

VIRGINIA DEPARTMENT OF HEALTH

Office of Licensure and Certification

Division of Certificate of Public Need

Staff Analysis Report

January 20, 2026

COPN Request No. VA-8847
Winchester Medical Center
Winchester, Virginia
Add one Fixed CT Scanner

Applicant

Winchester Medical Center (WMC) is a Virginia nonstock 501(c)(3) corporation organized in 1984. WMC is a wholly owned subsidiary of Valley Health System. There are three subsidiaries wholly or partially owned by WMC—The Winchester Medical Center Foundation, Surgi-Center of Winchester, Inc., and Northern WV Home Health, LLC. WMC is located at 1840 Amherst Street, Winchester, Virginia 22601, within Planning District (PD) 7, nested in Health Planning Region (HPR) I.

Background

WMC is an acute care facility that provides a comprehensive array of inpatient and outpatient services, including but not limited to cardiology, behavioral medicine services, surgery, orthopedics, neurosciences, oncology, women's services, and pediatrics. WMC is the region's only Level II Trauma Center that serves a combined 13 counties in both Virginia and West Virginia and the City of Winchester, Virginia.

A computed tomography (CT) scan is a diagnostic imaging tool that utilizes x-ray technology to produce imaging of the inside of the body and can show bones, muscles, organs, and blood vessels. CT scans are more detailed than plain film x-rays; rather than the standard straight-line x-ray beam, CT imaging uses an x-ray beam that moves in a circle around the body to show structures in much greater detail.¹ The scans can be done with or without contrast; contrast is a substance taken either orally or injected within the body, causing a particular organ or tissue to be seen more clearly.²

¹ <https://www.hopkinsmedicine.org/health/treatment-tests-and-therapies/computed-tomography-ct-scan#:~:text=Computed%20tomography%20is%20commonly%20referred,fat%2C%20organs%20and%20blood%20vessels.>

² Ibid.

According to Virginia Health Information (VHI) data there were 11 CT scanners in PD 7 in 2024, the latest year for which such data are available. Ten of these are on the campus of acute care hospitals (all owned by Valley Health), and one is located in a freestanding imaging facility. The acute care facility-based CT scanners averaged 9,213 procedures per CT scanner, 124.50% of the State Medical Facilities Plan (SMFP) threshold for expansion of 7,400 scans per unit. The only freestanding scanner averaged 9,930 procedures per scanner (134.19% of the SMFP threshold). In aggregate, the 11 diagnostic CT scanners in PD 7 reported volumes equal to 125.38% of the SMFP standard in 2024 (**Table 1**).

Table 1. PD 7 COPN Authorized Fixed CT Units

Acute Care Facilities:				
Facility	# of CT Scanners	Total Visits	Total Visits per Scanner	Utilization
Valley Health Page Memorial Hospital	1	5,807	5,807	78.47%
Valley Health Shenandoah Memorial Hospital	2	12,578	6,289	84.99%
Valley Health Warren Memorial Hospital	2	14,026	7,013	94.77%
Valley Health Winchester Medical Center	5 ³	59,717	11,943	161.40%
Acute care Facility Total/Average	10	92,128	9,213	124.50%

Freestanding Facilities:				
Facility	# of CT Scanners	Total Visits	Total Visits per Scanner	Utilization
Winchester Imaging	1	9,924	9,924	134.11%
Freestanding Facility Total/Average	1	9,930	9,930	134.19%

PD 7 Total/Average	11	102,058	9,278	125.38%
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Source: VHI, 2024

According to DCOPN records, WMC was approved for a sixth CT scanner, to be housed in its emergency department (ED), in February 2024. According to the applicant, this project was delayed due to changes in Valley Health’s master plans and is expected to be operational in late 2026. DCOPN notes that because this scanner will be located in the ED, it will only be available to patients seeking emergency care.

³ Authorized for a sixth scanner per COPN No. VA-04873

Proposed Project

WMC proposes to add one CT scanner at the existing WMC complex located at the Outpatient Diagnostic Center (ODC) on the main WMC campus located at 300 Campus Boulevard in Winchester. The CT scanner will be installed in a currently shelled space where WMC already has two operational CT scanners. The ODC is connected to the main hospital, and the CT scanner will be under WMC’s license.

