



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

August 31, 2020

Ms. Emily Towey
Hancock, Daniel & Johnson, P.C.
4701 Cox Road
Suite 400
Glen Allen, VA 23060

RE: COPN No. VA-04718
Augusta Health Care, Inc. d/b/a Augusta Health, Fishersville, Virginia
Add one CT Scanner at Augusta Health

Dear Ms. Towey:

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 Augusta Health Care, Inc. d/b/a Augusta Health to add one CT scanner.

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 CT imaging capacity.
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.
6. The project appears to be economically feasible both in the immediate and long-term.
7. The project establishes a lower cost imaging option for residents of PD 6.

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This certificate is valid for the period August 31, 2020 through August 30, 2021.
The total authorized capital cost of the project is \$4,302,893.72.

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, reading "M. Norman Oliver MD".

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 Central Shenandoah Health
District

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

THIS CERTIFIES THAT Augusta Health Care, Inc. is authorized to initiate the proposal as described below.

NAME OF FACILITY: Augusta Health Care, Inc. d/b/a Augusta Health

LOCATION: 78 Medical Center Drive, Fishersville, Virginia 22939

OWNERSHIP AND CONTROL: Augusta Health Care, Inc.

SCOPE OF PROJECT: Add one CT scanner at a freestanding diagnostic imaging center on the Augusta Health campus. Authorized capital costs associated with this project total \$4,302,893.72. The project is expected to be completed by July 1, 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-04718

Date of Issuance: August 31, 2020

Expiration Date: August 30, 2021


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

Augusta Health Care, Inc. d/b/a Augusta Health will provide CT 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 the development and operation of primary care services to medically underserved persons in an aggregate amount equal to at least 4.5% of Augusta Health Care, Inc. d/b/a Augusta Health's total patient services revenue derived from CT services provided at Augusta Health 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. Augusta Health Care, Inc. d/b/a Augusta Health 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.

Augusta Health Care, Inc. d/b/a Augusta Health will provide CT 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 Augusta Health Care, Inc. d/b/a Augusta Health will facilitate the development and operation of primary and specialty medical care services in designated medically underserved areas of the applicant's service area.