

VIRGINIA DEPARTMENT OF HEALTH
Office of Licensure and Certification
Division of Certificate of Public Need

Staff Analysis

March 23, 2026

COPN Request No. VA-8855

Virginia Hospital Center Arlington Health System (VHC Health)
McLean, Virginia

Introduce PET/CT services into an existing medical care facility with one (1) fixed PET/CT Scanner

Applicant

Virginia Hospital Center (VHC) is a 501(c)(3) Virginia non-stock corporation. VHC Health (previously Virginia Hospital Center Arlington Health System), a 501(c)(3) non-profit corporation, is the sole owner of VHC. VHC is located in Arlington, Virginia, Planning District (PD) 8, within Health Planning Region (HPR) II.

Background

A positron emission tomography (PET) scan is an imaging test that can help reveal the metabolic or biochemical function of tissues and organs. The PET scan uses a radioactive drug called a tracer to show both typical and atypical metabolic activity. A PET scan can often detect the atypical metabolism of the tracer in diseases before the disease shows up on other imaging tests, such as computerized tomography (CT) and magnetic resonance imaging (MRI). The tracer is most often injected into a vein in the hand or arm. The tracer will then collect into areas of the body that have higher levels of metabolic or biochemical activity. This often pinpoints the location of the disease. The PET images are typically combined with CT or MRI and are called PET/CT or PET/MRI scans.¹

Regarding cardiac PET/CT, the American Society of Nuclear Cardiology and the Society of Nuclear Medicine and Molecular Imaging published a joint position paper in 2016 (Society Joint Position Statement) stating:

The purpose of this joint Society Position Statement is to highlight the attributes that make rest/stress myocardial perfusion PET both **Preferred** and **Recommended** in the era of high value initiatives for appropriate patients. Myocardial perfusion PET image quality, high diagnostic accuracy that is relatively independent of body habitus, ability to accurately risk stratify patients with a wide array of clinical presentations, short acquisition times, safety by virtue of low radiation exposure, and its unique ability to quantify myocardial blood flow are all significant and clinically important

¹<https://www.mayoclinic.org/tests-procedures/pet-scan/about/pac-20385078>

properties. The properties of myocardial perfusion PET according to the published literature are sufficient to advance recommendations for its use in clinical practice. There are no clinical scenarios where PET should not be considered a preferred test for patients who meet appropriate criteria for a stress imaging test and who require pharmacologic stress.²

According to Division of Certificate of Public Need (DCOPN) records, PD 8 has 18 authorized PET services – 16 fixed site scanners and two mobile sites. Nine of the 16 authorized fixed site PET services in PD 8 are cardiac-only (**Table 1**). In its application, VHC Health stated that it intends to use the proposed PET/CT scanner primarily for cardiac PET/CT scans. It is not asking for the scanner to be restricted to cardiology, however, because the scanner will also be used for oncology and neurology cases when there is downtime or lack of capacity at the PET/CT scanner located on the main VHC campus in Arlington³. The applicant stated that these non-cardiac scans will occur no more than 10% of the time and will not be advertised as a service at the outpatient imaging center where the proposed scanner would be located.

² Bateman et.al. American Society of Nuclear Cardiology and Society of Nuclear Medicine and Molecular Imaging Joint Position Statement on the Clinical Indications for Myocardial Perfusion PET. Journal of nuclear cardiology (2016): official publication of the American Society of Nuclear Cardiology. <https://pubmed.ncbi.nlm.nih.gov/27528255/> (accessed December 17, 2024).

³ The PET/CT scanner will be used 90% for cardiac and 10% for oncology and neurology.

Table 1. PD 8 COPN Authorized PET Services

Facility	Total Authorized Scanners	Authorized Fixed-Site Scanners	Authorized Mobile Sites	Cardiac Only
Amelia Heart and Vascular Center ⁴	1	1	0	1
Cardiac Care Associates ⁵	1	1	0	1
Carient Heart & Vascular (Ashton Avenue) ⁶	1	1	0	1
Carient Heart & Vascular (Church Street NE)	1	1	0	1
Fairfax PET/CT Imaging Center	1	1	0	0
Inova Cardiac Diagnostics ⁷	1	1	0	1
Inova Reston MRI Center (Inova Center for Personalized Health) ⁸	1	1	0	0
Kaiser Permanente Woodbridge Imaging Center ⁹	1	1	0	0
Metro Region PET Center ¹⁰	2	2	0	0
Nova Cardiovascular Care, Inc.	1	1	0	1
UVA Cancer Center - Gainesville	1	0	1	0
PET of Reston	1	1	0	0
Sentara Northern Virginia Medical Center	1	0	1	0
Virginia Heart (Alexandria) ¹¹	1	1	0	1
Virginia Heart (Leesburg) ¹²	1	1	0	1
Virginia Heart (Falls Church)	1	1	0	1
Virginia Hospital Center	1	1	0	0
PD 8 Total	18	16	2	9

Source: DCOPN Records

Proposed Project

The applicant proposes to establish PET/CT services at the existing VHC Health Outpatient Imaging Center located at 1760 Old Meadow Road in McLean, Virginia. Current services at the Outpatient Imaging Center include Computed Tomography (CT), Magnetic Resonance Imaging (MRI), ultrasound, X-ray, echocardiogram, mammography, Single-Photon Emission Computed Tomography (SPECT) and bone densitometry. The CT and MRI services were approved along with the Outpatient Imaging Center site under COPN No. VA-04880. According to an indefinite extension filed for the project, the Outpatient Imaging Center opened in November 2025. The applicant assured that the current proposal would not use the CT portion of the proposed PET/CT scanner independently.

