



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

December 21, 2020

Mr. Daniel Herlihy
VCU Hospitals Administration
1200 East Marshall Street, Box 980010
Richmond, Virginia 23298-0010

RE: **COPN No. VA-04729**

Virginia Commonwealth University Health System Authority, Richmond, Virginia
Establish a specialized center for CT services with one fixed CT scanner at VCU Health
Imaging at Southpark Medical Center in Colonial Heights

Dear Mr. Herlihy:

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 establish a specialized center for CT services with one fixed CT scanner at VCU Health Imaging at Southpark Medical Center in Colonial Heights.

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 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.
3. The proposed project appears economically viable in the immediate and the long-term.
4. The project is more favorable than the alternative of the status quo.

This certificate is valid for the period December 21, 2020 through December 20, 2021. The total authorized capital cost of the project is \$8,000,161.

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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 "MD" at the end being more distinct.

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

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 Health Imaging at Southpark Medical Center

LOCATION: 325 Charles H. Dimmock Parkway, Colonial Heights, Virginia 23834

OWNERSHIP AND CONTROL: Virginia Commonwealth University Health System Authority

SCOPE OF PROJECT: Establish a specialized center for CT services with one fixed CT scanner at VCU Health Imaging at Southpark Medical Center. Capital costs associated with this project total \$8,000,161. The project is expected to be completed by May 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-04729

Date of Issuance: December 21, 2020

Expiration Date: December 20, 2021


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

Virginia Commonwealth University Health System Authority will provide computed tomography (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 CT imaging services to medically underserved persons in an aggregate amount equal to at least 3.7% of Virginia Commonwealth University Health System Authority's total patient services revenue derived from CT imaging services provided at VCU Health Imaging 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. 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.

Virginia Commonwealth University Health System Authority will provide CT services 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 Virginia Commonwealth University Health System Authority will facilitate the development and operation of primary and specialty medical care services in designated medically underserved areas of the applicant's service area.