

VIRGINIA DEPARTMENT OF HEALTH

Office of Licensure and Certification

Division of Certificate of Public Need

Staff Analysis

May 19, 2026

Re: COPN Request No. VA-8870

Loudoun Center for Rehabilitation and Nursing LLC d/b/a Loudoun Rehabilitation and Nursing Center

Add Twenty-Four Nursing Home Beds through Transfer

Applicant

Loudoun VA PropCo, LLC is a Virginia limited liability company that owns Loudoun Center for Rehabilitation and Nursing, LLC d/b/a Loudoun Rehabilitation and Nursing Center (Loudoun Nursing), also a Virginia limited liability company. Loudoun VA PropCo, LLC does not own or operate any other health care facilities in Virginia. There is no overlapping ownership between Friendship Foundation (which is contributing the beds) and Loudoun VA PropCo, LLC. Inova Health Care Services, a Virginia nonstock corporation, is the landlord in the ground lease agreement with Loudoun VA PropCo, LLC as the tenant. Loudoun Nursing is located at 235 Old Waterford Road Northwest in Leesburg, Virginia, in Planning District (PD) 8, Health Planning Region (HPR) II.

Background

Loudoun County is in PD 8 along with three other counties and five unincorporated cities: Arlington County, Fairfax County, Prince William County, City of Alexandria, City of Fairfax, City of Falls Church, City of Manassas, and City of Manassas Park. The population of the PD is expected to be 2,828,990 in 2030, a 10.9% increase from the 2020 population (**Table 1**). The population of people over the age of 65 is expected to be approximately 404,555 people, a 31.9% increase from 306,701 in 2020.

The total growth of Loudoun County, where the project will be located, between 2020 and 2030 is expected to be at a rate more than double that of the PD, with a 24.0% increase from the 2020 population of 420,959 people. As the proposal for the project is for the transfer of nursing home beds, it is important to note that the Loudoun County population of individuals over the age of 65 is expected to increase from the 2020 population of 41,497 to 65,844 in 2030 (58.7%). The growth rate of the same age segment in Virginia is expected to be 26.3% to reach an estimated population of 1,762,130 in 2030 (**Table 1**).

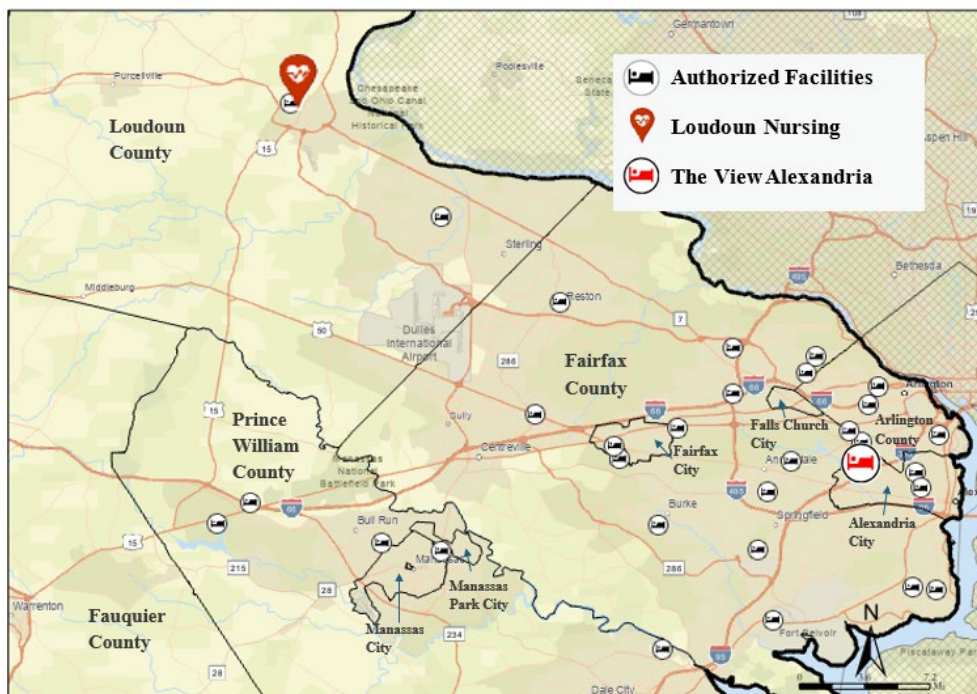
Table 1: Experienced and Predicted Population of PD 8

Location	Experienced 2020			Predicted 2030			2020-2030 Change		
	Total	18+	65+	Total	18+	65+	Total	18+	65+
Arlington County	238,643	196,971	25,333	265,794	222,022	28,501	11.4%	12.7%	12.5%
Fairfax County	1,150,309	886,225	158,687	1,201,420	934,822	195,132	4.4%	5.5%	23.0%
Loudoun County	420,959	305,007	41,497	522,015	389,137	65,844	24.0%	27.6%	58.7%
Prince William County	482,204	354,528	50,522	554,344	415,028	76,112	15.0%	17.1%	50.7%
City of Alexandria	159,467	130,196	18,758	176,403	145,348	22,941	10.6%	11.6%	22.3%
City of Fairfax	24,146	19,457	3,871	25,358	20,508	4,726	5.0%	5.4%	22.1%
City of Falls Church	14,658	11,138	2,185	16,741	12,811	2,545	14.2%	15.0%	16.5%
City of Manassas	42,772	31,714	4,505	47,039	35,331	6,593	10.0%	11.4%	46.4%
City of Manassas Park	17,219	12,711	1,343	19,876	15,083	2,162	15.4%	18.7%	61.0%
PD 8	2,550,377	1,947,946	306,701	2,828,990	2,190,092	404,555	10.9%	12.4%	31.9%
Virginia	8,631,393	6,729,459	1,395,291	9,129,002	7,173,130	1,762,641	5.8%	6.6%	26.3%

Source: Weldon-Cooper Data

There are currently 36 authorized nursing facilities in PD 8, with ten being Continuing Care Retirement Communities (CCRCs) and the rest traditional nursing homes. CCRCs differ from traditional nursing homes in that independent living and skilled nursing services are available in the same location, as well as regulation requirements regarding bed ratios. CCRCs are also called Life Plan Communities.