⁴ Completed November 2024, no VHI data reported in 2024.

⁵ Completed December 2024, no VHI data reported in 2024.

⁶ Only one Carient Heart and Vascular site reported to VHI in 2024. Data from the two sites may be combined.

⁷ Expected completion March 2026.

⁸ Expected completion April 2026

⁹ Completed in June 2022 but not reporting to VHI. DCOPN reached out but did not receive a response.

¹⁰ Operational but did not report to VHI in 2024.

¹¹ Expected completion March 2026

¹² Completed October 2025.

The total capital costs of the proposed project are \$3,494,222, of which approximately 67% represents equipment costs (**Table 2**). The applicant states that the proposed project will be funded entirely through accumulated reserves.

Table 2. VHC Health Outpatient Imaging Center Costs

Direct Construction Costs	\$833,322
Equipment Not Included in Construction Contract	\$2,350,150
Architectural and Engineering Fees	\$310,750
Total	\$3,494,222

Source: COPN Request No. VA-8855

Construction for the proposed project is expected to begin in February 2026 and be completed by October 2026. The applicant anticipates an opening date in November 2026.

Project Definitions

Section 32.1-102.1:3 of the Code of Virginia defines a project, in part, as the “[t]he addition by an existing medical care facility described in subsection A of any new medical equipment for the provision of ...positron emission tomographic (PET) scanning...”

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

In determining whether a public need for a project exists, the following factors shall be considered:

- 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;**

According to regional and statewide data regularly collected by Virginia Health Information (VHI), for 2024, the most recent year for which such data is available, the average amount of charity care provided by HPR II facilities was 2.2% of all reported total gross patient revenues (**Table 3**).

Table 3. HPR II Charity Care Contributions: 2024

Hospital	Gross Patient Revenues	Adjusted Charity Care Contribution	% of Gross Patient Revenue:
UVA Health Prince William Medical Center	\$716,331,491	\$41,008,588	5.72%
Sentara Northern Virginia Medical Center	\$1,113,165,093	\$51,702,306	4.64%
Encompass Health Rehab Hosp of Northern Virginia	\$48,211,597	\$1,826,742	3.79%
Inova Alexandria Hospital	\$1,694,182,731	\$50,440,661	2.98%
Inova Mount Vernon Hospital	\$890,441,286	\$23,371,040	2.62%
Inova Fairfax Hospital	\$7,540,856,971	\$166,576,158	2.21%
Inova Loudoun Hospital	\$1,677,819,433	\$37,476,979	2.23%
Virginia Hospital Center	\$1,256,027,025	\$27,903,630	2.22%
Inova Fair Oaks Hospital	\$2,408,582,527	\$52,039,581	2.16%
Dominion Hospital	\$187,238,481	\$3,760,816	2.01%
Reston Hospital Center	\$2,254,004,397	\$19,684,028	0.87%
StoneSprings Hospital Center	\$582,717,334	\$4,566,302	0.78%
North Spring Behavioral Healthcare	\$82,497,344	\$230,098	0.28%
UVA Health Haymarket Medical Center	\$386,285,597	\$8,866,919	2.30%
Inova Specialty Hospital	\$84,305,852	\$0	0.00%
Total Inpatient Hospitals:			15
HPR II Total Inpatient \$ & Mean %	\$20,922,667,159	\$489,453,848	2.3%
HealthQare Services ASC, LLC	\$13,632,136	\$1,310,762	9.62%
Stone Springs Ambulatory Surgery Center	\$76,406,627	\$3,149,654	4.12%
Inova Ambulatory Surgery Center at Lorton	\$10,368,192	\$108,312	1.04%
Northern Virginia Eye Surgery Center, LLC	\$19,079,771	\$31,456	0.16%
Inova Surgery Center @ Franconia-Springfield	\$103,157,360	\$71,790	0.07%
Haymarket Surgery Center	\$78,596,299	\$48,654	0.06%
Northern Virginia Surgery Center	\$68,941,715	\$33,412	0.05%
Reston Surgery Center	\$195,891,966	\$75,099	0.04%
McLean Ambulatory Surgery Center	\$54,482,314	\$24,067	0.04%
Inova Loudoun Ambulatory Surgery Center	\$101,605,217	\$18,748	0.02%
Fairfax Surgical Center	\$181,894,940	\$16,493	0.01%
Prince William Ambulatory Surgery Center	\$86,151,992	\$11,406	0.01%
Lake Ridge Ambulatory Surgical Center	\$14,168,726	\$275	0.00%
Kaiser Permanente Tysons Corner Surgery Center	\$51,140,777	\$0	0.00%
Kaiser Permanente Caton Hill Ambulatory Surgery Center	23,894,258	\$0	0.00%
Pediatric Specialists of Virginia Ambulatory Surgery Center	9,187,308	\$0	0.00%
VHC Ambulatory Surgery Center	Not reporting	\$0	0.00%
Total Outpatient Hospitals:			16
HPR II Total Outpatient Hospital \$ & Mean %	\$1,088,599,598	\$4,900,128	0.5%
Total Hospitals:			31
HPR II Total Hospital \$ & Mean %	\$22,011,266,757	\$494,353,976	2.2%

Source: VHI (2024)

The VHC Health Outpatient Imaging Center is conveniently accessible by public transportation and major roadways serving Northern Virginia. The facility is located less than one mile from the Capital Beltway (I-495) and easily accessible through the interchange at I-495 and Route 123 (Dolley Madison Boulevard). The McLean Metro Station is only 0.5 miles away. The Fairfax Connector, the public bus system that services the region, has two bus routes which cover the proposed location and connect to other public transportation systems like the Metro Rail Silver Line; the nearest bus stop is approximately 0.2 miles (a five-minute walk) away.