Projected capital costs for the proposed project are \$1,696,090, all of which will be funded with accumulated reserves such that there are no financing costs involved in the proposed project. (Table 2). The project is expected to be completed in December 2027.

Table 2. Projected Capital Costs

Direct Construction Cost	\$ 622,768
Equipment not included in construction contract	\$ 964,822
Architectural and Engineering Fees	\$ 82,500
Other Consultant Fees	\$ 23,000
	\$ 1,696,090

Source: COPN Request No. VA-8847 Application

Project Definition

Section 32.1-102.1:3 of the Code of Virginia defines a project, in part, as the “addition by an existing medical care facility described in subsection A of any new medical equipment for the provision of ... computed tomographic (CT) scanning...” A medical care facility includes “[a]ny facility licensed as a hospital...”

Required Considerations -- § 32.1-102.3 of the Code of Virginia

In determining whether a public need exists for a proposed project, the following factors shall be taken into account when applicable:

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

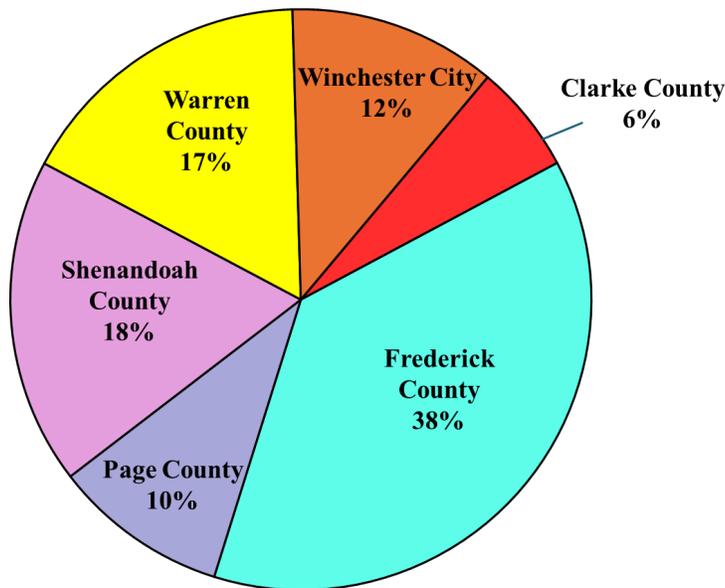
PD 7 had a population of about 260,000 in 2020 and is projected to grow by just over 17,000 people, a 7% increase, by 2030. This is higher than the population growth rate projected for the Commonwealth of Virginia during this decade, 5.8% (Table 3). Winchester City, where the proposed project is located, is projected to have a population exceeding 29,000 by 2030. In total, it is projected to grow by 1,486 people, a 5.3% increase, between 2020 and 2030, a lower rate than that of PD 7 and comparable to that of Virginia (Table 3). The 65+ population in PD 7 is expected to grow by 12,800 people (a 27.5% increase) between 2020 and 2030. In Winchester City, the 65+ population is expected to grow by 1,003 people (a 21.4% increase) (Table 3). Figure 1 shows that Winchester City makes up 12% of the population of PD 7.

Table 3. PD 7 Population by County and Percent Change from 2020-2030

Geography Name	2020	2030	Change 2020 - 2030	% Change 2020-2030	2020 65+	2030 65+	Change 2020 - 2030 65+	% Change 2020-2030 65+
Clarke County	14,783	15,309	526	3.6%	3,248	4,225	977	30.1%
Frederick County	91,419	103,035	11,616	12.7%	16,440	22,438	5,998	36.5%
Page County	23,709	23,041	-668	-2.8%	5,389	6,368	979	18.2%
Shenandoah County	44,186	45,714	1,528	3.5%	9,902	11,523	1,621	16.4%
Warren County	40,727	43,250	2,523	6.2%	6,939	9,162	2,223	32.0%
Winchester City	28,120	29,606	1,486	5.3%	4,696	5,699	1,003	21.4%
PD 7 Totals/Averages	242,944	259,956	17,011	7.0%	46,614	59,414	12,800	27.5%
Virginia	8,631,393	9,129,002	497,609	5.8%	1,395,291	1,762,641	367,350	26.3%

Source: Weldon-Cooper Data from the UVA Weldon Cooper Center for Public Service

Figure 1. Percent of PD 7 Population by Locality



Source: Weldon-Cooper Data from the UVA Weldon Cooper Center for Public Service

With respect to socioeconomic barriers, the overall poverty rate of PD 7, 10.4%, is similar to that of Virginia, 10.2% (**Table 4**). The City of Winchester, where the proposed project will be located, has a poverty rate higher than the rest of PD 7 and Virginia at 16.2%.