Map 1: Authorized Nursing Facility Beds (PD 8)

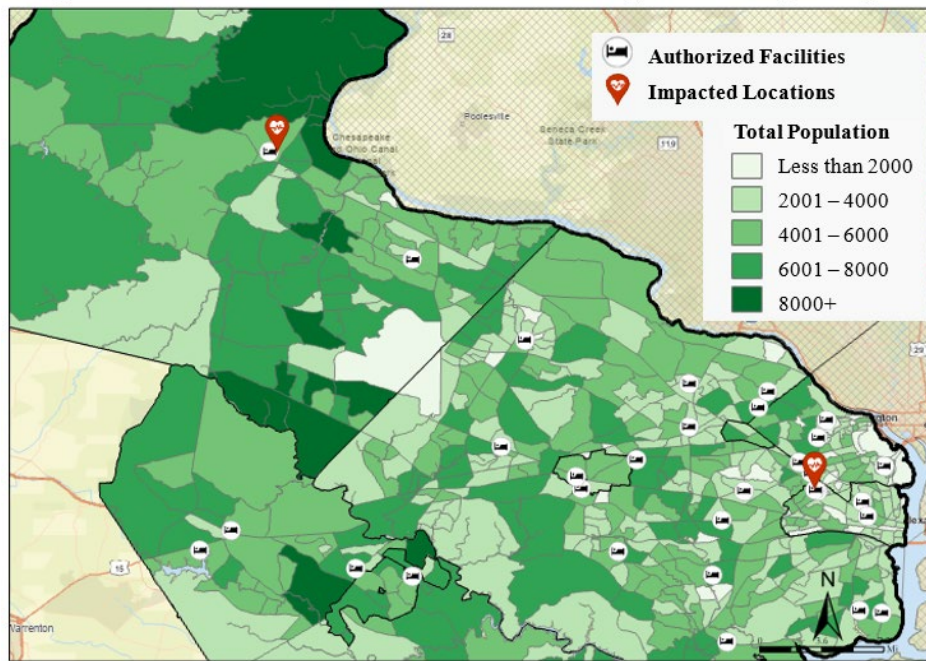


Source: ArcGIS, DCOPN Inventory, VHI Records

Map 1 has the authorized inventory in PD 8. Loudoun Nursing is highlighted with the red tag in the upper left corner, while the proposed facility where the beds will transfer from, The View

Alexandria, is shown by the red bed symbol on the eastern side of the PD. Many of nursing facilities are located within Arlington County and Fairfax County, and the unincorporated cities within. **Map 2** shows the authorized locations of nursing facility beds, as well as the locations that will be impacted by the proposed project, overlaying the population of the PD by census tract. The population is sourced from the 2020 census, with darker green colors indicating higher population volumes.

Map 2: Authorized CT Scanners and Proposed Projects (PD 15)



Source: ArcGIS, DCOPN Inventory, VHI Records

According to a notice from the Virginia State Board of Health and the Virginia Department of Medical Assistance Services¹, no additional nursing home beds will be added to a PD unless there is: a positive need projection², a median annual occupancy of 93% or higher, an average annual occupancy of 90% or higher, and no uncompleted nursing home beds authorized in the last three years. Nursing facility beds can be transferred between facilities in the same PD, as there is no increase or decrease in the number of nursing beds. Nursing facility beds can also be transferred between PDs, assuming that there is a calculated surplus in the PD where the facility contributing beds is located and a need in the PD where the facility accepting beds is located.

¹ Statement was from the *Notice of No Need for Certificate of Public Need Applications for Development of Additional Nursing Home Beds* published on April 9, 2020. The notice has not been revoked or changed in the years since.

² Using the formula outlined in 12VAC5-230-610.

Table 2: Nursing Beds Reporting Occupancy in PD 8 (2024)

VHI Name	Facility Type	Total Beds	Occupancy Rate
Alexandria Rehabilitation and Healthcare Center	Nursing Home	111	92.9%
Annandale Healthcare Center	Nursing Home	222	95.1%
Ashby Ponds (C0084)	CCRC	44	97.8%
Belmont Bay Rehabilitation and Healthcare Center	Nursing Home	120	90.7%
Birmingham Green	Nursing Home	180	88.1%
Burke Health and Rehabilitation Center ³	Nursing Home	120	96.0%
Cherrydale Health and Rehabilitation Center	Nursing Home	210	90.3%
Dulles Health and Rehab Center	Nursing Home	166	94.9%
Fair Oaks Health & Rehabilitation	Nursing Home	155	83.8%
Fairfax Rehabilitation & Nursing Center	Nursing Home	200	94.9%
Falcons Landing (C0004) ⁴	CCRC	60	75.5%
Gainesville Health & Rehabilitation Center	Nursing Home	120	93.5%
George Washington Health & Rehabilitation	Nursing Home	96	86.9%
Goodwin House Alexandria (C0008)	CCRC	80	95.9%
Goodwin House Baileys Crossroads (C0010)	CCRC	69	97.9%
Greenspring Village (C0069)	CCRC	62	79.4%
Heritage Hall - Leesburg ⁵	Nursing Home	164	90.0%
Iliff Nursing and Rehabilitation Center	Nursing Home	130	84.4%
Lake Manassas Health and Rehabilitation Center	Nursing Home	120	95.7%
Leewood Healthcare Center	Nursing Home	157	75.7%
Loudoun Nursing & Rehabilitation Center ⁶	Nursing Home	100	93.4%
Manassas Health and Rehabilitation Center	Nursing Home	120	92.1%
Manor Care of Arlington VA, LLC	Nursing Home	161	77.1%
Mount Vernon Nursing & Rehabilitation Center	Nursing Home	130	94.4%
Potomac Falls Health & Rehab Center	Nursing Home	150	97.4%
Regency Care of Arlington LLC	Nursing Home	240	66.3%
Belvoir Woods Health Care Center (C0094)	CCRC	56	89.8%
The Jefferson	Nursing Home	31	81.9%
Vierra Falls Church	Nursing Home	160	71.2%
Vinson Hall Retirement Community (C0026)	CCRC	49	86.6%
Westminster at Lake Ridge (C0041)	CCRC	60	66.8%
Woodbine Rehabilitation & Healthcare Center	Nursing Home	307	90.2%
Total PD 8		4,150	87.2%

Source: VHI Database

³ COPN VA-04854 authorized the transfer of 68 beds to Burke Health and Rehabilitation Center to The Fountains at Washington House, expected to be completed in July 2026. This will total 188 nursing beds at Burke Health and Rehabilitation Center. The Fountains at Washington House will close upon completion of the project.

