

# **VIRGINIA DEPARTMENT OF HEALTH**

## **Office of Licensure and Certification**

### **Division of Certificate of Public Need**

#### **Staff Analysis**

November 19, 2025

**RE: COPN Request No. VA-8834**

Ashlake Heart & Rhythm Center, LLC  
Chesterfield, VA

**Establishment of a Medical Care Facility with One (1) Cardiac Catheterization Lab**

**RE: COPN Request No. VA-8840**

Chippenham & Johnston-Willis Hospital, Inc.  
Richmond, VA

**Introduce One (1) Cardiac Catheterization Lab at an Existing Medical Care Facility**

**RE: COPN Request No. VA-8841**

Hanover Cardiac ASC, LLC  
Midlothian, VA

**Establishment of a Medical Care Facility with One (1) Cardiac Catheterization Lab**

#### **Applicant**

**VA-8834- Ashlake Heart & Rhythm Center, LLC**

Ashlake Heart & Rhythm Center, LLC (hereafter known as “Ashlake Heart & Rhythm”) is a Virginia limited liability company. James River Cardiology, LLC (JRC) is the 100% owner of Ashlake Heart & Rhythm Center. JRC is a wholly owned subsidiary of Cavalier MSO, LLC. Ashlake Heart & Rhythm is in Suite 100-B of 7300 Ashlake Pkwy, Chesterfield, Virginia, Health Planning Region (HPR) IV, Planning District (PD) 15.

**VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.**

Chippenham & Johnston-Willis Hospitals, Inc. (hereafter known as “Chippenham & Johnston-Willis”) is a proprietary stock corporation owned by HCA, Inc. Chippenham & Johnston-Willis was formed in 1995 from the partnership of Johnston Willis and Chippenham Hospitals. These two hospitals, although separately licensed, are considered one medical center with two campuses. The site of the proposed project is Chippenham Hospital at 7101 Jahnke Road, Richmond, Virginia, Health Planning Region (HPR) IV, Planning District (PD) 15.

VA-8841- Hanover Cardiac ASC, LLC

Hanover Cardiac ASC, LLC ((hereafter known as “Hanover Cardiac”) is a limited liability company that will be doing business as Virginia Cardiac Surgery Center (VCSC). The owners of Hanover Cardiac are Richmond Heart and Vascular Associates, PLLC, (95%), from Mechanicsville, Virginia and Southwest Integrated Surgical Services, LLC, (5%), from Tempe, Arizona. Hanover Cardiac will be the owner and operator of the facility. The project will be located at 15200 East-West Road, Midlothian, Virginia, Health Planning Region (HPR) IV, Planning District (PD) 15.

**Background**

Planning District (PD) 15 is located in the Health Planning Region (HPR) IV in central Virginia. Richmond City is located in PD 15 along with seven counties: Charles City, Chesterfield, Goochland, Hanover, Henrico, New Kent, and Powhatan. The total population of the planning district is predicted to grow by 9.18%, with the adult (18+) population growing approximately 8.9% and the population of people over the age of 65 growing 31.5% (**Table 1**). The growth rate predicted in PD 15 for each age group is higher than the respective predicted growth rates in Virginia as a whole.

**Table 1: PD 15 Population**

| Location              | 2020 Census      |                  |                  | Predicted 2030   |                  |                  | % Change 2020-2030 |              |               |
|-----------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------|---------------|
|                       | Total            | 18 years+        | 65 years+        | Total            | 18 years+        | 65 years+        | Total              | 18 years+    | 65 years+     |
| Charles City County   | 6,821            | 5,836            | 1,810            | 6,200            | 5,349            | 2,184            | -9.11%             | -8.35%       | 20.65%        |
| Chesterfield County   | 358,245          | 273,743          | 56,749           | 406,942          | 311,402          | 78,858           | 13.59%             | 13.76%       | 38.96%        |
| Goochland County      | 24,431           | 20,291           | 5,675            | 27,339           | 22,791           | 7,865            | 11.90%             | 12.32%       | 38.59%        |
| Hanover County        | 108,262          | 84,905           | 20,287           | 118,374          | 93,446           | 28,681           | 9.34%              | 10.06%       | 41.37%        |
| Henrico County        | 333,766          | 259,264          | 54,871           | 356,656          | 280,105          | 71,680           | 6.86%              | 8.04%        | 30.63%        |
| New Kent County       | 23,648           | 19,036           | 4,355            | 27,067           | 21,546           | 6,216            | 14.46%             | 13.19%       | 42.74%        |
| Powhatan County       | 30,148           | 24,667           | 5,858            | 32,152           | 25,757           | 8,085            | 6.65%              | 4.42%        | 38.01%        |
| Richmond City         | 232,226          | 192,901          | 32,809           | 245,437          | 199,119          | 36,307           | 5.69%              | 3.22%        | 10.66%        |
| <b>PD 15 Total</b>    | <b>1,117,547</b> | <b>880,643</b>   | <b>182,414</b>   | <b>1,220,168</b> | <b>959,515</b>   | <b>239,874</b>   | <b>9.18%</b>       | <b>8.96%</b> | <b>31.50%</b> |
| <b>Virginia Total</b> | <b>8,590,563</b> | <b>6,724,143</b> | <b>1,401,044</b> | <b>9,129,002</b> | <b>7,173,130</b> | <b>1,762,641</b> | <b>6.27%</b>       | <b>6.68%</b> | <b>25.81%</b> |

Source: Weldon-Cooper

Cardiac catheterization is a widely performed cardiac procedure, with over a million procedures occurring annually in the US<sup>1</sup>. Cardiac catheterization is defined by the State Medical Facilities Plan (SMFP) as “an invasive procedure where a flexible tube is inserted into the patient through an extremity blood vessel and advanced under fluoroscopic guidance into the heart chambers or coronary arteries.” Four main types of cardiac catheterization typically occur: diagnostic, simple therapeutic, both diagnostic and simple therapeutic (same session), and complex therapeutic.

The SMFP defines diagnostic cardiac catheterization as “detecting and identifying defects in the arteries or veins” and determining if they are congenital or acquired. A simple therapeutic cardiac catheterization can correct or improve conditions that were diagnosed. This often includes catheter-based treatment which can help with irregular heartbeats, chest pain, and shortness of breath<sup>2</sup>. Both diagnostic and simple therapeutic procedures can also occur in the same visit.

The SMFP categorizes complex therapeutic procedures as “the performance of cardiac catheterization for the purpose of correcting or improving certain conditions that have been determined to exist in the heart or great arteries or veins of the heart, specifically catheter-based procedures for structural treatment to correct congenital or acquired structural or valvular abnormalities.”

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<sup>1</sup> Manda YR, Baradhi KM. Cardiac Catheterization Risks and Complications. [Updated 2023 Jun 5]. In: StatPearls [Internet]. Treasure Island (FL): StatPearls Publishing; 2025 Jan-. Available from: <https://www.ncbi.nlm.nih.gov/books/NBK531461/>

<sup>2</sup> <https://www.mayoclinic.org/tests-procedures/cardiac-catheterization/about/pac-20384695>

**Table 2: Current and Anticipated Cardiac Catheterization Locations in PD 15**

| Existing Facilities                                     | Street Address         | County           | Authorized Labs |
|---|------------------------|------------------|-----------------|
| Bon Secours Memorial Regional Medical Center            | 8260 Atlee Rd          | Hanover          | 4               |
| Bon Secours St. Francis Medical Center                  | 13700 St. Francis Blvd | Chesterfield     | 2               |
| Bon Secours St. Mary's Hospital <sup>3</sup>            | 5801 Bremono Rd        | City of Richmond | 3               |
| Chippenhams Hospital                                    | 7101 Jahnke Rd         | City of Richmond | 6               |
| Henrico Doctors' Hospital--Retreat                      | 2621 Grove Ave         | City of Richmond | 1               |
| Henrico Doctors' Hospital--Forest                       | 1602 Skipwith Rd       | City of Richmond | 5               |
| VCU Health System d/b/a VCU Medical Center <sup>4</sup> | 1250 East Marshall St  | City of Richmond | 5               |
| VCS Heart and Vascular Center <sup>5</sup>              | 8007B Discovery Dr     | City of Richmond | 1               |
| <b>Total Existing Labs</b>                              |                        |                  | <b>27</b>       |

| Anticipated Facility                    | Street Address         | County  | Authorized Labs |
|---|------------------------|---------|-----------------|
| Short Pump CV Ambulatory Surgery Center | 12320 West Broad St    | Henrico | 1               |
| Hanover Cardiac ASC <sup>6</sup>        | 8160 Pleasant Grove Rd | Hanover | 1               |
| <b>Total Anticipated Labs</b>           |                        |         | <b>2</b>        |
| <b>PD 15 Total</b>                      |                        |         | <b>29</b>       |

Source: DCOPN Inventory

There are 29 authorized cardiac catheterization in PD 15 (Table 2). Of the currently authorized catheterization labs, two locations were anticipated to begin services in 2025. Hanover Cardiac<sup>7</sup> was scheduled to open on July 31, 2025, and Short Pump CV Ambulatory Surgery Center was estimated to open by July 2025. VCS Heart and Vascular Center was completed on December 17, 2024, and submitted limited data regarding utilization for the remainder of 2024. All three of these labs are fixed outpatient labs, the only ones in the planning district. Due to the recent opening of the locations, Hanover Cardiac and Short Pump CV Ambulatory Surgery Center are not included in the utilization of cardiac catheterization labs in PD 15 (Table 3).

<sup>3</sup>Saint Mary's Hospital was licensed for 4 labs; however, upon the estimated July 2025 start of Short Pump CV Ambulatory Surgery Center one was relocated to the new center. This was approved via COPN No. VA-04866.

<sup>4</sup> COPN No. VA-04820 was signed by the health commissioner on January 9, 2023, and the project was finished on July 12, 2024, adding an additional cardiac catheterization lab to the facility.

<sup>5</sup> COPN No. VA-04868 was signed by the health commissioner on December 14, 2023, and the project was finished on December 14, 2024. Utilization for 2024 starting December 15, 2024, to the end of the year was included in the utilization tables in this report unless otherwise specified.

<sup>6</sup> COPN No. VA-04941

Table 3: Utilization of Providers PD 15 (2024)

| Facility Name                                | Labs      | Diagnostic | Simple | Same Session | Complex | DEP           | Utilization    |
|--|-----------|------------|--------|--------------|---------|---------------|----------------|
| Bon Secours Memorial Regional Medical Center | 4         | 1,203      | 20     | 647          | 639     | 6,379         | 132.90%        |
| Bon Secours St. Francis Medical Center       | 2         | 859        | 14     | 277          | 91      | 2,173         | 90.54%         |
| Bon Secours St. Mary's Hospital              | 4         | 1,869      | 22     | 569          | 491     | 6,075         | 126.56%        |
| Chippenham Hospital                          | 6         | 2,478      | 909    | 1,400        | 141     | 9,201         | 127.79%        |
| Henrico Doctors' Hospital - Retreat          | 1         | 0          | 0      | 0            | 0       | 0             | 0.00%          |
| Henrico Doctors' Hospital - Forest           | 5         | 1,833      | 131    | 1,326        | 137     | 6,758         | 112.63%        |
| VCU Medical Center                           | 4         | 3,312      | 428    | 9            | 547     | 6,971         | 145.23%        |
| Virginia Cardiovascular Specialists, PC      | 1         | 9          | 0      | 9            | 0       | 36            | 3.00%          |
| <b>Total Number:</b>                         | <b>27</b> |            |        |              |         | <b>37,593</b> | <b>116.03%</b> |

Source: VHI Database

VA-8834- Ashlake Heart & Rhythm Center, LLC

Ashlake Heart & Rhythm Center, LLC was established June 25, 2025, from an existing James River Cardiology office. Ashlake Heart is a subsidiary of JRC and rents offices from JRC with a lease lasting 10 years. The cardiac catheterization lab will be in the suite beside the existing JRC office. JRC also received a certificate for a cardiac catheterization lab outside of PD 15 in Colonial Heights;<sup>8</sup> it is approximately 19.5 miles from the proposed location.

VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

Chippenham & Johnston-Willis currently has six cardiac catheterization labs and is requesting its seventh. All its labs are currently on the Chippenham Hospital campus, which also has 466 beds. There are no recent changes in ownership or changes in COPN certificates regarding cardiac catheterization labs for the hospital.

