



COMMONWEALTH of VIRGINIA

Department of Health

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RICHMOND, VA 23218

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1-800-828-1120

M. Norman Oliver, MD, MA
State Health Commissioner

January 25, 2021

Mr. Peter Mellette
Mellette P.C.
428 McLaws Circle, Suite 200
Williamsburg, Virginia 23185

RE: COPN No. VA-04732

**Chesapeake Regional Medical Center, Chesapeake, Virginia
Introduce psychiatric services and add 20 adult psychiatric beds at Chesapeake Regional Medical Center**

Dear Mr. Mellette:

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 Chesapeake Hospital Authority d/b/a Chesapeake Regional Medical Center to introduce psychiatric services and add 20 adult psychiatric beds at Chesapeake Regional Medical Center.

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 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 proposed project will lessen the burden on highly utilized state hospitals.
3. The proposed project is more advantageous than the status quo.
4. The project has no opposition from other providers, health care professionals or community representatives.
5. The capital costs of the proposed project are reasonable.
6. The applicant has committed to accepting all patients presenting under temporary detention orders.

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This certificate is valid for the period January 25, 2021 through January 24, 2022. The total authorized capital cost of the project is \$6,139,142.

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". The signature is fluid and cursive, with the initials "MD" 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
Nancy Welch, MD, MHA, MBA, District Director, Chesapeake Health District

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

THIS CERTIFIES THAT Chesapeake Hospital Authority d/b/a Chesapeake Regional Medical Center is authorized to initiate the proposal as described below.

NAME OF FACILITY: Chesapeake Regional Medical Center

LOCATION: 736 Battlefield Boulevard, North, Chesapeake, Virginia 23320

OWNERSHIP AND CONTROL: Chesapeake Hospital Authority d/b/a Chesapeake Regional Medical Center

SCOPE OF PROJECT: Introduce inpatient psychiatric services with the addition of 20 beds for inpatient adult psychiatric care at Chesapeake Regional Medical Center. Chesapeake Regional Medical Center's resulting total licensed hospital bed capacity will be 330 beds. Capital costs associated with this project total \$6,139,142. The project is expected to be completed by February 29, 2024. 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-04732

Date of Issuance: January 25, 2021

Expiration Date: January 24, 2022


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

Chesapeake Hospital Authority d/b/a Chesapeake Regional Medical Center will provide psychiatric services to all persons in need of these services, 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 5.1% of Chesapeake Hospital Authority d/b/a Chesapeake Regional Medical Center's total patient services revenue derived from psychiatric services provided at Chesapeake Regional 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. Chesapeake Hospital Authority d/b/a Chesapeake Regional Medical Center 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. § 1et seq.

Chesapeake Hospital Authority d/b/a Chesapeake Regional Medical Center will provide psychiatric 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 Chesapeake Hospital Authority d/b/a Chesapeake Regional Medical Center will facilitate the development and operation of primary and specialty medical care services in designated medically underserved areas of the applicant's service area.