Table 4. 2023 Poverty Rates, PD 7

Locality	Percent in Poverty
Clarke County	7.3%
Frederick County	7.4%
Page County	14.2%
Shenandoah County	9.9%
Warren County	9.3%
City of Winchester	16.2%
PD 7	10.4%
<i>Virginia</i>	<i>10.2%</i>

Source: <https://www.census.gov/data-tools/demo/saipe/#>

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

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

DCOPN received a resolution from WMC’s Medical Staff President pledging staff support for the new CT scanner. The resolution notes that WMC has experienced significant growth in CT volumes, which has led to limited access and long waiting times.

Public Comment

Section 32.1-102.6 B of the Code of Virginia directs DCOPN to hold one public hearing on each application in a location in the county or city in which the project is proposed or a contiguous county or city in the case of competing applications, or in response to a written request by an elected local government representative, a member of the General Assembly, the Commissioner, the applicant, or a member of the public. COPN Request No. VA-8847 is not competing with another project in this batch cycle and DCOPN did not receive a request to conduct a public hearing for the proposed project. Thus, no public hearing was held.

DCOPN provided notice to the public regarding this project on November 10, 2025. The public comment period closed on December 25, 2025. DCOPN has received no additional public comment aside from the letters of endorsement included with the application.

DCOPN is not aware of any opposition to the proposed project.

- (ii) the availability of reasonable alternatives to the proposed project that would meet the needs of the people in the area to be served in a less costly, more efficient, or more effective manner;**

The proposed project would be more beneficial than the status quo. As mentioned in **Table 1**, WMC’s five CT scanners are currently utilized at 161.40% of the SMFP threshold for expansion. Even when the sixth scanner approved under COPN No. VA-04873 is operational, WMC will still average approximately 9,953 scans per unit which is 134.5% the SMFP threshold for

expansion if scan volumes remain the same. Additionally, there are no underutilized scanners in the Valley Health System that could be relocated to WMC.

Maintaining the status quo would mean higher costs and longer wait times to receive care for PD 7 residents.

(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;

Currently there is no organization in HPR I designated by the Virginia Department of Health to serve as the Health Planning Agency for PD 7. Therefore, this consideration is not applicable to the review of the proposed project.

(iv) any costs and benefits of the proposed project;

As shown in **Table 2**, the proposed project's projected capital cost is \$1,696,090, which will be fully funded from reserves, and incurring no financing expenses. Direct construction costs account for \$622,768, or approximately 32% of the total. For comparison, COPN No. VA-04873, which approved the addition of one CT scanner at WMC in 2024, was estimated at \$3,370,000

The applicant identified numerous benefits of the project including:

- The addition of this CT scanner will expand access for the community
- WMC already provides CT services in the area and has an established patient base

(v) the financial accessibility of the proposed project to the people in the area to be served, including indigent people; and

Valley Health facilities treat all patients regardless of their ability to pay for services or their payor source. WMC provided charity care in the amount of 0.56% in 2024, the latest year for which such data are available (**Table 5**). This is below the HPR I average of 2.0% in 2024. In the proforma provided in the application for COPN Request No. VA-8847, WMC includes 0.6% of gross patient revenues as charity care (**Table 7**), but since this is below the 2.0% HPR average, should this project be approved, WMC will be held to a 2.0% charity care condition.