VA-8841- Hanover Cardiac ASC, LLC

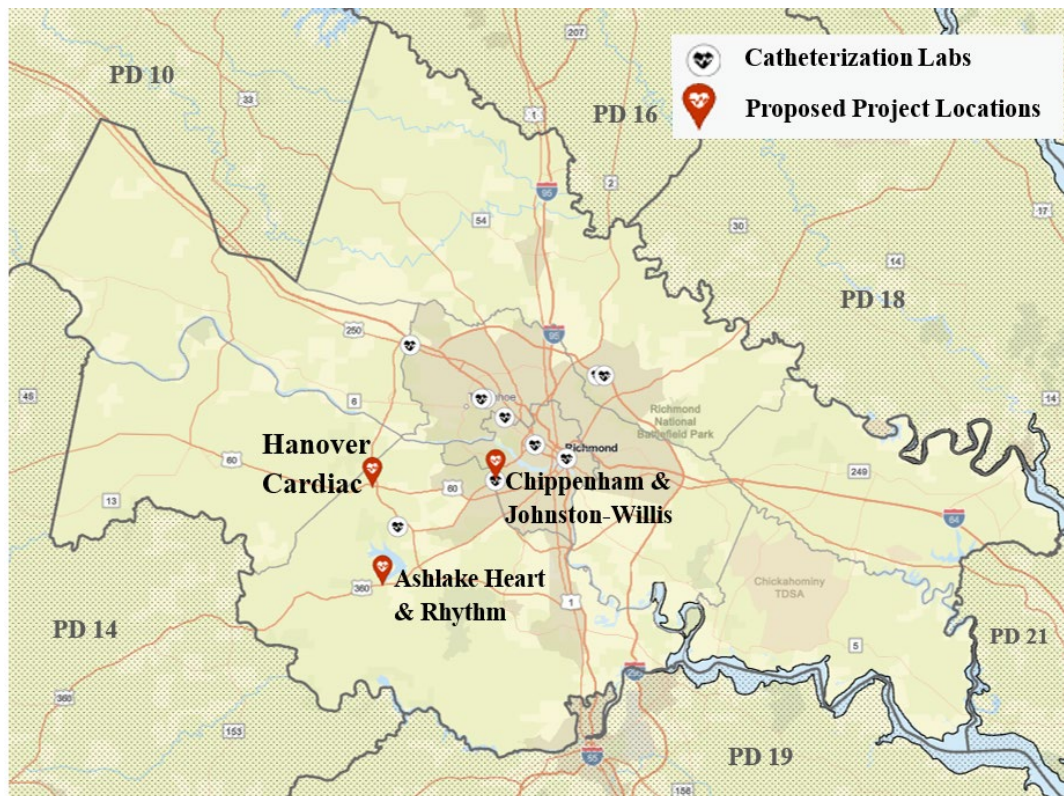
The Virginia State Health Commissioner awarded Hanover Cardiac a certificate to establish a free-standing cardiac catheterization center with an adult cardiac catheterization lab on June 17, 2025.<sup>9</sup> The location of the approved project is 8160 Pleasant Grove Rd, Suite 100, Mechanicsville, roughly 30 miles from the location of the currently proposed project in this analysis. The approved project was expected to begin services at the end of July 2025 as no additional construction or equipment was needed.

<sup>8</sup> COPN No. VA-04911<sup>9</sup> COPN No. VA-04941

### Proposed Projects

**Map 1** shows the locations of each project in relation to other existing providers in PD15. Both Hanover Cardiac and Ashlake Heart & Rhythm are in Chesterfield County, and Chippenham Hospital is on the border of Richmond City and Chesterfield. Each red marked location is applying for a cardiac catheterization lab, with specific details in the sections below. The white circles are cardiac catheterization labs that are existing providers.

**Map 1: PD 15 Existing Lab and Proposed Project Locations**



Source: ArcGIS, DCOPN Records

### VA-8834- Ashlake Heart & Rhythm Center, LLC

Ashlake Heart & Rhythm is proposing the establishment of a medical care facility to perform outpatient cardiac catheterization procedures, in addition to non-DCOPN regulated procedures listed on the application such as the insertion of pacemakers, battery replacements in pacemakers and defibrillators, and implantable cardiac monitors. The site of the project has served as an office building for their parent company, James River Cardiology. Ashlake Heart & Rhythm Center, LLC's, was created in June of 2025 to operate out of Suite 100-B in the same building. JRC is still operating in Suite 100-A of the location; however, it is not providing services regulated by DCOPN. The starting patient base of Ashlake Heart & Rhythm will primarily be referrals from existing JRC clientele. Suite 100-B is not currently providing services and it is not stated in the application when services will start. If the project is approved, the catheterization

lab is planned to open in February 2026. There is also a post-operative recovery room that will be built with the project.

The total capital costs for the project are \$4,433,605 (**Table 4**). This includes construction to update the facility and add equipment for the catheterization lab and post-operative recovery room, as well as consultant fees, equipment, and a \$90,125 allocation for contingencies. Costs will be paid through the combination of a bank loan and “cash on Ashlake Heart & Rhythm’s balance sheet”. The capital costs for with the bank loan included is an estimated \$5,108,118- which includes long term mortgage costs and interest costs on the bank loan.

**Table 4: Ashlake Heart & Rhythm Capital Cost Summary**

|                                    |                    |
|------------------------------------|--------------------|
| Direct Construction Cost           | \$1,892,625        |
| Equipment Not Construction         | \$1,275,000        |
| Site Acquisition Cost              | \$1,179,230        |
| Architectural and Engineering Fees | \$43,750           |
| Loan Origination Fee               | \$43,000           |
| <b>Total</b>                       | <b>\$4,433,605</b> |

Source: COPN Request VA-8834

#### VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

Chippenham & Johnston-Willis is applying to expand its cardiac catheterization services with one additional cardiac catheterization lab, bringing the total number of cardiac catheterization labs to seven. The hospital cites a high utilization of existing labs as the main reason for needing a new one to be able to “ensure that [Chippenham & Johnston-Willis] can continue to meet the needs of the patients who rely on the [h]ospital”.

**Table 5: Chippenham Hospital Capital Cost Summary**

|                                    |                  |
|------------------------------------|------------------|
| Direct Construction Cost           | n/a              |
| Equipment Not Construction         | \$431,801        |
| Site Acquisition Cost              | n/a              |
| Architectural and Engineering Fees | n/a              |
| Loan Origination Fee               | n/a              |
| <b>Total</b>                       | <b>\$431,801</b> |

Source: COPN Request VA-8840

The projected capital costs are \$431,801 (**Table 5**). In the application, Chippenham & Johnston-Willis has stated that the cost will be covered by “internal resources” of HCA Healthcare, Inc. who is the parent company, so there are no financing costs associated with the proposed project.

It was added that the costs estimated are not expected to “adversely affect the cost of providing care.”

#### VA-8841- Hanover Cardiac ASC, LLC

Hanover Cardiac is applying to establish an outpatient facility cardiac catheterization lab. With construction on the facility beginning in October 2025, the target opening date is in December 2026. Hanover Cardiac will be moving into a building designed and built for use as an ambulatory surgery center and will not require construction. Hanover Cardiac has specified that the center “will only provide scheduled diagnostic and simple therapeutic cardiac catheterizations.” Initial costs will be paid through the profits of the Hanover Cardiac ASC, LLC site in Mechanicsville.<sup>10</sup> The facility does not have an existing patient base.

**Table 6: Hanover Cardiac Capital Cost Summary**

|                                    |                    |
|------------------------------------|--------------------|
| Direct Construction Cost           | n/a                |
| Equipment Not Construction         | \$1,507,873        |
| Site Acquisition Cost              | \$3,185,481        |
| Architectural and Engineering Fees | n/a                |
| Loan Origination Fee               | n/a                |
| <b>Total</b>                       | <b>\$4,693,354</b> |

Source: COPN Request VA-8841

The projected capital costs are \$4,693,354 (**Table 6**). This cost includes the lease of the facility and equipment needed. The lease contract for the site includes construction and the coverage of accompanying fees. Expenses will be paid through accumulated reserves.

#### **Project Definition**

##### VA-8834- Ashlake Heart & Rhythm Center

Section 32.1-102.1:3 of the Code of Virginia defines a project, in part, as the “[e]stablishment of a medical care facility described in subsection A” in part as “[a]ny specialized center or clinic or that portion of a physician's office developed for the provision of... cardiac catheterization”.

##### VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

Section 32.1-102.1:3 of the Code of Virginia defines a project, in part, as the “addition by an existing medical care facility described in subsection A of any new medical equipment for the

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<sup>10</sup> McCarthy, Colin. Email to DCOPN. 16 Oct. 2025.



provision of cardiac catheterization” A medical care facility is described, in part, as “general hospitals.”

#### VA-8841- Hanover Cardiac ASC

Section 32.1-102.1:3 of the Code of Virginia defines a project, in part, as the “[e]stablishment of a medical care facility described in subsection A” in part as “[a]ny specialized center or clinic or that portion of a physician's office developed for the provision of... cardiac catheterization”.

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

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

- 1. The extent to which the proposed 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.**

The population in PD15 is expected to reach approximately 1,220,168 in 2030, a 9.18% increase from the 2020 population (**Table 7**). This is a higher growth rate than Virginia as a whole. The projects proposed are in or bordering Chesterfield County, which has the second-highest increase in population and fourth highest poverty rate in the district (**Table 8**). Chesterfield also has the third highest population of locations in PD15 and is expected to surpass Richmond into the second highest population in 2030, with an estimated 48,697-person increase (**Table 7**). Chesterfield residents make up approximately 33.5% of the PD 15 population.

**Table 7: PD15 Predicted Population Change (2020-2030)**

| <b>Location</b>       | <b>2020 Population</b> | <b>Percent Change</b> | <b>2030 Population</b> |
|-----------------------|------------------------|-----------------------|------------------------|
| Charles City County   | 6,821                  | -9.11%                | 6,200                  |
| Chesterfield County   | 358,245                | 13.59%                | 406,942                |
| Goochland County      | 24,431                 | 11.90%                | 27,339                 |
| Hanover County        | 108,262                | 9.34%                 | 118,374                |
| Henrico County        | 333,766                | 6.86%                 | 356,656                |
| New Kent County       | 23,648                 | 14.46%                | 27,067                 |
| Powhatan County       | 30,148                 | 6.65%                 | 32,152                 |
| Richmond City         | 232,226                | 5.69%                 | 245,437                |
| <b>PD 15 Total</b>    | <b>1,117,547</b>       | <b>9.18%</b>          | <b>1,220,168</b>       |
| <b>Virginia Total</b> | <b>8,590,563</b>       | <b>6.27%</b>          | <b>9,129,002</b>       |

Source: Weldon-Cooper

**Table 8: PD 15 2023 Poverty Rates**

| <b>Location</b>     | <b>Poverty Rate</b> |
|---------------------|---------------------|
| Charles City County | 11.3%               |
| Chesterfield County | 6.9%                |
| Goochland County    | 6.7%                |
| Hanover County      | 5.3%                |
| Henrico County      | 9.4%                |
| New Kent County     | 5.6%                |
| Powhatan County     | 6.1%                |
| Richmond City       | 17.6%               |
| <b>PD 15</b>        | <b>9.5%</b>         |
| <b>Virginia</b>     | <b>10.2%</b>        |

Source: SAIPE US Census

VA-8834- Ashlake Heart & Rhythm Center, LLC

The proposed Ashlake Heart & Rhythm location is towards the middle of Chesterfield County, along Hwy 360. **Map 2** shows that the location, marked with the red symbol, is also beside an access ramp to Hwy 288 which connects I-95 to I-64 outside of Richmond City. Free public transportation is not currently connected to the location. While the applicant states that GRTC transportation operates along the road, it stops providing transportation approximately 30 miles from the location of the facility.<sup>11</sup>

Chesterfield does have a county-operated program where rides can be scheduled for at least 2 hours in advance for a fee of \$6 each way.<sup>12</sup> The provider may cancel if a driver is unavailable for ambulatory or wheelchair reservations up to two hours prior to the scheduled drive or if there is inclement weather.

Ashlake Heart & Rhythm is located less than eleven miles from the Powhatan County line. Powhatan does not currently have a cardiac catheterization provider in the county. As **Table 7** and **Table 8** show, Powhatan County is expected to grow in population by 6.65% by 2030. It also has approximately 6.1% of the current population in poverty.