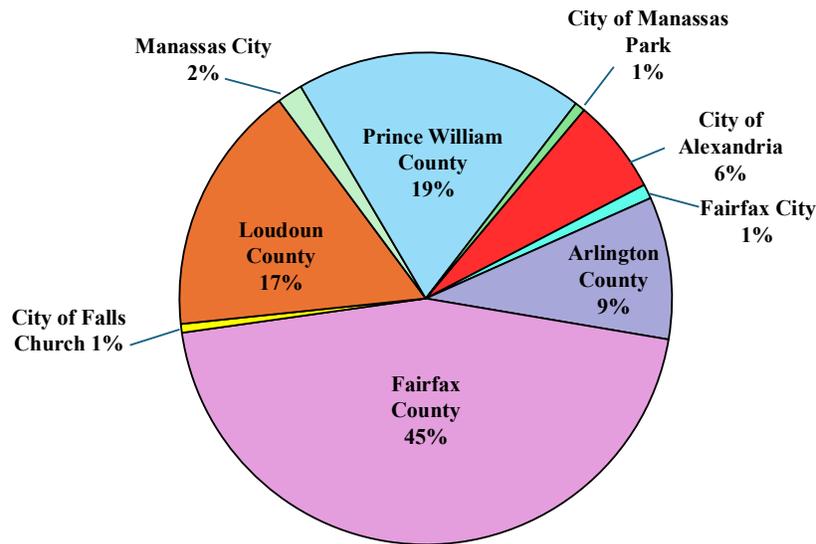
PD 8 had a population of about 2.5 million in 2020 and is projected to grow by just under 300,000 people, a 10.9% increase, by 2030. This is nearly double the population growth rate projected for the Commonwealth of Virginia during this decade, 5.8% (**Table 4**). Fairfax County, where the proposed project is located, is the largest county in PD 8 and the Commonwealth with over 1.1 million residents in 2020 (45% of the population of PD 8, 13.3% of the total population of Virginia). (**Table 4**). The population in Fairfax County is expected to increase 4.4% to over 1.2 million residents by 2030. The 65+ population in PD 8 is expected to grow by 97,855 people (a 31.9% increase) between 2020 and 2030. In Fairfax County, the 65+ population is expected to grow by 195,132 people (a 23% increase) (**Table 4**). **Figure 1** shows that Fairfax County makes up 45% of the population of PD 8.

Table 4. Population by Locality, PD 8

Locality	2020 Population	2030 Projected Population	Projected Growth 2020-2030	Percent Growth 2020-2030	65+ 2020 Population	Projected 65+ 2030 Population	Projected Growth 65+	Percent Growth 65+
Arlington County	238,643	265,794	27,151	11.4%	25,333	28,501	3,168	12.5%
Fairfax County	1,150,309	1,201,420	51,111	4.4%	158,687	195,132	36,445	23.0%
Loudoun County	420,959	522,015	101,056	24.0%	41,497	65,844	24,347	58.7%
Prince William Co.	482,204	554,344	72,140	15.0%	50,522	76,112	25,590	50.7%
Alexandria City	159,467	176,403	16,936	10.6%	18,758	22,941	4,183	22.3%
Fairfax City	24,146	25,358	1,212	5.0%	3,871	4,726	855	22.1%
Falls Church City	14,658	16,741	2,083	14.2%	2,185	2,545	360	16.5%
Manassas City	42,772	47,039	4,267	10.0%	4,505	6,593	2,088	46.3%
Manassas Park City	17,219	19,876	2,657	15.4%	1,343	2,162	819	61.0%
PD 8	2,550,377	2,828,990	278,613	10.9%	306,701	404,555	97,854	31.9%
Virginia	8,631,393	9,129,002	497,609	5.8%	1,395,291	1,762,641	367,350	26.3%

Source: United States Census Bureau at <https://data.census.gov/> and Weldon Cooper Center for Public Service, August 2023.

Figure 1. Percent of PD 8 Population by Locality



Source: Weldon-Cooper Data, updated June 2025

With respect to socioeconomic barriers, the overall poverty rate of PD 8, 6.2% is lower than that of Virginia, 10.2% (Table 5). Fairfax County has a poverty rate comparable to the rest of PD 8 at 6.1%.

Table 5. 2023 Poverty Rates, PD 8

Locality	Percent in Poverty
Alexandria City	8.5%
Arlington County	7.1%
Fairfax County	6.1%
Fairfax City	7.4%
Falls Church City	5.1%
Loudoun County	4.1%
Manassas City	10.7%
Manassas Park City	7.7%
Prince William County	6.7%
PD 8	6.2%
<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 one letter of support for the proposed project, from a VHC Health cardiologist, which stated:

- The addition of a PET/CT scanner will materially improve diagnosis and management of coronary artery disease.
- PET/CT scanners produce clearer and more reliable images, leading to less repeat tests and reducing overall exposure to radiation.
- The current oncology-focused PET/CT scanner cannot easily be used for cardiac scans.
- Patients will experience lower out-of-pocket costs than they would in an acute care setting.

