

VIRGINIA DEPARTMENT OF HEALTH

Office of Licensure and Certification

Division of Certificate of Public Need

Staff Analysis Report

March 21, 2022

COPN Request No. VA-8606

Sentara Hospitals d/b/a Sentara Leigh Hospital

Norfolk, Virginia

Expand CT Services with the Addition of One Fixed CT scanner

Applicant

Sentara Hospitals d/b/a Sentara Leigh Hospital (SLH) is a wholly owned subsidiary of Sentara Healthcare (Sentara). Sentara is a 501(c)(3) not-for-profit, non-stock corporation headquartered in Norfolk, Virginia. SLH is located in Norfolk, Virginia, Health Planning Region (HPR) V, Planning District (PD) 20.

Background

SLH is a 247-bed hospital that provides a variety of services including medical, surgical, intensive care, obstetric, cardiac, diagnostic imaging, and emergency services. SLH also specializes in the full continuum of orthopedics care and operates several specialty centers, including Sentara OrthoJoint Center, Sentara Spine Center, Sentara Foot & Ankle Center, and Sentara Hand Specialty Center. Additionally, SLH operates the Sentara Brock Cancer Center on the hospital campus. SLH is one of thirty COPN authorized providers of CT services in PD 20 (**Table 1**). In 2020, the last year for which the Division of Certificate of Public Need (DCOPN) has data available from Virginia Health Information (VHI), SLH's three CT scanners operated at 163.7% of the State Medical Facilities Plan (SMFP) utilization threshold (**Table 4**).

Table 1. PD 20 COPN Authorized CT Units

Fixed Units	
Facility	Number of Scanners
Bon Secours DePaul Medical Center	2
Bon Secours Harbour View Hospital	1
Bon Secours Health Center at Harbour View	1
Bon Secours Maryview Medical Center	2
Bon Secours Southampton Memorial Hospital	1
Chesapeake Bay ENT P.C. - Corporate Landing	1
Chesapeake Bay ENT P.C. - Suffolk	1
Chesapeake Regional Medical Center	4
Children's Hospital of The King's Daughters	2
Children's Hospital of The King's Daughters Health and Surgery Center at Concert Drive	1
Children's Hospital of The King's Daughters Health Center at Fort Norfolk	1
First Meridian d/b/a MRI & CT Diagnostics - Virginia Beach	1
First Meridian d/b/a MRI & CT Diagnostics - Chesapeake	1
Hanbury Imaging Center	1
Lakeview Medical Center	1
Riverside Diagnostic Center - Smithfield	1
Sentara Advanced Imaging Center - Belleharbour	2
Sentara Advanced Imaging Center - Greenbrier Healthplex	1
Sentara Brock Cancer Center	1
Sentara Advanced Imaging Center - Princess Anne	1
Sentara Advanced Imaging Center at First Colonial	1
Sentara Advanced Imaging Center - Fort Norfolk	1
Sentara Independence	1
Sentara Leigh Hospital	2
Sentara Norfolk General Hospital	5
Sentara Obici Hospital	2
Sentara Princess Anne Hospital	2
Sentara Virginia Beach General Hospital	3
Vann-Virginia Center for Othopaedics, P.C. d/b/a Atlantic Orthopaedic Specialists	1
Fixed Total¹	45
Mobile Units	
Facility	Number of Scanners
Sentara Advanced Imaging Center - St. Luke's	1
Mobile Total	1
Total PD 20 CT Scanners	46

Source: DCOPN records

Proposed Project

The applicant proposes to expand its CT services through the addition of one fixed site CT scanner located in renovated existing support space adjacent to the two existing CT scanners in SLH's Radiology Department, resulting in a total of three fixed site CT scanners at SLH. The applicant states that SLH has an institutional need to expand its CT services. The total capital and financing cost of the proposed project is \$1,564,500 (**Table 2**). The applicant states that the

¹ Includes the cone beam CT scanners located at both Chesapeake Bay ENT locations, Children's Hospital of The King's Daughters Health and Surgery Center at Concert Drive, and Children's Hospital of The King's Daughters Health Center at Fort Norfolk

proposed project will be financed using SLH’s accumulated reserves. The applicant asserts that the proposed project will not impact negatively the costs of providing care in the facility.