Ashlake Heart & Rhythm states that the approval of the proposed project will improve continuity of care as it will keep all patients under the same cardiologist throughout their treatment. This is

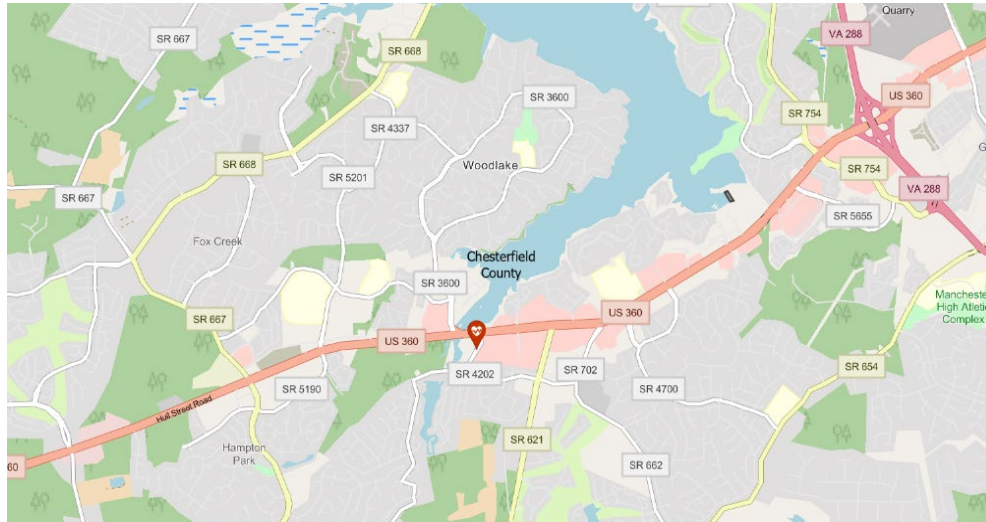
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<sup>11</sup> <https://www.ridegrtc.com/maps-and-schedules/system-map/>

<sup>12</sup> <https://www.chesterfield.gov/4219/Access-on-Demand>

also cited as improving follow-up post-procedure, as patients “will be contacted within 24 hours... and follow-up appointments will be scheduled.”

### Map 2: Nearby Transportation (Ashlake Heart & Rhythm)

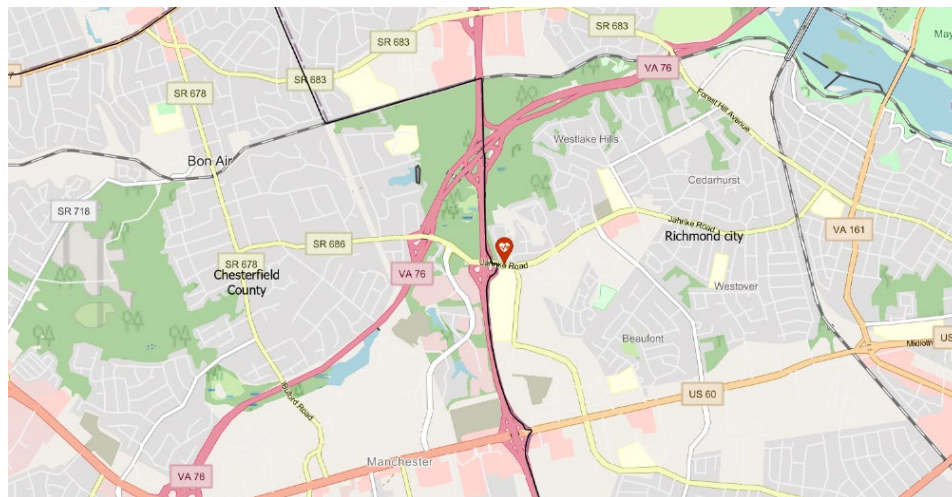


**Source:** DCOPN Records, ArcGIS

VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

Chippenham Hospital is along multiple highways and minutes away from I-60 (**Map 3**). The accessibility allows patients traveling via car easier access. It is also along the Greater Richmond Transit Company (GRTC) route, which provides free public transportation to residents. This transportation is ADA-compliant. The hospital is currently providing cardiac catheterization services.

### Map 3: Nearby Transportation (Chippenham Hospital)



**Source:** DCOPN Records, ArcGIS

Regarding access to services, the applicant stated:

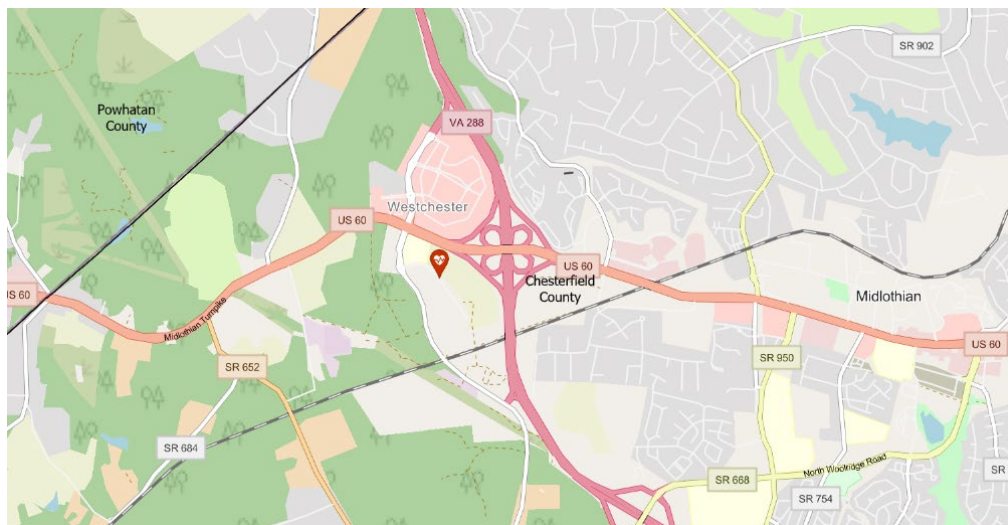
Timely care is essential for cardiac catheterization, and the addition of a seventh cardiac catheterization laboratory is necessary to ensure that Chippenham has the resources it needs to continue to provide appropriate care for its patients. While many cardiac catheterizations are scheduled, others are emergent. Chippenham, therefore, must have capacity to service both... Chippenham needs an additional cardiac catheterization laboratory to ensure that it can continue to meet the needs of the patients who rely on the Hospital for this crucial service.

#### VA-8841- Hanover Cardiac ASC, LLC

Hanover Cardiac is at the intersection of US-60 and HWY 288 (**Map 4**). Free public transportation is not currently connected to the location. Chesterfield has a county-run program where rides can be scheduled at least 2 hours in advance for a fee of \$6 each way<sup>13</sup>. The transportation is scheduled by the patient, but the insurance provider may cancel if there is no driver available for ambulatory or wheelchair reservations up to two hours before to the scheduled drive or if there is inclement weather.

Hanover Cardiac is located less than two miles from the Powhatan County line. As stated above, Powhatan does not currently have a cardiac catheterization provider in the county and the population is expected to grow by 6.65% by 2030.

**Map 4: Nearby Transportation (Hanover Cardiac)**



Source: DCOPN Records. ArcGIS

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<sup>13</sup> <https://www.chesterfield.gov/4219/Access-on-Demand>

Hanover Cardiac will provide cardiac catheterization services at a lower cost than a hospital as an outpatient center. The applicant will provide outpatient services Monday through Friday from 7:30am to 4:30pm. Regarding access to services, the applicant stated:

The hospital cardiac catheterization labs at acute care hospitals, by nature of their acute care setting, must frequently delay or reschedule the types of elective, nonemergent outpatient catheterization cases that are proposed to be performed at Virginia Cardiac Surgery Center due to emergency room and inpatient acuity demands... These scheduling delays not only cause inconvenience and inefficiency for patients and providers, but also delay diagnosis of cardiovascular disease.

**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.**

§32.1-102.6B of the Code of Virginia directs DCOPN to hold one public hearing on each application in the case of competing applications; or in response to a written request by an elected local government representative, a member of the General Assembly, the Commissioner, the applicant, or a member of the public. COPN Request No. VA-8834, VA-8840, VA-8841 are competing projects and DCOPN held a hearing on October 14, 2025. DCOPN provided notice to the public regarding this project inviting public comment on September 10, 2025. The public comment period closed on October 24, 2025.

VA-8834- Ashlake Heart & Rhythm Center, LLC

Ashlake Heart & Rhythm had seven letters from community members.

- Two politicians wrote in support of the project. Senator Glen Sturtevant stated that Ashlake Heart & Rhythm will provide a “safe, specialized environment” for patients, including seniors and patients managing chronic conditions. He advocated that it will allow for faster care at lower cost. Mark Earley Jr. of the House of Delegates commented on the “strong commitment to collaboration” that physicians who will be working at the facility have shown in the past.
- Two letters were from doctors at different practices who wrote in support as well, also citing faster care at lower cost. One added that this will improve treatment and be clinically necessary for patients needing timely care.
- Two letters were from business owners of different health programs with services in Chesterfield. They also stated the importance of cardiac catheterization services outside the hospital for shorter wait periods before services and more availability to see patients.
- A representative of Anthem insurance wrote in support of the project, as well as stating that it will be “cost-effective care in a patient-centered environment.”

Ashlake Heart & Rhythm also had 12 letters of support from cardiologists practicing at James River Cardiology facilities. Each doctor stated that there is a growing demand for cardiac catheterization services, and the approval of the project will allow for increased services at lower cost.

#### *Public Hearing*

Dr. Mitesh Amin, Chief Administrator Officer of Ashlake Heart & Rhythm, presented the proposal for COPN Request No. VA-8834. He also stated that he did not oppose any of the applications and repeated points from the facility's application. One other member of the public signed up to support the facility, but they did not select to speak.

#### VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

Chippenham & Johnston-Willis had two letters from community members regarding its proposal.

- A doctor from Dominion Cardiovascular Specialists wrote to support the project, stating that the practice supports the application for an additional lab. He praises the hospital for the care and services provided. The doctor states that it is the "busiest in the area" and approval of the project is needed for continuation of care.
- The fire chief for Chesterfield County wrote in support as well. He wrote that with a growing population; approval will allow for care to continue for residents of the county.

Current Chippenham Hospital staff also wrote in support of the project. The medical director expressed support on behalf of internal medicine staff, and a resolution was passed that the Medical Staff voted unanimously to support the addition of the lab.

#### *Public Hearing*

Lance Jones, CEO of Chippenham & Johnston-Willis Hospital, presented the proposal for Chippenham Hospital, COPN Request VA-8840. One other community member signed up to support the proposal but elected not to speak.

#### VA-8841- Hanover Cardiac ASC, LLC

Hanover Cardiac had seven letters from community members regarding the proposed project.

- Three business owners in the area wrote letters in support. One was from Richmond Heart and Vascular Associates who commented that many physicians were interested in the "convenience and efficiency" of an outpatient setting rather than a hospital. An Anthem insurance representative and the president of Medical-Surgical Solutions for McKesson Corp. stated that the facility will improve time and lower cost of treatment.
- Senator Glen Sturtevant wrote in support of the project, stating that the costs will be lower.
- Three previous patients wrote in support of the project as well. They documented that they had received care at a hospital but will have preferred an outpatient facility if that had been available.

*Public Hearing*

Kevin Curtis, Administrator for Virgini Cardiac Surgery Center and Practice Administrator of Richmond Heart and Vascular Associates, presented the proposal for Hanover Cardiac ASC, COPN Request No. 8841. He stated that he did not oppose any of the applications and repeated points from the facility's application. Three other members of the public signed in to support the project, but none elected to speak.

**(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.**

VA-8834- Ashlake Heart & Rhythm Center, LLC

Ashlake Heart & Rhythm is applying to establish a medical facility with the introduction of a cardiac catheterization lab. The center is connected to an existing James River Cardiology office; however, it will be operating in the suite beside it and looking to offer services starting February 2026.

The status quo is a reasonable alternative to the approval of the project. Three additional catheterization labs have been approved in the PD and are expected to start services in 2025. These additional facilities are also outpatient and provide services at a lower cost than hospitals in the area. The opening of the facilities will also bring the DEP of PD 15 below the 1,200 DEP threshold.

VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

Chippenham & Johnston-Willis is applying for an additional (seventh) cardiac catheterization lab. The hospital is currently operating at 119% of the SMFP utilization threshold for expansion and will be converting an existing electrophysiology (EP) lab into the proposed catheterization lab. The lab will be performing simple and complex therapeutic cardiac cauterization.

Relocating the cardiac catheterization lab at Henrico Doctors' - Retreat is a reasonable alternative. Retreat Hospital has had zero DEP since 2017, with one non-cardiac catheterization procedure reported each year since this time. Relocating the lab will meet the institutional need of Chippenham Hospital and allow the EP lab to continue providing service.

VA-8841- Hanover Cardiac ASC, LLC

Hanover Cardiac is applying for the establishment of a medical facility with the introduction of a cardiac catheterization lab. The facility will be located on the border of Chesterfield County and Powhatan County, operating Monday through Friday. The center is looking to start offering services in December 2026.

The status quo is a reasonable alternative to the approval of the project. Three additional catheterization labs have been approved and are expected to start services in 2025. These additional facilities are also outpatient facilities and provide services at a lower cost than hospitals in the area. The opening of the facilities will also bring the DEP of PD 15 below the 1,200 DEP threshold.

