



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

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Facility Name

Dallas County Hospital

Facility Address

610 10th Street, Perry, Iowa 50220

Project Title

Dallas County Hospital Fixed MRI Acquisition

Project Type

New Equipment

Would you like to request a summary review?

Yes

1. Applicant and Facility Overview

a. Project Purpose and Objectives:

Dallas County Hospital ("Dallas County" or "Hospital") is located in Perry, Dallas County, Iowa. Dallas County seeks approval to acquire and install a fixed MRI system, a GE SIGNA Artist 1.5T 30.3 (the "MRI"), to improve timely access to advanced diagnostic imaging for Dallas County residents and surrounding communities and to support integrated care delivery ("the Project"). Dallas County's main campus is located at 610 10th Street, Perry, IA 50220. The Project includes equipment purchase and site construction with shielding, HVAC, electrical, architectural services, and installation and training within a new MRI suite addition attached to the existing hospital structure.

Today, Dallas County residents and those in surrounding communities face significant delays and limitations in accessing MRI services. The Hospital currently operates a mobile MRI unit through a partnership with Shared Medical Services that has been in place for 11 years. The mobile unit currently visits once on Saturdays for approximately four hours and is available via appointment only. In FY2025, Dallas County completed 310 MRIs through this shared mobile machine, with approximately 30 patients using the service monthly. The current estimated wait time for an MRI

through the mobile program is two weeks.

Dallas County expects MRI volumes to increase significantly with expanded availability of at least three full days per week. With an onsite MRI machine, it is anticipated approximately 480-500 MRIs will be completed annually. Dallas County's objective is to significantly reduce wait times, keep patients closer to home, and coordinate imaging directly with clinical teams. Without the Dallas County, residents within the primary service area would have to drive approximately 30 miles to either Des Moines or Boone for MRI services.

The fixed MRI system will support a broad range of diagnostic needs including brain and spinal cord imaging, heart and blood vessel evaluation, internal organ assessment, bone and joint diagnostics, and cancer detection and staging. The open lying model prioritizes patient comfort and assists in providing testing for people with claustrophobia and allows for testing of individuals of all size.

b. Relationship to Long-Range Development Plan:

Dallas County was founded in 1954 and is a 25-bed critical access hospital serving patients from Dallas, Greene, Guthrie, Polk, and Boone counties. Dallas County is affiliated with MercyOne as part of its integrated health network. As a member, the Hospital benefits from the larger system's resources while maintaining a local identity and reaching rural residents who would otherwise have to travel long distances for their healthcare.

Dallas County continues to enhance and increase services provided onsite to meet the needs of our patients close to home. In addition to primary care providers and emergency room services, we offer a full suite of services such as orthopedics, oncology, pulmonology, and numerous other specialties that can utilize enhanced imaging functionality in providing care. Today, however, this care is limited to either onsite mobile MRI services six hours per week or referral to other distant locations.

The MRI acquisition is a top priority within Dallas County's strategic vision. Dallas County is in a growth phase, focusing on strategic priorities to expand family medicine clinics, add more specialty care, and enhance diagnostic processes. Dallas County anticipates future growth in both the volume of existing service lines and the addition of new service lines for our communities, all of which will be further advanced through the addition of an MRI machine. The addition of a fixed MRI is a natural progression to sustain this integrated model and meet regional demand.

Providing this level of service in the community furthers Dallas County's mission of providing high-quality, personalized care accessible to all.

c. Description of Proposed Service/Program:

The fixed MRI program will support oncology staging and imaging, orthopedic diagnostics, neurological evaluations including stroke assessment, cardiac imaging, and a broad range of other diagnostic imaging needs. These services will be embedded within Dallas County's existing care pathways, integrating with the Hospital's emergency services, cardiopulmonary services, oncology services, and specialty clinics.

Installing the MRI system and corresponding materials will require Dallas County to construct a new MRI suite addition attached to the existing hospital structure to house the system. This construction is included in the total estimated cost, which is approximately \$4,250,214.13, with major cost categories including the equipment purchase, accessories, software, installation, training, warranty/service, and construction to build a new attached MRI suite with appropriate shielding, HVAC, and electrical support.

A breakdown of the Project costs is as follows:

Category Cost

MRI Equipment \$1,752,214.13

MRI Suite Construction (Attached Structure) \$2,150,000.00 (estimated)

Soft Costs (architect fees, state review fees, etc.) \$348,000.00

Total Project Cost \$4,250,214.13

d. Target Population: Specify geographic and demographic areas.

