



COMMONWEALTH of VIRGINIA

Colin M. Greene, MD, MPH
State Health Commissioner

Department of Health
P O BOX 2448
RICHMOND, VA 23218

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

August 22, 2022

Mr. Mark Duncan
Director of Government Relations
Riverside Health System
701 Town Center Drive, Suite 1000
Newport News, Virginia 23606-4286

RE: COPN No. VA-04802
Shore Health Services, Inc., Onancock, Virginia
Add one fixed CT scanner at Shore Memorial Hospital

Dear Mr. Duncan:

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 Shore Health Services, Inc. to add one fixed CT scanner at Riverside Shore Memorial Hospital.

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 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 Shore Memorial 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.

This certificate is valid for the period August 22, 2022 through August 21, 2023.
The total authorized capital cost of the project is \$1,930,939.

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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, appearing to read "Colin M. Greene".

Colin M. Greene, MD, MPH
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, Chief Operating Officer, Virginia Health Information
Richard Williams, MD, MPH, District Director, Eastern Shore Health District

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

THIS CERTIFIES THAT Shore Health Services, Inc. is authorized to initiate the proposal as described below.

NAME OF FACILITY: Riverside Shore Memorial Hospital

LOCATION: 20480 Market Street, Onancock, Virginia 23417

OWNERSHIP AND CONTROL: Shore Health Services, Inc.

SCOPE OF PROJECT: Add one fixed CT scanner at Riverside Shore Memorial Hospital for a total complement of two CT scanners. Capital costs associated with this project total \$1,930,939. The project is expected to be completed by November 30, 2023. 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-04802

Date of Issuance: August 22, 2022

Expiration Date: August 21, 2023

A handwritten signature in black ink, appearing to read "Colin M. Greene".

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

This project shall be subject to the 4.0% facility-wide charity care condition applicable to Shore Memorial Hospital, as reflected in COPN No. VA – 04313 (Shore Memorial Hospital facility-wide condition). Provided, however, that charity care provided under the Shore Memorial Hospital facility-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.

Shore Health Services, Inc. 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 Shore Memorial Hospital facility-wide condition, to the extent Shore Health Services, Inc. expects its facility-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 Shore Memorial Hospital facility-wide condition to resolve the expected discrepancy.