



COMMONWEALTH of VIRGINIA

Department of Health
P O BOX 2448
RICHMOND, VA 23218

M. Norman Oliver, MD, MA
State Health Commissioner

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

May 25, 2020

Ms. Jamie B. Martin
Williams Mullen
Williams Mullen Center
200 South 10th Street, Suite 1600
Richmond, Virginia 23219

RE: COPN No. VA-04705

**Virginia Commonwealth University Health System Authority, Richmond, Virginia
Add 58 Medical-Surgical Beds and 14 Intensive Care Unit Beds**

Dear Ms. Martin:

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 Virginia Commonwealth University Health System Authority to add 58 medical-surgical beds and 14 intensive care unit beds.

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 Medical Facilities Plan and the Eight Required Considerations of the Code of Virginia.
2. The applicant has adequately demonstrated an institutional need to expand its existing inventory of medical-surgical and intensive care unit beds.
3. There is a calculated deficit of intensive care unit beds in PD 15.
4. There is no known opposition to the proposed project.
5. The project is financially feasible.

6. The projected capital costs are reasonable.
7. Approval of the proposed project is not likely to have a significant impact on existing providers of inpatient beds services.

This certificate is valid for the period May 25, 2020 through May 24, 2021. The total authorized capital cost of the project is \$17,553,745.

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 initials "MD" clearly visible at the end.

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, District Director, Richmond City Health District

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

THIS CERTIFIES THAT Virginia Commonwealth University Health System Authority is authorized to initiate the proposal as described below.

NAME OF FACILITY: VCU Medical Center

LOCATION: 1300 E. Marshall Street, Richmond, Virginia 23298

OWNERSHIP AND CONTROL: Virginia Commonwealth University Health System Authority

SCOPE OF PROJECT: Add 58 medical-surgical beds and 14 intensive care unit beds at VCU Medical Center. Capital costs associated with this project total \$17,553,745. The project is expected to be complete by January 1, 2021. This certificate is issued with the condition that appears on its reverse.



Pursuant to Chapter 4, Article 11 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-04705

Date of Issuance: May 25, 2020

Expiration Date: May 24, 2021


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

Virginia Commonwealth University Health System Authority will provide inpatient bed services to all persons in need of this service, regardless of their ability to pay, and will facilitate the development and operation of primary medical care services to medically underserved persons in PD 15 in an aggregate amount equal to at least 3.7% of Virginia Commonwealth University Health System's gross patient revenue derived from inpatient bed services. 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. Virginia Commonwealth University Health System authority 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.