DCOPN additionally received a letter of opposition from David E. Dubois, President of PET of Reston. This letter in summary stated:

- While VHC's application primarily focuses on how it will serve cardiology patients, it is not requesting that its scanner be restricted to cardiology only, which raises concern. There is not currently a need for an additional full-service PET/CT provider in PD 8.
- Other oncology and neurology PET/CT providers in PD 8 have the capacity to provide services to meet the needs of the residents of PD 8.
- If there is a demonstrated need for additional cardiac PET/CT services in PD 8, the Commissioner should consider putting a restriction on the scanner so that it can only provide cardiac scans.

In response to PET of Reston's letter of opposition, VHC Health responded with the following:

- A cardiac-only restriction for the PET/CT scanner would not be in the best interest of the VHC patients. VHC Health will only use the scanner for non-cardiac procedures when the main scanner is down.
- Most of the other restricted cardiac PET/CT scanners are in private cardiology practices.
- VHC Health and PET of Reston serve very different service areas, with only 14 SPECT cases coming from Reston zip codes in 2024.

Public Hearing

DCOPN provided notice to the public regarding this project on January 9, 2026. The public comment period closed on February 24, 2026. On March 2, 2026, HSANV held a public hearing for the project. VHC Health Outpatient Imaging Center project was presented by Adrian Stanton, Vice President, VHC Health and Dr. Charanjit Khurana, Vice Chief, Medical Specialties, VHC Health. There was no public comment regarding the 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;

Neither the applicant nor DCOPN identified any reasonable alternatives to the proposed project. VHC Health currently operates a PET/CT scanner at its main hospital campus in Arlington that is only operating at 23.7% of the State Medical Facilities Plan (SMFP) threshold for expansion according to the 2024 VHI data.¹³ This is not uncommon, however, as the SMFP standard of 6,000 procedures is not being met by a majority of PET/CT scanners in the Commonwealth. The State Health Services Plan (SHSP) Task Force is currently in discussions to modify this standard, so it is more attainable for providers.

VHC Health states in their application that this scanner at the main VHC Campus is tailored to provide oncology imaging, and that if this scanner were upgraded to include cardiac scans as well, it would “make service integration challenging”. Furthermore, PET/CT imaging is the “gold standard” over SPECT, which is currently offered by VHC Health, making the project more beneficial than the status quo.

(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;

At its March 2, 2026, meeting, the Health Systems Agency of Northern Virginia (HSANV), the organization in HPR II designated by the Virginia Department of Health to serve as the Health Planning Agency for PD 8, voted 11 in favor, none opposed, to recommend approval of VHC Health’s COPN Request number VA-8855. The HSANV based its recommendation on its review of the application, on the HSANV staff report on the proposal, on the information presented at March 2, 2026, public hearing and Board of Directors meeting, and on several basic findings and conclusions, including:

1. VHC Health serves large numbers of cardiovascular patients in multiple settings.
2. PET scanning is the preferred diagnostic imaging option for many patients with coronary artery disease. Demand for cardiac PET imaging is increasing within VHC Health and regionwide.
3. Except for the recently authorized Inova Fairfax Hospital services, existing cardiac PET services are organized and operated to serve patients of specific cardiology practices.
4. A VHC Health cardiac PET service is likely to improve access for those not served by cardiology practices offering the service.
5. Projected capital costs are within the capital expenditure range seen for similar projects.
6. There is no indication that expanding access to cardiac PET scanning within VHC Health would affect other, existing providers negatively.

¹³ DCOPN notes that low utilization does not necessarily disqualify an applicant from obtaining a service, as will be discussed in more detail later.

7. The Virginia State Medical Facilities Plan (SMFP) does not contain planning guidance specific to cardiac PET imaging. The project is consistent with applicable provisions of the Virginia SMFP as they have been applied to similar projects locally and statewide.

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

As demonstrated by **Table 2**, the projected capital costs of the proposed project are \$3,494,222, approximately 67% of which are attributed to equipment costs. As mentioned previously, the project will be funded entirely through accumulated reserves. The capital costs are reasonable and similar to other recent projects in PD 8. For example, VA-04920 authorized the introduction of PET/CT services at an existing facility (Inova Reston MRI Center), for a total approved capital cost of \$5,193,991.

The applicant identified numerous benefits of the proposed project, including:

- The VHC Health Outpatient Imaging Center is centrally located within the VHC primary service area and is co-located with VHC Health Cardiology-Tysons.
- The VHC Health Outpatient Imaging Center is conveniently located off of several major roadways, making it accessible to most patients.
- PET/CT is the “gold standard” over SPECT and is more accurate, takes less time, and admits less radiation. Utilization of PET/CT also leads to less false positives.
- This project is an effort to shift lower-acuity care to an outpatient setting while also offering services at a lower cost.

