



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

September 21, 2020

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

RE: COPN No. VA-04722

**Columbia Alleghany Regional Hospital, Incorporated, Low Moor, Virginia
Expand inpatient psychiatric services by converting 14 medical/surgical beds to
inpatient psychiatric beds at LewisGale Hospital Alleghany**

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 Columbia Alleghany Regional Hospital, Incorporated to expand inpatient psychiatric services by converting 14 medical/surgical beds to inpatient psychiatric beds at LewisGale Hospital Alleghany.

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 Alleghany project is consistent with the applicable provisions of the State Health Services Plan (SHSP) and the public interests and purposes to which the SHSP and the COPN law are dedicated.
2. The DCOPN staff report provides analysis of the proposed project in relation to the statutory considerations by which public need is gauged and a sufficient basis for approval of the proposed project.
3. The existing 15-bed gero-psychiatric unit was approved in 2010 without a charity care condition due to the nature of the patients who are served by this unit and the method of remuneration normally available to them.

Mr. Thomas J. Stallings
Columbia Alleghany Regional Hospital, Incorporated
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This certificate is valid for the period September 21, 2020 through September 20, 2021. The total authorized capital cost of the project is \$2,526,000.

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,

A handwritten signature in blue ink that reads "M. Norman Oliver MD". The signature is fluid and cursive, with the initials "MD" written separately 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
Laura P. Kornegay, MD, MPH, District Director, Alleghany Health District

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

THIS CERTIFIES THAT Columbia Alleghany Regional Hospital, Incorporated is authorized to initiate the proposal as described below.

NAME OF FACILITY: LewisGale Hospital Alleghany

LOCATION: 1 ARH Lane, Low Moor, Virginia 24457

OWNERSHIP AND CONTROL: Columbia Alleghany Regional Hospital, Incorporated

SCOPE OF PROJECT: Expand inpatient psychiatric services by converting 14 medical/surgical beds to inpatient psychiatric beds at LewisGale Hospital Alleghany. Capital costs associated with this project total \$2,526,000. The project is expected to be completed by October 31, 2023. 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-04722

Date of Issuance: September 21, 2020

Expiration Date: September 20, 2021


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

Lewis Gale Hospital Alleghany will provide inpatient psychiatric 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 5 in an aggregate amount equal to at least 3.1% of LewisGale Hospital Alleghany's gross patient revenue derived from inpatient psychiatric services in only the new 14-bed unit recommended for approval herein. 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. LewisGale Hospital Alleghany 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 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.

Lewis Gale Hospital Alleghany will provide inpatient psychiatric care to individuals who are eligible for benefits under Title XVIII of the Social Security Act (42 U.S.C. § 1395 et seq.), Title XIX of the Social Security Act (42 U.S.C. § 1396 et seq.), and 10 U.S.C. § 1071 et seq. Additionally Lewis Gale Hospital Alleghany will facilitate the development and operation of primary and specialty medical care services in designated medically underserved areas of the applicant's service area.