Table 5: 2024 PD 7 Charity Care Contributions at or below 200% of Federal Poverty Level

HPR IV	Gross Patient Revenues	Charity Care	% of Gross Patient Revenue
Inpatient Hospitals			
UVA Health Culpeper Medical Center	\$608,478,177	\$34,259,884	5.63%
University of Virginia Medical Center	\$8,921,363,447	\$267,814,182	3.00%
Sentara RMH Medical Center	\$1,299,093,095	\$34,179,211	2.63%
UVA Encompass Health Rehabilitation Hospital	\$47,227,845	\$2,302,674	4.88%
Sentara Martha Jefferson Hospital	\$976,480,538	\$17,411,990	1.78%
Carilion Rockbridge Community Hospital	\$245,348,553	\$2,154,977	0.88%
Spotsylvania Regional Medical Center	\$1,018,743,482	\$8,957,162	0.88%
Augusta Health	\$1,602,399,846	\$12,298,471	0.77%
Bath Community Hospital	\$29,576,578	\$172,931	0.58%
Valley Health Winchester Medical Center	\$2,123,358,824	\$11,908,546	0.56%
Stafford Hospital Center	\$370,363,474	\$1,843,906	0.50%
Mary Washington Hospital	\$1,802,440,824	\$8,931,031	0.50%
Valley Health Shenandoah Memorial Hospital	\$211,090,921	\$1,039,184	0.49%
Fauquier Hospital	\$502,348,786	\$2,450,797	0.49%
Valley Health Warren Memorial Hospital	\$265,287,099	\$1,197,376	0.45%
Valley Health Page Memorial Hospital	\$95,416,374	\$314,135	0.33%
Encompass Health Rehab Hosp of Fredericksburg	\$39,643,298	\$12,455	0.03%
Total Inpatient Hospitals:			17
HPR I Inpatient Hospital Median			0.6%
HPR I Total Inpatient \$ & Mean %	\$20,158,661,161	\$407,248,912	2.0%

	Gross Patient Revenues	Charity Care	% of Gross Patient Revenue
Outpatient Hospitals			
Martha Jefferson Outpatient Surgery Center	\$27,600,926	\$837,961	3.04%
UVA Health Surgical Care Riverside	\$39,804,288	\$921,933	2.32%
UVA Orthopedic Center	\$98,920,765	\$1,552,249	1.57%
Fredericksburg Ambulatory Surgery Center	\$71,232,608	\$178,939	0.25%
Surgery Center of Central Virginia	\$113,613,804	\$40,762	0.04%
Rockingham Eye Surgery Center	\$13,818,185	\$4,650	0.03%
Soaring Surgery Center	\$2,677,434	\$0	0.00%
Valley Health Surgery Center	\$19,528,899	\$0	0.00%
Winchester Eye Surgery Center, LLC	\$5,035,445	\$0	0.00%
Total Outpatient Hospitals:			9
HPR I Outpatient Hospital Median			0.0%
HPR I Total Outpatient Hospital \$ & Mean %	\$20,550,893,515	\$3,536,494	0.9%

Source: VHI, 2024

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

There are no other factors, not addressed elsewhere in the analysis, relevant to the determination of a public need for either project.