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

VHC Health asserts that it will provide PET/CT services to patients regardless of ability to pay or payor source. § 32.1-102.4B of the Code of Virginia requires DCOPN to place a charity care condition on every applicant seeking a COPN. The Pro Forma Income Statement provided by the applicant proffered a charity care contribution equal to 3.0% of gross patient services revenue¹⁴. This amount is higher than the 2.0% HPR II charity care average (**Table 6**) and is consistent with VHC Health’s system-wide charity care condition currently in place¹⁵. Accordingly, should the Commissioner approve the proposed project, DCOPN contends that the 3.0% system-wide charity care condition should apply.

¹⁴ Source: COPN Request VA-8855

¹⁵ 3.0% System-wide condition established pursuant to COPN No. VA-04447/04447 in 2014.

Table 6. VHC Health Pro Forma Income Statement

	Year 1	Year 2
Total Gross Patient Revenue	\$1,382,000	\$1,727,500
Contractuals/Other Discounts	\$773,920	\$967,400
Bad Debt	\$41,460	\$51,825
Charity Care	\$41,460	\$51,825
Net Operating Revenue	\$525,160	\$565,450
Total Operating Expenses	\$464,487	\$472,495
Net Income	\$60,673	\$183,955

Source: COPN Request No. VA-8855

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

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 to determining a public need for the proposed projects.

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 SMFP.

The SMFP contains criteria/standards for the establishment or expansion of CT services. They are as follows:

**Part II
 Diagnostic Imaging Services
 Article 4 Criteria and Standards for Positron Emission Tomography**

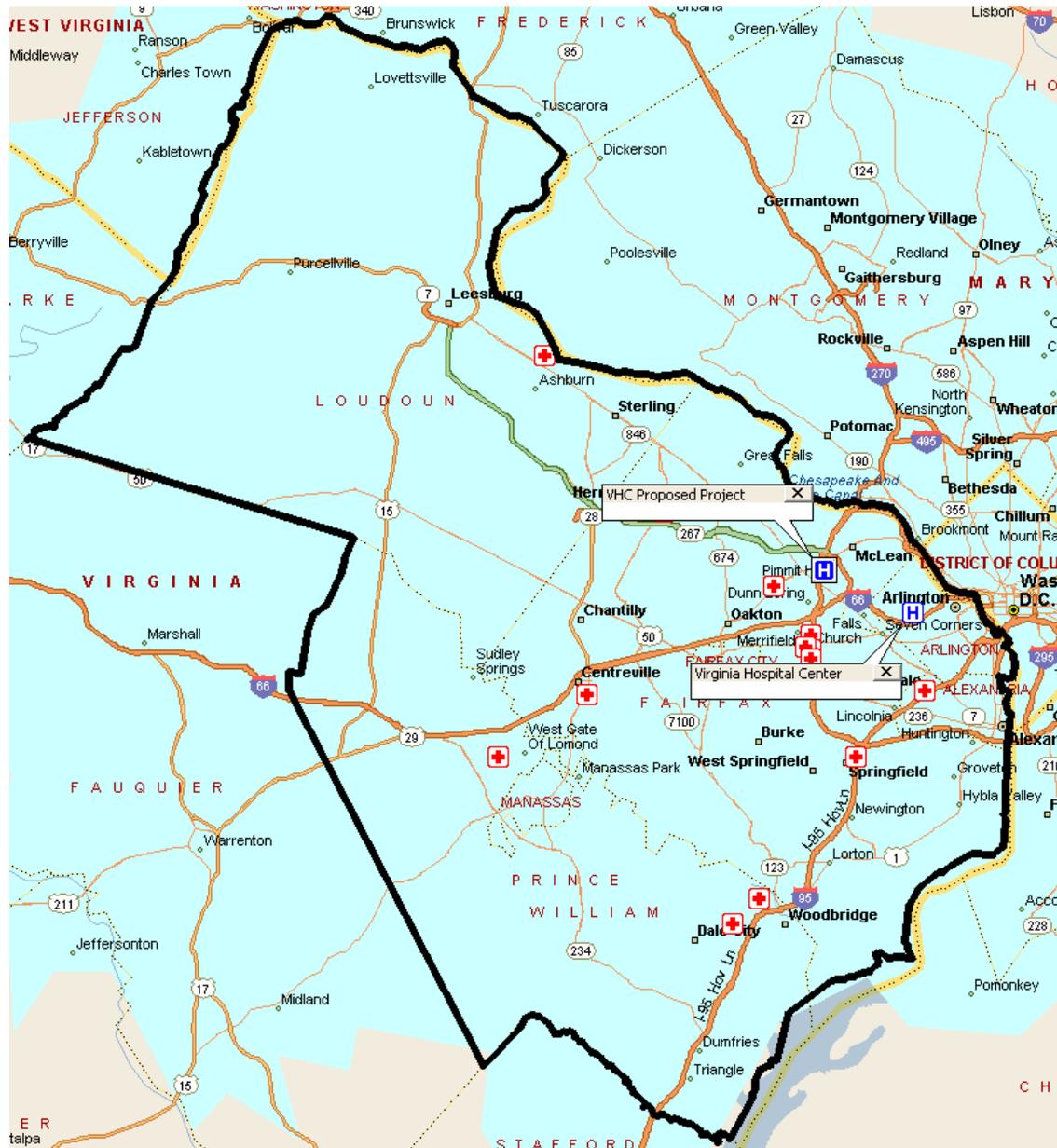
12VAC5-230-200. Travel Time.