Table 2. Capital and Financing Costs

Direct Construction Costs	\$775,000
Equipment Not Included in Construction Contract	\$659,500
Architectural and Engineering Fees	\$130,000
TOTAL Capital and Financing Costs	\$1,564,500

Source: COPN Request No. VA-8606

Project Definition

Section 32.1-102.1:3 of the Code of Virginia defines a project, in part, as “[t]he addition by an existing medical care facility described in subsection A of any new medical equipment for the provision of...computed tomographic (CT) scanning...” A medical care facility includes “[a]ny facility licensed as a hospital, as defined in § 32.1-123.”

Required Considerations -- § 32.1-102.3 of the Code of Virginia

In determining whether a public need exists for a proposed project, the following factors shall be taken into account when applicable:

- 1. The extent to which the proposed project will provide or increase access to health care services for people in the area to be served and the effects that the proposed project will have on access to health care services in areas having distinct and unique geographic, socioeconomic, cultural, transportation, and other barriers to access to health care;**

The applicant proposes to expand its CT services through the addition of one fixed CT scanner. As discussed above, the applicant asserts that SLH has an institutional need to expand its CT services, which is supported by the most recent VHI data available to DCOPN (**Table 4**). The applicant additionally asserts that the overutilization of its existing scanners has led to delays in patient access to needed CT services. Additionally, the applicant asserts that, SLH’s emergency department has seen a significant increase in volume over the past several years. As this has occurred, emergent cases have often displaced scheduled outpatient appointments. DCOPN concludes that approval of the proposed project would help to address the burden on SLH’s existing CT scanners, and reduce instances of non-emergent inpatient and outpatient CT scanning procedures needing to be delayed or rescheduled for emergency cases.

Geographically, SLH is located on Kempsville Road in Norfolk, near the Virginia Beach city line. SLH is located approximately one mile from I-264 and two miles from I-64. Regarding public transportation, the applicant asserts that the light rail service, The Tide, has a station located a short distance, (less than a mile) from the hospital. The applicant did not address any difficulties or benefits related to parking at SLH.

DCOPN is not aware of any other geographic, socioeconomic, cultural, or transportation barriers to access to care.

2. The extent to which the proposed project will meet the needs of people in the area to be served, as demonstrated by each of the following:

(i) the level of community support for the proposed project demonstrated by people, businesses, and governmental leaders representing the area to be served;

DCOPN received six letters of support from physicians associated with SLH. Collectively, these letters articulated the high utilization of the existing CT scanners, the delays caused in the emergency department by the high utilization, and the need for additional CT capacity at SLH. Moreover, these letters discussed the general importance of diagnostic imaging in the diagnosis, treatment, and management of disease.

Public Hearing

DCOPN provided notice to the public regarding this project on January 10, 2022. The public comment period closed on February 24, 2022. Section 32.1-102.6 of the Virginia Code mandates that “in the case of competing applications or in response to a written request by an elected local government representative, a member of the General Assembly, the Commissioner, the applicant, or a member of the public, [DCOPN] shall hold one hearing on each application in a location in the county or city in which the project is proposed or a contiguous county or city.” The proposed project is not competing, and no public hearing was requested by the applicant, the Commissioner, an interested party, or member of the public. As such, no public hearing was held.

(ii) the availability of reasonable alternatives to the proposed project that would meet the needs of the people in the area to be served in a less costly, more efficient, or more effective manner;

The status quo is not a viable alternative to the proposed project. As shown in **Table 4** below, SLH’s two fixed CT scanners and the one fixed CT scanner at the Sentara Brock Cancer Center operated at 163.7% of the SMFP threshold in 2020, the last year for which DCOPN has data from VHI. Under the status quo, the utilization of the existing fixed CT scanners at SLH above capacity would continue. Moreover, the applicant asserts that efforts have been made to decant outpatient cases to the Sentara Brock Cancer Center, leading to the CT scanner at the Sentara Brock Cancer Center now operating at 102% of the SMPF threshold. For the reasons discussed above, DCOPN concludes that the status quo is not a viable alternative to the proposed project.

