approval - One month

Request for bids with HCHS Board of Directors Approval - Six weeks

Award bid with HCHS Board of Directors Approval - One month

Order MRI Equipment - 14 weeks (simultaneously with Complete Renovation)

Complete Renovation - 14 weeks (simultaneously with Complete Renovation)  
Installation of MRI Equipment and Training - One month (the goal is to have the MRI system running by May 2027.)

**b. Innovative Components:**

Value-Added

By implementing a fixed MRI, HCHS is installing the latest technology for standard of care imaging. This initiative leverages advanced technology to overcome geographic and resource limitations commonly faced by critical care hospitals. This service will ensure equitable access to advanced imaging care for rural populations while strengthening the hospital's long-term sustainability.

**c. Regulatory Compliance:**

Identify All Regulatory Requirements and Approach to Compliance

HCHS certified MRI technologist will receive 144 hours of training to meet regulatory compliance and safety regulations. In addition, the other Radiology Department staff members will receive one hour of safety training due to the MRI being a fixed unit and housed within the department.

## **7. Special Criteria for Specific Services:**

**a. Alternative Consideration (10A.714(2)(a)):**

Other Practical Alternatives

When remodeling the hospital in 2012, HCHS leaders strategically planned for expanded future imaging space - 869 square feet. That space remains available to house an MRI service. The space will have to be minimally reconfigured and remodeled to make it ready for service.

**b. Utilization of Similar Facilities (10A.714(2)(b)):**

Appropriate/Efficient Use of Similar Local Facilities

HCHS serves the residents of Hancock County and surrounding areas, where patients currently travel a minimum of 31.1 miles for fixed MRI services. This initiative will 1) expand the range of imaging services offered locally, 2) deliver the current standard of care, and 3) significantly improve access for our community.

**c. Construction/Modernization (10A.714(2)(c)):**

Modernization/Sharing the Extent Practicable

Implementing a fixed MRI service will modernize care at HCHS by introducing advanced technology that aligns with the current standard of care practice. The superior Imaging quality & increased efficiency & speed with fixed, high-field scanners complete exams more quickly, allowing for higher patient throughput and shorter wait times compared to the current slower, lower-field mobile system.

**d. Access Concerns (10A.714(2)(d)):**

Risk of Serious Access Problems

Transportation has been an identified weakness by residents via the Hancock County Public Health Community Health Assessment. Having an enhanced MRI system close to residents' homes would be a benefit for the patient, and those that patients rely on, to give rides to appointments. This barrier disproportionately affects minority population, the elderly and financially limited patients, often resulting in delayed treatment or foregoing necessary procedures.

**e. UIHC Special Role (10A.714(3)):**

Not applicable.

**Signature**

*Laura Zwielfel, CEO*

**Additional Supporting Documents Upload**