⁴ The Johnson Center at Falcon's Landing license expired on December 31, 2025.

⁵ COPN VA-04675 authorized the transfer of 30 beds from Heritage Hall Tazewell (PD 2) to Heritage Hall Leesburg (PD 8). This will total 150 nursing beds at Heritage Hall Tazewell and 194 nursing beds at Heritage Hall Leesburg.

⁶ COPN No. VA-04918 authorized the relocation of four nursing home beds to Loudon PropCo from Friendship Manor Health and Rehab Center North (Friendship Manor) in PD 5. The project was completed on December 15, 2025. This brings the total nursing facility bed to 104 at Loudon PropCo and 249 at Friendship Manor.

There are currently 24 nursing homes and 8 CCRCs with 4,150 nursing facility beds reporting data to the Virginia Health Information (VHI) in PD 8 (**Table 2**). Four additional authorized facilities in the PD did not report utilization data in 2024, the last year for which data is available. One facility is an existing traditional nursing home, while two are existing CCRCs, and one project is a new CCRC which was expected to begin services in 2025⁷ (**Table 3**).

Table 3: Nursing Beds Not Reporting Occupancy in PD 8

VHI Name	Last Year Reported	Facility Type	Total Beds	Occupancy Rate ⁸
The Fountains at Washington House ⁹	2021	CCRC	77	37.5%
Hermitage in Northern Virginia (C0032) ¹⁰	2021	Nursing Home	120	16.2%
The Virginian (C0092)	2023	CCRC	81 ¹¹	87.3%

VHI Name	Expected Start	Facility Type	Total Beds	Occupancy Rate
The Mather (C0088)	2025	CCRC	42	n/a
	-	-	266	

Source: VHI Database, DCOPN Records

The location of the facility is on the campus of Inova Loudoun Hospital at the Cornwall Campus (Inova Cornwall Hospital) but it is leased to Loudoun VA PropCo. Loudoun Nursing is based in Jackson, New Jersey and owned by Loudoun VA PropCo, and will continue to operate the facility. All utility services are provided through Inova Cornwall Hospital. Loudoun Nursing was previously owned by Inova, but was sold to Loudoun VA PropCo, LLC in 2023.

The facility was authorized for the addition of four nursing beds¹² in 2024 and reported on the application for COPN Request No. VA-8870 that the project is complete, bringing the total to 104 nursing beds in the facility. Part of the project included renovations of the facility, with the addition of an art therapy gymnasium and dining area.

The proposed transfer of 24 nursing beds will be from The View Alexandria by Goodwin Living (The View Alexandria) nursing home. The facility is currently licensed for 24 beds; it has not reported occupancy since the transfer of name and ownership in 2022. Upon the last report, as the Hermitage of Northern Virginia, the occupancy of its then 120 beds¹³ was 16.2%. On February 4,

⁷ In the last annual extension DCOPN received, in 2023, the project completion date was May 31, 2025.

⁸ Occupancy rate was determined by the last year for which each facility reported data. The 2024 data is not available for these facilities. The total occupancy rate was based on if the volume at each facility stayed the same.

⁹ The Fountains at Washington House has been authorized to transfer all beds to Burke Health and Rehabilitation Center. The facility's license expired December 31, 2025.

¹⁰ The Hermitage of Northern Virginia was sold to Goodwin Living in 2022, becoming The View Alexandria by Goodwin Living. While it was a CCRC while Hermitage of Northern Virginia and there is a proposed CCRC at the site, The View Alexandria is not currently licensed as such.

¹¹ COPN VA-04623 authorized the transfer of 9 beds from the Virginian CCRC. The project was completed in 2024, bringing the total number of beds at the facility to 72 beds.

¹² COPN VA-04918

¹³ COPN VA-04822 authorized for the relocation of 97 beds from Hermitage of Northern Virginia to Woodbine Nursing and Rehabilitation Center.

2026, a nursing home survey¹⁴ stated that there were 18 residents in the licensed 24 beds at the time of the survey (75%). The historic occupancy data between the purchase in 2022 to the survey date is not known due to not reporting to VHI and counsel not providing additional information.

Proposed Project

The proposed project will include an addition of 24 nursing facility beds to Loudoun Nursing through new the transfer of beds from The View Alexandria. This will also include construction on the second floor for the creation of 12 bedrooms, a dayroom, shower room, and adjacent patient care areas. The patient care areas to be constructed include two utility rooms and an administrative area. While none of the amenities other than beds are part of DCOPN-regulated services, the addition will be available to residents of the proposed 24 beds being added. The facility is currently leasing the 21 acres which the current services are being provided, with a 60-year lease, meaning no additional site acquisition fees are expected.

The project is estimated to cost approximately \$5,456,000 (**Table 4**). This total includes forbearance fees¹⁵, architect and engineering fees, and construction of the additional floor. There is no other equipment not included in construction costs that was identified by the applicant.

Table 4: Capital Costs

Direct Construction	\$ 3,466,000
Equipment Not Included	\$ -
Site Acquisition and Preparation	\$ -
Architect and Engineering Fees	\$ 190,000
Forbearance Fees	\$ 1,800,000
Total Costs	\$ 5,456,000

Source: COPN Request No. VA-8870

Should the project be approved, patient services in the additional beds will begin 36 months after receiving the certificate.

Project Definition

Section 32.1-102.1:3 of the Code of Virginia defines a project as “[a]n increase in the total number of beds... in an existing medical care facility described in subsection A;” and the “[r]elocation of beds from an existing medical care facility described in subsection A to another existing medical care facility described in subsection A;” medical care facilities are defined, in part, as “[a]ny facility licensed as a nursing home”.

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.

¹⁴ The Health Survey was completed by the Office of Licensure and Certification Long Term Care Unit.

¹⁵ Forbearance fees are a one-time cost paid to the facility transferring the nursing beds from the facility receiving the nursing beds. It is not the purchase of beds

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.**

Loudoun County, where the proposed project is located, had approximately 19,078 residents experiencing poverty (4.3%) in 2024, the last year for which data is available. The poverty percentage is the lowest of the PD, with the average poverty rate of the PD at 6.2% and the state average 9.8% (Table 5).