(iii) any recommendation or report of the regional health planning agency regarding an application for a certificate that is required to be submitted to the Commissioner pursuant to subsection B of § 32.1-102.6;

Currently there is no organization in HPR V designated by the Virginia Department of Health to serve as the Health Planning Agency for PD 20. Therefore, this consideration is not applicable to the review of the proposed project.

(iv) any costs and benefits of the proposed project;

As discussed above, the total capital and financing cost of the proposed project is \$1,564,500 (**Table 2**), which would be funded using accumulated reserves. The costs for the project are reasonable and consistent with previously approved projects to add one CT scanner. For example, COPN VA-04402 issued to Centra Health, Inc. to add one CT scanner, which cost approximately \$1,581,629. As discussed above, the proposed project would offer two major benefits over the status quo. First, the proposed project would reduce the burden on SLH's two over utilized fixed CT scanners. Additionally, the proposed project would reduce the delays and rescheduling of non-emergent CT scanning procedures currently occurring at SLH.

(v) the financial accessibility of the proposed project to the people in the area to be served, including indigent people; and

According to regional and statewide data regularly collected by VHI, for 2020, the average amount of charity care provided by the facilities in HPR V that reported such charity care for that year was 2.5% of all reported total gross patient revenues. During this period, the applicant reported charity care of 2.58% of all reported total gross patient revenues (**Table 3**). Recent changes to § 32.1-102.4B of the Code of Virginia now require DCOPN to place a charity care condition on every applicant seeking a COPN. Should the proposed project be approved, SLH should be subject to charity care consistent with the Sentara Hampton Roads 4.8% system-wide charity care condition, in addition to any new requirements as found in the revised § 32.1-102.4B of the Code of Virginia.

Table 3. HPR V 2020 Charity Care Contributions

Hospital	Gross Patient Revenues	Adjusted Charity Care Contribution	Percent of Gross Patient Revenue:
Riverside Tappahannock Hospital	\$165,747,566	\$8,843,478	5.34%
Riverside Shore Memorial Hospital	\$247,007,286	\$10,695,992	4.33%
Riverside Doctors' Hospital Williamsburg	\$149,491,510	\$6,064,567	4.06%
Riverside Walter Reed Hospital	\$252,482,633	\$9,401,927	3.72%
Bon Secours DePaul Medical Center	\$363,165,760	\$12,756,832	3.51%
Sentara Careplex Hospital	\$909,090,883	\$31,651,344	3.48%
Sentara Obici Hospital	\$914,294,131	\$26,301,718	2.88%
Sentara Virginia Beach General Hospital	\$1,265,310,067	\$36,146,887	2.86%
Sentara Norfolk General Hospital	\$3,753,299,758	\$106,756,170	2.84%
Sentara Leigh Hospital	\$1,330,835,003	\$34,335,012	2.58%
Riverside Regional Medical Center	\$2,191,107,102	\$53,859,556	2.46%
Chesapeake Regional Medical Center	\$986,713,280	\$21,292,946	2.16%
Hampton Roads Specialty Hospital	\$46,913,449	\$1,010,073	2.15%
Sentara Princess Anne Hospital	\$1,032,703,976	\$21,443,232	2.08%
Bon Secours Maryview Medical Center	\$1,148,940,309	\$22,068,850	1.92%
Bon Secours Mary Immaculate Hospital	\$620,268,395	\$11,887,663	1.92%
Sentara Williamsburg Regional Medical Center	\$655,360,428	\$11,516,832	1.76%
Bon Secours Rappahannock General Hospital	\$70,546,600	\$1,148,522	1.63%
Children's Hospital of the King's Daughters	\$1,120,616,182	\$4,135,241	0.37%
Bon Secours Southampton Memorial Hospital	\$211,414,625	\$460,731	0.22%
Lake Taylor Transitional Care Hospital	\$44,295,918	\$0	0.00%
Hospital For Extended Recovery	\$30,370,572	\$0	0.00%
Total \$ & Mean %	\$17,509,975,433	\$431,777,573	2.5%

Source: VHI

(vi) at the discretion of the Commissioner, any other factors as may be relevant to the determination of public need for a proposed project.

