



## 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**

Michelle Majerus

**Primary Contact Employer**

Avera Holy Family Hospital

**Primary Contact Email**

michelle.majerus@avera.org

**Facility Name**

Avera Holy Family Hospital

**Facility Address**

826 North 8th Street, Estherville, Iowa 51334

**Project Title**

Avera Holy Family Hospital - MRI Replacement

**Project Type**

No change in bed capacity or service

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

No

### 1. Applicant and Facility Overview

**a. Project Purpose and Objectives:**

This project is to replace Avera Holy Family Hospital's (AHF) existing GE SIGNA HDxt MRI equipment with a new state-of-the-art GE 1.5T SIGNA Artist MRI due to equipment lifespan at end of life. Under the Rural Health Transformation Plan funding opportunity, replacement of this equipment removes a structural barrier that currently excludes patients with mobility limitations, oxygen needs, and higher acuity conditions from local access. This new equipment will also improve access to timely diagnostics that support downstream inpatient and outpatient services.

Avera's mission is to make a positive impact in the lives and health of persons and communities by providing quality services guided by Christian values. A new MRI will have meaningful and measurable impact on the health of individuals and the broader community (geographical service area). Examples of this include earlier disease, illness, and injury detection and improved outcomes, expanded access to advanced imaging, reducing wait times and faster treatment decisions, enhanced patient experience and safety, support for preventive and chronic disease management, and strengthening local healthcare infrastructure for years of continued care in rural Iowa.

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

This project directly addresses inequalities by replacing the fully depreciated, end of life MRI (and trailer that houses the MRI) with a new GE 1.5T SIGNA Artist MRI and will improve access that keeps patients in a new, safe, institutionally-compliant controlled environment. The new MRI equipment supported by the State of Iowa will strengthen Avera Holy Family's essentiality in the Estherville community and surrounding area, while also supporting the recruitment of the best and brightest Family Practice providers to the community through having the latest equipment available for imaging services. The highest quality scans will equip and enhance providers with valuable patient knowledge and information to effectively screen for, detect, and diagnose disease, illness, or injury as well as manage chronic conditions, directly linking to the State of Iowa's goals for supporting cancer, cardiovascular, or chronic disease management through multiple screen types - organ evaluation, tumor scans, and cardiovascular screenings.

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

With the new, state-of-the-art MRI, Avera Holy Family expects an incremental increase of 20% patient volume first year, followed by 10% increase year over year through FY32, then decreasing to 5% year over year thereafter. This incremental increase will be realized through enhanced imaging, reduced diversion to non-Avera facilities, advancement in staff training, increase in competitive market share for primary care services, and throughput efficiency gained with separate dressing room and sub wait area in the new, safe, institutionally-compliant controlled environment.

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

The target population for this project is all residents and visitors in the Estherville community and surrounding area. Population opportunity in AHF's service area is approximately 10,000 residents plus visitors.

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

Part of the Avera Health System, Avera Holy Family Hospital has strong partnerships with area hospitals - Lakes Regional Healthcare and Spencer Hospital, both Avera partners as well as Palo Alto County Health System. AHF also is a partner in care with local and regional skilled nursing facilities, EMS, and independent providers for primary and specialty services (e.g., NW Iowa Bone and Joint, NW Iowa Surgeons, Woman to Woman Clinic, etc.)

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

The funding source for the MRI equipment in this project is Healthy Hometowns - Iowa's Rural Health Transformation Plan - Best and Brightest Medical Equipment grant. The funding source for an institutionally-compliant MRI suite to house the MRI equipment is Avera Holy Family Hospital.

**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:**

The need of this project is to replace AHF's existing GE SIGNA HDxt MRI equipment with a new state-of-the-art GE 1.5T SIGNA Artist MRI due to equipment lifespan at end of life.

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

Within the Estherville community, AHF is the only healthcare facility to offer MRI service. Hospitals within the region do offer MRI service, with the nearest facility approximately 15 miles from Estherville.

**c. Alternatives Analysis:**

Continue with current, end of life MRI until full equipment failure or imaging physicist no longer certifies the scanner for clinical use after verifying magnetic field homogeneity and safety parameters.

**d. Accessibility Considerations:**

Transportation barriers are present today for many patients within AHF's service area. Public transportation is scarce and many individuals are without family/friends to assist with transportation needs.

**e. Community Input/Support:**

The Avera Holy Family Board of Directors represent both the hospital and those served by the hospital, and unanimously support the new MRI which will offer state-of-the-art image technology, reduce artifact and repeat imaging, and improve overall image quality for enhanced diagnostics. This results in clearer visualization of anatomical structures, subtle pathology detection, and greater diagnostic confidence across neuro, musculoskeletal, abdominal, and vascular imaging - all of which contribute better patient experience, outcomes, and keeping care local.

**Document Upload (if needed)**

**f. Non-discriminatory Access:**

Avera's ministry calls us to care for the poor, frail, and at-risk people of society. We stand with the poor, trying to see the world the way they do and adjusting our actions accordingly. We turn no one away and are especially attentive to those whose resources are limited.

