



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

January 9, 2023

Mr. Peter Mellette
Mellette PC
428 McLaws Circle, Suite 200
Williamsburg, Virginia 23185

RE: **COPN No. VA-04817**
MOHS Surgery Center of Richmond Dermatology, PLLC
Henrico County, Virginia
Establish an outpatient surgical hospital with one operating room dedicated to Mohs surgery and post-Mohs reconstructive surgery procedures

Dear Mr. Mellette:

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 MOHS Surgery Center of Richmond Dermatology, PLLC to establish an outpatient surgical hospital with one operating room dedicated to Mohs surgery and post-Mohs reconstructive surgery procedures.

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 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 additional operating room will be limited to Mohs and post-Mohs reconstruction surgery.
3. The capital costs are reasonable.
4. The proposed project appears economically viable in the long-term.
5. The project is more favorable than maintaining the status quo or the alternative of office-based surgery.

Peter Mellette
MOHS Surgery Center of Richmond Dermatology, PLCC
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This certificate is valid for the period January 9, 2023 through January 8, 2024.
The total authorized capital cost of the project is \$1,883,726.

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
Elaine Perry, MD, MS, District Director, Henrico Health District

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

THIS CERTIFIES THAT MOHS Surgery Center of Richmond Dermatology, PLLC is authorized to initiate the proposal as described below.

NAME OF FACILITY: MOHS Surgery Center of Richmond Dermatology, PLLC

LOCATION: 9816 Mayland Drive, Henrico, Virginia 23233

OWNERSHIP AND CONTROL: MOHS Surgery Center of Richmond Dermatology, PLLC

SCOPE OF PROJECT: Establish an outpatient surgical hospital with one operating room dedicated to Mohs surgery and post-Mohs reconstructive surgery procedures. Capital costs associated with this project total \$1,883,726. The project is expected to be completed by September 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-04817

Date of Issuance: January 9, 2023

Expiration Date: January 8, 2024


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

MOHS Surgery Center of Richmond Dermatology, PLLC's will provide Mohs and post-Mohs reconstruction surgery 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 will facilitate the development and operation of primary and specialty medical care services to medically underserved persons in PD 15 in an aggregate amount equal to at least 1.3% of MOHS Surgery Center of Richmond Dermatology, PLLC's gross patient revenue derived from Mohs and post-Mohs reconstruction surgery services. 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.

MOHS Surgery Center of Richmond Dermatology, PLLC 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 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.

MOHS Surgery Center of Richmond Dermatology, PLLC will provide Mohs and post-Mohs reconstruction surgery services 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.