



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. Dominic P. Madigan
Med Atlantic, Inc.
9101 Stony Point Drive
Richmond, Virginia 23235

RE: **COPN No. VA-04805**

Med Atlantic, Inc., Mechanicsville, Virginia

Establish a specialized center for imaging with one mobile PET/CT scanner limited to Prostate-Specific Membrane Antigen PET/CT diagnostic imaging and PET/CT imaging related to Prostate-Specific Membrane Antigen treatments at the Pleasant Grove Road facility.

Dear Mr. Madigan:

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 Med Atlantic, Inc. to establish a specialized center for imaging with one mobile PET/CT scanner limited to Prostate-Specific Membrane Antigen PET/CT diagnostic imaging and PET/CT imaging related to Prostate-Specific Membrane Antigen treatments at the Pleasant Grove Road facility.

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 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 PET/CT scanner's use will be limited solely to PET/CT imaging for Prostate-Specific Membrane Antigen PET/CT diagnostic imaging and PET/CT imaging related to Prostate-Specific Membrane Antigen treatments.
3. The CT functionality of the PET/CT scanner will only be utilized in conjunction its PET functionality.

4. The project is preferable to the alternative of the status quo.
5. 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 \$2,320,184.

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
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
Tom Franck, MD, MPH, District Director, Chickahominy Health District

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

THIS CERTIFIES THAT Med Atlantic, Inc. is authorized to initiate the proposal as described below.

NAME OF FACILITY: Med Atlantic, Inc.

LOCATION: 8152 Pleasant Grove Road, Mechanicsville, Virginia 23116

OWNERSHIP AND CONTROL: Med Atlantic, Inc.

SCOPE OF PROJECT: Establish a specialized center for imaging with one mobile PET/CT scanner limited to Prostate-Specific Membrane Antigen PET/CT diagnostic imaging and PET/CT imaging related to Prostate-Specific Membrane Antigen treatments at the Pleasant Grove Road facility. Capital costs associated with this project total \$2,320,184. The project is expected to be completed by January 31, 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-04805

Date of Issuance: August 22, 2022

Expiration Date: August 21, 2023

A handwritten signature in blue ink, reading "Colin M. Greene".

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

Med Atlantic, Inc. will provide PET 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 1.3% of Med Atlantic, Inc.'s total patient services revenue derived from PET services 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. Med Atlantic, 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. 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. § 1395 et seq.

Med Atlantic, Inc. will provide PET care 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 Med Atlantic, Inc. will facilitate the development and operation of primary and specialty medical care services in designated medically underserved areas of the applicant's service area.