Table 5: Poverty Rate in PD 8 (2024)

Location	Population in Poverty	Total Estimated Population	Poverty Percentage
Arlington County	19,024	133,394	8.0%
Fairfax County	69,264	153,889	6.0%
Loudoun County	19,078	177,457	4.3%
Prince William County	32,448	128,291	6.6%
City of Alexandria	11,831	123,840	7.5%
City of Fairfax	2,020	126,239	7.8%
City of Falls Church	690	161,600	4.6%
City of Manassas	3,928	88,786	9.1%
City of Manassas Park	1,205	99,695	7.3%
PD 8	159,488	1,193,191	6.2%
Virginia	839,669	8,568,051	9.8%

Source: US Census SIAPE (2024)

Loudoun Nursing is located on the Inova Loudoun Hospital- Cornwall campus. It has seven bus stops within a half-mile radius of the facility. The Loudoun County Transit system offers free rides within the county limits to all riders, excluding commuter bus rides to and from select locations¹⁶. The location of the proposed project is also close to State Routes 7 and 15. State Route 7 connects to the northwestern portion of the state, including the city of Winchester in PD 7.

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.**

The medical director at Loudoun Health and Rehabilitation Center wrote in support of the project, stating that the additional beds would provide care for the growing geriatric population. The director of nursing also wrote in support citing high occupancy and the ability to provide care for residents closer to their homes. One medical care provider in the community wrote in

¹⁶ Locations include the Rosslyn or Crystal City neighborhoods in Arlington, the Pentagon, and Washington, DC. For these locations, there is a fee that ranges from \$6 to \$13 depending on fare type and payment method.

support of the project as well. The doctor stated that due to the facility being close to Inova Loudoun Hospital, there is a high “number of patients requiring short term rehabilitation” and the approval of the project would provide care to additional patients.

Other than the letters written above, there were no other comments of support. There is no known opposition to the project.

Public Hearing

DCOPN provided notice to the public regarding this project inviting public comments on March 10, 2026. The public comment period closed on April 24, 2026. On April 13, 2026, the Health Systems Agency of Northern Virginia (HSANV) held a public hearing for the project. ILH’s project was presented by Matt Cobb, Williams Mullen, Counsel, Loudoun VA PropCo. There was no other public comment regarding 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.

A reasonable alternative would be for the beds at The View Alexandria to be relocated to another nursing facility owned by Goodwin Living, which owns The View Alexandria. Goodwin House Alexandria and Goodwin House Baileys Crossroads are CCRCs within PD 8 and had high occupancy in 2024, the last year for which data is available. Goodwin House Alexandria had an occupancy rate of 95.9% and is across the street from The View Alexandria. Goodwin House Baileys Crossroads had an occupancy rate of 97.9%, located in the city of Falls Church approximately two miles away from the View Alexandria. Each of the Goodwin House facilities are within a two-mile radius of the View Alexandria, whereas Loudoun Nursing is approximately 45.8 miles¹⁷ from the facility.

There is also a CCRC, with the proposed name of The View, at the location where the View Alexandria is currently located. This proposal has 24 nursing facility beds included and has been approved by the city council and site plans are in the process of being approved. With this, a reasonable alternative that is less costly and more efficient and effective would be to have the nursing beds in existence at the facility stay for the proposed community. This would also prevent additional nursing beds from being added to the PD with the creation of the CCRC, in accordance with the 2020 notice stating no additional nursing beds in the state are needed.

(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 April 13, 2026, meeting, the HSANV, the organization in HPR II designated by the Virginia Department of Health to serve as the Health Planning Agency for PD 8, voted eleven in favor, none opposed, to recommend conditional approval of Loudoun VA PropCo, LLC’s COPN Request number VA-8870. HSANV based its recommendation on its review of the application,

¹⁷ HSANV Report

on the HSANV staff report on the proposal, on the information presented at the public hearing and Board of Directors meeting on April 13, 2026, and on several basic findings and conclusions, including:

1. The project entails an intra planning district transfer of twenty-four nursing home beds from The View in Alexandria, VA to Loudoun Rehabilitation Nursing Center in Leesburg, VA.
2. There is precedence for the approval of similar unencumbered inventory neutral nursing home bed transfers within a planning district.
3. The conditions attached to the recommendation of approval have been met. There is evidence that the beds proposed for transfer are licensed and have been used to care for nursing home patients during the last year.
4. The applicant has given assurance that the twenty-four beds now in use at The View are unencumbered and available for transfer.
5. Though inclusion of a \$1.8 million “forbearance fee” as a capital expense is problematic, and the applicant’s assurance that it is added to the capital cost of the project only for disclosure and transparency purposes questionable, there is precedence for authorization of such arrangements and claims locally (PD 8) and statewide.

The conditional approval was conditioned on the provision of “data and information documenting the status of [The View Alexandria’s] twenty-four nursing home beds and their use over the twelve months ending on April 1, 2026.” HSANV suggested a month deferment of the proposed project until further data documenting the status could be collected, but the applicant rejected the request. HSANV documented in a letter to DCOPN on May 6, 2026, that the condition had been met and the agency was moving forward with the recommendation of approval.

(iv) Any costs and benefits of the project.

The total cost of the project is estimated to be \$5,456,000 to be paid for with accumulated reserves. The cost includes the addition of 4,740 square feet for 12 new rooms and additional spaces for residents and staff. As stated before, the cost of the project would include the construction of a second floor with an additional 12 bedrooms, a dayroom, shower room, and adjacent patient care areas. The capital cost also includes a forbearance fee (**Table 4**). The forbearance fee with the proposed project equates to approximately \$75,000 a bed.

Table 4: Capital Costs *as shown above*

Direct Construction	\$ 3,466,000
Equipment Not Included	\$ -
Site Acquisition and Preparation	\$ -
Architect and Engineering Fees	\$ 190,000
Forbearance Fees	\$ 1,800,000
Total Costs	\$ 5,456,000

Source: COPN Request No. VA-8870

Since 2022, there have been five authorized projects relocating nursing facility beds in PD 8 (COPN VA-04815, COPN VA-04822, COPN VA-04833, COPN VA-04851, and COPN VA-

04918). To compare the cost of the projects, the direct construction costs were divided by the square footage (**Table 6**). The calculated cost of similar authorized projects ranges from \$42 to \$387 per square foot, while the proposed project is approximately \$731 per square foot. This means that the proposed project is at least double the cost of the comparable projects and is not consistent with projects.

