



COMMONWEALTH of VIRGINIA

Karen Shelton, MD
State Health Commissioner

Department of Health
P O BOX 2448
RICHMOND, VA 23218

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

December 15, 2023

Ashley W. Kelly
Vice President, Outpatient Operations
Bon Secours Mercy Health
5875 Bremo Road, Suite 603
Richmond, Virginia 23226

RE: COPN No. VA-04867

**St. Francis Ambulatory Surgery Center LLC, Midlothian, Virginia
Establish an outpatient surgical hospital with 2 operating rooms**

Dear Ms. Kelly:

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 St. Francis Ambulatory Surgery Center LLC to establish an outpatient surgical hospital with two operating rooms.

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 proposed project improves access for a well-populated, growing and aging area of PD15, and improves the distribution of surgical services in the PD.
3. The proposal is more beneficial than the status quo.
4. The capital costs are reasonable.
5. The proposed project is inventory neutral.
6. The proposed project appears viable in the short- and long-term.

Ashley W. Kelly
St. Francis Ambulatory Surgery Center
December 6, 2023
Page 2

This certificate is valid for the period December 15, 2023 through December 14, 2024. The total authorized capital cost of the project is \$17,453,466.

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,



Karen Shelton, MD
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
Alexander P. Samuel, MD, MPH, District Director, Chesterfield Health District

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

THIS CERTIFIES THAT St. Francis Ambulatory Surgery Center LLC is authorized to initiate the proposal as described below.

NAME OF FACILITY: St. Francis Ambulatory Surgery Center, LLC

LOCATION: 13701 Bon Secours Drive, Midlothian, Virginia

OWNERSHIP AND CONTROL: St. Francis Ambulatory Surgery Center, LLC

SCOPE OF PROJECT: Establish an outpatient surgical hospital with two operating rooms. Capital costs authorized for this project total \$17,453,466. The project is expected to be completed by July 30, 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-04867

Date of Issuance: December 15, 2023

Expiration Date: December 14, 2024

A handwritten signature in black ink, appearing to read "Karen Shelton".

Karen Shelton, MD, State Health Commissioner

St. Francis Ambulatory Surgery Center LLC will provide surgical 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 St. Francis Ambulatory Surgery Center LLC's gross patient revenue derived from surgical 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. St. Francis Ambulatory Surgery Center LLC 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.

St. Francis Ambulatory Surgery Center LLC will provide surgical 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.