



## COMMONWEALTH of VIRGINIA

Parham Jaber, MD, MPH  
Acting State Health Commissioner

Department of Health  
P O BOX 2448  
RICHMOND, VA 23218

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

April 11, 2023

Erin S. Whaley  
Troutman Pepper Hamilton Sanders, LLP  
Troutman Pepper Building, 1001 Haxall Point  
Richmond, Virginia 23219

RE: **COPN No. VA-04835**  
**Centra Rehabilitation Hospital, LLC and Centra Health, Inc.**  
**Establish a 50-bed inpatient medical rehabilitation hospital through relocation of 20 rehabilitation beds, the conversion and relocation of 10 medical/surgical beds, and addition of 10 beds**

Dear Ms. Whaley:

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 Centra Rehabilitation Hospital, LLC and Centra Health, Inc. to establish a 50-bed inpatient medical rehabilitation hospital through relocation of 20 rehabilitation beds, the conversion and relocation of 10 medical/surgical beds, and addition of 10 beds.

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 8 Required Considerations of the Code of Virginia and the relevant provisions of the State Medical Facilities Plan.
2. Replacement of inpatient rehabilitation services to a new, freestanding facility is the only practical solution to plant issues that cannot be corrected reasonably or cost-effectively with an on-site renovation
3. The project will improve access to services in PD 11.
4. The capital cost of the proposed project is reasonable,
5. The proposed project appears financially viable in the short- and long-term.

6. The proposed project will not impact another provider in PD 11 and is unlikely to harm existing providers outside of the PD.
7. There is no known opposition to the proposed project.
8. The proposed project is far more beneficial than the status quo, which does not offer adequate care and experience for patients.

This certificate is valid for the period April 11, 2023 through April 10, 2024. The total authorized capital cost of the project is \$75,440,246

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,



Parham Jaber, MD, MPH  
Acting 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  
Kerry Gateley, MD, MPH, CPE, District Director, Central Virginia Health District

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

**THIS CERTIFIES THAT Centra Rehabilitation Hospital, LLC and Centra Health, Inc. are authorized to initiate the proposal as described below.**

**NAME OF FACILITY: Centra Rehabilitation Hospital**

**LOCATION: Intersection of Simons Run and Leesville Road, Lynchburg, VA 24502**

**OWNERSHIP AND CONTROL: Centra Rehabilitation Hospital, LLC**

**SCOPE OF PROJECT: Establish a 50-Bed Inpatient Rehabilitation Hospital through the relocation of 20 inpatient medical rehabilitation beds, the conversion and relocation of 10 medical/surgical beds and the addition of 10 beds. Capital costs associated with this project total \$75,440,246. The project is expected to be completed by June 20, 2026. 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-04835**

**Date of Issuance: April 11, 2023**

**Expiration Date: April 10, 2024**

**Parham Jaberri, MD, MPH, Acting State Health Commissioner**

Centra Rehabilitation Hospital will provide inpatient medical rehabilitation 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 0.7% of Centra Rehabilitation Hospital's total patient services revenue derived from inpatient medical rehabilitation 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 Centra Rehabilitation 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. 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.

Centra Rehabilitation Hospital will provide inpatient medical rehabilitation 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 Centra Rehabilitation Hospital will facilitate the development and operation of primary and specialty medical care services in designated medically underserved areas of the applicant's service area.