Table 6: Construction Costs per Square Foot in Comparable Projects (PD 8)

COPN Number	Capital Cost	Direct Construction Cost	Impacted Square Ft.	Cost per ft ²
VA-04815	\$ 5,109,505	\$ 4,169,880	15,000	\$ 278
VA-04822	\$ 26,518,851	\$ 17,034,046	44,027	\$ 387
VA-04833	\$ 3,898,178	\$ 250,000	5,900	\$ 42
VA-04851	\$ 12,914,000	\$ 7,660,000	21,052	\$ 364
Request No. VA-8870	\$ 5,456,000	\$ 3,466,000	4,740	\$ 731

Source: DCOPN Records

The applicant states the following benefits for the project:

Loudoun Nursing has a strong working relationship with Inova Loudoun Hospital and is located directly on the hospital's Cornwall campus. Accordingly, patients have excellent access to services such as dialysis, an emergency room, an imaging center, a laboratory and various physician offices.

Loudoun Nursing has sub-specialists that follow at the facility, including geriatric psychology, pulmonology, podiatry, infectious disease, and others. Several of these sub-specialists have privileges at INOVA Loudoun thus promoting a streamlined and efficient continuum of care. Loudoun Nursing has full-time nurse practitioners five days weekly and available on weekends.

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

The applicant states that:

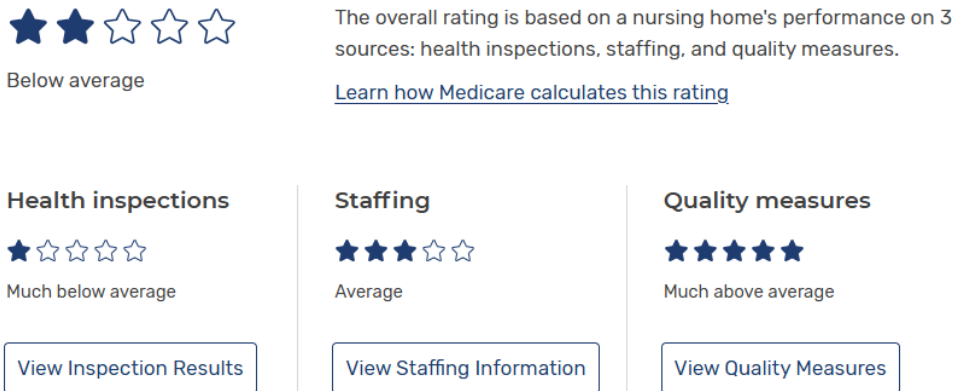
Loudoun Nursing is committed to serving Virginia's Medicaid population. All of its licensed beds are dually certified for Medicaid and Medicare. Loudoun Nursing will ensure the additional 24 beds it seeks will be accessible to all residents in need of its services without regard to the source of payment for such services.

In accordance with Section 32.1-102.4.C of the Code of Virginia, should the proposed project receive approval, the project is not required to the provision of charity care due to being a nursing home.

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

The Centers for Medicare and Medicaid Services (CMS) has given the existing Loudoun Nursing a 2-star rating (out of 5) with component ratings for Health Inspections, Staffing, and Quality Measures ratings of 1-, 3- and 5-stars, respectively. There are currently 54 health citations at the Loudoun Nursing facility, much higher than the national average of 9.5 or the state average of 14.4. The most recent health inspection was completed on December 1, 2023.

Figure 1: Loudoun Nursing, CMS Star Ratings
Overall rating



Source: Medicare.gov, Loudoun Rehabilitation and Nursing Center Rating

The View Alexandria was not available in the CMS database. Goodwin House Alexandria was available, with five stars; however, that is the name of a CCRC across the street from the View Alexandria and is a separate entity. The facilities are owned by the same parent company, but there is no documentation to show that the two are connected and are licensed for separate numbers of beds. The only information available to DCOPN regarding the occupancy of The View Alexandria, is from a nursing home Health Survey conducted after a complaint regarding one of the residents¹⁸. On the day of the survey, there were 18 residents.

The extent to which the application is consistent with the State Medical Facilities 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 the criteria and standards for nursing facilities. They are as follows:

Part VII.

Nursing Facilities

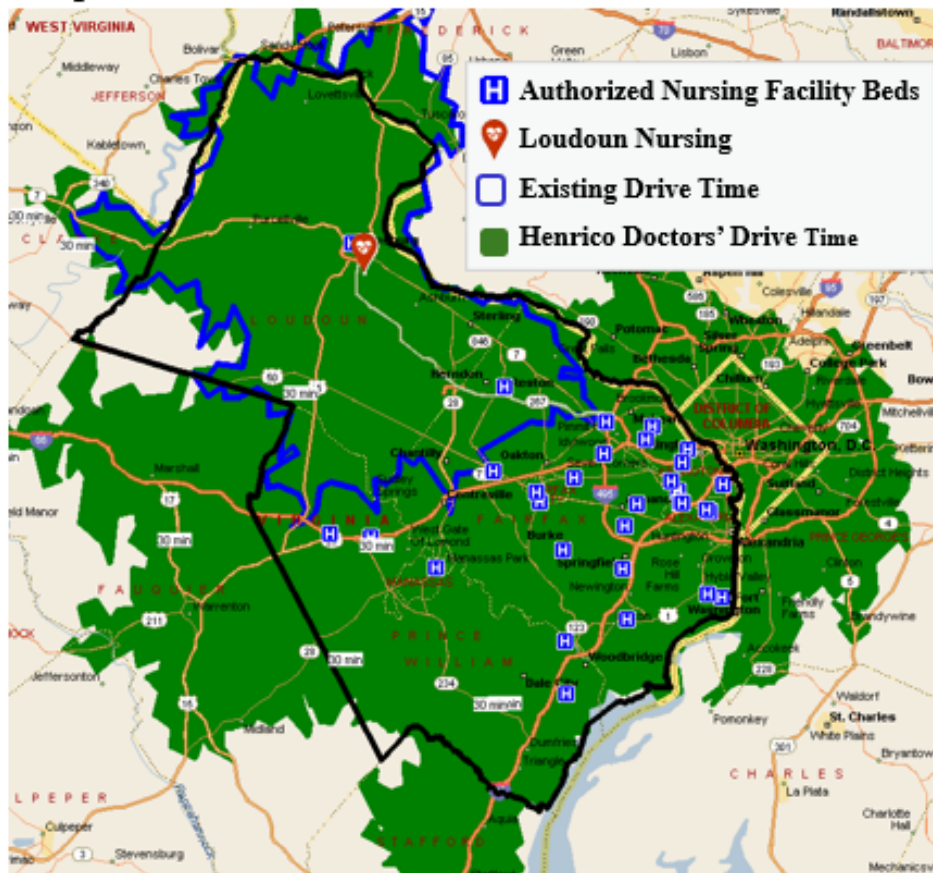
¹⁸ The Health Survey was conducted on February 4, 2026. DCOPN staff and the HSANV have requested occupancy data of The View Alexandria from the counsel of the proposed project and transferring facility but have not received additional information.