DCOPN did not identify any other discretionary factors, not discussed elsewhere in this staff analysis report, to bring to the attention of the Commissioner as may be relevant to determining a public need for the proposed project.

3. The extent to which the proposed project is consistent with the State Health Services Plan;

Section 32.1-102.2:1 of the Code of Virginia calls for the State Health Services Plan Task Force to develop, by November 1, 2022, recommendations for a comprehensive State Health Services Plan (SHSP). In the interim, DCOPN will consider the consistency of the proposed project with the predecessor of the SHSP, the SMFP.

The SMFP contains criteria/standards for the establishment or expansion of CT services. They are as follows:

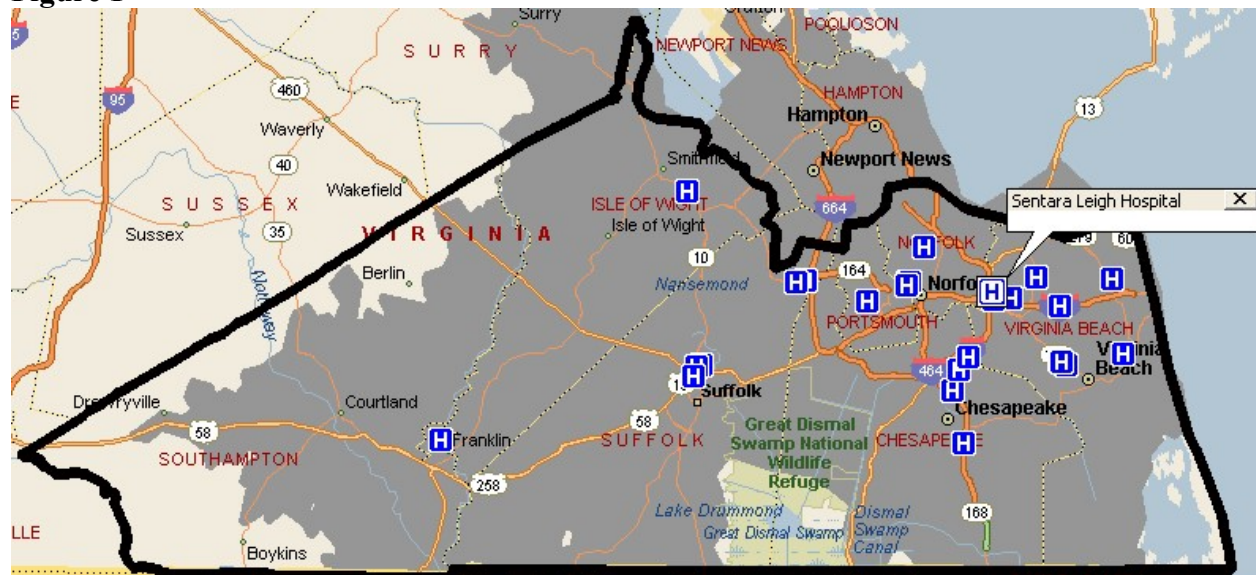
Part II
Diagnostic Imaging Services
Article 1
Criteria and Standards for Computed Tomography

12VAC5-230-90. Travel time.

CT services should be available within 30 minutes driving time one way under normal conditions of 95% of the population of the health planning district using mapping software as determined by the commissioner.

Currently, there are thirty COPN authorized providers of CT services in PD 20. The heavy black line in **Figure 1** is the boundary of PD 20. The blue H icons indicate facilities that currently offer fixed CT services. The grey shading illustrates the area that is within a thirty-minute drive one way under normal driving conditions of all CT service providers in PD 20. As the applicant is an existing provider of CT services, approval of the proposed project will not affect the availability of CT services for those individuals not already within a thirty-minute drive one way under normal driving conditions. However, given that the only areas in the planning district not covered by CT services are sparsely populated, **Figure 1** illustrates that CT services are likely to be within a thirty-minute drive one way under normal driving conditions of 95% of the residents of the planning district.

Figure 1



12VAC5-230-100. Need for new fixed site or mobile service.