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

Currently there is no organization in HPR IV designated by the Virginia Department of Health to serve as the Health Planning Agency for PD 15. Therefore, this consideration is not applicable to the review of the proposed project.

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

VA-8834- Ashlake Heart & Rhythm Center, LLC

The capital cost of the project is \$4,433,605 (**Table 4**). This includes the remodeling fees, equipment, lease cost, and all consultant fees. There is also a loan origination fee included, although the long-term mortgage and financing fees are not included in this total, but equate to \$1,749,513.

**Table 4: Ashlake Heart & Rhythm Total Cost Summary (Repeated)**

|                                    |                    |
|------------------------------------|--------------------|
| Direct Construction Cost           | \$1,892,625        |
| Equipment Not Construction         | \$1,275,000        |
| Site Acquisition Cost              | \$1,179,230        |
| Architectural and Engineering Fees | \$43,750           |
| Loan Origination Fee               | \$43,000           |
| <b>Total</b>                       | <b>\$4,433,605</b> |

Source: COPN Request VA-8834

The applicant stated in their application that JRC will be covering initial costs along with a bank loan. TowneBank will be providing the loan and wrote a letter confirming their support of the project. Interest on the loan “will be paid through cash flows and accumulated reserves during the term of the loan.” The cost, when compared to similar projects, is appropriate.

Regarding the benefits of the project, the applicant stated:

Local hospitals in these areas have struggled to keep pace with the swelling demand for cardiac services. Resources for these facilities have been constrained across a number of fronts (for example, financial) ...

Cardiac catheterization services have significantly evolved in recent years, becoming safer, faster, and more effective at diagnosing and treating cardiovascular diseases. Ashlake Heart & Rhythm Center will provide a lower cost setting for appropriate cases, which will not only save money and other resources for local hospitals, Medicare and commercial payors, but also enable the hospitals to better manage high risk cases that are not appropriate for an [outpatient] setting.

VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

Chippenham Hospital does not require construction for the project. Medical equipment and storage cabinets are the only listed costs for the project, bringing the capital cost total to \$431,801 (**Table 5**).



The cost will be covered through “internal resources of HCA Healthcare, Inc.” so no financing costs are associated with the proposed project and is not expected to “adversely affect the cost of providing care” for patients. As the lab will be converted from an existing EP lab, there will not be any construction costs involved. The cost, when compared to similar projects, is appropriate.

**Table 5: Chippenham & Johnston-Willis Total Cost Summary (Repeated)**

|                                    |                  |
|------------------------------------|------------------|
| Direct Construction Cost           | n/a              |
| Equipment Not Construction         | \$431,801        |
| Site Acquisition Cost              | n/a              |
| Architectural and Engineering Fees | n/a              |
| Financing Fees                     | n/a              |
| <b>Total</b>                       | <b>\$431,801</b> |

Source: COPN Request VA-8840

Chippenham Hospital is currently providing cardiac catheterization within six existing labs in the hospital. The benefits of the proposed addition of a seventh lab are less wait time for patients with scheduled appointments and for patients who are experiencing an emergency and need immediate care, as the applicant states.

#### VA-8841- Hanover Cardiac ASC, LLC

Hanover Cardiac’s proposed project is estimated to cost \$4,693,354 (**Table 6**). This includes leasing fees for where the medical equipment and the physical space services will be provided. The total cost, when compared to similar projects, is appropriate. The location is leased for the next five years with rent increasing 3% each year. Initial costs will be paid through profits on the Mechanicsville location, and the subsequent payments will be “funded through cash flows and accumulated reserves” so there are no financing costs associated with the proposed project.

**Table 6: Hanover Cardiac Total Cost Summary (Repeated)**

|                                    |                    |
|------------------------------------|--------------------|
| Direct Construction Cost           | n/a                |
| Equipment Not Construction         | \$1,507,873        |
| Site Acquisition Cost              | \$3,185,481        |
| Architectural and Engineering Fees | n/a                |
| Financing Fees                     | n/a                |
| <b>Total</b>                       | <b>\$4,693,354</b> |

Source: COPN Request VA-8841

The center will provide only diagnostic and simple therapeutic services; complex procedures will not occur at this facility. They will provide services Monday through Friday as an outpatient facility. Regarding financial benefits of the project, the applicant stated:

The current staff are qualified to perform the service and there is a staffing plan to add additional staff necessary to operate the new location that

incorporates collaboration with local training programs. The project projects a positive operating margin, and does so while offering the same outpatient cardiac catheterization services to healthcare consumers at a significantly lower cost than the majority of existing catheterization labs in PD 15.

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

Section 32.1-102.4. B of the Code of Virginia indicates that, should the proposed project receive approval, the project will be conditioned to provide a level of charity care. Pursuant to the Code of Virginia language any COPN issued for this project will also be conditioned on the applicant's agreement to accept patients who are the recipients of Medicare and Medicaid.

**Table 9: 2023 Charity Care Contributions at or below 200% of Federal Poverty Level**

| <b>HPR IV</b>   | <b>Gross Patient Revenues</b> | <b>Charity Care</b>  | <b>% of Gross Patient Revenue</b> |
|---|-------------------------------|----------------------|-----------------------------------|
| <b>Inpatient Hospitals</b>                            |                               |                      |                                   |
| Encompass Health Rehab Hosp of Petersburg             | \$31,902,584                  | \$1,128,654          | 3.5%                              |
| Bon Secours Southern Virginia Regional Medical Center | \$250,713,603                 | \$5,572,556          | 2.2%                              |
| Sentara Halifax Regional Hospital                     | \$341,148,455                 | \$6,200,157          | 1.8%                              |
| Bon Secours St. Francis Medical Center                | \$1,479,291,082               | \$24,657,029         | 1.7%                              |
| Bon Secours Richmond Community Hospital               | \$1,241,191,742               | \$16,711,399         | 1.3%                              |
| Bon Secours St. Mary's Hospital                       | \$2,762,282,294               | \$34,017,353         | 1.2%                              |
| Sheltering Arms Institute                             | \$186,535,950                 | \$2,177,014          | 1.2%                              |
| Bon Secours Southside Regional Medical Center         | \$2,565,858,345               | \$28,890,515         | 1.1%                              |
| CJW Medical Center HCA                                | \$10,527,250,615              | \$100,362,996        | 1.0%                              |
| VCU Health System                                     | \$8,145,377,150               | \$66,362,509         | 0.8%                              |
| TriCities Hospital HCA                                | \$1,371,999,484               | \$10,527,708         | 0.8%                              |
| Henrico Doctors' Hospital HCA                         | \$6,907,258,982               | \$38,780,978         | 0.6%                              |
| Bon Secours Memorial Regional Medical Center          | \$1,828,188,155               | \$9,964,617          | 0.5%                              |
| Centra Southside Community Hospital                   | \$384,039,049                 | \$1,652,238          | 0.4%                              |
| Poplar Springs Hospital UHS                           | \$88,939,433                  | \$376,070            | 0.4%                              |
| VCU Community Memorial Hospital                       | \$421,895,877                 | \$1,677,139          | 0.4%                              |
| Encompass Health Rehab Hosp of Virginia               | \$28,432,919                  | \$13,720             | 0.0%                              |
| Select Specialty Hospital - Richmond                  | \$53,310,288                  | \$0                  | 0.0%                              |
| Cumberland Hospital for Children and Adolescents UHS  | \$30,897,129                  | \$0                  | 0.0%                              |
| Total Inpatient Hospitals:                            |                               |                      | 19                                |
| <b>HPR IV Total Inpatient \$ &amp; Mean %</b>         | <b>\$38,646,513,136</b>       | <b>\$349,072,652</b> | <b>0.9%</b>                       |

| <b>Outpatient Centers</b>                               |                   |                |             |
|---|-------------------|----------------|-------------|
| Boulders Ambulatory Surgery Center HCA                  | \$178,430,144     | \$2,835,945    | 1.6%        |
| American Access Care of Richmond                        | \$5,614,196       | \$78,601       | 1.4%        |
| Urosurgical Center of Richmond                          | \$46,830,464      | \$384,074      | 0.8%        |
| Virginia Eye Institute, Inc.                            | \$51,667,075      | \$387,608      | 0.8%        |
| VCU Health Neuroscience, Orthopedic and Wellness Center | \$67,292,975      | \$414,824      | 0.6%        |
| St. Mary's Ambulatory Surgery Center                    | \$54,839,934      | \$252,107      | 0.5%        |
| MEDRVA Surgery Center @ West Creek                      | \$12,554,561      | \$20,580       | 0.2%        |
| Virginia ENT Surgery Center                             | \$25,926,435      | \$10,589       | 0.0%        |
| MEDRVA Stony Point Surgery Center                       | \$64,547,579      | \$0            | 0.0%        |
| Cataract and Refractive Surgery Center                  | \$7,916,214       | \$0            | 0.0%        |
| Virginia Beach Health Center VLPP                       | \$2,270,805       | \$0            | 0.0%        |
| Skin Surgery Center of Virginia                         | \$1,542,518       | \$0            | 0.0%        |
| Total Outpatient Hospitals:                             |                   |                | 12          |
| <b>HPR IV Total Outpatient Hospital \$ &amp; Mean %</b> | \$519,432,900     | \$4,384,328    | <b>0.8%</b> |
| Total Hospitals:  |                   |                | 31          |
| <b>HPR IV Total \$ &amp; Mean %</b>                     | \$ 39,165,946,036 | \$ 353,456,980 | <b>0.9%</b> |

#### VA-8834- Ashlake Heart & Rhythm Center, LLC

Ashlake Heart & Rhythm proffered 1.3% of its patient revenues as charity care, which is slightly higher than the HPR average of 0.9% (**Table 9**). In accordance with Section 32.1-102.4.B of the Code of Virginia, should the proposed project receive approval, the project will be conditioned to provide a level of charity care based on gross patient revenues derived from cardiac catheterization services that is no less than the equivalent average for charity care contributions in HPR IV.

Pursuant to the Code of Virginia language any COPN issued for this project will also be conditioned on the applicant's agreement to accept patients who are the recipients of Medicare and Medicaid.

#### VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

**Table 9** shows that Chippenham & Johnston-Willis provided 1% of patient revenue as charity care, slightly higher than the HPR average of 0.9%. The proforma provided by the applicant projects charity care at 0.9% of patient revenues, consistent with the HPR IV mean. In accordance with Section 32.1-102.4.B of the Code of Virginia, should the proposed project receive approval, the project will be conditioned to provide a level of charity care based on gross patient revenues derived from cardiac catheterization services that is no less than the equivalent average for charity care contributions in HPR IV. Pursuant to the Code of Virginia language any COPN issued for this project will also be conditioned on the applicant's agreement to accept patients who are the recipients of Medicare and Medicaid.

#### VA-8841- Hanover Cardiac ASC, LLC

Hanover Cardiac proffered 2.5% of its patient revenues as charity care, which is higher than the HPR average of 0.9% (**Table 9**). The applicant also stated that this percentage will apply not

only to this location, but the cardiac catheterization lab at the agency's Pleasant Grove location as well. The other lab currently has a charity care percentage of 1.4%<sup>14</sup>.

In accordance with Section 32.1-102.4.B of the Code of Virginia, should the proposed project receive approval, the project will be conditioned to provide a level of charity care based on gross patient revenues derived from cardiac catheterization services that is no less than the equivalent average for charity care contributions in HPR IV. Pursuant to the Code of Virginia language any COPN issued for this project will also be conditioned on the applicant's agreement to accept patients who are the recipients of Medicare and Medicaid.