12VAC5-230-600. Travel time.

- A. Nursing facility beds should be accessible within 30 minutes driving time one way under normal conditions to 95% of the population in a health planning district using mapping software as determined by the commissioner.

Map 3 shows the current authorized nursing facility beds within PD. The black border on the map is the outline of the PD, with the blue outline showing the geographic accessibility that the proposed project would hold within a 30-minute drive time. The highlighted green areas show the drive time access within a 30-minute drive already provided by authorized nursing facility beds. The proposed project will not add geographic accessibility to the PD.

Map 3: 30-Minute Travel Time



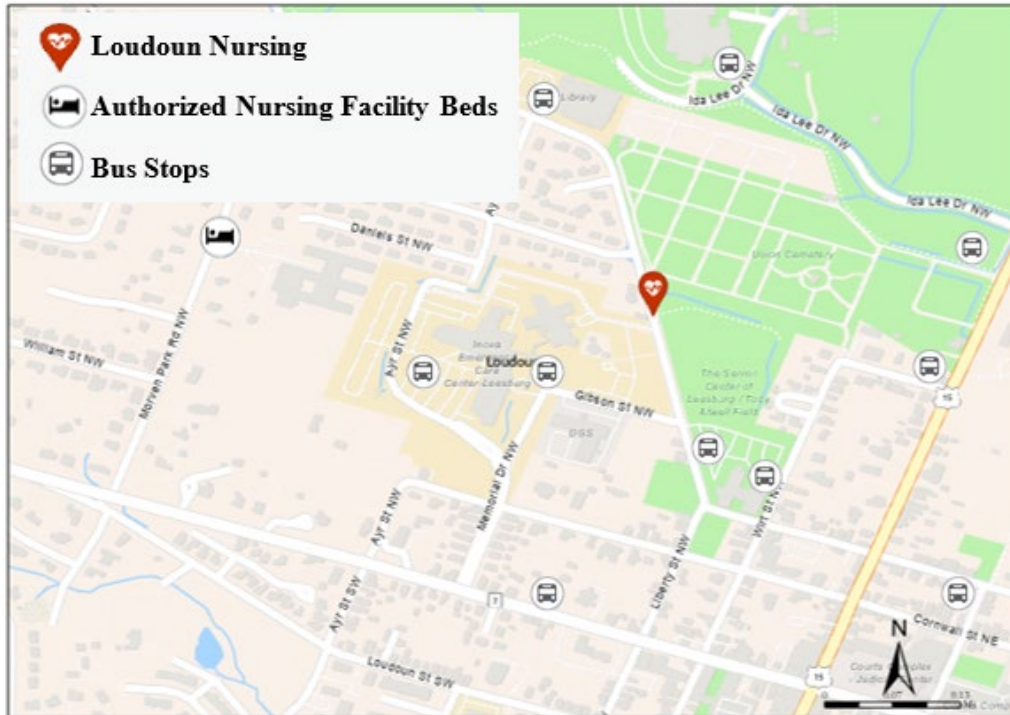
Source: Microsoft Streets & Trips (2008), DCOPN Inventory

- B. Nursing facilities should be accessible by public transportation when such systems exist in an area.

Loudoun County has a transit system within the county that also connects to other locations around PD 8. Map 4 shows the bus transit system near Loudoun Nursing and the nearby Heritage Hall- Leesburg facility. There are ten bus stops near the location of the proposed

project. As stated before, bus rides within the county are free. Transit to or from select neighborhoods within Arlington or to or from Washington, DC, does have costs associated with prices ranging from \$6 to \$13 depending on fare and payment method.

Map 4: Bus Transit near Loudoun Nursing



Source: ArcGIS, DCOPN Inventory, VHI Records

C. Preference may be given to proposals that improve geographic access and reduce travel time to nursing facilities within a health planning district.

The proposal does not change geographic access or reduce travel time to nursing facilities. The proposed project is not competing with another project. Accordingly, this standard is not applicable.

12VAC5-230-610. Need for new service.

A. A health planning district should be considered to have a need for additional nursing facility beds when:

1. The bed need forecast exceeds the current inventory of existing and authorized beds for the health planning district; and
2. The median annual occupancy of all existing and authorized Medicaid-certified nursing facility beds in the health planning district was at least 93%, and the average annual occupancy of all existing and authorized Medicaid-certified nursing facility beds in the health planning district was at

least 90%, excluding the bed inventory and utilization of the Virginia Veterans Care Centers¹⁹.

- B. No health planning district should be considered in need of additional beds if there are unconstructed beds designated as Medicaid certified. This presumption of "no need" for additional beds extends for three years from the issuance date of the certificate.
- C. The bed need forecast will be computed as follows:

$$\text{PDBN} = (\text{UR64} \times \text{PP64}) + (\text{UR69} \times \text{PP69}) + (\text{UR74} \times \text{PP74}) + (\text{UR79} \times \text{PP79}) + (\text{UR84} \times \text{PP84}) + (\text{UR85} \times \text{PP85})$$

Where:

PDBN = Planning district bed need.

UR64 = The nursing home bed use rate of the population aged 0 to 64 in the health planning district as determined in the most recent nursing home patient origin study authorized by VHI.

PP64 = The population aged 0 to 64 projected for the health planning district three years from the current year as most recently published by a demographic program as determined by the commissioner.

UR69 = The nursing home bed use rate of the population aged 65 to 69 in the health planning district as determined in the most recent nursing home patient origin study authorized by VHI.