A. No new fixed site or mobile CT service should be approved unless fixed site CT services in the health planning district performed an average of 7,400 procedures per existing and approved CT scanner during the relevant reporting period and the proposed new service would not significantly reduce the utilization of existing providers in the health planning district. The utilization of existing scanners operated by a hospital and serving an area distinct from the proposed new service site may be disregarded in computing the average utilization of CT scanners in such health planning district.

Not applicable. As the applicant is an existing provider seeking to expand its fixed site CT services, this section is addressed to illustrate the deficit or surplus of fixed CT services in PD 20.

Calculated Needed Fixed CT Scanners in PD 20

COPN authorized CT scanners = 45

Calculated Needed CT scanners =

301,731 scans in the PD / 7,400 scans / scanner = 39 scanners needed

PD 20 Calculated Need = 39 CT scanners

PD 20 Calculated Surplus = 6 CT scanners

Table 4. PD 20 COPN Authorized Fixed CT Units: 2020

Facility	Number of Scanners	Number of Scans	Utilization Rate
Bon Secours DePaul Medical Center	2	10,529	71.1%
Bon Secours Maryview Medical Center	4	22,730	76.8%
Chesapeake Regional Imaging - Kempsville	1	1,350	18.2%
Chesapeake Regional Medical Center	4	35,387	119.6%
Children's Hospital of The King's Daughters	2	4,307	29.1%
First Meridian d/b/a MRI & CT Diagnostics - Virginia Beach	1	4,108	55.5%
First Meridian d/b/a MRI & CT Diagnostics -Chesapeake	1	2,773	37.5%
Riverside Diagnostic Center - Smithfield	1	673	9.1%
Sentara Advanced Imaging Center - Belleharbour	1	9,350	126.4%
Sentara Advanced Imaging Center - Greenbrier Healthplex	1	3,303	44.6%
Sentara Advanced Imaging Center - Leigh	1	1,836	24.8%
Sentara Advanced Imaging Center - Princess Anne	1	4,287	57.9%
Sentara Advanced Imaging Center at First Colonial	1	4,718	63.8%
Sentara Advanced Imaging Center-Fort Norfolk	1	1,850	25.0%
Sentara Independence	1	8,230	111.2%
Sentara Leigh Hospital	3	36,351	163.7%
Sentara Norfolk General Hospital	5	53,734	145.2%
Sentara Obici Hospital	2	24,052	162.5%
Sentara Princess Anne Hospital	2	28,350	191.6%
Sentara Virginia Beach General Hospital	3	30,967	139.5%
2020 Total and Average	38	288,885	102.7%

Source: VHI & DCOPN interpolations

- B. Existing CT scanners used solely for simulation with radiation therapy treatment shall be exempt from the utilization criteria of this article when applying for a COPN. In addition, existing CT scanners used solely for simulation with radiation therapy treatment may be disregarded in computing the average utilization of CT scanners in such health planning district.**

DCOPN has excluded existing the nine CT scanners used solely for simulation prior to the initiation of radiation therapy from its inventory and average utilization of diagnostic CT scanners in PD 20 with respect to the proposed projects.

12VAC5-230-110. Expansion of fixed site service.

Proposals to expand an existing medical care facility's CT service through the addition of a CT scanner should be approved when the existing services performed an average of 7,400 procedures per scanner for the relevant reporting period. The commissioner may authorize placement of a new unit at the applicant's existing medical care facility or at a separate location within the applicant's primary service area for CT services, provided the proposed expansion is not likely to significantly reduce the utilization of existing providers in the health planning district.

As noted in **Table 4** above, the three CT scanners located at SLH operated at 163.7% of the 7,400 procedures per scanner necessary to expand fixed CT scanning services under this section of the SMFP in 2020, the latest year for which DCOPN has data available from VHI. As only two CT scanners were operating at SLH in 2020, the VHI data for this location seems to include the Brock Cancer Center utilization after it was converted from Sentara Advanced Imaging Center – Leigh. Moreover, the applicant has stated that the efforts to decant outpatient cases to the Sentara Brock Cancer Center have led to the CT scanner at the Sentara Brock Cancer Center now operating at slightly above the SMFP threshold. As such, DCOPN concludes that the applicant has met this standard.

12VAC5-230-120. Adding or expanding mobile CT services.

