

COMMONWEALTH of VIRGINIA

Colin M. Greene, MD, MPH Acting State Health Commissioner Department of Health P O BOX 2448 RICHMOND, VA 23218

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

February 7, 2022

Ms. Sharon K. Honaker
Planning Consultant
Planning and Community Development
Carilion Clinic
213 McClanahan Street, Suite 400
Roanoke, Virginia 24014

RE: COPN No. VA-04783

Carilion Roanoke Memorial Hospital, Roanoke, Virginia Establish a Medical Care Facility for CT Imaging with One CT Scanner

Dear Ms. Honaker:

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 Carilion Roanoke Memorial Hospital to establish a medical care facility for CT imaging with 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:

- 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 costs are reasonable.
- 3. The proposed project appears economically viable both in the immediate and in the long-term.
- 4. No better alternative to the proposed project exists.

Ms. Sharon K. Honaker Carilion Clinic February 7, 2022 Page 2

- 5. The applicant has adequately demonstrated a unique institutional need for the additional CT scanner.
- 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 staffing or utilization of existing PD 5 providers of CT services.

This certificate is valid for the period February 7, 2022 through February 6, 2023. The total authorized capital cost of the project is \$1,947,003.

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,

Colin M. Greene, MD, MPH Acting State Health Commissioner

Enclosure

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 Cynthia B. Morrow, MD, MPH, District Director, Roanoke City Health District



COMMONWEALTH OF VIRGINIA

DEPARTMENT OF HEALTH

MEDICAL CARE FACILITIES CERTIFICATE OF PUBLIC NEED

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

NAME OF FACILITY: Carilion Roanoke Memorial Hospital

LOCATION: 2132 Franklin Road SW, Roanoke, Virginia 24014

OWNERSHIP AND CONTROL: Carilion Roanoke Memorial Hospital

SCOPE OF PROJECT: Establish a medical care facility for CT imaging with one CT scanner. Upon completion of the project, Carilion Roanoke Memorial Hospital will be authorized to operate a total complement of nine CT scanners eight scanners will be located at the main hospital campus and the ninth scanner will be located at the proposed new facility. Capital costs associated with this project total \$1,947,003. The project is expected to be completed by October 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 fulfili these conditions. This Certificate is non-transferable and is limited to the location, ownership, control and scope of the project shown

Certificate Number: VA-04783

Date of Issuance: February 7, 2022

Expiration Date: February 6, 2023

Colin M. Greene, MD, MPH, Acting State Health Commissioner

reimbursement methodology utilized by the Centers for Medicare and Medicaid Services for reimbursement under Title reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq. is available from Virginia Health valued under the provider reimbursement methodology utilized by the Centers for Medicare and Medicaid Services for appropriately certified financial statements documenting compliance with the preceding requirement. Carilion Roanoke Information. The value of charity care provided to individuals pursuant to this condition shall be based on the provider Memorial Hospital will accept a revised percentage based on the regional average after such time regional charity care data this condition will be documented to the Division of Certificate of Public Need annually by providing audited or otherwise services and facilitate the development and operation of primary care services to medically underserved persons in an XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq. Medicaid Services for reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq. Compliance with from CT services as valued under the provider reimbursement methodology utilized by the Centers for Medicare and aggregate amount equal to at least 1.6% of Carilion Roanoke Memorial Hospital's total patient services revenue derived regardless of their ability to pay, and will provide as charity care to all indigent persons free services or rate reductions in Carilion Roanoke Memorial Hospital will provide computed tomography (CT) services to all persons in need of this service,

primary and specialty medical care services in designated medically underserved areas of the applicant's service area. 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, Carilion Roanoke Memorial Hospital will facilitate the development and operation of Carilion Roanoke Memorial Hospital will provide CT services to individuals who are eligible for benefits under Title XVIII