PP69 = The population aged 65 to 69 projected for the health planning district three years from the current year as most recently published by a demographic program as determined by the commissioner.

UR74 = The nursing home bed use rate of the population aged 70 to 74 in the health planning district as determined in the most recent nursing home patient origin study authorized by VHI.

PP74 = The population aged 70 to 74 projected for the health planning district three years from the current year as most recently published by a demographic program as determined by the commissioner.

UR79 = The nursing home bed use rate of the population aged 75 to 79 in the health planning district as determined in the most recent nursing home patient origin study authorized by VHI.

PP79 = The population aged 75 to 79 projected for the health planning district three years from the current year as most recently published by a demographic program as determined by the commissioner.

UR84 = The nursing home bed use rate of the population aged 80 to 84 in the health planning district as determined in the most recent nursing home patient origin study authorized by VHI.

¹⁹ Exception: When there are facilities that have been in operation less than one year in the health planning district, their occupancy can be excluded from the calculation of average occupancy .

PP84 = The population aged 80 to 84 projected for the health planning district three years from the current year as most recently published by a demographic program as determined by the commissioner.

UR85+ = The nursing home bed use rate of the population aged 85 and older in the health planning district as determined in the most recent nursing home patient origin study authorized by VHI.

PP85+ = The population aged 85 and older projected for the health planning district three years from the current year as most recently published by a demographic program as determined by the commissioner.

Health planning district bed need forecasts will be rounded as follows:

HPR Bed Need	Rounded Bed Need
1–29	0
30–44	30
45–84	60
85–104	90
105–134	120
135–164	150
165–194	180
195–224	210
225+	240

Exception: When a health planning district has:

- 1. Two or more nursing facilities;**
 - 2. Had a median annual occupancy rate of 93% of all existing and authorized Medicaid-certified nursing facility beds and an annual average occupancy rate of at least 90% of all existing and authorized Medicaid-certified nursing facility beds for each of the most recent two years for which bed utilization has been reported to VHI; and**
 - 3. Has a forecasted bed need of 15 to 29 beds, then the bed need for this health planning district will be rounded to 30.**
- D. No new freestanding nursing facilities of less than 90 beds should be authorized. However, consideration may be given to a new freestanding facility with fewer than 90 nursing facility beds when the applicant can demonstrate that such a facility is justified based on a locality's preference for such smaller facility and there is a documented poor distribution of nursing facility beds within the health planning district.**
- E. When evaluating the capital cost of a project, consideration may be given to projects that use the current methodology as determined by the Department of Medical Assistance Services.**

F. Preference may be given to projects that replace outdated and functionally obsolete facilities with modern facilities that result in the more cost-efficient resident services in a more aesthetically pleasing and comfortable environment.

Not applicable. The proposed project will not be the addition of a new service, but rather the expansion of existing nursing and short-term rehabilitation services already existing.

12VAC5-230-620. Expansion of services.

Proposals to increase an existing nursing facility's bed capacity should not be approved unless the facility has operated for at least two years and the average annual occupancy of the facility's existing beds was at least 90% in the relevant reporting period as reported to VHI.

Exceptions will be considered for facilities that operated at less than 90% average annual occupancy in the most recent year for which bed utilization has been reported when the facility offers short stay services causing an average annual occupancy lower than 90% for the facility.

The occupancy rate of the most recent three years for which there is published VHI data is in **Table 7**. While **12VAC5-230-620** only considers the most recent two years, 2022 was included for reference, as 2023 only had 90 days of services provided. The facility had an occupancy rate of 85.6% in 2022, 86.5% in 2023, and 93.4% in 2024. When averaging the data reported in 2023 and 2024, Loudoun Nursing had an average utilization of 92%. This is higher than the 90% utilization requirement.

Table 7: Loudoun Nursing Occupancy 2022-2024

	Total Licensed Nursing Beds	Days Providing Services	Total Patient Days	Licensed Bed Available Days	Occupancy Rate per Licensed Bed
2022	100	365	31,251	36,500	85.6%
2023	100	90	7,782	9,000	86.5%
2024	100	366	34,191	36,600	93.4%
Average	100	274	24,408	27,367	89.2%
2023-2024 Average	100	228	20,987	22,800	92.0%

Table: VHI Data

12VAC5-230-630. Continuing care retirement communities.

Proposals for the development of new nursing facilities or the expansion of existing facilities by continuing care retirement communities (CCRC) will be considered when:

- 1. The facility is registered with the State Corporation Commission as a continuing care provider pursuant to Chapter 49 (§ [38.2-4900](#) et seq.) of Title 38.2 of the Code of Virginia;**

2. **The number of nursing facility beds requested in the initial application does not exceed the lesser of 20% of the continuing care retirement community's total number of beds that are not nursing home beds or 60 beds;**
3. **The number of new nursing facility beds requested in any subsequent application does not cause the continuing care retirement community's total number of nursing home beds to exceed 20% of its total number of beds that are not nursing facility beds; and**
4. **The continuing care retirement community has established a qualified resident assistance policy.**

This is not applicable. While the proposed project will have nursing home beds transferred from a CCRC, the applicant itself is not a CCRC.

12VAC5-230-640. Staffing.

Nursing facilities shall be under the direction or supervision of a licensed nursing home administrator and staffed by licensed and certified nursing personnel qualified as required by law.

The applicant states that services are provided under a licensed nursing home administrator, and all licensed and certified staff meet the qualification required.

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.**

No significant change in institutional competition is expected from the proposed project. The proposed project will relocate 24 existing nursing facility beds from The View Alexandria to Loudoun Nursing; taking them from an area with numerous nursing facility beds, to Loudoun County where there are two other nursing facilities.

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.**

The proposed project will move the existing beds from The View Alexandria to Loudoun Nursing. Counsel for both The View Alexandria and Loudoun Nursing stated that if the proposed project is approved, The View Alexandria will “delicense and surrender its rights to operate the 24 nursing home beds... and will close its nursing home.”²⁰ The relocation in beds is not expected to significantly impact existing providers.

The closest existing nursing facility to the site of the proposed project is Heritage Hall- Leesburg; it operated at 90% occupancy in 2024. The View Alexandria is across the street from Goodwin House Alexandria, also owned by Goodwin Living. Goodwin House Alexandria is part of a

²⁰ Cobb, Matthew. “RE: COPN Request No. VA-8870 [WMIMAN-IWOVRIC.FID756030]” April 13, 2026

CCRC and is licensed for 80 nursing facility beds. In 2024, the facility had an occupancy rate of 95.9%.