3. The extent to which the proposed project is consistent with the State Health Services Plan;

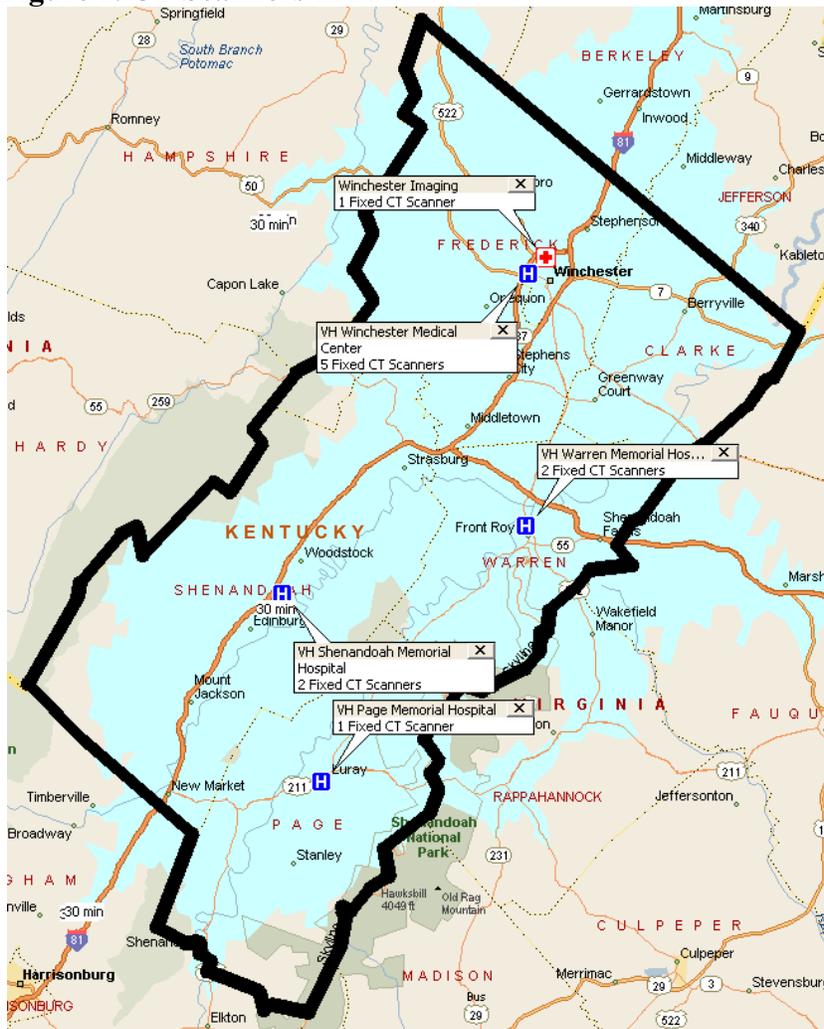
Section 32.1-102.2:1 of the Code of Virginia calls for the State Health Services Plan Task Force to develop recommendations for a comprehensive State Health Services Plan (SHSP). In the interim, DCOPN will consider the consistency of the proposed project with the predecessor of the SHSP, the State Medical Facilities Plan (SMFP). The SMFP contains criteria/standards for the establishment or expansion of CT services. They are as follows:

Part II Diagnostic Imaging Services Criteria and Standards for Computed Tomography

12VAC5-230-90. Travel time.

CT services should be available within 30 minutes driving time one way under normal conditions of 95% of the population of the health planning district using mapping software as determined by the commissioner.

Figure 2. CT Scanners in PD 7



Source: Microsoft Streets & Trips 2008

The heavy black line in **Figure 2** is the boundary of PD 7. Currently, there are 11 COPN authorized CT scanners in PD 7. The blue “H” icons indicate facilities that currently offer fixed CT services within hospitals. The white “red cross” icon indicates the outpatient imaging center that has an authorized CT scanner

The light blue shading is the area that is within a 30-minute drive under normal conditions of existing CT providers within PD 7. The areas not covered by the shaded blue in **Figure 2** are extremely rural or part of a national forest; it is reasonable to conclude that 95% or more of the PD 7 population has access to CT services within 30 minutes driving time one way under normal conditions.

12VAC5-230-100. Need for new fixed site or mobile service.

A. No new fixed site or mobile CT service should be approved unless fixed site CT services in the health planning district performed an average of 7,400 procedures per existing and approved CT scanner during the relevant reporting period and the proposed new service would not significantly reduce the utilization of existing providers in the health planning district. The utilization of existing scanners operated by a hospital and serving an area distinct from the proposed new service site may be disregarded in computing the average utilization of CT scanners in such health planning district.

The proposed project is for the addition of one fixed site CT scanner to the existing CT service at WMC rather than the addition of a new fixed site service, so this standard is not applicable. Nonetheless, the PD 7 need calculation is as follows:

Calculated Needed CT scanners = $102,058 \text{ scans in the PD} / 7,400 \text{ scans / scanner} = 13.8 (14)$
scanners needed

PD 7 Calculated Need = 14 CT scanners

PD 7 Authorized CT scanners = 12 CT scanners
(excluding CT scanners used solely for simulation with radiation therapy treatment)

PD 7 Calculated Need = 2 CT scanner

As noted in **Table 1**, the average utilization of the CT scanners in PD 7 is 125.38% of the SMFP threshold for expansion. At WMC, the average utilization of its existing five fixed CT scanners was 161.40% of the SMFP threshold for expansion. There is a calculated need for two additional CT scanners in the planning district.

B. Existing CT scanners used solely for simulation with radiation therapy treatment shall be exempt from the utilization criteria of this article when applying for a COPN. In addition, existing CT scanners used solely for simulation with radiation therapy treatment may be disregarded in computing the average utilization of CT scanners in such health planning district.