Dallas County serves patients from Dallas County and surrounding communities in central Iowa, including Greene, Guthrie, Boone, and portions of Polk counties. A fixed MRI at Dallas County will address access barriers for patients requiring diagnostic imaging across this multi-county network. The Hospital primarily serves the county's rural residents, with the Hospital located in the midsize town of Perry. Dallas County Hospital is located in Perry, Iowa, home to one of the State of Iowa's largest Hispanic/Latino populations. Per the most recent U.S. Census data, Perry's Hispanic/Latino population is approximately 37 percent compared to the State of Iowa's overall Hispanic/Latino population of 7 percent.

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

The in-house MRI will support the Hospital's existing clinical programs, including emergency services, cardiopulmonary services, oncology services, and the various specialty clinics, by providing timely diagnostic imaging without the delays associated with mobile unit availability. Dallas County maintains partnerships with visiting specialty providers through Iowa Ortho and McFarland Clinic. Images from the MRI will be reviewed offsite by radiologists with Diagnostic Imaging Services through the Hospital's partnership with MercyOne.

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

The total estimated cost is approximately \$4,250,214.13, inclusive of equipment, installation, training, warranty/service, and required construction. Dallas County has received a grant award from the Iowa Health and Human Services Healthy Hometowns program for \$1,300,000 to assist in funding the MRI equipment purchase. Funding for the attached building to house the MRI machine is included as part of the hospital's FY2026-27 budget and is estimated to cost approximately \$2,150,000.

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:

Today, Dallas County residents and those in surrounding communities face significant delays and limitations in accessing MRI services when Dallas County's mobile MRI unit is available only four hours per week on Saturdays. By installing a fixed MRI, the Hospital will significantly reduce wait times (currently estimated at two weeks), keep patients closer to home, and coordinate imaging directly with clinical teams.

In FY2025, the Hospital completed 310 MRIs on a mobile unit that was only available approximately four hours per week. Dallas County expects MRI volumes to increase significantly

with expanded availability of at least three full days per week, with projections of nearly 600 MRIs annually by 2027. According to a report detailing the geographic origin of Medicare patients located within a 20-mile radius of the Hospital who received MRIs in 2023, most traveled to Des Moines for services. The nearly 2,000 Medicare patients cited in the Patient Origin for Medicare Patients Report (living within a 20-mile radius of the Hospital) as having received MRIs in 2023 demonstrate the significant unmet need in the community.

Dallas County has built the clinical infrastructure to support high-quality, integrated diagnostic services, including its emergency services, cardiopulmonary department, oncology services, and multiple specialty clinics. The fixed MRI will also support referrals from primary care providers at the Hospital's three family medicine clinics located in Panora, Perry, and Dallas Center.

b. Assessment of Existing Services and Gaps:

Existing MRI access at the Hospital is severely constrained and dependent on the mobile MRI unit's four-hour-per-week availability, producing delays and fragmented care for patients requiring urgent or timely imaging. The mobile unit's limited availability results in patients being referred out or having to travel approximately 30 miles to Des Moines or Boone for diagnostic imaging. Additionally, there have been challenges removing patients experiencing medical issues from the mobile unit, causing concerns for patient safety.

c. Alternatives Analysis:

i. Continued Mobile MRI: As discussed in the foregoing section, Dallas County's mobile MRI completed 310 exams in FY2025 with only four-hour-per-week availability on Saturdays. If patients are unable to secure an appointment during the limited mobile MRI availability, they must travel up to 30 miles to Des Moines or wait for an appointment to become available, with current wait times of approximately two weeks. Additionally, the mobile machine is in an enclosed truck, and if patients have medical issues, it is difficult to extract them and provide care. Continued use of the mobile MRI may be less capital-intensive initially but fails to resolve scheduling bottlenecks, delays, safety concerns, and care fragmentation. This option remains inadequate for urgent/complex cases.

d. Accessibility Considerations:

Local MRI access will reduce transportation time and costs, minimize time away from work and family, and improve equity for rural patients by providing advanced diagnostics closer to home. Services will be available for patients regardless of the patient's ability to pay.

e. Community Input/Support:

The proposed MRI unit represents a critical investment in the health and well-being of our community by ensuring that residents can receive essential diagnostic imaging services close to home. Currently, patients requiring MRI services must travel to neighboring counties, often facing significant burdens including extended travel times, increased transportation costs, and delays in diagnosis and treatment. For many patients, these barriers can result in deferred care or foregone imaging altogether.

