



COMMONWEALTH of VIRGINIA

Department of Health
PO BOX 2448
RICHMOND, VA 23218

M. Norman Oliver, MD, MA
State Health Commissioner

TTY 7-1-1 OR
1-800-828-1120

February 18, 2020

Ms. Mary Anne Harkins
Associate Special Advisor to EVP for Health Affairs
University of Virginia Health System
Post Office Box 800813
Charlottesville, Virginia 22908

RE: COPN No. VA-04695
University of Virginia Medical Center, Charlottesville, Virginia
Addition of one MRI scanner for diagnostic use at University Hospital

Dear Ms. Harkins:

In accordance with Chapter 4, Article 1.1 of Title 32.1 of the Code of Virginia of 1950 (the Code), as amended, I reviewed the application and all supporting documents submitted by Inova Health System to add one MRI scanner for diagnostic use at University of Virginia Medical Center.

As required by Section 32.1-102.3B of the Code, I have considered all factors that must be taken into account in a determination of public need, and I have concluded that **conditional approval** of the request is warranted based on the following findings:

1. The proposed project is consistent with the applicable criteria and standards of the State Medical Facilities Plan, or is in harmony or general agreement with the SMFP, and the Eight Required Considerations of the Code of Virginia.
2. The project is more favorable than the alternative of the status quo.
3. Approval of this project is unlikely to affect materially the underutilization of existing facilities and services in the planning district.
4. As a major educational institution in the field of medicine, approval of the project will increase access to MRI services for educational and research purposes.
5. While the costs of the project are high, they are necessary and reasonable for the project described.

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This certificate is valid for the period February 18, 2020 through February 17, 2021. The total authorized capital cost of the project is \$12,032,000.

Please file two copies of the application for a certificate extension with the Department no later than 30 days before the expiration date of the certificate. Part VIII of the Virginia Medical Care Facilities Certificate of Public Need Rules and Regulations identifies the filing requirements and review procedure for certificate extension requests.

Sincerely,

A handwritten signature in blue ink, reading "M. Norman Oliver MD".

M. Norman Oliver, MD, MA
State Health Commissioner

Enclosures

cc: Allyson Tysinger, Senior Assistant Attorney General, Commonwealth of Virginia
Erik Bodin, Director, Division of Certificate of Public Need
Deborah K. Waite, Operations Manager, Virginia Health Information
Denise Bonds, MD, MPH, District Director, Thomas Jefferson Health District

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF HEALTH

MEDICAL CARE FACILITIES CERTIFICATE OF PUBLIC NEED

THIS CERTIFIES THAT the Rector and Visitors of the University of Virginia on behalf of the University of Virginia Medical Center is authorized to initiate the proposal as described below.

NAME OF FACILITY: University of Virginia Medical Center

LOCATION: 1215 Lee Street Charlottesville, Virginia 22908

OWNERSHIP AND CONTROL: The Rector and Visitors of the University of Virginia on behalf of the University of Virginia Medical Center

SCOPE OF PROJECT: Add one MRI scanner for diagnostic use at University of Virginia Medical Center. The authorized Capital costs associated with this project total \$12,032,000. The project is expected to be completed and operational by October 1, 2022. This certificate is issued with the condition that appears on its reverse.



Pursuant to Chapter 4, Article 1:1 of Title 32.1, Sections 32.1-102.1 through 32.1-102.12 of the Code of Virginia (1950), as amended and the policies and procedures promulgated thereunder, this Medical Care Facilities Certificate of Public Need is issued contingent upon substantial and continuing progress towards implementation of the proposal within twelve (12) months from the date of issuance. A progress report shall be submitted to the State Health Commissioner within twelve (12) months from the date of issuance along with adequate assurance of completion within a reasonable time period. The Commissioner reserves the right not to renew this Certificate in the event the applicant fails to fulfill these conditions. This Certificate is non-transferable and is limited to the location, ownership, control and scope of the project shown herein.

Certificate Number: VA-04695

Date of Issuance: February 18, 2020

Expiration Date: February 17, 2021

M. Norman Oliver, MD, MA, State Health Commissioner

University of Virginia Medical Center will provide MRI services to all persons in need of this service, regardless of their ability to pay, and will provide as charity care to all indigent persons free services or rate reductions in services and facilitate the development and operation of primary care services to medically underserved persons in an aggregate amount equal to at least 4.5% of University of Virginia Medical Center's total patient services revenue derived from MRI services provided at University of Virginia Medical Center as valued under the provider reimbursement methodology utilized by the Centers for Medicare and Medicaid Services for reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq.

Compliance with this condition will be documented to the Division of Certificate of Public Need annually by providing audited or otherwise appropriately certified financial statements documenting compliance with the preceding requirement. University of Virginia Medical Center will accept a revised percentage based on the regional average after such time regional charity care data valued under the provider reimbursement methodology utilized by the Centers for Medicare and Medicaid Services for reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq. is available from Virginia Health Information. The value of charity care provided to individuals pursuant to this condition shall be based on the provider reimbursement methodology utilized by the Centers for Medicare and Medicaid Services for reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq.