



## COMMONWEALTH of VIRGINIA

Department of Health  
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Karen Shelton, MD  
State Health Commissioner

R. Christopher Lindsay  
Chief Operating Officer

July 11, 2023

### By Email

Thomas J. Stallings, Esquire  
McGuireWoods  
800 East Canal Street  
Richmond, Virginia 23219

**RE: Certificate of Public Need (COPN)  
No. VA-04850  
(Request No. VA-8621)  
Reston Hospital Center, LLC  
Fairfax County  
Planning District (PD) 8  
Health Planning Region II  
Introduction of open-heart surgery services**

Dear Mr. Stallings:

In accordance with Article 1.1 of Chapter 4 of Title 32.1 (§ 32.1-102.1 *et seq.*) of the Code of Virginia (the "COPN Law"), I have reviewed the application captioned above. As required by Subsection B of Virginia Code § 32.1-102.3, I have considered all matters, listed therein, in making a determination of public need under the COPN law.

I have reviewed and adopted the enclosed findings, conclusions and recommended decision of the adjudication officer that convened the informal fact-finding conference on the application in accordance with the Virginia Administrative Process Act, Virginia Code § 2.2-4000 *et seq.*

**Based on my review of the application and on the recommended decisions of the adjudication officer, I am approving the application, with a condition addressing charity care. I find that this project would meet a public need.**

Thomas J. Stallings, Esq.

July 11, 2023

Page Two

The reasons for my decision include the following:

- (i) The Reston project is consistent with the State Medical Facilities Plan (SMFP), is in harmony or in general agreement with the SMFP or with the public policies, interests and purposes to which the SMFP and the COPN Law are dedicated;
- (ii) Approval of the project is preferable to maintaining the status quo;
- (iii) Evidence adduced indicates that approval of the project would address growth in demand for open-heart surgical services without harming utilization or quality at PD 8's two existing open-heart surgery service providers; and
- (iv) The Reston project would improve access to, as well as the distribution of, open-heart surgery services in PD 8, where approximately 75 percent of the population now lives to the west of Interstate 495, the Capital Beltway.

Sincerely,



Karen Shelton, MD  
State Health Commissioner

Encl.: 2

cc (via email):

Gloria Addo-Ayensu, MD, MPH

Director, Fairfax Health District

Deborah K. Waite

Virginia Health Information, Inc.

Allyson Tysinger, Esq.

Senior Assistant Attorney General

Douglas R. Harris, JD

Adjudication Officer

Erik O. Bodin, III

Director, Division of Certificate of Public Need

**COPY**

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

**THIS CERTIFIES THAT Reston Hospital Center, LLC, is authorized to initiate the proposal described herein.**

**NAME OF FACILITY:** Reston Hospital Center

**LOCATION:** 1850 Town Center Parkway, Virginia 20190

**OWNERSHIP AND CONTROL:** Reston Hospital Center, LLC, will maintain ownership of and control over the approved resources.

**SCOPE OF PROJECT:** Introduction of open-heart surgery services in existing hospital space, in accordance with specifications and representations made during the course of review and adjudication. The total authorized capital and financing cost of the project is \$2,551,930. The project is scheduled to be completed by December 15, 2025. The project is **CONDITIONED** to provide charity care (see Reverse).



Pursuant to Chapter 4, Article 11 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-04850

**Date of Issuance:** July 6, 2023

**Expiration Date:** July 5, 2024

**Karen Shelton, MD  
State Health Commissioner**



**CONDITION Placed on the Issuance of this Certificate:**

Reston Hospital Center, LLC, (below, the "certificate holder") shall provide open-heart surgery services to all persons in need of these services, regardless of their ability to pay, and shall facilitate the development and operation of primary medical care services to medically underserved persons in Planning District (PD) 8 in an aggregate amount equal to at least **3.4% of its gross patient revenue** derived from these services.

Compliance with this condition shall be documented to the Division of Certificate of Public Need (DCOPN) annually by the certificate holder providing audited or otherwise appropriately certified financial statements documenting compliance with the preceding requirement.

The certificate holder shall 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.*, which is available from Virginia Health Information, Inc. 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.*

The certificate holder shall provide the proposed 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.*

Additionally, the certificate holder shall facilitate the development and operation of primary and specialty medical care services in designated medically underserved areas of the applicant's service area.

**(Reverse)**

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**Recommended Case Decision**  
**Certificate of Public Need (COPN)**  
**Request Number VA-8621**  
**Reston Hospital Center, LLC**  
**Fairfax County**  
**Planning District (PD) 8**  
**Health Planning Region (HPR) II**  
**Introduction of Open Heart Surgery Services**

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This document is a recommended case decision submitted to the State Health Commissioner ( hereinafter, “Commissioner”) for consideration and adoption. It follows full review of the record pertaining to the application captioned above, as well as the convening of an informal fact-finding conference (IFFC)<sup>1</sup> conducted in accordance with the Administrative Process Act<sup>2</sup> and Title 32.1 of the Code of Virginia.

**Authority**

Article 1 of Chapter 4 of Title 32.1 (§ 32.1-102.1 *et seq.*) of the Code of Virginia (the “COPN Law”) addresses medical care services and provides that “[n]o person shall undertake a project described in [this Article] or regulations of the [State] Board [of Health] at or on behalf of a medical care facility . . . without first obtaining a certificate [of public need] from the Commissioner.”<sup>3</sup> The endeavor described and proposed in the application falls within the statutory definition of “project” contained in the COPN Law, and, thereby, requires a certificate of public need (COPN, or “Certificate”) to be issued before the project may be undertaken.<sup>4</sup>

**Findings of Facts**

1. Reston Hospital Center is a 231-bed hospital located in northwest Fairfax County, PD 8, HPR II. It is operated by Reston Hospital Center, LLC (“Reston Hospital”), a limited liability company formed under the laws of Delaware. The ultimate corporate parent of the limited liability company is HCA Healthcare, Inc.
2. Reston Hospital submitted an application for a COPN proposing to introduce open heart surgery services at Reston Hospital Center (the “Reston project”). Reston Hospital’s application was given the identification of COPN Request Number VA-8621. The total capital cost of the project is \$2,551,930. These costs would be covered through internal resources of HCA Healthcare, Inc.

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<sup>1</sup> The IFFC was held on March 28, 2023. (The IFFC had been initially scheduled to be held on June 3, 2022; Reston Hospital, by counsel, chose to continue the IFFC to this later date.) A certified reporter’s transcript (“Tr.”) of the IFFC is in the administrative record on the application. The IFFC on this project followed a separate IFFC, one concerning a petition for good cause submitted by Inova Health Care Services. That petition was denied on June 22, 2023.

<sup>2</sup> Va. Code § 2.2-4000 *et seq.*

<sup>3</sup> Va. Code § 32.1-102.1:2 (A); (a “Certificate” or COPN).

<sup>4</sup> Va. Code § 32.1-102.1.

3. On May 9, 2022, the board of directors of the Health System's Agency of Northern Virginia (HSANV), a regional health planning agency existing pursuant to Virginia law to cover HPR II,<sup>5</sup> voted to recommend that the Commissioner deny the Reston project.
4. On May 19, 2022, DCOPN issued its staff report (the "DCOPN staff report") recommending that the Commissioner approve the Reston project.
5. Within days and pursuant to the COPN Law, Inova Health Care Services ("Inova"), which operates several hospitals and other facilities in PD 8, submitted a petition seeking to show good cause as to why it should become a party to the proceedings on the Reston project pursuant to the COPN law.<sup>6</sup>
6. On March 28, 2023, two informal fact-finding conferences (IFFCs) were held. The first IFFC was convened to give Inova an opportunity to be heard on its petition seeking to show good cause. The second IFFC gave Reston Hospital the opportunity to present a case that its application be approved. The close of the adjudicatory record on the project occurred on May 3, 2023.
7. On June 22, 2023, the Commissioner issued a case decision, finding that Inova had not shown good cause and therefore is not a party to the proceedings on the Reston project.
8. The factual basis underlying the present recommended decision consists of evidence in the administrative record, including information contained in the application, the HSANV staff report, the DCOPN staff report (both of which are incorporated into this document in order to provide evidence and argument that corroborates the recommendation made below), the transcript of the IFFC, and IFFC-related submittals made by the parties, i.e., Reston Hospital by counsel, Inova by counsel, and HSANV, as well as submittals made by DCOPN.

#### **Summary and Incorporation of the DCOPN Staff Report**

In the DCOPN staff report, that division recommends finding public need for introducing open heart surgery services at Reston Hospital. More specifically, DCOPN recommends that the Commissioner approve the project, with a condition addressing charity care, finding that:

- (i) The proposed project is consistent with applicable standards and criteria promulgated by the State Board of Health and contained in the State Medical Facilities Plan (SMFP);<sup>7</sup>
- (ii) Observed growth in open heart surgical services in PD 8 is sufficient to support Reston Hospital's projected volumes without materially or detrimentally affecting existing providers' utilization;
- (iii) Approval of the project is preferable to maintaining the status quo; and
- (iv) The project is reasonable and less expensive than unrelated, previously-approved projects to introduce open heart surgery services at hospitals in Virginia.<sup>8</sup>

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<sup>5</sup> Va. Code § 32.1-122.05

<sup>6</sup> Va. Code § 32.1-102.6 (D).

<sup>7</sup> 12 Virginia Administrative Code (VAC) 5-230-10 *et seq.*

By reference, the DCOPN staff report is incorporated into the present recommended decision for the purpose of establishing and corroborating facts and demonstrating analysis that together constitute, in part, the overall evidentiary basis on which the recommended decision made herein rests.

### **Application of Criteria of Public Need with Analysis and Conclusions**

A. Discussion. Salient analysis and conclusions regarding the Reston project and relating directly to the eight criteria of public need contained in the COPN Law (the “statutory considerations”),<sup>9</sup> appearing in bold type below, are set forth below in relation to each statutory consideration.<sup>10</sup>

- 1. The extent to which the proposed service or facility will provide or increase access to needed services for residents of the area to be served, and the effects that the proposed service or facility will have on access to needed services in areas having distinct and unique geographic, socioeconomic, cultural, transportation, and other barriers to access to care.**

Open heart surgery services are provided at two hospitals in PD 8: Inova Fairfax Hospital (“Inova Fairfax”) and Virginia Hospital Center, located in Arlington County. The service at Inova Fairfax Hospital is the busiest in the Commonwealth. Both services are located in the eastern portion of PD 8, Virginia’s most populous PD with several fast-growing localities. Among Virginia’s PDs with open surgery services, PD8 has, by far, the highest population per open heart program.<sup>11</sup>

In three applications for a COPN submitted since 2017, including the present one, Reston Hospital has reminded the Commissioner that “[h]eart disease is still the leading cause of death in America for both men and women,” accounting for a fifth of all deaths, and has requested approval of a project to introduce open heart surgery services at Reston Hospital.<sup>12</sup>

Reston Hospital has submitted detailed evidence indicating that the demand for open-heart surgery services in PD 8 is growing. Anthem echoes this statement, observing that “[t]he incidence of heart disease in Northern Virginia continues to rise, with individuals over age 45 at the highest risk for heart disease.”<sup>13</sup>

Reston Hospital argues that existing open-heart services are not well distributed in PD 8, and that approval of its project would improve access for residents of western Fairfax County and Loudoun County. Inova Fairfax and Virginia Hospital Center are located near or “inside” the Capital Beltway, to the east.<sup>14</sup> PD 8 (coterminous with HPR II) is Virginia’s most populous PD and has long experienced fast-growing, generally-westward development to its overall

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<sup>8</sup> DCOPN Staff Report at 19-20.

<sup>9</sup> See Subsection B of Virginia Code § 32.1-102.3.

<sup>10</sup> The DCOPN staff report, incorporated herein, contains additional analysis and conclusions.

<sup>11</sup> Reston IFFC Exhibit 21. This statement will remain true even if the Reston project is approved.

<sup>12</sup> Reston Proposed Findings and Conclusions at 29; IFFC Transcript at 19 (Fontana).

<sup>13</sup> Reston IFFC Exhibit 25. See also IFFC Tr. at 79-109 (and accompanying Reston IFFC exhibits).

<sup>14</sup> Interstate 495 (an auxiliary Interstate highway), Virginia portion.

growth pattern. While the two established open-heart services remain in the eastern portion of PD 8, 75 percent of PD 8's current population now lies well to the west.

Reston Hospital observes that, among Virginia's PDs with open heart surgery programs, "PD 8 has, by far, the highest population per open heart program."<sup>15</sup> Traffic congestion is routine and highway construction is perennial, making travel times longer and patient transport unpredictable. Approval of the Reston project would improve continuity of care, addressing the disadvantage faced by PD 8 residents in the western portions of PD 8.

Reston Hospital is a Level II Trauma Center. While open heart surgery services are not necessary to retain that designation, Reston Hospital states that it is the only such center in Virginia without approval to provide open heart surgery services.<sup>16</sup> Reston Hospital is also the acute care facility located closest to Dulles International Airport. While open heart procedures are typically scheduled, many continue to be emergent, some even urgent.

An interventional cardiologist, testifying at the IFFC on behalf of Reston Hospital, related his observation based on nine years' experience at hospitals in PD 8, including Inova Fairfax. This witness stated that

patients transferred into Inova [Fairfax] who needed open heart surgery might've had to wait longer than would be optimal before they underwent open heart surgery due to the issues relating to operating room availability, bed availability or other throughput issues at Inova [Fairfax].

Inova [Fairfax] would always say yes to accepting cardiac-related transfers into the facility, but that did not transfer to timely receiving open heart surgery. This resulted in unnecessary, avoidable, and harmful delays in patient care. [. . .]

Today, I refer most of my patients requiring open heart surgery to George Washington University Hospital in Washington, D.C., because of my negative experience of patients not receiving timely care at Inova Fairfax.<sup>17</sup>

Significant evidence in the record strongly indicates that approval of open-heart surgery services at Reston Hospital would appropriately and effectively serve the purpose of increasing residents' access to these services.

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<sup>15</sup> *Id.*

<sup>16</sup> See DCOPN Staff Report at 3; Reston IFFC Exhibit 24.

<sup>17</sup> Tr. at 65-66 (Ghazala).



**2. The extent to which the project will meet the needs of the residents of the area to be served, as demonstrated by each of the following:**

**(i) The level of community support for the project demonstrated by citizens, businesses, and governmental leaders representing the area to be served;**

DCOPN received at least a dozen letters expressing support for the Reston project. The project is supported by a state legislator,<sup>18</sup> as well as Anthem, Cigna, local business leaders and physicians.

HSANV continues to recommend denial of the Reston project. Inova Health Care Services, doing business as Inova Fairfax, continues to oppose the project, maintaining that approval of the project would reduce overall patient volume and thereby harm proficiency and quality of surgical outcomes. Virginia Hospital Center also opposes the project.

**(ii) The availability of reasonable alternatives to the proposed service or facility that would meet the needs of the population in a less costly, more efficient, or more effective manner;**

No reasonable alternative to the project presents the opportunity to improve distribution of services and more directly serve the roughly 75 percent of PD 8's population that currently resides well west of the developed and urbanized eastern portion of the PD. Maintaining the status quo is no longer a reasonable and effective alternative.

**(iii) Any recommendation or report of the regional health planning agency regarding an application for a certificate that is required to be submitted to the Commissioner pursuant to subsection B of § 32.1-102.6;**

HSANV is a regional health planning agency that covers HPR II (coterminous with PD 8). HSANV recommends that the Commissioner deny the Reston Hospital project for the reasons provided in its staff report and later listed in the DCOPN staff report.<sup>19</sup>

**(iv) Any costs and benefits of the project;**

The capital costs of the Reston Hospital project – less than \$2.6 million – are not unreasonable. The benefits of the project include increased access to vital services and decreased travel times for residents in the expansive western portion of PD 8, without harming the utilization of the two existing services (as discussed below).

**(v) The financial accessibility of the project to the residents of the area to be served, including indigent residents; and**

Reston Hospital states that it accepts all patients regardless of ability to pay or payment source. In 2020, Reston Hospital provided an amount of charity care equal to 1.3 percent of its gross patient revenues. Any Certificate to authorize the Reston project should be issued with a

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<sup>18</sup> Del. K. Plum.

<sup>19</sup> DCOPN Staff Report at 7.

condition requiring that services be provided with a level of charity care that meets the average contribution made by hospitals in PD 8, *i.e.*, 3.4 percent of gross patient revenues.<sup>20</sup>

**(vi) At the discretion of the Commissioner, any other factors as may be relevant to the determination of public need for a project.**

No additional factors relating to the review of this project are remarkable or appear to call for the exercise of the Commissioner's discretion in identifying or evaluating them in relation to the proposed project.

**3. The extent to which the proposed project is consistent with the State Health Services Plan [*i.e.*, *de facto*, the SMFP].<sup>21</sup>**

The COPN law requires that "[a]ny decision to issue . . . a certificate shall be consistent with the most recent applicable provisions of the State Medical Facilities Plan ["SMFP"] . . . ."<sup>22</sup> The SMFP, found in the Virginia Administrative Code (VAC) at 12 VAC 5-230-10 *et seq.*, includes several provisions applicable to a project such as the Reston Hospital project, discussed below.

1. Driving Time. The SMFP's provisions relating to open heart surgery services include a driving time standard calling for such services to be within 60 minutes driving time of 95 percent of the population of a PD.<sup>23</sup> While DCOPN concludes that mapping software indicates that this normative standard is already met, PD 8's challenges with timely travel across its expanse is generally recognized.

This section of the SMFP also requires all-time availability. Reston Hospital makes assurance that the service that would result from the proposed project would be available "24 hours a day, seven days a week."<sup>24</sup>

2. Determining Need for a New Service. The SMFP contains several provisions relating to access, and whether a new open heart surgery service, or program, should be established or introduced.

One provision states that a candidate hospital should not be allowed to establish open heart surgery services unless it has an existing cardiac catheterization service that has "performed an average of 1,200 [diagnostic equivalent procedures (DEPs)]" annually.<sup>25</sup>

Examining volumes by service rather than cardiac cath lab, Reston Hospital performed an average of 1,312 DEPs in recent years, effectively surpassing this threshold.<sup>26</sup> The Reston project is consistent with this standard.

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<sup>20</sup> See DCOPN Staff Report at 8, Table 4.

<sup>21</sup> 12 Virginia Administrative Code (VAC) 5-230-10 *et seq.* While Senate Bill 764 (Acts of Assembly, c. 1271, 2020) calls for promulgation and adoption of a State Health Services Plan (SHSP) to replace the SMFP, the process for developing the SHSP has not been completed. The SMFP remains in effect as regulation in reviewing applications for a COPN.

<sup>22</sup> Va. Code § 32.1-102.3.

<sup>23</sup> 12 VAC 5- 230-440.

<sup>24</sup> Reston Hospital Proposed Findings and Conclusions at 34.

<sup>25</sup> 12 VAC 5-230-450 A.1.

The SMFP contains a core standard, providing that

[n]o new open heart services should be approved unless . . . [o]pen heart surgery services located in the [PD] performed an average of 400 open heart and closed heart surgical procedures for the relevant reporting period . . .<sup>27</sup>

DCOPN concluded that, in 2020, the two open heart surgery services in PD 8 each performed an average of 889.5 open heart and closed heart procedures. The Reston project is consistent with this standard.

The SMFP contains an additional standard, one that states that

[n]o new open heart services should be approved unless . . . [t]he proposed new service will perform at least 150 procedures per room in the first year of operation and 250 procedures per room in the second year of operation without significantly reducing the utilization of existing open heart surgery services in the health planning district.<sup>28</sup>

Reston Hospital projects performing 419 open heart procedures in the first year of operation, and 671 procedures in the second year. DCOPN concluded that these projects are reasonable, and I agree. The Reston project appears consistent with this standard.

Protecting safety and quality of open-heart surgery services is a major purpose behind the open-heart surgery provisions of the SMFP. Traditionally, quality has been correlated with volume. Experience and repetition have been thought to bring experience, proficiency, and positive patient outcomes.

But convincing evidence adduced at the IFFC strongly suggests that what now contribute to the creation of a successful open-heart program is the development and implementation of evidence-based protocols, as Reston summarizes, which are

published in the [medical] literature, taught in conferences, and learned in training. These protocols take the knowledge and wisdom gained from high volumes of patient observation and outcomes and distill them into specific orders and actions, thereby minimizing errors, avoiding bad outcomes and increasing efficiencies.

They are straightforward, re-producible and proven to work. Since these protocols have been proven to work in a high volume [of] patients across multiple institutions, their implementation and effectiveness are not contingent on volume at a particular institution, but on the willingness of cardiac surgery, administrative medical and nursing leadership at that institution to write them, implement them, teach them and ensure they are followed.<sup>29</sup>

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<sup>26</sup> DCOPN Staff Report at 11.

<sup>27</sup> 12 VAC 5-230-450 A.2.

<sup>28</sup> 12 VAC 5-230-450 A.3.

<sup>29</sup> IFFC Tr. at 37 (Stallings, counsel).

This emerging regime of ensuring quality may also, Reston asserts, allow smaller open-heart surgery programs to demonstrate a high degree of quality and successful outcomes.<sup>30</sup>

3. Staffing. Staffing of health care services and resources today is challenging. Reston Hospital plans a lengthy development and preparation period, exceeding 24 months, before operationalization of the proposed services; this period should provide for appropriate selection for and development of an open-heart surgery operating team at Reston Hospital. In relation to the SMFP staffing provision, Reston provides assurance that the services would be under the direction of a qualified medical director, complying with the SMFP's applicable provision regarding staffing.<sup>31</sup>

4. Conclusion regarding the Project's Overall SMFP Consistency. Sufficient and detailed evidence in the record supports the conclusion that the Reston project would serve the public intents and purposes of this statutory consideration. The project is thereby consistent with the SMFP, is in harmony or in general agreement with the SMFP or with the public policies, interests and purposes to which the SMFP and the COPN Law are dedicated.<sup>32</sup>

General and specific reference is made to the DCOPN staff report, the IFFC transcript, and the IFFC exhibits and post-IFFC filings of Reston Hospital.<sup>33</sup>

**4. The extent to which the proposed service or facility fosters institutional competition that benefits the area to be served while improving access to essential health care services for all persons in the area to be served.**

Anthem and Cigna support approval of the Reston project, in part, due to its potential to foster and promote beneficial institutional competition.<sup>34</sup>

Past decisions of the Commissioner have adhered to the belief in correlation between high utilization of an open heart surgery service ensures proficiency and quality and patient outcome. Reston Hospital argues that its project would foster beneficial institutional competition without harming quality. Reston Hospital has presented convincing evidence that

[t]here's really no contemporary evidence for a correlation between volumes at a program and the quality of care delivered there. . . . The best predictor of open-heart quality is the adherence to evidence-based quality protocols.<sup>35</sup>

DCOPN observed that the competitive element brought to PD 8 by approval of the Reston project would not materially or detrimentally affect the existing open heart surgery services at Inova Fairfax and Virginia Hospital Center. I agree.

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<sup>30</sup> *Id.*

<sup>31</sup> 12 VAC 5-230-480.

<sup>32</sup> See *Roanoke Mem. Hosp. v. Kenley*, 3 Va.App. 599, 352 S.E.2d 525 (1987).

<sup>33</sup> Specifically, see DCOPN Staff Report at 9-20; IFFC Transcript at 22-39 (Fontana); Reston Hospital Proposed Findings and Conclusions at 29-42.