DCOPN has excluded existing CT scanners used solely for simulation prior to the initiation of radiation therapy from its inventory and average utilization of diagnostic CT scanners in PD 7 with respect to the proposed projects.⁴

⁴ There is one CT Simulator in PD 7 located at WMC.

12VAC5-230-110. Expansion of fixed site service.

Proposals to expand an existing medical care facility's CT service through the addition of a CT scanner should be approved when the existing services performed an average of 7,400 procedures per scanner for the relevant reporting period. The commissioner may authorize placement of a new unit at the applicant's existing medical care facility or at a separate location within the applicant's primary service area for CT services, provided the proposed expansion is not likely to significantly reduce the utilization of existing providers in the health planning district.

According to the 2024 VHI data, WMC was averaging 11,943 scans per scanner, well above the 7,400 scans recommended for expansion. The PD wide average utilization of the 12⁵ CT scanners averaged 9,278 scans per unit, again exceeding the 7,400-scan threshold.

12VAC5-230-120. Adding or expanding mobile CT services.

- A. Proposals for mobile CT scanners shall demonstrate that, for the relevant reporting period, at least 4,800 procedures were performed and that the proposed mobile unit will not significantly reduce the utilization of existing CT providers in the health planning district.**
- B. Proposals to convert authorized mobile CT scanners to fixed site scanners shall demonstrate that, for the relevant reporting period, at least 6,000 procedures were performed by the mobile CT scanner and that the proposed conversion will not significantly reduce the utilization of existing CT providers in the health planning district.**

Not applicable. The proposal does not seek to add or expand mobile CT services or to convert authorized mobile CT scanners to fixed site scanners.

12VAC5-230-130. Staffing.

CT services should be under the direction or supervision of one or more qualified physicians.

The applicant provides assurances that the CT imaging service will continue to be under the direction of a qualified physician.

12VAC5-230-80. When institutional expansion needed.

- A. Notwithstanding any other provisions of this chapter, the commissioner may grant approval for the expansion of services at an existing medical care facility in a health planning district with an excess supply of such services when the proposed expansion can be justified on the basis of a facility's need having exceeded its current service capacity to provide such service or on the geographic remoteness of the facility.**

⁵ Includes the sixth scanner approved for WMC that has not been installed.

B. If a facility with an institutional need to expand is part of a health system, the underutilized services at other facilities within the health system should be reallocated, when appropriate, to the facility with the institutional need to expand before additional services are approved for the applicant. However, underutilized services located at a health system's geographically remote facility may be disregarded when determining institutional need for the proposed project.

C. This section is not applicable to nursing facilities pursuant to § 32.1-102.3:2 of the Code of Virginia.

D. Applicants shall not use this section to justify a need to establish new services.

WMC states that there is an institutional need to add another fixed CT scanner. According to the applicant, WMC is projecting and planning for a 62% growth in diagnostic CT volume over the next 10 years⁶. This compounds with the current utilization rate, which is 161.40% of the SMFP threshold for expansion (Table 1).

Additionally, the Valley Health System in PD 7 does not have underutilized scanners to reallocate. The ten scanners in the Valley Health System averaged 9,213 scanners per unit, which is 124.50% of the SMFP threshold for expansion (Table 6). Even when the in-progress CT scanner at WMC is installed, the Valley Health System would still operate at 113.18% of the threshold for expansion if all other factors and volumes were to remain the same. The lowest utilized scanner in the system is at Valley Health Page Memorial Hospital, with a utilization at 78.47% of the threshold for expansion. It would not be feasible to move this underutilized scanner because it is the only unit at Page Memorial Hospital.

Table 6: Valley Health System CT scanner Utilization in PD 7

Facility Name	# of units	Total Procedures	Utilization per scanner	Utilization %
Valley Health Page Memorial Hospital	1	5,807	5,807	78.47%
Valley Health Shenandoah Memorial Hospital	2	12,578	6,289	84.99%
Valley Health Warren Memorial Hospital	2	14,026	7,013	94.77%
Valley Health Winchester Medical Center	5	59,717	11,943	161.40%
Total	10	92,128	9,213	124.50%

Source: VHI, 2024

Required Considerations Continued

4. The extent to which the proposed project fosters institutional competition that benefits the area to be served while improving access to essential health care services for all people in the area to be served;

⁶ Source: COPN Request No. VA-8847

This project does not foster institutional competition because it expands existing services based on institutional need for expansion. Additionally, there is only one CT scanner in PD 7 that is not operated by Valley Health. Adding another CT scanner to WMC would further decrease competition by adding to Valley Health’s already dominant inventory.

