

**COMMONWEALTH OF VIRGINIA**

**APPLICATION FOR A**

**MEDICAL CARE FACILITIES CERTIFICATE OF PUBLIC NEED**

**(CHAPTER 4, ARTICLE 1:1 OF TITLE 32.1,**

**SECTIONS 32.1 – 102.1 THROUGH 32.1 – 102.12 OF**

**THE CODE OF VIRGINIA OF 1950, AS AMENDED)**

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**OUTPATIENT FACILITIES**

**COPN Request No. VA- 8727**

**IFRC, LLC**

**Expansion of MRI Services Through Addition of One MRI Unit**

**September 29, 2023**

## SECTION I FACILITY ORGANIZATION AND IDENTIFICATION

- A. **IFRC, LLC d/b/a Fairfax Radiology Center of Lansdowne**  
 Official Name of Facility
- 19455 Deerfield Avenue**  
 Address
- |                  |           |              |
|------------------|-----------|--------------|
| <b>Lansdowne</b> | <b>VA</b> | <b>20176</b> |
| City             | State     | Zip          |
- (703) 858-0001**  
 Telephone
- B. **IFRC, LLC**  
 Legal Name of Applicant
- 8260 Willow Oaks Corporate Drive, Suite 750**  
 Address
- |                |                 |              |
|----------------|-----------------|--------------|
| <b>Fairfax</b> | <b>Virginia</b> | <b>22031</b> |
| City           | State           | Zip          |
- C. Chief Administrative Officer  
**Lance Boyd, Acting CEO**  
 Name
- 8260 Willow Oaks Corporate Drive, Suite 750**  
 Address
- |                |                 |              |
|----------------|-----------------|--------------|
| <b>Fairfax</b> | <b>Virginia</b> | <b>22031</b> |
| City           | State           | Zip          |
- (703) 698-4444**
- D. Person(s) to whom questions regarding application should be directed
- Paul Drever, Sr. Director, Strategic Planning, Inova Health System**  
 Name
- 8095 Innovation Park Drive**  
 Address
- |                |                 |              |
|----------------|-----------------|--------------|
| <b>Fairfax</b> | <b>Virginia</b> | <b>22031</b> |
| City           | State           | Zip          |
- (703) 403-7598** **N/A**

Telephone

Facsimile

E. Type of Control and Ownership (Complete appropriate section for both owner and operator.)

Will the facility be operated by the owner? Yes \_\_\_\_\_ No X \_\_\_\_\_

Owner of the Facility

(Check one)

(1) \_\_\_\_\_

(2) \_\_\_\_\_

(3) \_\_\_\_\_

(4) X \_\_\_\_\_

Proprietary

(1) Individual

(2) Partnership-attach copy of Partnership Agreement and receipt showing that agreement has been recorded

(3) Corporate-attach copy of Articles of Incorporation and Certificate of Incorporation

(4) Other \_\_\_\_\_ Identify

Operator of Facility

(Check one)

(1) \_\_\_\_\_

(2) \_\_\_\_\_

(3) \_\_\_\_\_

(4) X \_\_\_\_\_

**The owner is IFRC, LLC (“IFRC”). Please see Attachment A for a copy of IFRC’s articles of organization.**

**The operator is Fairfax Radiology Centers, LLC (“FRC, LLC”). Please see Attachment B for a copy of FRC, LLC’s articles of organization.**

**Non-Profit**

(5) \_\_\_\_\_

(5) Corporation-attach copy of Articles of Incorporation and Certificate of Incorporation

(5) \_\_\_\_\_

(6) \_\_\_\_\_

(6) Other \_\_\_\_\_ Identify

(6) \_\_\_\_\_

**Governmental**

(7) \_\_\_\_\_

(6) State

(7) \_\_\_\_\_

(8) \_\_\_\_\_

(8) County

(8) \_\_\_\_\_

(9) \_\_\_\_\_

(9) City

(9) \_\_\_\_\_

(10) \_\_\_\_\_

(10) City/County

(10) \_\_\_\_\_

(11) \_\_\_\_\_ (11) Hospital Authority or Commission (11) \_\_\_\_\_

F. Ownership of the Site (Check one and attach copy of document)

- (1) \_\_\_\_\_ Fee simple title held by the applicant  
 (2) \_\_\_\_\_ Option to purchase held by the applicant  
 (3) X \_\_\_\_\_ leasehold interest for not less than 10 years  
 (4) \_\_\_\_\_ Renewable lease, renewable every \_\_\_\_\_ years  
 (5) \_\_\_\_\_ Other

**See Attachment C for a copy of the lease agreement renewal and amendment. The lease was extended effective August 1, 2021, for an additional 10 years through July 31, 2031.**

G. Attach a list of names and addresses of all owners or persons having a financial interest of five percent (5%) or more in the medical care facility.