- A. Proposals for mobile CT scanners shall demonstrate that, for the relevant reporting period, at least 4,800 procedures were performed and that the proposed mobile unit will not significantly reduce the utilization of existing CT providers in the health planning district.**
- B. Proposals to convert authorized mobile CT scanners to fixed site scanners shall demonstrate that, for the relevant reporting period, at least 6,000 procedures were performed by the mobile CT scanner and that the proposed conversion will not significantly reduce the utilization of existing CT providers in the health planning district.**

Not applicable. The applicant is not seeking to add or expand mobile CT services or to convert authorized mobile CT scanners to fixed site scanners.

12VAC5-230-130. Staffing.

CT services should be under the direction or supervision of one or more qualified physicians.

The applicant asserts that radiologists on the medical staff of SLH who provide direction and supervision of existing CT services at the hospital will continue to supervise the proposed expanded CT services.

Required Considerations Continued

4. The extent to which the proposed project fosters institutional competition that benefits the area to be served while improving access to essential health care services for all people in the area to be served;

DCOPN does not anticipate that the proposed project would foster beneficial competition. The applicant is an existing provider of CT services. Moreover, the health system with which the applicant is associated controls 50% of the total number of CT scanners in the planning district. Additionally, in 2020, the last year for which DCOPN has data available from VHI, the health system with which the applicant is associated was responsible for 71.7% of the total CT scans performed that year in PD 20. As all this data clearly shows that the applicant is a strong primary provider of CT services for the area, the addition of another CT scanner would not foster beneficial competition in PD 20.

5. The relationship of the proposed project to the existing health care system of the area to be served, including the utilization and efficiency of existing services or facilities;

As discussed above, the CT scanners at SLH were operating significantly in excess of the SMFP threshold in 2020, the last year for which DCOPN has data from VHI. Moreover, DCOPN has not received any opposition to the proposed project from any providers of CT services in PD 20. As such, DCOPN concludes that it is highly unlikely that the proposed project would detrimentally effect the utilization and efficiency of other provider of CT services in PD 20.

6. The feasibility of the proposed project, including the financial benefits of the proposed project to the applicant, the cost of construction, the availability of financial and human resources, and the cost of capital;

The Pro Forma Income Statement (**Table 5**) provided by the applicant projects a net profit of \$17,451,999 by the end of the first year of operation and a net profit of \$17,793,099 by the end of year two for the proposed project. Based on the number of scans anticipated, DCOPN notes that the projected income statement would reflect the total CT scanners at SLH rather than solely the newly added scanner. The total capital and financing cost of the proposed project is \$1,564,500 (**Table 2**). Approximately 49.5% of the total costs is attributed to direct construction costs and 42.2% is attributed to the costs of equipment. The applicant states that the proposed project would be funded entirely using accumulated reserves. Accordingly, there are no financing costs associated with the proposed project. Analysis of the financial documents provided with the application show that this method of funding the proposed project is viable.

The applicant additionally asserts that the proposed project will not impact negatively the costs of providing care in the facility. As such, DCOPN concludes that the proposed project is feasible with regard to financial costs in both the immediate and the long-term.

With regard to staffing, the applicant anticipates a need for 2.6 full time equivalent positions (FTEs), consisting of 1.5 FTEs for Registered Nurses and 1.1 FTEs for Radiologic Technologists. The applicant asserts that the proposed project is not anticipated to have any impact on the staffing of other facilities in the service area. Regarding recruitment practices, the applicant states:

“Sentara Healthcare’s Employment Center utilizes a variety of methods to recruit additional personnel by placing employment opportunities online, in newspaper advertisements, and by hosting career fairs. SLH has strong relationships with other colleges, universities, and medical programs. The Sentara College of Health Sciences holds many accreditations and is a pipeline for hiring qualified candidates for Sentara’s positions. Leaders at Sentara Leigh Hospital work closely with Sentara recruiters for hiring necessary personnel to ensure optimal staffing.”

Given the extreme nursing shortage that is currently occurring nationally, DCOPN finds the applicant’s claim that staffing can be effectuated without impacting other facilities somewhat questionable. However, given the modest staffing required by the proposed project, DCOPN concludes that any effect that the proposed project would have on existing providers is likely to be de minimis.

