

COMMONWEALTH of VIRGINIA

Department of Health P O BOX 2448 RICHMOND, VA 23218

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

March 24, 2023

By Email

Mark S. Hedberg, Esquire Elizabeth A. Breen, Esquire Hunton Andrews Kurth LLP Riverfront Plaza, East Tower 951 East Byrd Street Richmond, Virginia 23219

RE: Certificate of Public Need (COPN)

No. VA-04832

(COPN Request Number VA-8613)

Inova Health Care Services

Alexandria, Virginia

Relocation and partial replacement of

Inova Alexandria Hospital

Dear Mr. Hedberg and Ms. Breen:

Enclosed please find a certificate of public need deemed to be approved pursuant to Virginia Code § 32.1-102.6(E)(7). The enclosed certificate will be the operative certificate for this project.

Sincerely

Erik Bodin, Director

Division of Certificate of Public Need

Encl.: 1

cc (via email):

R. Christopher Lindsay, Chief Operating Officer

WD

Mark Hedberg, Esquire Elizabeth Breen, Esquire March 24, 2023 Page 2 of 2

David Rose, MD, MBA, FAAP

Director, Alexandria Health District

Dean Montgomery

Executive Director

Health Systems Agency of Northern Virginia

Deborah K. Waite

Virginia Health Information, Inc.

Allyson Tysinger, Esq.

Senior Assistant Attorney General

Douglas R. Harris, JD

Adjudication Officer

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

THIS CERTIFIES THAT Inova Health Care Services, is authorized to initiate the proposal described herein.

NAME OF FACILITY: Inova Springfield Hospital

LOCATION: A site currently lacking county address located on Franconia-Springfield Parkway between Beulah Street and Walker Lane

OWNERSHIP AND CONTROL: Inova Health Care Services

SCOPE OF PROJECT: Relocation and partial replacement of Inova Alexandria Hospital through the relocation of 110 acute-care beds, five operating rooms, three computed tomography (CT) scanners (one relocated from Inova Alexandria Hospital, one relocated from Inova Springfield HealthPlex, and one new to the inventory), and two magnetic resonance imaging (MRI) scanners (one from Inova Alexandria Hospital, one from Inova Springfield HealthPlex), in accordance with specifications and representations made during the course of review and adjudication. The total authorized capital cost of the project is \$859,615,365. The project is scheduled to be completed by April 1, 2028. 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 32.1-102.11, 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 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-04832

Date of Issuance: March 24, 2023

Expiration Date: March 23, 2024

Deemed Approved Pursuant to Code of Virginia § 32.1-102.6(E)(7)

Erik Bodin, Director, Division of Certificate of Public Need

Attesting to the Deemed Approval as the operative certificate of public need

CONDITION Placed on the Issuance of this Certificate:

This project (COPN No. VA-04832) shall be subject to the <u>system-wide</u> charity care condition applicable to Inova Health Care Services, as reflected in COPN No. VA-04381 and revised by the Commissioner's January 4, 2016 Reconsideration of Inova's Health System's System Wide Charity Care Condition (Inova Health Care Services system-wide condition). Pursuant to the 2016 reconsideration, the Inova Health Care Services system-wide charity care condition <u>reset to 3.9%</u> as of January 1, 2022. Provided, however, that charity care provided under the Inova Health Care Services 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.

Inova Health System 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 Inova System-Wide condition, to the extent Inova Health System expects its Inova 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 Inova System-Wide condition to resolve the expected discrepancy.