<sup>34</sup> Reston IFFC Ex. 25.

<sup>35</sup> IFFC Tr. at 23 (Fontana).

**5. The relationship of the project to the existing health care system of the area to be served, including the utilization and efficiency of existing services or facilities.**

Reston Hospital argues that

[e]xisting open[-]heart surgery services are not well distributed in PD 8. Virginia Hospital Center is located inside the Capital Beltway and Inova Fairfax is located immediately outside the Beltway. These locations may have made sense when open heart surgery services began at those hospitals decades ago, but not today, when roughly 75% of PD 8's population lives outside of the Beltway.<sup>36</sup>

Reston Hospital also observes that "[p]atients significantly benefit by having their cardiologist and surgeon working together in the same institution to make critical diagnoses and treatment pathways with highly coordinated care."<sup>37</sup>

Approval of the Reston project would improve coordination and distribution of open-heart surgery services across PD 8, enhance choice of service providers, and promote continuity of care for patients already receiving care at Reston Hospital.

**6. The feasibility of the project, including the financial benefits of the project to the applicant, the cost of construction, the availability of financial and human resources, and the cost of capital.**

DCOPN concluded review of Reston Hospital's pro forma financial statement indicates that the proposed project is feasible. The project would be financially beneficial to the applicant, and costs are reasonable.

While the availability of human resources is a challenge besetting health care in general, Reston Hospital states that it has the resources of HCA Healthcare, Inc., available to it, and that the lengthy period of time between approval and commencement of the project reflects the intention to carefully assemble and develop the program, with reliance on promoting necessary staff from within the applicant's affiliated corporate network, as well as national recruitment strategies.<sup>38</sup>

Financial resources are available. Human resources are, or may become, available. Upon review of the pro forma statement, the cost of capital (as that concept is understood in relation to analyses of public need) does not appear to be an issue needing consideration.

**7. The extent to which the project provides improvements or innovations in the financing and delivery of health services, as demonstrated by: (i) The introduction of new technology that promotes quality, cost effectiveness, or both in the delivery of health care services; (ii) The potential for provision of services on an outpatient basis; (iii) Any cooperative efforts to meet regional health care needs; (iv) At the discretion of the Commissioner, any other factors as may be appropriate.**

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<sup>36</sup> Reston Proposed Findings and Conclusions at 43.

<sup>37</sup> *Id.*

<sup>38</sup> IFFC Tr. at 46.



Not applicable, without prejudice to the applicant.

**8. In the case of a project proposed by or affecting a teaching hospital associated with a public institution of higher education or a medical school in the area to be serve (i) the unique research, training, and clinical mission of the teaching hospital or medical school, and (ii) any contribution the teaching hospital or medical school may provide in the delivery, innovation, and improvement of health care for citizens of the Commonwealth, including indigent or underserved populations.**

Not applicable, without prejudice to the applicant.

**B. Conclusion.** Based on the findings of fact made above and in light of the discussion above applying the eight statutory considerations, in detail and overall, I conclude that Reston Hospital has demonstrated a public need for the project it has proposed.

**V. Recommendation**

**Based on an overall assessment, the project proposed by Reston Hospital merits approval. Reston Hospital should receive a Certificate authorizing its proposed project. The Reston Hospital project is necessary to meet a public need.**

In addition to conclusions drawn throughout this document, specific reasons for my recommendation include:

- (i) The Reston project is consistent with the SMFP, is in harmony or in general agreement with the SMFP or with the public policies, interests and purposes to which the SMFP and the COPN Law are dedicated;
- (ii) Approval of the project is preferable to maintaining the status quo;
- (iii) Evidence adduced indicates that approval of the project would address growth in demand for open-heart surgical services without harming utilization or quality at PD 8's two existing open-heart surgery service providers; and
- (iv) The Reston project would improve access to, as well as the distribution of, open-heart surgery services in PD 8, where approximately 75 percent of the population now lives to the west of the Capital Beltway.

Respectfully submitted,



Douglas R. Harris, JD  
Adjudication Officer

July 3, 2023