



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

Mr. Thomas J. Stallings
McGuireWoods LLP
800 East Canal Street
Richmond, Virginia 23219-3916

RE: **COPN No. VA-04697**

**Spotsylvania Medical Center, Inc., d/b/a Spotsylvania Regional Medical Center
Establish a specialized center for CT imaging with one CT scanner**

Dear Mr. Stallings:

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 Spotsylvania Medical Center, Inc., d/b/a Spotsylvania Regional Medical Center to establish a specialized center for CT imaging with one CT scanner at Chancellor ER of Fredericksburg.

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 project is generally consistent with the applicable criteria and standards of the State Medical Facilities Plan and the eight Required Considerations of the Code of Virginia.
2. The applicant has demonstrated an institutional need to expand.
3. The project is more favorable than the alternative of the status quo.
4. The capital and financing costs are reasonable.

This certificate is valid for the period February 18, 2020 through February 17, 2021. The total authorized capital cost of the project is \$14,986,000.

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

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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 that reads "M. Norman Oliver" followed by a stylized monogram or set of initials.

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
Brooke Rossheim, MD, MPH, District Director, Rappahannock Health District

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF HEALTH

MEDICAL CARE FACILITIES CERTIFICATE OF PUBLIC NEED

THIS CERTIFIES THAT Spotsylvania Medical Center, Inc., d/b/a Spotsylvania Regional Medical Center is authorized to initiate the proposal as described below.

NAME OF FACILITY: Chancellor ER

LOCATION: 5001 Plank Road Fredericksburg, Virginia 22407

OWNERSHIP AND CONTROL: Spotsylvania Medical Center, Inc., d/b/a Spotsylvania Regional Medical Center

SCOPE OF PROJECT: Establish a specialized center for CT imaging with one CT scanner at Chancellor ER. The capital costs of the proposed project are \$14,986,000. The project is expected to be completed 24 months after COPN issuance. 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-04697

Date of Issuance: February 18, 2020

Expiration Date: February 17, 2021

A handwritten signature in dark ink, appearing to read "M. Norman Oliver MD".

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

Spotsylvania Regional Medical Center will provide CT 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 Spotsylvania Regional Medical Center's total patient services revenue derived from CT provided at Chancellor Emergency Department 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. Spotsylvania Regional 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.