Document Upload (if needed)

f. Non-discriminatory Access:

Dallas County will provide access without discrimination, consistent with its obligations as a rural hospital serving diverse populations, and inclusive of allopathic and osteopathic practices. The MRI program will follow standard non-discrimination policies applicable to all imaging services. Dallas County serves a significant Hispanic/Latino population and provides bilingual services at

two of its three family medicine clinics.

3. Impact on Existing Providers

a. Impact Assessment:

Local MRI capacity at the Hospital will reduce forced referrals to distant facilities in Des Moines and Boone, and relieve pressure on the limited mobile MRI availability, addressing a documented access gap while enhancing coordination and timeliness for patients requiring diagnostic imaging. This right-sized addition in a rural setting is designed to minimize unnecessary duplication by meeting demonstrated demand within the Hospital's established patient base.

Dallas County currently utilizes Shared Medical Services, Inc. to provide mobile MRI services. This arrangement will be discontinued once an onsite MRI is operational. Dallas County contracts with Diagnostic Imaging to provide radiology services and image review, and this relationship will continue upon implementation of the fixed MRI. The Hospital maintains active referrals to MRI services through its providers. Additionally, Dallas County will look to leverage its relationship with MercyOne to load balance bandwidth where it makes sense.

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

Local MRI access supports earlier and more efficient diagnosis and treatment, reduced travel costs and time away from work/family, strengthened care continuity, and helps retain care in the community. Improved emergency throughput via the MRI benefits broader community health and system efficiency. Enhanced access to advanced technology also positions the Hospital as a more attractive place to work for higher-caliber physicians who prefer to practice in facilities equipped with the tools necessary to deliver high-quality care.

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

Dallas County will integrate the fixed MRI programming within its existing radiology and specialty service lines to maximize efficiency and resource utilization. Key shared arrangements include integration with the cardiopulmonary services, emergency services, oncology services, and specialty clinics. The existing radiology support resources will be utilized to ensure efficient operations. Other imaging and radiology procedures offered by the Hospital include Bone Density DEXA Scans, Mammography, CT scans, Ultrasound, and Nuclear Medicine.

4. Financial and Operational Feasibility

a. Financial Projections and Feasibility:

Dallas County estimates the total Project cost at approximately \$4,250,214.13, inclusive of equipment, installation, training, warranty/service, and required construction. The MRI equipment cost is \$1,752,214.13, partially funded by the Healthy Hometowns grant award, and the MRI suite construction cost for the attached structure is estimated at \$2,150,000.00.

The Hospital currently conducts MRIs 6 hours per week in a mobile unit. Once completed, we will initially offer MRIs 16 hours per week, but anticipate ramping up to no less than 32 hours per week.

The Hospital projects gross revenue will increase to approximately \$4 million annually by 2030.

Document Upload (3-year budget projections)

b. Staffing and Operations:

Dallas County has recently added a coordinator for our radiology department that is MRI trained. In addition, MercyOne will be sending out a trained MRI technologist two days per week. Dallas County anticipates providing MRI services 16 hours per week during the initial year of on-site

MRI services, growing to 32 hours per week in the following two years after going live.

c. Short and Long-term Viability:

Viability is supported by documented need (current mobile constraints, documented patient demand, unmet regional need), strong revenue projections, and the hospital's financial capacity to complete the Project. The MRI acquisition is a top priority within the Hospital's strategic vision. The Hospital is in a growth phase, focusing on strategic priorities to expand family medicine clinics, add more specialty care, and enhance diagnostic processes. Dallas County anticipates future growth in both the volume of existing service lines and the addition of new service lines for our communities, all of which will be further advanced through the addition of an MRI machine. The addition of a fixed MRI is a natural progression to sustain this integrated model and meet regional demand, and Dallas County can complete this growth phase through a combination of onsite capital funds and an already-awarded grant from Health and Human Services/Providing this level of service in our community furthers our mission of providing high-quality, personalized care accessible to all.

