

COMMONWEALTH of VIRGINIA

M. Norman Oliver, MD, MA State Health Commissioner Department of Health
P O BOX 2448
RICHMOND, VA 23218

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

July 24, 2020

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

RE: COPN No. VA-04711

Columbia/HCA John Randolph, Inc. d/b/a John Randolph Medical Center Expand existing inpatient psychiatric services by converting up to 16 general acute medical-surgical beds to inpatient psychiatric beds

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 John Randolph Medical Center as Certificate of Public Need Request number VA-8495 to expand existing inpatient psychiatric services by converting up to 16 general acute medical-surgical beds to inpatient psychiatric beds on the John Randolph Medical Center campus.

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:

- The proposed 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 capital cost of the proposed project is reasonable.
- The proposed project appears to be economically viable in the immediate and longterm.
- 4. The proposed project enjoys broad support from area health professionals and community service boards in PD 19.

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- 5. The proposed project is more favorable than maintaining the status quo.
- 6. The applicant has adequately demonstrated an institutional need to expand existing inpatient psychiatric services at John Randolph Medical Center.
- 7. Approval of the proposed project is not likely to have a significant negative impact on the existing providers of inpatient psychiatric services in PD 19.

This certificate is valid for the period July 24, 2020 through July 23, 2021. The total authorized capital cost of the project is \$2,577,000.

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,

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 Alton Hart Jr., MD, MPH, District Director, Crater Health District



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

the proposal as described below. THIS CERTIFIES THAT Columbia/HCA John Randolph, Inc. d/b/a John Randolph Medical Center is authorized to initiate

NAME OF FACILITY: John Randolph Medical Center

LOCATION: 411 W Randolph Road, Hopewell, Virginia 23860

OWNERSHIP AND CONTROL: John Randolph Medical Center

expected to be completed by August 20, 2022. This certificate is issued with the condition that appears on its reverse SCOPE OF PROJECT: Expand existing inpatient psychiatric services by converting 16 general acute medical-surgical beds to (147) at John Randolph Medical Center. Authorized capital costs associated with this project total \$2,577,000. The project is inpatient psychiatric beds, for a total of 56 adult inpatient psychiatric beds, with no change in the total number of licensed beds



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

Certificate Number: VA-04711

Date of Issuance: July 24, 2020

Expiration Date: <u>July 23, 2021</u>

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

utilized by the Centers for Medicare and Medicaid Services for reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. The value of charity care provided individuals pursuant to this condition shall be based on the provider reimbursement methodology reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq. is available from Virginia Health Information. data valued under the provider reimbursement methodology utilized by the Centers for Medicare and Medicaid Services for John Randolph Medical Center will accept a revised percentage based on the regional average after such time regional charity care providing audited or otherwise appropriately certified financial statements documenting compliance with the preceding requirement. psychiatric services. Compliance with this condition will be documented to the Division of Certificate of Public Need annually by PD 19 in an aggregate amount equal to at least 3.7% of John Randolph Medical Center's gross patient revenue derived from inpatient ability to pay, and will facilitate the development and operation of primary medical care services to medically underserved persons in John Randolph Medical Center will provide inpatient psychiatric services to all persons in need of this service, regardless of their