



COMMONWEALTH of VIRGINIA

Department of Health

PO BOX 2448
RICHMOND, VA 23218

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

M. Norman Oliver, MD, MA
State Health Commissioner

November 20, 2020

Ms. Mary Welch-Flores
Business Development Manager
Valley Health
220 Campus Boulevard, Suite 210
Winchester, Virginia 22601

RE: COPN No. VA-04726

Warren Memorial Hospital, Front Royal, Virginia

Add one fixed MRI scanner and one fixed CT scanner at Warren Memorial Hospital

Dear Ms. Welch-Flores:

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 Warren Memorial Hospital to add one fixed MRI scanner and one fixed CT scanner at Warren Memorial 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. Both components of the Warren Memorial Hospital project are consistent with applicable provisions of the State Health Services Plan and the public interests and purposes to which that plan and the COPN law are dedicated;
2. The capital costs of the project, as proposed, are reasonable;
3. The proposed project is economically viable in the immediate term and in the long-term;
4. There is no known opposition to the project, as proposed;
5. No reasonable alternatives to the project, as proposed, exists;
6. The applicant has adequately demonstrated a unique institutional need for both the CT and the MRI components of the project.

This certificate is valid for the period November 20, 2020 through November 19, 2021. The total authorized capital cost of the project is \$3,771,844.

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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 letters "M", "N", and "O" being particularly prominent.

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
Colin M. Greene, MD, MPH, District Director, Lord Fairfax Health District

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

THIS CERTIFIES THAT Warren Memorial Hospital is authorized to initiate the proposal as described below.

NAME OF FACILITY: Warren Memorial Hospital

LOCATION: 351 Valley Health Way, Front Royal, Virginia 22630

OWNERSHIP AND CONTROL: Warren Memorial Hospital

SCOPE OF PROJECT: Add one fixed MRI scanner and one fixed CT scanner at Warren Memorial Hospital. Capital costs associated with this project total \$3,771,844. The project is expected to be completed by April 30, 2021. 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-04726

Date of Issuance: November 20, 2020

Expiration Date: November 19, 2021


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

Warren Memorial Hospital will provide computed tomography (CT) and magnetic resonance imaging (MRI) services to all persons in need of these services, regardless of their ability to pay, and will facilitate the development and operation of primary medical care services to medically underserved persons in PD 7 in an aggregate amount equal to at least 3.8% of Warren Memorial Hospital's gross patient revenue derived from CT and MRI 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. Warren Memorial 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 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.

Warren Memorial Hospital, will provide CT and MRI 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 Warren Memorial Hospital will facilitate the development and operation of primary and specialty medical care services in designated medically underserved areas of the applicant's service area.