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

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

**3. The extent to which the 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 criteria/standards for the establishment or expansion of cardiac catheterization services. They are as follows:

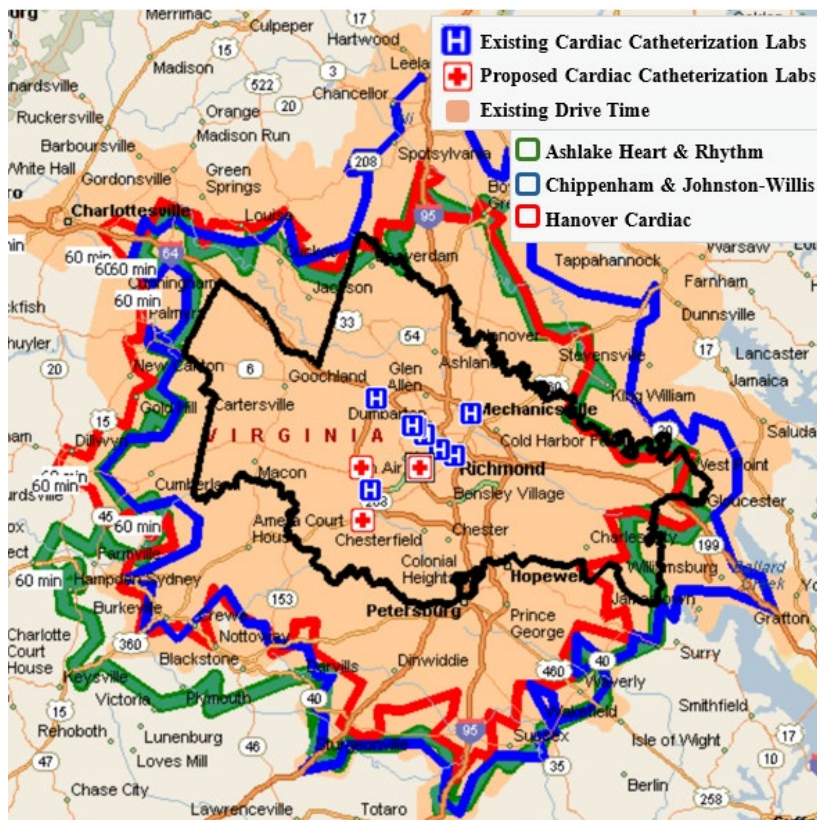
**12VAC5-230-380. Travel time.**

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<sup>14</sup> COPN VA-04941

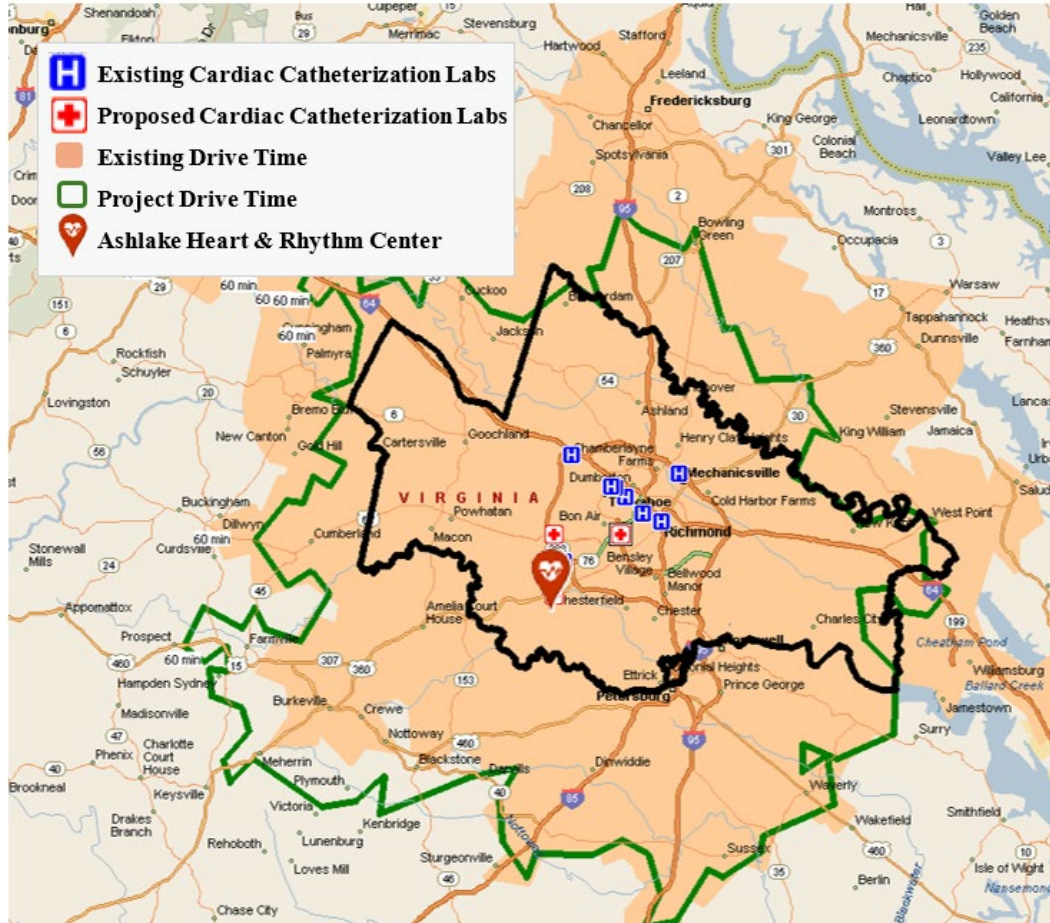
Cardiac catheterization services should be within 60 minutes driving time one way under normal conditions of 95% of the population of the health planning district using mapping software as determined by the commissioner.

**Map 5: Population Density PD15 by 2020 Census Tract**



Source: DCOPN Records, ArcGIS

The proposed locations do not enhance geographic access to cardiac catheterization in PD 15 (**Map 5**). The entire district is already within 60 minutes driving time of cardiac catheterization services, as shown though the light orange color.

VA-8834- Ashlake Heart & Rhythm Center, LLC**Map 6: 60 Minute Drive Time Access (Ashlake Heart & Rhythm)**

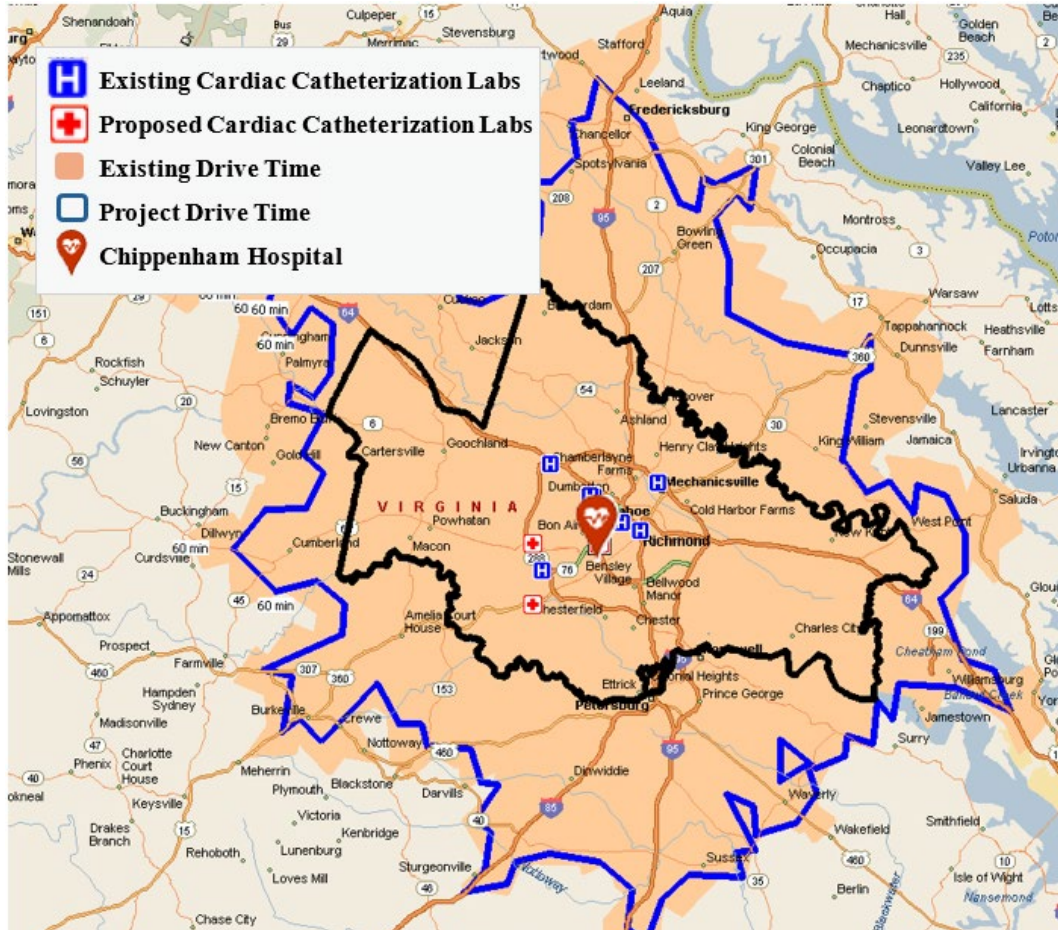
Source: DCOPN Records, Microsoft Streets and Trips 2008

The green outline in **Map 6** shows the area that can reach the proposed location of Ashlake Heart & Rhythm in 60-minutes. The proposed location is labeled and has a red pin indicating where it is. Most of PD15 is included in the travel distance, with some of the corners of Hanover County and New Kent County not included. Charles City County has the most noticeable portion not included, as about half of the county is located outside of the driving distance range.



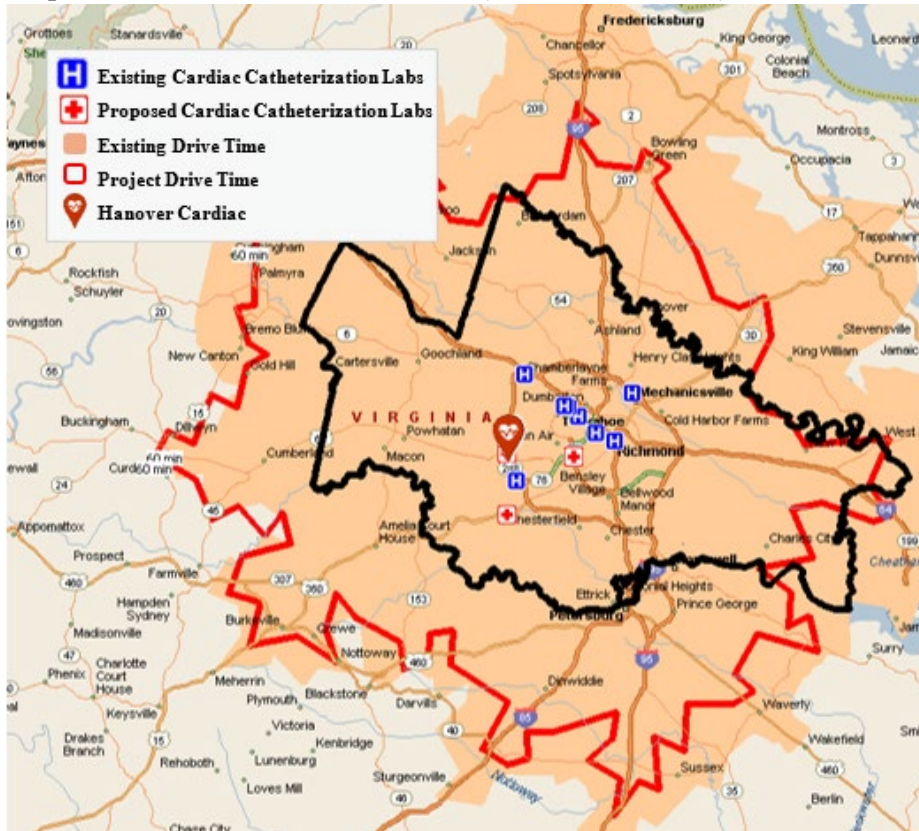
VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

### Map 7: 60 Minute Drive Time Access (Chippenham Hospital)



**Source:** DCOPN Records, Microsoft Streets and Trips 2008

The purple outline on **Map 7** shows the area that can travel to Chippenham Hospital in 60-minutes travel time. The proposed location is labeled and has a red pin indicating where it is. Most of PD15 is included in the travel distance, with some of the corners of Hanover County, Goochland County, and Charles City County not included.

VA-8841- Hanover Cardiac ASC, LLC**Map 8: 60 Minute Drive Time Access (Hanover Cardiac)**

Source: DCOPN Records, Microsoft Streets and Trips 2008

The red outline on **Map 8** shows the distance that can travel to Hanover Cardiac in a 60-minute travel time. The location has a red pin indicating where it is. Most of PD15 is included in the travel distance, with some of the corners of Hanover County and New Kent County not included. Charles City County has the most noticeable portion not included, as about half of the county is located outside of the driving distance range.