PET services should be within 60 minutes driving time one way under normal conditions of 95% of the health planning district using a mapping software as determined by the commissioner.

The heavy black line in **Figure 2** is the boundary of PD 8. The red cross symbols mark the locations of existing PET providers in PD 8. The white “H” symbol with the blue background marks the location of the proposed project. The blue “H” symbol with the white background is the location of the Virginia Hospital Center main facility where one un-restricted PET/CT scanner is located. DCOPN notes that the SMFP does not distinguish between cardiac-specific PET services and all other PET services.

The blue shaded area includes the area that is within 60 minutes driving time one-way under normal conditions of existing PET services in PD 8. **Figure 2** clearly illustrates that PET services are already well within a 60-minute drive under normal conditions of 95% of the residents of PD 8 and approval of the proposed project will not increase geographic access to PET services.

Figure 2



Source: Microsoft Streets & Trips, DCOPN Record

12VAC5-230-210. Need for New Fixed Site Service.

- A. If the applicant is a hospital, whether free-standing or within a hospital system, 850 new PET appropriate cases shall have been diagnosed and the hospital shall have provided radiation therapy services with specific ancillary services suitable for the equipment before a new fixed site PET service should be approved for the health planning district.**
- B. No new fixed site PET services should be approved unless an average of 6,000 procedures per existing and approved fixed site PET scanner were performed in the health planning district during the relevant reporting period and the proposed new service would not significantly reduce the utilization of existing fixed site PET 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 PET units in such health planning district.**

Note: For the purposes of tracking volume utilization, an image taken with a PET/CT scanner that takes concurrent PET/CT images shall be counted as one PET procedure. Images made with PET/CT scanners that can take PET or CT images independently shall be counted as 1 individual PET procedure and CT procedure respectively, unless those images are made concurrently.

DCOPN notes that several PET/CT scanners have been added to the PD 8 inventory since the preparation of the VHI data as displayed in **Table 7**, such as Amelia Heart & Vascular, an additional Cardiac Care Associates location, Inova Cardiac Diagnostics, Inova Reston MRI Center, LLC, Virginia Heart (Alexandria), and Virginia Heart (Leesburg). Carient Heart & Vascular, Kaiser Permanente Woodbridge and Metro Region PET Center also have authorized fixed PET/CT scanners but did not report to VHI in 2024.

The table below displays only fixed PET/CT units. **Table 1** above displays the current inventory of both mobile and fixed PET/CT scanners in PD 8.

Calculated Needed Fixed PET Scanners in PD 8

2026 COPN authorized fixed PET scanners = 16

Calculated Needed Fixed PET scanners = $19,114$ (2024 fixed PET procedures) \div $6,000$ = 3.18
(4) scanners needed

PD 8 Calculated Need = 4 PET scanners

PD 8 Calculated Surplus = **12 PET scanners** (2026 PET Scanners (16) – Calculated Need (4))

Table 7. PD 8 COPN Authorized Fixed PET Units and Utilization: 2024

Facility	Number of Scanners	Number of Scans	Utilization
Carient Heart and Vascular	1	3,478	58.0%
Fairfax PET/CT Imaging Center	1	4,139	69.0%
NOVA Cardiovascular Care, Inc.	1	1,210	20.2%
PET of Reston	1	2,218	37.0%
Virginia Heart (Falls Church)	1	5,448	90.8%
Virginia Hospital Center	1	1,422	23.7%
PD 8 Total	6	19,114	39.82%

Source: VHI 2024

As shown above, there is a calculated surplus of 12 PET scanners in PD 8. DCOPN notes that according to **Table 7** above, none of the PET scanners in PD surpassed the SMFP’s threshold for expansion. The Falls Church Virginia Heart location was the closest to surpassing this threshold, having done 5,448 scans or 90.8% of the SMFP threshold for expansion in 2024.

DCOPN has previously acknowledged the SMFP’s utilization standards for PET/CT services are outdated and that expecting a PET service to reach the threshold suggested by the SMFP amounts to a misconception about the utilization of this modality at the time the SMFP was written, and should be treated as such:

Consistency with SMFP planning guidance in this case is, in effect, an academic exercise. The assumptions underlying the service volume standards, for example, have been superseded by technological developments (e.g., shorter average scan times) and the failure to identify additional clinical applications for the technology. Moreover, none of the existing services met fully the SMFP review criteria and standards when they obtained COPN authorization. (Source: Health Systems Agency of Northern Virginia Staff Report RE: COPN Request No. VA-8327, November 28, 2017).

VHC Health anticipates performing 2,000 PET/CT studies in Year 1 and 2,500 PET/CT studies in Year 2. VHC Health based these projections based on the following factors:

- VHC Health’s high outpatient cardiovascular visit volumes;
- VHC Health’s patients’ robust and growing demand for cardiac SPECT and VHC Health’s high cardiac SPECT utilization;
- Volumes of VHC Health’s patients clinically appropriate for, and who would benefit from, PET/CT services;
- VHC Health’s service area and patient origin data;
- Patient choice and scheduling preferences; and
- Population growth and aging in the VHC Health service area.

DCOPN notes that these projections are within the range of the PD 8 average of 2,389 scans per unit and the Virginia overall average of 2,376 scans per unit.

In 2024, VHC Health reported doing 2,165 SPECT studies, an 85% increase from the previous year. The plan is to shift eligible SPECT patients to receive PET/CT scans should this project be approved. VHC Health has a demonstrated an existing patient base and established need.