The View Alexandria has reported occupancy since 2022 when the facility was purchased and changed its name from the Hermitage of Northern Virginia. COPN VA-04822 authorized for the relocation of 97 beds from the facility to Woodbine Nursing and Rehabilitation Center shortly after and has had 24 nursing beds since. The beds have not reported utilization to VHI and DCOPN and HSANV staff have reached out to the counsel of The View Alexandria requesting occupancy clarification several times, including during the public hearing on April 13, 2026. While the licensure information has been provided, showing 24 beds licensed, no occupancy data is available, beyond a Health Survey on February 4, 2026. The survey showed that on the date of the review there were 18 residents at the facility (75% utilization).

On May 14, 2025, the Alexandria Housing Affordability Advisory Committee (AHAAC) published a memorandum stating that a CCRC is to be established at the location where the View Alexandria is currently located. The CCRC is to have 24 nursing facility beds, which is the same number currently licensed and proposed for transfer²¹. Should the beds be moved and a CCRC established at the same site with additional nursing beds, this would equate to the addition of nursing facility beds in the PD which is not currently consistent with public need.

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.

Based on **Table 8**, the project is feasible in the long term. There is more than \$1.6 and \$1.4 million in net income in the fiscal year ending in June of 2029 and June of 2030, respectively.

Table 8: Revenue and Expenses Previous Years and Projected

Revenue and Expenses	2024	2025	2029	2030
Gross Revenue	\$ 28,706,486	\$ 22,772,191	\$ 28,092,019	\$ 29,575,789
Deductions from Revenue	\$ (7,464,702)	\$ (4,285,152)	\$ (5,557,939)	\$ (6,851,520)
<i>Net Revenue</i>	\$ 21,253,262	\$ 18,491,021	\$ 22,538,913	\$ 22,729,357
Total Direct Care Expenses:	\$ (9,443,886)	\$ (8,106,701)	\$ (11,296,633)	\$ (11,358,787)
Total Indirect Care Expenses:	\$ (6,864,310)	\$ (5,611,258)	\$ (6,325,992)	\$ (6,571,246)
Expenses Not Direct or Indirect	\$ (3,056,630)	\$ (2,766,887)	\$ (3,296,846)	\$ (3,296,846)
Net Income Before Taxes	\$ 1,888,436	\$ 2,006,175	\$ 1,619,442	\$ 1,502,478

Source: Attachment V.F.2; COPN Request No. VA-8870

Loudoun Nursing has a higher ratio of daily staff hours per resident than other facilities in the county and state, as well as more physical therapy staff hours per resident. The facility also has lower nursing staff turnover. Administrative turnover, however, is higher than the national average²².

²¹ HSANV reached out to the counsel for further information; none was provided as of May 8, 2026.

²² <https://www.medicare.gov/care-compare/details/nursing-home/495275/view-all?state=VA#ProviderDetailsDetailsContainer>

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.

(i) The proposed project does not introduce new technology to the PD; it proposes to add nursing facility beds to an existing facility. (ii) The proposed project will not occur on an outpatient basis. (iii) The applicant did not identify any cooperative efforts. (iv) No other factors were deemed appropriate.

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 a teaching hospital nor is it connected to one.

DCOPN Staff Findings and Conclusions

Loudoun VA PropCo, LLC, is applying for an increase in 24 nursing facility beds through relocation (for a total compliment of 128 nursing facility beds) at the Loudoun Center for Rehabilitation and Nursing, LLC d/b/a Loudoun Rehabilitation and Nursing Center (Loudoun Nursing) facility located in Loudoun County. The proposed beds will be relocated from The View at Alexandria by Goodwin Living (The View Alexandria), which is also located in PD 8 in Alexandria City.

Loudoun County's population over the age of 65 is expected to grow to 76,112 residents in 2030, a 58.7% increase from the 2020 population (41,497 people). The estimated population growth may indicate an increase in demand for nursing home facilities in the area. A reasonable alternative which is less costly and more efficient would be the relocation of the beds to one of the nearby facilities owned by the same parent company as The View Alexandria or keeping the beds at the current location for the CCRC. The facilities are performing at a higher occupancy rate than Loudoun Nursing.

A CCRC has also been approved by the city council for the same location with 24 nursing beds proposed. This would mean that approval of Loudoun Nursing's proposed project would transfer 24 beds from the site only to have the new CCRC transfer 24 beds to the original location. Should the 24 nursing beds be relocated to Loudoun Nursing, there would be the addition of 24 new nursing beds with the establishment of the CCRC, which has already been determined to not be consistent with public needed.

The capital costs associated with the proposed project are approximately \$5,456,000 and will be paid through accumulated reserves. The costs are much greater than similar projects, with the cost

per square foot of the proposed project being double the cost, or more, to similar projects. Approval of the proposed project will not add geographic access to the PD within the 30-minute drive time outlined in the SMFP. The facility does have access to public transportation, with ten bus stops near the proposed project's location. In 2023 and 2024, the applicant had an occupancy rate of 92.0% which is higher than the SMFP expansion threshold. The proposed project is financially feasible.

The Health Systems Agency of Northern Virginia (HSANV) held a public hearing on April 13, 2026, where there was a unanimous vote to conditionally approve the proposal pending the applicant providing utilization information for The View Alexandria. The agency sent a recommendation letter on May 6, 2026, stating that the condition had been met.

DCOPN Staff Recommendations

The Division of Certificate of Public Need recommends **denial** of Loudoun VA PropCo, LLC's Certificate of Public Need Request Number VA-8870 to establish a specialized care facility for the addition of 24 nursing home beds through transfer from The View Alexandria for the following reasons:

1. The proposal to add 24 nursing facility beds to Loudoun VA PropCo, LLC, is generally inconsistent with the applicable standards and criteria of the State Medical Facilities Plan and the 8 Required Considerations of the Code of Virginia.
2. There is a reasonable alternative that is more efficient and less costly; it will also prevent the addition of nursing facility beds to the PD.
3. The cost of the proposed project per square foot is much greater than similar projects in the PD.
4. Recent and current occupancy of Goodwin Living affiliated nursing care units indicates the twenty-four beds that would be relocated are needed at or near their current to serve Goodwin Living residents.