### 12VAC5-230-390. Need for new service.

#### A. No new fixed site cardiac catheterization service should be approved for a health planning district unless:

1. Existing fixed site cardiac catheterization services located in the health planning district performed an average of 1,200 cardiac catheterization DEPs per existing and approved laboratory for the relevant reporting period;
2. The proposed new service will perform an average of 200 DEPs in the first year of operation and 500 DEPs in the second year of operation; and



**3. The utilization of existing services in the health planning district will not be significantly reduced.**

**Table 3: Utilization of Providers PD 15 (2024)** *(Repeated from above)*

| Facility Name                                | Labs      | Diagnostic | Simple | Same Session | Complex | DEP           | Utilization    |
|--|-----------|------------|--------|--------------|---------|---------------|----------------|
| Bon Secours Memorial Regional Medical Center | 4         | 1,203      | 20     | 647          | 639     | 6,379         | 132.90%        |
| Bon Secours St. Francis Medical Center       | 2         | 859        | 14     | 277          | 91      | 2,173         | 90.54%         |
| Bon Secours St. Mary's Hospital              | 4         | 1,869      | 22     | 569          | 491     | 6,075         | 126.56%        |
| Chippenham Hospital                          | 6         | 2,478      | 909    | 1,400        | 141     | 9,201         | 127.79%        |
| Henrico Doctors' Hospital - Retreat          | 1         | 0          | 0      | 0            | 0       | 0             | 0.00%          |
| Henrico Doctors' Hospital - Forest           | 5         | 1,833      | 131    | 1,326        | 137     | 6,758         | 112.63%        |
| VCU Medical Center                           | 4         | 3,312      | 428    | 9            | 547     | 6,971         | 145.23%        |
| Virginia Cardiovascular Specialists, PC      | 1         | 9          | 0      | 9            | 0       | 36            | 3.00%          |
| <b>Total Number:</b>                         | <b>27</b> |            |        |              |         | <b>37,593</b> | <b>116.03%</b> |

Source: VHI Database

**Table 3** shows that the average DEP completed by facilities in PD15 in 2024 was 4,699; this included Henrico Doctors' Hospital- Retreat, which did not perform any scans during that year and Virginia Cardiovascular Specialists, PC, which performed 36 DEPs as the facility opened in December of 2024 and reported only 14 days in the year.

There are two additional facilities that have been approved to provide cardiac catheterization services in PD15; although the facilities have not yet reported data in 2024. The applicants documented the expected DEP in the submitted application for the specific projects (**Table 10**).

**Table 10: Predicted DEP for Facilities Approved but Not Open**

| Location                   | Certificate | Year 1 DEP   | Year 2 DEP   |
|----------------------------|-------------|--------------|--------------|
| Short Pump CV Center       | VA-04866    | 1,021        | 1,030        |
| Hanover Cardiac Center     | VA-04941    | 485          | 582          |
| <b>Total Predicted DEP</b> |             | <b>1,506</b> | <b>1,612</b> |

Source: DCOPN Records

VA-8834- Ashlake Heart & Rhythm Center, LLC

The proposed number of DEPs for the first year is 670 (**Table 11**). The applicant stated that the facility expects “approximately 50% of JRC’s existing outpatient catheterization volume from HCA’s Chippenham Hospital will transfer to the Center’s facility...” To clarify, Ashlake Heart & Rhythm is not connected to Chippenham Hospital and there is not an existing transfer agreement to DCOPN’s knowledge. Rather, the applicant is stating that patients which will be referred to Chippenham for cardiac catheterization services will be able to receive services within the facility.

The predicted number was estimated lower for the first year, and at the predicted rate for the second year. Due to the anticipation of reducing the average DEPs per lab in Chippenham Hospital, the project will reduce the utilization of existing services. The total DEP predicted by Ashlake Heart & Rhythm is similar to other recent applications (**Table 10**).

**Table 11: Predicted Ashlake Heart & Rhythm DEP**

|                 | Diagnostic | Simple | Same Session | Total DEP |
|-----------------|------------|--------|--------------|-----------|
| <b>Year One</b> | 337        | 0      | 111          | 670       |
| <b>Year Two</b> | 472        | 0      | 156          | 940       |

Source: COPN Request No. VA-8834

VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

This does not apply to this facility. Chippenham & Johnston-Willis's proposal is not a new service.

VA-8841- Hanover Cardiac ASC, LLC

The proposed number of DEPs is 485 for the first year and 582 for the second (**Table 12**). Both estimations are below the SMFP recommended DEP for new services. The total DEPs predicted by Hanover Cardiac is identical to the amount predicted in the application for COPN VA-04941 (**Table 10**).

**Table 12: Predicted Hanover Cardiac DEP**

|                 | Diagnostic | Simple | Same Session | Total DEP |
|-----------------|------------|--------|--------------|-----------|
| <b>Year One</b> | 195        | 25     | 80           | 485       |
| <b>Year Two</b> | 234        | 30     | 96           | 582       |

Source: COPN Request No. VA-8841

- B. Proposals for mobile cardiac catheterization laboratories should be approved only if such laboratories will be provided at a site located on the campus of an inpatient hospital. Additionally, applicants for proposed mobile cardiac catheterization laboratories shall be able to project that they will perform an average of 200 DEPs in the first year of operation and 350 DEPs in the second year of operation without significantly reducing the utilization of existing laboratories in the health planning district below 1,200 procedures.**

This does not apply to any of the proposed projects as none of them will be mobile cardiac catheterization labs.

- C. Preference may be given to a project that locates new cardiac catheterization services at an inpatient hospital that is 60 minutes or more driving time one way under normal conditions from existing services if the applicant can demonstrate**

**that the proposed new laboratory will perform an average of 200 DEPs in the first year of operation and 400 DEPs in the second year of operation without significantly reducing the utilization of existing laboratories in the health planning district.**

This does not apply to any of the proposed projects as none of them are 60 minutes or more away from existing services. Neither Ashlake Heart & Rhythm nor Hanover Cardiac are inpatient hospitals as well.

#### **12VAC5-230-400. Expansion of services.**

**Proposals to increase cardiac catheterization services should be approved only when:**

- 1. All existing cardiac catheterization laboratories operated by the applicant's facilities where the proposed expansion is to occur have performed an average of 1,200 DEPs per existing and approved laboratory for the relevant reporting period; and**
- 2. The applicant can demonstrate that the expanded service will achieve an average of 200 DEPs per laboratory in the first 12 months of operation and 400 DEPs in the second 12 months of operation without significantly reducing the utilization of existing cardiac catheterization laboratories in the health planning district.**

#### VA-8834- Ashlake Heart & Rhythm Center, LLC

This does not apply to this project as Ashlake Heart & Rhythm is proposing to establish a new fixed site facility.

#### VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

**Table 3** shows the 2024 utilization of Chippenham Hospital's cardiac catheterization labs, was 9,201 DEPs. The data averages 1,534 DEPs per existing labs. Including Year 1 projections, Chippenham Hospital's cardiac catheterization laboratories will average 1,383.7 and 1397.6 in Year 2, surpassing the 200 DEP requirement for expansion by SMFP regulation.

#### VA-8841- Hanover Cardiac ASC, LLC

This does not apply to this project as Hanover Cardiac is looking to establish a new fixed site facility.

#### **12VAC5-230-410. Pediatric cardiac catheterization.**

**No new or expanded pediatric cardiac catheterization services should be approved unless:**

- 1. The proposed service will be provided at an inpatient hospital with open heart surgery services, pediatric tertiary care services or specialty or subspecialty level neonatal special care;**

2. The applicant can demonstrate that the proposed laboratory will perform at least 100 pediatric cardiac catheterization procedures in the first year of operation and 200 pediatric cardiac catheterization procedures in the second year of operation; and
3. The utilization of existing pediatric cardiac catheterization laboratories in the health planning district will not be reduced below 100 procedures per year.

This does not apply to any of the proposed projects as none are applying for pediatric cardiac catheterization services.

**12VAC5-230-420. Nonemergent cardiac catheterization.**

- A. Simple therapeutic cardiac catheterization. Proposals to provide simple therapeutic cardiac catheterization are not required to offer open heart surgery service available on-site in the same hospital in which the proposed simple therapeutic service will be located. However, these programs shall adhere to the requirements described in subdivisions 1 through 9 of this subsection.
- B. The programs shall:
  1. Participate in the Virginia Heart Attack Coalition, the Virginia Cardiac Services Quality Initiative, and the Action Registry-Get with the Guidelines or National Cardiovascular Data Registry to monitor quality and outcomes;
  2. Adhere to strict patient-selection criteria;
  3. Perform annual institutional volumes of 300 cardiac catheterization procedures, of which at least 75 should be percutaneous coronary intervention (PCI) or as dictated by American College of Cardiology (ACC)/American Heart Association (AHA) Guidelines for Cardiac Catheterization and Cardiac Catheterization Laboratories effective 1991;
  4. Use only AHA/ACC-qualified operators who meet the standards for training and competency;
  5. Demonstrate appropriate planning for program development and complete both a primary PCI development program and an elective PCI development program that includes routine care process and case selection review;
  6. Develop and maintain a quality and error management program;
  7. Provide PCI 24 hours a day, seven days a week;
  8. Develop and maintain necessary agreements with a tertiary facility that must agree to accept emergent and nonemergent transfers for additional medical care, cardiac surgery, or intervention; and

**9. Develop and maintain agreements with an ambulance service capable of advanced life support and intra-aortic balloon pump transfer that guarantees a 30-minute or less response time.**

VA-8834- Ashlake Heart & Rhythm Center, LLC

1. Ashlake Heart & Rhythm is not yet accredited as it has not started services but is applying for accreditation.
2. The applicant stated that it will “follow SCAI guidance and other key industry evidence-based guidelines” and “continue to utilize its existing complement of advanced diagnostic imaging modalities and the expertise of its physicians”.
3. Ashlake Heart & Rhythm estimates that it will perform 449 cardiac catheterization procedures in the first year (**Table 13**). This is above the threshold.

**Table 13: Projected Utilization from Applicant**

| <b>Projected Utilization</b>             | <b>Year 1</b> | <b>Year 2</b> |
|--|---------------|---------------|
| Diagnostic                               | 337           | 472           |
| Diagnostic and Therapeutic               | 111           | 156           |
| <b>Total Outpatient Catheterizations</b> | <b>449</b>    | <b>628</b>    |
| <b>DEPs</b>                              | <b>671</b>    | <b>940</b>    |

Source: COPN Request No. VA-8834

4. The applicant stated that all Ashlake Heart & Rhythm “physicians at the Center are Board-certified in cardiology” and are compliant with standards.
5. Ashlake Heart & Rhythm confirmed that it will “use guidelines and selection criteria developed” and follow “evidence-based guidelines”.
6. There will be a Quality Assessment and Performance Improvement (QAPI) committee who will meet “at least quarterly” to ensure quality care. The committee will have three Board Certified cardiologists.
7. Ashlake Heart & Rhythm will only be open Monday through Friday and will be operating inside business hours. Physicians have privileges at local hospitals, but they will not be operating at the facility 24/7. This does not meet the standard as it currently stands. However, it has been taken into consideration that the current standards were developed prior to the federal allowance of freestanding cardiac catheterization lab and therefore all standards were created with the expectation that the labs will occur in a hospital.

8. Ashlake Heart & Rhythm has stated that there is a pending transfer agreement with Swift Creek<sup>15</sup> freestanding ER that will be established<sup>16</sup>.
9. There will be at least two code carts located at the facility, and all staff and physicians will be ACLS-certified. The freestanding ER mentioned above is available and has ambulance services and Ashlake Heart & Rhythm will partner with an ambulance provider for non-emergent transport. The partner has not yet been identified, and no formal agreement has been submitted to DCOPN for consideration regarding this point.

VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

1. Chippenham & Johnston-Willis participates in Virginia Heart Attack Coalition, Virginia Cardiac Services Quality Initiative, and National Cardiovascular Data Registry.
2. The applicant stated that it “[follows] strict patient selection criteria for cardiac catheterization procedures.” Chippenham & Johnston-Willis does not specify what the selection criterion is.
3. The applicant cites the COPN Request No. VA-8807 DCOPN staff report which does state that it currently has more than 300 procedures.
4. Chippenham & Johnston-Willis states that the hospital “uses only AHA/AC-qualified operators who meet the standards for training and competency.”
5. The program development selections are in conjunction with current guidelines developed by regulating organizations. Criteria for selection includes “individual risk factors and severity of disease.”
6. The hospital has a quality and error management program to which the lab and practices will be answerable to.
7. Chippenham Hospital is an inpatient hospital and provides PCI 24/7.
8. The hospital is a tertiary facility.
9. The applicant states it has the “necessary agreements to meet this standard.”

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<sup>15</sup> In the application for COPN Request No. VA-8831, Swift Creek’s parent company HCA stated that should the proposed project of a new hospital be approved, the freestanding ER will be closed once the hospital opens (p.81).

<sup>16</sup> Amin, Mitesh. Email to DCOPN. 15 Oct. 2025. Dr. Amin stated that the transfer agreement has been discussed with a representative from HCA, the parent company of Swift Creek, and the agreement will be formalized once Ashlake Heart & Rhythm is set to open as is HCA practice.