5. Community and Economic Impact

a. Community Engagement:

A fixed MRI will provide rural families faster diagnoses and quicker treatment initiation, reduce travel and associated costs (currently approximately 30 miles to Des Moines or Boone), and strengthen care continuity by aligning imaging with Dallas County's on-site clinical services including emergency services, cardiopulmonary services, oncology services, and specialty clinics.

b. Resource Availability:

The vendor/manufacturer of the selected MRI system will provide comprehensive support including standard rigging and installation, a Project Manager who will be the single point of contact for implementation, initial and final drawings, and coordination of equipment installation, rigging, and on-site clinical education. The quote from Brown's Medical Imaging includes two weeks of initial staff training covering protocols, patient positioning, MR Magnet Safety, MR System Operation, and patient positioning in RF Coils.

c. Organizational Relationships:

The MRI program supports regional patient relationships by reducing diversions to distant facilities and facilitating coordinated care locally. The Hospital is affiliated with MercyOne as part of its integrated health network, providing access to broader system resources and expertise. The Hospital also maintains partnerships with visiting specialty providers through Iowa Ortho and McFarland Clinic.

6. Project Planning

a. Project Timeline:

Service initiation will follow construction, installation, and staff training. Based on the Project timeline developed for the Healthy Hometowns grant application:

Event Target Date

Submit Certificate of Need for Approval March – May 2026

Issue Contract for Attached Building Construction September 2026

Issue Contract for MRI Machine Procurement June 2026

Attached Building Construction October – July 2027

Install MRI Machine August-September 2027

Conduct MRI Machine Testing & Staff Training August – September 2027

"Grand Opening" & First Appointments September 2027

b. Innovative Components:

The selected MRI system, a SIGNA Artist 1.5T 30.3, includes several innovative features:
AIR™ Coils: Accommodate various scan types and patient sizes, ensuring comfort and coverage.

AIR™ Recon DL improves SNR & image sharpness, enabling shorter scan times
The SIGNA Artist 1.5T 30.3 has the lowest power consumption its class and Low-Helium Magnet technology.

c. Regulatory Compliance:

Dallas County will satisfy all applicable regulatory requirements (e.g., shielding, HVAC/electrical codes, QA and dose standards, equipment licensing for calibration sources) and coordinate permits, site inspections, and manufacturer site preparation guidelines. Dallas County will ensure compliance with State of Iowa Licensure requirements for medical equipment purchasing, such as radiological permits, prior to use of equipment. The MRI suite construction includes appropriate shielding, HVAC, and electrical support as specified in the construction budget. Any additional construction permits related to the attached building will be secured as needed.

7. Special Criteria for Specific Services:

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

Continued reliance on mobile MRI or out-of-region referral to Des Moines or Boone would not resolve documented scheduling bottlenecks, two-week waiting times, patient safety concerns, or the care fragmentation experienced by rural families. A fixed MRI at Dallas County is the prudent alternative to ensure timely access and integrated care.

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

Existing regional MRI access via mobile is maximized but insufficient; referrals outside of Dallas County to Des Moines and Boone reflect reliance on non-local capacity, indicating local fixed utilization would be appropriate and efficient. According to a report detailing the geographic origin of Medicare patients located within a 20-mile radius of the Hospital who received MRIs in 2023, nearly 2,000 Medicare patients traveled to Des Moines for services.

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

The Project entails construction of a new MRI suite addition attached to the existing hospital structure with targeted shielding, HVAC, and electrical upgrades aligned to manufacturer specifications, representing a prudent modernization to integrate MRI with existing services. The facility layout will incorporate an MRI room, control room, dressing rooms, and supporting spaces, including equipment storage. Patients will enter the MRI waiting area via an entrance to the building that already exists.

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

Without the Project, serious access problems persist, including severely limited availability of MRI services (currently only four hours per week with mobile unit on Saturdays), resulting in two-week wait times and patients being referred out or having to travel approximately 30 miles to Des Moines or Boone for timely imaging. With the Project, wait times can be reduced and imaging can be coordinated locally with emergency services, cardiopulmonary services, oncology services, orthopedic services, and other clinical services.

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

Not applicable.

Signature

Attorney Tara Hall

Additional Supporting Documents Upload

26.04.14 Dallas County MRI Certificate of Need Application.pdf

26.04.14 DCH MRI Construction Cost Budget Estimate.pdf

26.04.14 GE Healthcare Quote.pdf

26.04.14 MRI Financial Projections.pdf