With regard to the effect that the proposed project would have on existing providers, the applicant states that the VHC Health Outpatient Imaging Center is within the Primary Service Area (PSA) of VHC Health. The applicant also states that none of the approved/existing providers of PET/CT services in PD 8 can meet the needs of VHC Health because they are mostly independent cardiology practices with their own distinct patient bases. The only exception is an Inova-associated facility, which would primarily serve patients within the Inova Health System. With this, VHC Health claims it will also service a unique patient base and will not have an impact on area providers.

DCOPN notes that there has been an increase in cardiac-restricted PET/CT scanners approved in the PD in recent years. **Table 8** below shows that there are currently nine PET/CT scanners approved solely for cardiac scans. All but one of the scanners were approved or completed between 2024 and 2025, and the one scanner that was completed previously was the only one that has reported data to VHI. While VHC Health would not have a cardiac-restricted certificate for its PET/CT should this project be approved, it is still planning to use the scanner primarily for cardiac scans. DCOPN does not find it beneficial to place a cardiac-only restriction on this project, should it be approved. A majority of the approved cardiac restricted PET/CT scanners in PD 8 are for private cardiology groups, with the only exception being the scanner approved for Inova Cardiac Diagnostics in 2025. With this, DCOPN does not believe it would be appropriate to place this same restriction on VHC Health since it has assured DCOPN that while the scanner would primarily be used for cardiac purposes, there are some emergency situations, where it may be used for other types of scans such as oncology and neurology. To affirm this commitment to use the scanner for cardiac scans at least 90% of the time, the applicant stated that it will not advertise the proposed scanner for anything other than cardiology, and any other type of scan will only performed after hours or when there is an available block of time open. Should the proposal be approved, the certificate will note that “consistent with the description in its application, VHC will perform no more than 10% of scans on this scanner as non-cardiac related.”

Table 8. PD 8 COPN Restricted Use Cardiac Scanners

Facility	Cardiac Only
Amelia Heart and Vascular Center ¹⁶	1
Cardiac Care Associates ¹⁷	1
Carient Heart & Vascular (Ashton Avenue) ¹⁸	1
Carient Heart & Vascular (Church Street NE)	1
Inova Cardiac Diagnostics ¹⁹	1
Nova Cardiovascular Care, Inc.	1
Virginia Heart (Alexandria) ²⁰	1
Virginia Heart (Leesburg) ²¹	1
Virginia Heart (Falls Church)	1
PD 8 Total	9

Source: DCOPN Records

12VAC5-230-220. Expansion of Fixed Site Services.

Proposals to increase the number of PET scanners in an existing PET service should be approved only when the existing scanners performed an average of 6,000 procedures for the relevant reporting period and the proposed expansion would not significantly reduce the utilization of existing fixed site providers in the health planning district.

Not applicable. The applicant is not proposing to expand an existing fixed-site PET service.

12VAC5-230-230. Adding or Expanding Mobile PET or PET/CT Services.

- A. Proposals for mobile PET or PET/CT scanners should demonstrate that, for the relevant reporting period, at least 230 PET or PET/CT appropriate patients were seen and that the proposed mobile unit will not significantly reduce the utilization of existing providers in the health planning district.**
- B. Proposals to convert authorized mobile PET or PET/CT scanners to fixed site scanners should demonstrate that, for the relevant reporting period, at least 1,400 procedures were performed by the mobile scanner and that the proposed conversion will not significantly reduce the utilization of existing providers in the health planning district.**

Not applicable. The applicant is not proposing to add or expand an existing mobile PET/CT service.

¹⁶ Completed November 2024, no VHI data reported in 2024.

¹⁷ Completed December 2024, no VHI data reported in 2024.

¹⁸ Only one Carient Heart and Vascular site reported to VHI in 2024. Data from the two sites may be combined.

¹⁹ Expected completion March 2026.

²⁰ Expected completion March 2026

²¹ Completed October 2025.

12VAC5-230-240. Staffing.

PET services should be under the direction or supervision of one or more qualified physicians. Such physicians shall be designated or authorized by the Nuclear Regulatory Commission or licensed by the Division of Radiologic Health of the Virginia Department of Health, as applicable.

The applicant confirmed that PET services would be under the direct supervision of certified and trained radiologists.

Eight 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;

As mentioned previously, nine of the 16 authorized fixed site PET services in PD 8 are cardiac-only. Of these, all but one (Inova Cardiac Diagnostics) are operated by independent cardiology groups. With this, VHC Health would increase competition in PD 8 by introducing a cardiac PET/CT option through a health system that is not Inova or an independent cardiologist.

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;

There are 16 fixed PET/CT scanners in PD 8, nine of which are cardiac-restricted. Because eight of the nine cardiac-only scanners have been approved or became operational since the 2024 VHI data was collected, DCOPN does not have data on the utilization of these recently approved scanners. Of all the fixed PET/CT scanners in PD 8, two are operated by Inova, two are operated by Kaiser Permanente, one is operated by VHC Health, and the remainder are operated by independent physicians. This would be VHC Health's second PET/CT scanner, with the other one being located at the main Arlington hospital campus which is approximately seven miles from the proposed site. This scanner operated at 23.7% of the SMFP threshold for expansion in 2024, which was lower than the PD average of 39.82%.