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

**a. Impact Assessment:**

Avera Holy Family Hospital currently offers MRI services and replacement will not have a negative impact of other providers within the geographical region. In fact, the installation new GE 1.5T SIGNA Artist MRI will significantly enhance physician satisfaction and recruitment efforts to rural Iowa by improving image quality, workflow efficiency, and overall reliability, providing for greater diagnostic confidence secondary to reduction in motion artifacts and repeat scans. The system's user-friendly interface and advanced software tools will allow MRI technicians the ability to focus more on patient care and less on technical limitations. Additionally, the new institutionally-compliant suite will provide enhanced safety and security for patients, staff, and others.

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

The new MRI equipment supported by the State of Iowa will strengthen Avera Holy Family's essentiality in the Estherville community and surrounding area, while also supporting the recruitment of the best and brightest Family Practice providers to the community through having the latest equipment available for imaging services. The highest quality scans will equip and enhance providers with valuable patient knowledge and information to effectively screen for, detect, and diagnose disease, illness, or injury as well as manage chronic conditions, directly linking to the State of Iowa's goals for supporting cancer, cardiovascular, or chronic disease management through multiple screen types - organ evaluation, tumor scans, and cardiovascular screenings.

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

With the new MRI equipment, AHF will be readily available to provide imaging services to neighboring hospitals when their MRI equipment is undergoing maintenance or unexpected downtime.

## 4. Financial and Operational Feasibility

### a. Financial Projections and Feasibility:

The funding source for the MRI equipment in this project is Healthy Hometowns - Iowa's Rural Health Transformation Plan - Best and Brightest Medical Equipment grant. In the attached document, the cash flow of \$1,988,409 is grant funding. The funding source for the institutionally-compliant suite to house the MRI equipment is Avera Holy Family Hospital.

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

AHF MRI Project 3-Year Budget.pdf

### b. Staffing and Operations:

Avera Holy Family Hospital's Radiology Department is staffed with a manager and five radiology technicians, of which 4 are trained and competent to perform MRI imaging. Additional training will be provided through GE and Avera McKennan Hospital in Sioux Falls, South Dakota for the new MRI equipment.

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

This project has both short and long term viability. Once the MRI equipment is purchased with Healthy Hometowns - Iowa's Rural Health Transformation Plan - Best and Brightest Medical Equipment grant dollars, Avera Holy Family is required to continue meeting funding requirements, or else return funding as outlined in the grant agreement. If the business plan goals and objectives for this project are not met, immediate strategic alignment would be required. KPIs and performance benchmarks will be tracked at the onset of the project and continue thereafter. If either indicate a variance from performance expectations, a root cause analysis will be conducted to identify performance gaps, followed by implementing corrective action plan(s) to structure recovery to ensure continued viability.

## 5. Community and Economic Impact

### a. Community Engagement:

Emmet County is home to a diverse population and Avera's ministry is committed to care and treatment of all individuals presenting to Avera Holy Family Hospital. We turn no one away and are especially attentive to those whose resources are limited. Our mission is to make a positive impact in the lives and health of persons and communities by providing quality services guided by Christian values. AHF is essential in our community - supporting and giving back through the delivery of rural healthcare. We offer a reassuring presence in the community—combining modern healthcare with a welcoming, small-town approach. As part of the trusted Avera Health system, we provide a wide range of essential services, from emergency care and family medicine to specialty services and preventive health programs. Our community can expect a level of personal attention that reflects the close-knit nature of the area, where caregivers often know their patients by name and take the time to listen. Beyond our medical services, we play an important role in supporting the overall well-being of our region. AHF emphasizes compassionate care, community outreach, and wellness education. Additionally, AHF is one of the largest employers in Estherville, adding value to our local economy.

### b. Resource Availability:

Avera Holy Family Hospital, in partnership with the Avera Health system, GE, and project related partners has the resources necessary to support this project, without affording any unnecessary burden upon our community.

### c. Organizational Relationships:

Avera Holy Family Hospital engages with perspective individuals interested in pursuing careers in a variety of healthcare roles. Additionally, the Avera Health system has positive relationships with colleges, medical

schools, and residency programs to attract and retain top talent in rural health.

## 6. Project Planning

### a. Project Timeline:

Procurement of new MRI equipment to begin prior to June 1, 2026. Institutionally-compliant suite project to begin prior to July 1, 2026. Project completion and first patient receiving MRI imaging via new MRI scanner no later than August 1, 2027.

### b. Innovative Components:

State-of-the-art GE 1.5T SIGNA Artist MRI offering exceptional image quality with AI-driven speed (AIR Recon DL), a 70cm wide bore for patient comfort, and 360-degree coil coverage for superior versatility.

### c. Regulatory Compliance:

Avera McKennan imaging physicist must certify the new MRI scanner for clinical use after verifying magnetic field homogeneity and safety parameters.

## 7. Special Criteria for Specific Services:

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

This project requires an institutionally-compliant suite to house the new MRI.

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

Onsite MRI services are integral to hospital essentiality within the Estherville community and surrounding service area.

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

Onsite MRI services are integral to hospital essentiality within the Estherville community and surrounding service area.

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

Current GE SIGNA HDxt MRI is at end of life. Without this project, Avera Holy Family Hospital is at serious risk of full equipment failure or loss of certification of scanner for clinical use by physicist.

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

N/A

**Signature**

A handwritten signature in black ink that reads "Michelle Majerus". The signature is written in a cursive, flowing style.

## **Additional Supporting Documents Upload**