



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

March 16, 2020

Mr. Thomas J. Stallings
McGuire Woods, LLP
800 East Canal Street
Richmond, Virginia 23219

RE: **COPN No. VA-04702**
HCA Health Services of Virginia, Inc.
Add 16 inpatient rehabilitation beds at Parham Doctors' Hospital

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 HCA Health Services of Virginia, Inc. d/b/a Henrico Doctors' Hospital to add 16 inpatient rehabilitation beds at Parham Doctors' 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. A reasonable, less costly, more efficient alternative to the proposed project does not exist.
3. There is no known opposition to the project.
4. The applicant has adequately demonstrated an institutional need to increase capacity at Parham Doctors Hospital.

This certificate is valid for the period March 16, 2020 through March 15, 2021. The total authorized capital cost of the project is \$4,927,475.

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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 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
Danny Avula, MD, MPH Acting District Director, Henrico Health District

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF HEALTH
MEDICAL CARE FACILITIES CERTIFICATE OF PUBLIC NEED

THIS CERTIFIES THAT HCA Health Services of Virginia, Inc. is authorized to initiate the proposal as described below.

NAME OF FACILITY: Parham Doctors' Hospital, a campus of Henrico Doctors' Hospital

LOCATION: 7700 East Parham Road Richmond, Virginia 23294

OWNERSHIP AND CONTROL: HCA Health Services of Virginia, Inc.

SCOPE OF PROJECT: Add 16 inpatient rehabilitation beds at Parham Doctors' Hospital. Capital costs associated with the proposed project total \$4,927,475. The project is expected to be completed eight 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-04702

Date of Issuance: March 16, 2020

Expiration Date: March 15, 2021


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

HCA Health Services of Virginia, Inc. d/b/a Henrico Doctors' Hospital will provide medical rehabilitation 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 medical rehabilitation services to medically underserved persons in an aggregate amount equal to at least 3.7% of HCA Health Services of Virginia, Inc. d/b/a Henrico Doctors' Hospital total patient services revenue derived from medical rehabilitation services provided at Parham Doctors' Hospital 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. HCA Health Services of Virginia, Inc. d/b/a Henrico Doctors' Hospital 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