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

WMC operates five of the 11 operational CT scanners in PD 7, with a sixth scanner pending installation. Additionally, all acute care hospital facilities in PD 7 are operated by Valley Health, meaning that there is only one CT scanner accessible to PD 7 residents in an outpatient facility that is not associated with Valley Health. This one freestanding scanner is averaging 9,930 scans per unit which is 134.19% of the SMFP threshold for expansion.

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

The capital costs of the proposal appear reasonable and will be funded with accumulated reserves, incurring no financing costs. The proforma provided by the applicant shows a positive revenue over expenses for the first two years of operation (Table 7).

Table 7. Winchester Medical Center Proforma

	Year 1	Year 2
Gross Patient Revenue	\$168,517,753	\$181,637,311
Charity Care	\$1,011,107	1,089,824
Contractual Deductions	143,071,573	157,210,077
Net Revenue	24,435,074	26,337,410
Total Operating Expenses	4,091,403	4,474,441
Excess of Revenue Over Expenses	20,105,686	21,624,985

Source: COPN Request No. VA-8723

This project would only require adding 1.5 FTE Radiologic Technologists to the staff, which should not impact area providers. DCOPN notes that the applicant did not provide a plan for obtaining additional staff, and that WMC has an additional 41 vacant FTE Radiologic Technologist positions facility wide (30% vacancy rate for the position).

7. The extent to which the proposed project provides improvements or innovations in the financing and delivery of health care 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 health care services on an outpatient basis; (iii) any cooperative efforts to meet regional health care needs; and (iv) at the discretion of the Commissioner, any other factors as may be appropriate; and

The proposal does not provide innovations in the delivery of health services but does allow for delivery of care in an outpatient facility that will shift some scans from the currently highly utilized inpatient CT scanners at WMC. DCOPN did not identify any other discretionary factors, not discussed elsewhere in this staff analysis report, to bring to the attention of the Commissioner as may be relevant in determining the extent to which the project provides improvements or innovations in the financing and delivery of health services.

- 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 served,**
- (i) The unique research, training, and clinical mission of the teaching hospital or medical school.**
 - (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. The applicant is not with a teaching hospital associated with a public institution of higher education or a medical school in the area to be served.

DCOPN Staff Findings and Conclusion

DCOPN finds that Winchester Medical Center's (WMC) proposed project to add one CT scanner at an outpatient diagnostic center on the WMC campus is generally consistent with the applicable criteria and standards of the SMFP and the Eight Required Considerations of the Code of Virginia. WMC has demonstrated a clear institutional need for an additional scanner, despite the recent approval of another scanner under COPN No. VA-04873. According to 2024 data reported to Virginia Health Information (VHI), WMC's scanners were averaging 11,943 scanners per unit which is 161.40% of the SMFP threshold for expansion.

There is no known opposition to the project, the cost is reasonable, and the project is unlikely to affect the utilization of other area providers. Additionally, there does not appear to be a reasonable alternative to the project that would be less costly, more efficient, or more effective at meeting the needs of the PD 7 population. The proposal is more beneficial than the status quo.

Staff Recommendation

The Division of Certificate of Public Need recommends **conditional approval** of Winchester Medical Center's (WMC) COPN Request number VA-8847 to add one CT scanner at the outpatient diagnostic center located on its campus in Winchester, Virginia for the following reasons:

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. WMC has a demonstrated institutional need for additional CT capacity.

3. Approval of this project is more advantageous than the alternative of the status quo.
4. The capital costs are reasonable and consistent with other projects of this type.
5. There is no known opposition to the proposed project.

Recommended Condition

DCOPN's recommendation is contingent upon Winchester Medical Center's agreement to the following charity care condition:

Winchester Medical Center will provide computed tomography (CT) services to all persons in need of this service, 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 2.0% of Winchester Medical Center's total patient services revenue derived from CT 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. Winchester Medical Center 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.

Winchester Medical Center will provide CT 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, Winchester Medical Center will facilitate the development and operation of primary and specialty medical care services in designated medically underserved areas of the applicant's service area.