VA-8841- Hanover Cardiac ASC, LLC

1. Hanover Cardiac is accredited by the Accreditation Association for Ambulatory Health Care (AAAHHC) and has a plan for quality assurance. It is also participating in the Virginia Heart Attack Coalition, Virginia Cardiac Services Quality Initiative, and National Cardiovascular Data Registry.
2. Hanover Cardiac claims a “stringent patient selection protocol” that is reinforced by internal diagnostic modalities that allows physicians to evaluate and determine best treatment.
3. The applicant projects approximately 300 procedures in its first 12 months; this will exactly meet the required number (**Table 14**). The applicant does estimate that 105 of the procedures will be PCI, which is above the 75 threshold.

**Table 14: Projected Utilization from Applicant**

| <b>Projected Utilization</b>             | <b>Year 1</b> | <b>Year 2</b> |
|--|---------------|---------------|
| Diagnostic                               | 195           | 234           |
| Therapeutic                              | 25            | 30            |
| Diagnostic and Therapeutic               | 80            | 96            |
| <b>Total Outpatient Catheterizations</b> | <b>300</b>    | <b>360</b>    |
| <b>DEPs</b>                              | <b>485</b>    | <b>582</b>    |

Source: COPN Request No. VA-8841

4. Hanover Cardiac physicians are all board-certified or board-eligible and meet training and competency standards of regulating agencies.
5. The applicant states that the facility “uses guidelines and selection criteria developed by the American Heart Association (AHA), the American College of Cardiology (ACC), and the SCAI for program development for primary and elective PCI.”
6. The facility has a QAPI committee that will report to the Board of Directors and facilitate quality assurances. They will meet at least quarterly.
7. Hanover Cardiac states that it will “only operate Monday- Friday.” The applicant did not specify the hours that services will be provided. Physicians have privileges at local hospitals, but they will not be operating at the facility 24/7. This does not meet the standard as it currently stands. However, it has been taken into consideration that the current standards were developed prior to the federal allowance of freestanding cardiac catheterization lab and therefore all standards were created with the expectation that the labs will occur in a hospital.
8. Hanover Cardiac has a transfer agreement with Bon Secours St. Francis Medical Center, which is under 6 miles away from Hanover Cardiac.

9. The facility states that upon approval of the project there will be a discussion with local Fire and EMS providers “to discuss transfer protocols and to ensure an efficient, positive, and collaborative relationship.” There are also advanced life support protocols and two code carts which all clinical staff and physicians will be trained in how to use.

**C. Complex therapeutic cardiac catheterization. Proposals to provide complex therapeutic cardiac catheterization should be approved only when open heart surgery services are available on-site in the same hospital in which the proposed complex therapeutic service will be located. Additionally, these complex therapeutic cardiac catheterization programs will be required to participate in the Virginia Cardiac Services Quality Initiative and the Virginia Heart Attack Coalition.**

VA-8834- Ashlake Heart & Rhythm Center, LLC

The applicant is not applying for the ability to perform complex therapeutic cardiac catheterization.

VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

Chippenham & Johnston-Willis states that the hospital “provides open heart surgery and participates in the Virginia Cardiac Services Quality Initiative and the Virginia Heart Attack Coalition.”

VA-8841- Hanover Cardiac ASC, LLC

The applicant is not applying for the ability to perform complex therapeutic cardiac catheterization.

**12VAC5-230-430. Staffing.**

- A. Cardiac catheterization services should have a medical director who is board certified in cardiology and has clinical experience in performing physiologic and angiographic procedures.**

**In the case of pediatric cardiac catheterization services, the medical director should be board-certified in pediatric cardiology and have clinical experience in performing physiologic and angiographic procedures.**

VA-8834- Ashlake Heart & Rhythm Center, LLC

Ashlake Heart & Rhythm has identified Dr. Jaspreet Singh as the center’s Medical Director. He has clinical experience performing both types of procedures. There are also additional qualified physicians who specialize in the different procedures.

The second stipulation does not apply as the applicant is not proposing the implementation of pediatric cardiac catheterization services.



VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

The applicant reported:

Cardiac catheterization services at Chippenham are (and will continue to be) under the direction of a board-certified cardiologist with the appropriate clinical experience, who will serve as medical director. Chippenham does not provide pediatric cardiac catheterizations.

VA-8841- Hanover Cardiac ASC, LLC

Hanover Cardiac has identified Dr. M Sohail Chaudhry as the Virginia Cardiac Surgery Center Medical Director. He has clinical experience performing both types of procedures.

The second stipulation does not apply as the applicant is not proposing the implementation of pediatric cardiac catheterization services.

**B. Cardiac catheterization services should be under the direct supervision or one or more qualified physicians. Such physicians should have clinical experience in performing physiologic and angiographic procedures.**

**Pediatric catheterization services should be under the direct supervision of one or more qualified physicians. Such physicians should have clinical experience in performing pediatric physiologic and angiographic procedures.**

VA-8834- Ashlake Heart & Rhythm Center, LLC

The applicant reported:

Cardiac catheterization services will be under the direct supervision of one or more qualified physicians. All Ashlake Heart & Rhythm physicians specialize in one or more of the following areas - Clinical Cardiac Electrophysiology, Cardiovascular Disease, and/or Interventional Cardiology - and possess the requisite training and experience in performing physiologic and/or angiographic procedures.

In addition to the Medical Director, the Center will be managed by Dr. Mitesh Amin and Dom Ronga, who has extensive experience developing and operating cardiovascular [outpatient facilities].

VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

The applicant reported:

Cardiac catheterization services at Chippenham are (and will continue to be) under the direction of a board-certified cardiologist with the appropriate clinical experience, who will serve as medical director. Chippenham does not provide pediatric cardiac catheterizations.

VA-8841- Hanover Cardiac ASC, LLC

The applicant reported:

Cardiac catheterization services will be under the direct supervision of one or more Board Certified physicians. Facility privileges are delineated, and only such physicians that have the clinical experience to perform physiologic and angiographic procedures will be credentialed to do so.

**12VAC5-230-60. When competing applications received.**

**In reviewing competing applications, preference may be given to an applicant who:**

- 1. Has an established performance record in completing projects on time and within the authorized operating expenses and capital costs;**

Chippenham Hospital is the only facility that is currently providing cardiac catheterization services. Of the ten projects approved since 2014, two have been completed within the first year<sup>17</sup>. Six of the approved projects, however, have not yet been indefinitely extended.

Ashlake Heart & Rhythm is not currently open; however, its parent company JRC has been approved for one project prior in PD15 to 2025 and completed it within the first year<sup>18</sup>. The parent company of Hanover Cardiac is not listed as the applicant on any completed projects.

- 2. Has both lower capital costs and operating expenses than his competitors and can demonstrate that his estimates are credible;**

Chippenham & Johnston-Willis is the only competing facility that is currently providing cardiac catheterization services. There is currently no comparative data that can be utilized.

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<sup>17</sup> COPN VA- 04462 was completed within six months of receiving the certificate. COPN VA-04792 was completed within eight months of receiving the certificate. Both certificates were for the establishment of separate medical care facilities with the introduction of one cardiac PET/CT scanner at each location.

<sup>18</sup> COPN VA-04844 was completed within eleven months of receiving the certificate for the establishment of a medical care facility with the addition of one cardiac PET/CT scanner. JRC was approved two other projects in PD 19: COPN VA-04827 for the establishment of a medical care facility with the establishment of one cardiac PET/CT which was completed in 15 months, and COPN VA-8775 for the introduction of cardiac catheterization services in an existing medical care facility which has not been indefinitely extended.

3. **Can demonstrate a consistent compliance with state licensure and federal certification regulations and a consistent history of few documented complaints, where applicable; or**

All three applicants are compliant with licensure requirements.

4. **Can demonstrate a commitment to serving his community or service area as evidenced by unreimbursed services to the indigent and providing needed but unprofitable services, taking into account the demands of the particular service area.**

Chippenham & Johnston-Willis can demonstrate a history of providing a 1% charity care rate to PD 15 (**Table 7**). Ashlake Heart & Rhythm and Hanover Cardiac are not yet in service and cannot demonstrate a history of charity care, however, both proffered care amounts higher than the district average of 0.9%- Hanover Cardiac proffered 2.5% and Ashlake Heart & Rhythm proffered 1.3%.

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

*For the following criteria, only Chippenham Hospital is considered as the other facilities are not currently providing cardiac catheterization services.*

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

Chippenham & Johnston-Willis has reported a utilization of 127.8% in 2024. The applicant states:

As a result of this sustained high utilization, Chippenham needs an additional cardiac cath lab as requested in this application.

Timely care is essential for cardiac catheterization, and the addition of a seventh cardiac catheterization laboratory is necessary to ensure that Chippenham has the resources it needs to continue to provide appropriate care for its patients.

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

As **Table 15** shows, Henrico Doctors' Hospital-Retreat is not reporting any cardiac visits in the lab. The hospital has reported since 2017 that there are no cardiac catheterization procedures occurring at the hospital; however, the lab is unable to provide cardiac catheterization services without another COPN certificate restarting services<sup>19</sup>. Therefore, while the hospital is underutilized and owned by the same healthcare provider as Chippenham & Johnston-Willis the cardiac catheterization lab is not eligible for this criterion.

**Table 15: HCA Hospital Reported Cardiac Catheterization Lab Utilization (2024)**

| Facility Name                       | Labs | Diagnostic | Simple | Same Session | Complex | DEP   | Utilization |
|-------------------------------------|------|------------|--------|--------------|---------|-------|-------------|
| Chippenham Hospital                 | 6    | 2,478      | 909    | 1,400        | 141     | 9,201 | 127.79%     |
| Henrico Doctors' Hospital - Retreat | 1    | 0          | 0      | 0            | 0       | -     | 0.00%       |
| Henrico Doctors' Hospital - Forest  | 5    | 1,833      | 131    | 1,326        | 137     | 6,758 | 112.63%     |

Source: VHI Database

Henrico Doctors' Hospital- Forest had a utilization of 112.79% in 2024. Due to this, there is not another facility in PD15 connected to the HCA health system that can be relocated.

- C. This section is not applicable to nursing facilities pursuant to § [32.1-102.3:2](#) of the Code of Virginia.**

Chippenham Hospital is not a nursing facility that falls under § [32.1-102.3:2](#) of the Code of Virginia.

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

Chippenham & Johnston-Willis is not applying for a new service, but for the addition of resources to an existing one.

<sup>19</sup> COPN Request No. VA-8687 Adjudication Officer's Recommended Case Decision page 14.

**Required Considerations Continued**

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

VA-8834- Ashlake Heart & Rhythm Center, LLC

Ashlake Heart & Rhythm wrote:

This project fosters institutional competition that will benefit the residents of PD 15 by making high quality, lower cost outpatient cardiac catheterization services available in a convenient, free-standing [outpatient surgical center] ...

As described above, given the differences between hospital and [outpatient surgical center] fee schedules, services provided at the Center will be significantly less expensive than the same services performed at nearby hospitals.

Importantly, the introduction of this beneficial competition will not negatively impact the existing operational cath labs.

The applicant stated earlier in the application that “the Year 1 projections assume that approximately 50% of JRC’s existing outpatient catheterization volume from HCA’s Chippenham Hospital will transfer to the facility.” As stated previously in **Table 13**, the projected utilization in the first year is approximately 671 DEPs, or 7.3% of Chippenham Hospital’s reported utilization in 2024. The patients referenced in the statement are already receiving services from JRC facilities and will be referred to Ashlake Heart & Rhythm rather than the hospital for cardiac catheterization services, as such it is not expected to significantly impact existing providers.

VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

The proposal is intended to serve patients already seeking care at Chippenham Hospital and does not foster institutional competition.

VA-8841- Hanover Cardiac ASC, LLC

Hanover Cardiac wrote:

This project fosters institutional competition that will benefit the residents of PD 15 by making high quality, lower cost outpatient cardiac catheterization services available in a convenient, free-standing [outpatient surgical center] setting. By decanting certain routine procedures from the hospital to a free-standing setting, the project further helps to increase capacity at acute care facilities for patients with more acute conditions that require a higher level of care.

- 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.**

VA-8834- Ashlake Heart & Rhythm Center, LLC

Ashlake Heart & Rhythm has stated in the application that there is a hospital that it will have a transfer agreement with. The applicant states that there will be a transfer agreement with Swift Creek freestanding ER pending COPN approval of the project.

VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

Chippenham & Johnston-Willis has two hospitals licensed separately but is considered one medical center with two campuses- Chippenham Hospital and Johnston-Willis Hospital. Chippenham & Johnston-Willis is also a member of HCA healthcare, Inc.

VA-8841- Hanover Cardiac ASC, LLC

Hanover Cardiac has a transfer agreement with Bon Secours St. Francis Medical Center should there be patients who need further care than the facility can provide. The agreement was signed as of July 31, 2025. Hanover Cardiac also stated in the application that staff are working with Bon Secours Mercy leadership at two nearby, unnamed, facilities.

