



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. Philip Brown
2300 Fall Hill Avenue, Suite 511
Fredericksburg, Virginia 22401

RE: **COPN No. VA-04698**
Mary Washington Hospital, Inc.
Expand CT services at Mary Washington Hospital by adding one CT scanner

Dear Mr. Brown:

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 Mary Washington Hospital, Inc. to expand CT services by adding one CT scanner at Mary Washington Hospital.

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. There is no known opposition to the project.
5. 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 \$2,884,526.

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 MD". The signature is fluid and cursive, with the "MD" at the end being more distinct.

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 Mary Washington Hospital, Inc. is authorized to initiate the proposal as described below.

NAME OF FACILITY: Mary Washington Hospital

LOCATION: 1001 Sam Perry Boulevard Fredericksburg, Virginia 22401

OWNERSHIP AND CONTROL: Mary Washington Hospital, Inc.

SCOPE OF PROJECT: Expand diagnostic imaging services by adding one fixed CT scanner at Mary Washington Hospital. The capital costs of the proposed project are \$2,884,526. The project is expected to be completed by Quarter 1 of 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-04698

Date of Issuance: February 18, 2020

Expiration Date: February 17, 2021

A handwritten signature in cursive script, reading "M. Norman Oliver MD".

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

This project shall be included in and subject to Mary Washington Healthcare's 2.4% system-wide charity care condition (as reflected in Mary Washington Healthcare's letter of March 17, 2010) (the "MWHC System-Wide Condition"); provided, however that charity care under the MWHC System-Wide Condition shall be 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. Mary Washington Healthcare 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. In addition to any right to petition the Commissioner contained in the MWHC System-Wide Condition, to the extent Mary Washington Healthcare expects its MWHC System-Wide condition 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. or any revised percentage to materially alter the value of its charity care commitment thereunder, it may petition the Commissioner for a modification to the MWHC System-Wide Condition to resolve the expected discrepancy. Compliance with the MWHC System-Wide Condition will be documented to the Division of Certificate of Public Need annually by providing audited or otherwise appropriately certified financial statements documenting compliance.