



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

Ms. Jamie B. Martin
Williams Mullen
200 South 10th Street, Suite 1600
Richmond, Virginia 23219

RE: COPN No. VA-04727

**Virginia Commonwealth University Health System Authority, Richmond, Virginia
Add Two General Purpose Operating Rooms at VCU Medical Center**

Dear Ms. Martin:

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 add two general purpose operating rooms on the VCU 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:

1. The project is generally consistent with the applicable criteria and standards of the State Medical Facilities Plan and the Eight Required Conditions of the Code of Virginia.
2. The capital costs are reasonable.
3. The proposed project appears economically viable both in the immediate and in the long-term.
4. No reasonable alternatives to the proposed project exist.
5. The applicant has adequately demonstrated a unique institutional need for the addition of the requested two general-purpose operating rooms.
6. There is no known opposition to the proposed project.

7. Approval of the proposed project is not likely to have a significant negative impact on the existing providers of surgical services.
8. The proposed project will address a calculated deficit of general-purpose operating rooms in PD 15.

This certificate is valid for the period December 21, 2020 through December 20, 2021. The total authorized capital cost of the project is \$1,548,000.

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 "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
Danny Avula, MD, MPH, District Director, Richmond City 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 Medical Center

LOCATION: 1250 E. Marshall Street, Richmond, Virginia 23298

OWNERSHIP AND CONTROL: Virginia Commonwealth University Health System Authority

SCOPE OF PROJECT: Add two general-purpose operating rooms at VCU Medical Center, for a total of 39 general-purpose operating rooms. Capital costs associated with this project total \$1,548,000. The project is expected to be completed by August 15, 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-04727

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 surgical 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 3.7% of Virginia Commonwealth University Health System Authority's total patient services revenue derived from surgical services provided at the VCU Medical Center 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 surgical 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.