**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.**

VA-8834- Ashlake Heart & Rhythm Center, LLC

The capital cost of the project is \$4,433,605. This cost includes construction, rent, and additional materials needed to operate the lab. It is reasonable when compared to similar projects recently authorized. Ashlake Heart & Rhythm's parent company, JRC, has "committed the capital required for this project" and the applicant's timeline has services starting in February 2026. The lab is currently being built and will be used for EP procedures until a COPN determination is received.

Regarding staffing, there are five additional staff members needed for services. Staff will be recruited from current JRC employees at different facilities and from the public. This is a feasible number of staff to recruit.

VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

The projected capital costs are \$431,801. This cost covers the restructuring of an existing EP lab into a cardiac catheterization lab. It is reasonable when compared to similar projects recently proposed and authorized. In the application, Chippenham & Johnston-Willis has stated that the cost will be covered by "internal resources" of HCA Healthcare, Inc. who is the parent company.

Chippenham Hospital is an HCA hospital and stated in the application that there is a history of sharing staff and equipment between Richmond's HCA facilities in the past. The hospital also partners with various nursing and medical professional schools to staff services.

VA-8841- Hanover Cardiac ASC, LLC

Hanover Cardiac is estimating to spend approximately \$4,693,354 as capital cost for the project. Much of this project cost is estimated to be leasing the office for the next five years and leasing the equipment needed. The application states that all expenses will be paid for with “operating expense”. In an October email to DCOPN, the applicant clarified that initial costs will be paid by the profit from the Mechanicsville location.

There are six additional staff members needed for the program, with five of them being direct care personnel. The center will be partnering with nursing schools to find appropriate staff and “offer rotations for students to support the training needs of the community at large.”

- 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.**

VA-8834- Ashlake Heart & Rhythm Center, LLC *and* VA-8841- Hanover Cardiac ASC, LLC

(i) Neither proposed project includes the introduction of new technology. (ii) Neither project allows for outpatient services. There are currently other providers of outpatient cardiac catheterization laboratory services in the PD that have previously been approved, but there is not a full year of published data to compare the utilization of outpatient to inpatient cardiac catheterization labs.

(iii) Both facilities have stated transfer agreements with nearby centers. Ashlake Heart & Rhythm has stated that there are informal plans to sign a transfer agreement to Swift Creek freestanding ER if the project is approved. Hanover Cardiac ASC has a formal transfer agreement with Bon Secours St. Francis Medical Center.

(iv) In section **12VAC5-230-420** regarding nonemergent cardiac catheterization, neither project met all requirements. The seventh criteria required for the provision of PCI 24 hours a day, 7 days a week at the lab, and this is not conducive to the current business plan of either proposed facility. However, as explained in the stated section for each project, these requirements were created for cardiac catheterization labs in hospitals and were created nearly eleven years before the federal authorization of freestanding cardiac catheterization labs.

VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

(i) The proposed project does not include the introduction of new technology. (ii) The proposal does not involve provision of outpatient care. (iii) The applicant does not cite any cooperative efforts regarding medical or surgical services. (iv) No additional factors were stated to be considered.

**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.**

VA-8834- Ashlake Heart & Rhythm Center, LLC

This is not applicable. The applicant is not a teaching hospital associated with a public institution of higher education or a medical school in the area to be served.

VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

This is not applicable. The applicant is not a teaching medical school or a teaching hospital.

HCA Virginia Health System has partnered with colleges, universities and other initiatives and programs for health professionals. HCA also partners with nursing schools and has multiple training programs available for nurses, as well as having programs for other health professionals such as physicians.

VA-8841- Hanover Cardiac ASC, LLC

This is not applicable. The applicant is not a teaching hospital associated with a public institution of higher education or a medical school in the area to be served. Hanover Cardiac has partnerships with nursing schools in the state for completing residencies.

**DCOPN Staff Findings and Conclusions**

Three facilities are competing to add cardiac catheterization labs to the inventory in PD 15. There are currently 29 cardiac catheterization labs in the PD, three of them are expected to begin services in 2025 as outpatient surgical centers. Of the 27 labs currently providing services in the PD, the utilization in 2024 was 116.03%. The population of PD 15 is expected to grow to over 1.2 million by 2030, with the population over 65-years old growing 31.5% from 2020 to 2030; the growth is higher than the state of Virginia.

VA-8834- Ashlake Heart and Rhythm Center, LLC

Ashlake Heart and Rhythm Center (Ashlake Heart & Rhythm) is applying to establish a medical facility with the introduction of one cardiac catheterization lab. The location of the center will be in a suite beside an existing facility run by the parent company of James River Cardiology. The facility has its own patient base that will primarily use the lab.



Ashlake Heart & Rhythm will add one cardiac catheterization lab but will not enhance geographic access to cardiac catheterization services in PD 15. The project received support from community members and there was no known opposition. The total cost of the project is \$4,433,605 which is consistent with similar projects, and the facility has proffered a charity care rate of 1.3%. The facility will operate as an outpatient facility.

VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

Chippenham & Johnston-Willis Hospital is applying for an additional cardiac catheterization lab at the Chippenham Hospital location, which will bring the total number of cardiac catheterization labs in the hospital to seven. Due to the 127.79% utilization in 2024, the facility is showing institutional need.

Chippenham & Johnston-Willis will add an additional cardiac catheterization lab but will not enhance geographic access to cardiac catheterization services in PD 15. The project received support from the community and existing staff members. There is no known opposition to the project. The lab will replace an existing EP lab and has a cost total of \$431,801. The lab will replace an existing EP lab and has a cost total of \$431,801. Services will be provided on an inpatient and outpatient basis and include both simple and complex therapeutic care.

VA-8841- Hanover Cardiac ASC, LLC

Hanover Cardiac ASC (Hanover Cardiac) is applying to establish a medical facility with the introduction of one cardiac catheterization lab. The facility has not yet been built

Hanover Cardiac will add one cardiac catheterization lab but will not enhance geographic access to cardiac catheterization services in PD 15. The project received support from the community and existing physicians. There is no known opposition to the project. The total cost of the project is \$4,693,354 which is consistent with similar projects, and the facility has proffered a charity care rate of 2.5% for both Hanover Cardiac locations. Services will be provided on an outpatient basis.

**DCOPN Staff Recommendation**

VA-8834- Ashlake Heart and Rhythm Center, LLC

The Division of Certificate of Public Need recommends **conditional approval** of Ashlake Heart & Rhythm Center, LLC's COPN Request No. VA-8834 to establish a medical facility with the introduction of one cardiac catheterization laboratory in Suite 100-B of 7300 Ashlake Pkwy, Chesterfield, Virginia for the following reasons:

1. The proposal to establish a medical facility with the introduction of a cardiac catheterization laboratory is consistent with the standards and criteria of the State Medical Facilities Plan and the 8 Required Considerations of the Code of Virginia.
2. Capital costs for the proposed project are reasonable.
3. The proposed project is unlikely to have a significant negative impact upon the utilization, costs, or charges of other providers of surgical services in PD15.
4. There is no known opposition to the proposed project.

DCOPN's recommendation is contingent upon Ashlake Heart & Rhythm Center's agreement to the following charity conditions:

Ashlake Heart & Rhythm Center's will provide cardiac catheterization services to all persons in need of these services, regardless of their ability to pay, and will provide as charity care to all indigent persons free services or rate reductions in services and facilitate the development and operation of primary care services to medically underserved persons in an aggregate amount equal to at least 1.3% of Ashlake Heart & Rhythm Center total patient services revenue derived from cardiac catheterization services as valued under the provider reimbursement methodology utilized by the Centers for Medicare and Medicaid Services for reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq. Compliance with this condition will be documented to the Division of Certificate of Public Need annually by providing audited or otherwise appropriately certified financial statements documenting compliance with the preceding requirement. Ashlake Heart & Rhythm Center will accept a revised percentage based on the regional average after such time regional charity care data valued under the provider reimbursement methodology utilized by the Centers for Medicare and Medicaid Services for reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq. is available from Virginia Health Information. The value of charity care provided to individuals pursuant to this condition shall be based on the provider reimbursement methodology utilized by the Centers for Medicare and Medicaid Services for reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq.

Ashlake Heart & Rhythm Center will provide cardiac catheterization services to patients 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 Ashlake Heart & Rhythm 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.

VA-8840- Chippenham & Johnston-Willis Hospitals, Inc.

The Division of Certificate of Public Need recommends **conditional approval** of Chippenham & Johnston-Willis Hospital, Inc.'s COPN Request No. VA-8840 to add a cardiac catheterization laboratory at the Chippenham Hospital, Richmond, Virginia for the following reasons:

1. The proposal to add one cardiac catheterization laboratory is consistent with the standards and criteria of the State Medical Facilities Plan and the 8 Required Considerations of the Code of Virginia.
2. Chippenham & Johnston-Willis Hospital has demonstrated an institutional need for the additional lab at the Chippenham Hospital location.
3. The proposed project is unlikely to have a significant impact on other care providers in PD15.
4. There is no reasonable alternative that meets the needs of the population in a less costly, more efficient, or more effective manner.
5. There is no known opposition to the proposed project.

DCOPN's recommendation is contingent upon Chippenham & Johnston-Willis Hospital, Inc.'s agreement to the following charity conditions:

Chippenham & Johnston-Willis Hospital will provide cardiac catheterization services to all persons in need of these services, regardless of their ability to pay, and will provide as charity care to all indigent persons free services or rate reductions in services and facilitate the development and operation of primary care services to medically underserved persons in an aggregate amount equal to at least 0.9% of Chippenham & Johnston-Willis Hospital's total patient services revenue derived cardiac catheterization services as valued under the provider reimbursement methodology utilized by the Centers for Medicare and Medicaid Services for reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq. Compliance with this condition will be documented to the Division of Certificate of Public Need annually by providing audited or otherwise appropriately certified financial statements documenting compliance with the preceding requirement. Chippenham & Johnston-Willis Hospital will accept a revised percentage based on the regional average after such time regional charity care data valued under the provider reimbursement methodology utilized by the Centers for Medicare and Medicaid Services for reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq. is available from Virginia Health Information. The value of charity care provided to individuals pursuant to this condition shall be based on the provider reimbursement methodology utilized by the Centers for Medicare and Medicaid Services for reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq.

Chippenham & Johnston-Willis Hospital will provide cardiac catheterization services to patients 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 Chippenham & Johnston-Willis Hospital will facilitate the development and

operation of primary and specialty medical care services in designated medically underserved areas of the applicant's service area.

VA-8841- Hanover Cardiac ASC, LLC

The Division of Certificate of Public Need recommends **conditional approval** of Hanover Cardiac ASC, LLC's COPN Request No. VA-8841 to establish a medical facility with the introduction of one cardiac catheterization laboratory at 15200 East-West Road, Midlothian, Virginia for the following reasons:

1. The proposal to establish a medical facility with the introduction of a cardiac catheterization laboratory is consistent with the standards and criteria of the State Medical Facilities Plan and the 8 Required Considerations of the Code of Virginia.
2. Capital costs for the proposed project are reasonable.
3. The proposed project is unlikely to have a significant negative impact upon the utilization, costs, or charges of other providers of surgical services in PD15.
4. The location of the project is close to Powhatan County where there are currently no authorized cardiac catheterization labs.
5. There is no known opposition to the proposed project.

DCOPN's recommendation is contingent upon Hanover Cardiac ASC's agreement to the following charity conditions:

Hanover Cardiac ASC's will provide cardiac catheterization services to all persons in need of these services, regardless of their ability to pay, and will provide as charity care to all indigent persons free services or rate reductions in services and facilitate the development and operation of primary care services to medically underserved persons in an aggregate amount equal to at least 2.5% of Hanover Cardiac ASC's total patient services revenue derived from cardiac catheterization services as valued under the provider reimbursement methodology utilized by the Centers for Medicare and Medicaid Services for reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq. Compliance with this condition will be documented to the Division of Certificate of Public Need annually by providing audited or otherwise appropriately certified financial statements documenting compliance with the preceding requirement. Hanover Cardiac ASC will accept a revised percentage based on the regional average after such time regional charity care data valued under the provider reimbursement methodology utilized by the Centers for Medicare and Medicaid Services for reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq. is available from Virginia Health Information. The value of charity care provided to individuals pursuant to this condition shall be based on the provider reimbursement methodology utilized by the Centers for Medicare and Medicaid Services for reimbursement under Title XVIII of the Social Security Act, 42 U.S.C. § 1395 et seq.

Hanover Cardiac ASC will provide cardiac catheterization services to patients 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

Hanover Cardiac ASC will facilitate the development and operation of primary and specialty medical care services in designated medically underserved areas of the applicant's service area.