VHC Health is also one of the two Kaiser Permanente "Premier Hospitals" in the Mid-Atlantic region meaning that Kaiser patients are able to utilize services at the main VHC Health Hospital should they need services that are not available in a Kaiser facility. Kaiser Permanente operates two PET/CT scanners in PD 8, both at their Woodbridge facility, but they are not cardiac-restricted.

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 total capital costs of the proposed project are \$3,494,222, of which approximately 67% represents equipment costs (**Table 2**). As was mentioned previously, these costs are reasonable compared to similar projects. The applicant assures that all costs will be funded by accumulated reserves.

The Pro Forma Income Statement provided by the applicant (**Table 6**) projects a net profit of \$60,673 from in the first year of operation, and a net profit of \$183,955 in the second year of operation. While the net profit is relatively low in the first year, DCOPN does not express any concern.

Regarding staffing, the applicant states that it will only need to hire two additional Full Time Equivalent (FTE) staff members, both radiological technologists. VHC Health does not anticipate any issues filling these positions, as it has a strong recruitment network including relationships with several area schools.

- 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;**

The proposed project would provide improvements in the delivery of health care services by providing access to the latest, most accurate cardiac imaging technology at a lower cost in an outpatient setting. The scanner will also allow for more convenience for VHC Health patients, as it would be located in the same building as some of VHC Health's cardiologists.

There have been several other cardiac PET/CT scanners approved in PD 8, so it would not be introducing a new technology to the PD, just to the existing VHC Health patient base.

DCOPN did not identify any other factors that may be appropriate to bring to the Commissioner's attention.

- 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 and (ii) any contribution the teaching hospital or medical school may provide in the delivery, innovation, and improvement of health care services for citizens of the Commonwealth, including indigent or underserved populations.**

According to the applicant:

“VHC partners with many training and educational facilities in Northern Virginia and the District of Columbia, including Marymount University, Northern Virginia Community College, George Mason University, Georgetown University, George Washington University, James Madison University, Catholic University, Shenandoah University, Stratford University, and Chamberlain University. In 2022, VHC Health became the first hospital in the D.C. Metro area to become a Practice Transition Accreditation Program which is a national certification awarded for meeting global standards that transition new graduate registered nurses through their first twelve months of practice.”

The applicant does not address any criteria by which the proposed project would affect the unique research, training, and clinical mission of the teaching hospital or any contribution the teaching hospital may provide in the delivery, innovation, and improvement of health care for citizens of the Commonwealth, including indigent or underserved populations that is not addressed elsewhere in the report.

DCOPN Staff Findings and Conclusions

DCOPN finds that VHC Health's proposed project to establish PET/CT services at VHC Health Outpatient Imaging Center with one PET/CT scanner is generally consistent with the applicable criteria and standards of the SMFP and the Eight Required Considerations of the Code of Virginia. While the planning district does not have a demonstrated need for additional PET services, DCOPN recognizes that VHC Health has an established patient base that would benefit from PET/CT imaging which is considered to be superior to SPECT imaging for myocardial perfusion. The applicant has provided assurances that the PET/CT scanner will be used primarily (90% of the time) used for cardiac imaging, with the remainder of the usage being for emergency situations where the existing PET/CT scanner on the VHC Health main campus is experiencing downtime or is unavailable due to a complex scan or study. Should the project be approved, the certificate will note that "consistent with the description in its application, VHC will perform no more than 10% of scans on this scanner as non-cardiac related."

Additionally, DCOPN finds that the proposed project is more beneficial than the status quo since VHC Health does not currently have a PET/CT scanner that is programmed specifically to do cardiac scans and is relying on SPECT for current patients. DCOPN also finds that the proposed project should have little impact on existing providers since VHC Health already provides other cardiac services and has an established patient base. The HSANV also unanimously recommended approval for the project.

Finally, the total capital costs of the proposed project are comparable to similar, recently approved projects and the proposal is wholly feasible in the immediate and long run.

DCOPN Staff Recommendations

The Division of Certificate of Public Need recommends **conditional approval** of VHC Health's COPN Request Number VA-8855 to establish PET/CT Services at the VHC Health Outpatient Imaging Center with one PET/CT unit located at 1760 Old Meadow Road, McLean, Virginia for the following reasons:

1. The 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 PET/CT scanner's use will be primarily limited to cardiac imaging, with other scans (such as neurology and oncology) only occurring in emergency situations.
3. The project will improve access to the preferred cardiac imaging modality with numerous benefits over SPECT.

4. The project will allow VHC Health patients to access PET/CT services in an outpatient setting.
5. The capital costs are reasonable.
6. The proposal is wholly feasible in the immediate and long term.
7. The Board of the Health Systems Agency of Northern Virginia voted unanimously to recommend that the application be approved.

DCOPN's recommendation is contingent upon Virginia Hospital Center's agreement to the following:

Virginia Hospital Center will provide PET/CT imaging 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 will facilitate the development and operation of primary medical care services to medically underserved persons in PD 8 in an aggregate amount equal to at least 3% of Virginia Hospital Center's gross patient revenue derived from medical-surgical services, consistent with the Virginia Hospital Center Arlington Health System system-wide charity care condition agreed to in 2014. 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. Virginia Hospital Center will accept the revised charity condition based on 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. when it 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.

Virginia Hospital Center will provide cardiac catheterization 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, Virginia Hospital 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.