Table 5. SLH Pro Forma Income Statement

	Year 1	Year 2
Gross Revenue	\$247,215,564	\$254,199,285
Deductions from Revenue	\$216,342,509	\$221,944,737
Net Patient Services Revenue	\$30,873,055	\$32,254,548
Total Operating Expenses	\$13,421,056	\$14,461,449
Excess Revenue Over Expenses	\$17,451,999	\$17,793,099

Source: COPN Request No. VA-8606 & DCOPN interpolations

- The extent to which the proposed project provides improvements or innovations in the financing and delivery of health care services, as demonstrated by; (i) the introduction of new technology that promotes quality, cost effectiveness, or both in the delivery of health care services; (ii) the potential for provision of health care services on an outpatient basis; (iii) any cooperative efforts to meet regional health care needs; and (iv) at the discretion of the Commissioner, any other factors as may be appropriate; and**

As discussed above, the increased activity at SLH’s emergency room and the high utilization of the existing CT scanners has led to outpatient CT scans being delayed or rescheduled in favor of emergent cases. The addition of additional capacity to address the significantly high utilization of the existing CT scanners would reduce the instances of delayed or rescheduled outpatient

procedures. As such, DCOPN concludes that the proposed project would improve the provision of health care services on an outpatient basis.

- 8. In the case of a project proposed by or affecting a teaching hospital associated with a public institution of higher education or a medical school in the area to be served,**
- (i) The unique research, training, and clinical mission of the teaching hospital or medical school.**
 - (ii) Any contribution the teaching hospital or medical school may provide in the delivery, innovation, and improvement of health care for citizens of the Commonwealth, including indigent or underserved populations.**

The project is not proposed by or affecting a teaching hospital associated with a public institution of higher education or a medical school in the area to be served.

DCOPN Staff Findings and Conclusion

DCOPN finds that the proposed project to expand CT services at Sentara Leigh Hospital through the addition of one fixed CT scanner is consistent with the applicable criteria and standards of the SMFP and the Eight Required Considerations of the Code of Virginia. The applicant has met the necessary utilization threshold to expand CT services at SLH under 12VAC5-230-110.

Moreover, DCOPN finds that the status quo is not a viable alternative to the proposed project. Under the status quo, the overutilization of the existing fixed CT scanner at SLH would continue. Additionally, under the status quo, outpatient CT scanning procedures would continue to be delayed or rescheduled for emergency cases. As such, DCOPN concludes that the status quo is not a viable alternative to the proposed project.

Finally, DCOPN finds that the total capital costs of the proposed project are \$1,564,500 (**Table 2**), which would be financed using accumulated reserves. The costs for the project are reasonable and consistent with previously approved projects to add one CT scanner. For example, COPN VA-04402 issued to Centra Health, Inc. to add one CT scanner, which cost approximately \$1,581,629.

Staff Recommendation

The Division of Certificate of Public Need recommends **conditional approval** of Sentara Hospitals' COPN request to expand CT services with the addition of one fixed CT scanner, for a total of three authorized CT scanners at Sentara Leigh Hospital for the following reasons:

1. The 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 project would address the overutilization of the existing CT scanner at Sentara Leigh Hospital.
3. The status quo is not a viable alternative to the proposed project.
4. The capital costs are reasonable and consistent with the projects of this type.

Recommended Condition

This project shall be subject to the 4.8% system-wide charity care condition applicable to Sentara Hospitals Hampton Roads, as reflected in COPN No. VA – 04534 (Sentara Hospitals Hampton Roads system-wide condition). Provided, however, that charity care provided under the Sentara Hospitals Hampton Roads system-wide condition shall be 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.

Sentara Hospitals d/b/a Sentara Leigh 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. In addition to any right to petition the Commissioner contained in the Sentara Hospitals Hampton Roads system-wide condition, to the extent Sentara Hospitals d/b/a Sentara Leigh Hospital expects its system-wide condition 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. or any revised percentage to materially alter the value of its charity care commitment thereunder, it may petition the Commissioner for a modification to the Sentara Hospitals Hampton Roads system-wide condition to resolve the expected discrepancy.