**IFRC is a Virginia limited liability company with two members (i.e., owners):**

**Inova Health Care Services (Majority Owner)**  
**8095 Innovation Park Dr**  
**Fairfax, Virginia 22031**

**Fairfax Radiological Consultants, PLLC (Minority Owner)**  
**8260 Willow Oaks Corporate Office Drive, Suite 750**  
**Fairfax, VA 22031**

(a) In the case of proprietary corporation also attach:

- (1) A list of the names and addresses of the board of directors of the corporation.

**IFRC is a Virginia limited liability company. Its board members are set forth below. Board members appointed by Inova may be reached at the Inova Health Care Services address set forth above and board members appointed by Fairfax Radiological Consultants, PLLC may be reached at the Fairfax Radiological Consultants, PLLC address set forth above.**

**Toni Ardabell, MSN, MBA; Chief of Clinical Enterprise Operations, Inova (chair)**

**Alice Pope, MBA, CPA, Chief Financial Officer, Inova**

**Susan Carroll, President of Inova Loudoun Hospital and Senior VP, Inova**

**David Spinoso, MD, Fairfax Radiological Consultants, PLLC**

**Patrick Oliverio, MD, Fairfax Radiological Consultants, PLLC**

**Sean McCleary, Administrator, Clinical Platforms and VP, Professional Services, Inova**

**Edward Greenberg, MD, Fairfax Radiological Consultants, PLLC**

- (2) A list of the officers of the corporation.

**As reflected above, IFRC is a Virginia limited liability company. Its officers are as follows:**

**Lance Boyd, Acting Chief Executive Officer  
Kim Masters, Chief Operating Officer  
Alice Pope, Secretary/Treasurer**

- (3) The name and address of the registered agent for the corporation.

**CT Corporation System  
4701 Cox Road, Suite 285  
Glen Allen, VA 23060**

- (b) In the case of a non-profit corporation also attach: **Not Applicable.**

- (1) A list of the names and addresses of the board of directors of the corporation
- (2) A list of the officers of the corporation
- (3) The name and address of the registered agent for the corporation

- (c) In the case of a partnership also attach: **Not Applicable.**

- (1) A list of the names and addresses of all partners.
- (2) The name and address of the general or managing partner.

- (d) In the case of other types of ownership, also attach such documents as will clearly identify the owner. **Not Applicable.**

- H. List all subsidiaries wholly or partially owned by the applicant.

**Not Applicable. IFRC has no subsidiaries.**

- I. List all organizations of which the applicant is wholly or partially owned subsidiary.

**IFRC is owned by Inova Health Care Services and Fairfax Radiological Consultants, PLLC, each of which are members.**

If the operator is other than the owner, attach a list of the names(s) and addresses of the operator(s) of the medical care facility project. In the case of a corporate operator, specify the name and address of the Registered Agent. In the case of the partnership operator, specify the name and address of the general or managing partner.

**The manager/operator of IFRC's Lansdowne imaging facility is FRC, LLC. Its address is as follows:**

**Fairfax Radiology Centers, LLC  
8260 Willow Oaks Corporate Drive  
Suite 750  
Fairfax, VA 22031  
Attention: Lance Boyd**

**FRC, LLC's registered agent is CT Corporation System:**

**CT Corporation System  
4701 Cox Road, Suite 285  
Glen Allen, VA 23060**

- J. If the operator is other than the owner, attach an executed copy of the contract or agreement between the owner and the operator of the medical care facility.

**Pursuant to this COPN application, IFRC proposes to expand MRI services at its existing Lansdowne imaging facility through the addition of a third MRI unit. Subject to timely COPN approval, the third MRI unit is expected to be operational by July 2025.**

**Imaging services at the Lansdowne facility currently are, and will remain under, the management/operation of FRC, LLC. Please see Attachment D for a copy of the Administrative Services Agreement between IFRC and FRC, LLC. Note: Some items were redacted as they are confidential in nature but do not affect compliance with this item.**

## SECTION II

## ARCHITECTURE AND DESIGN

## A. Location of the Proposed Project

1. Size of site: 5.364 acres
2. Located in **Loudoun County / PD8** City/County/Planning District
3. Address or directions: **19455 Deerfield Ave, Suite 102, VA 20176**
4. Has site been zoned for type of use proposed:

X Yes **The property/complex is zoned for PDOP (Planned Development, Office Park). In accordance with Section 4-303 (E) of the Loudoun County Zoning Ordinance, medical and dental offices are permitted in a PD-OP district. See Attachment E - 19455 Deerfield Ave Zoning.**

       No

If no, explain status \_\_\_\_\_

## B. Type of project for which Certificate of Public Need is requested. (Check one)

- (1)        New construction
- (2)        Remodeling/modernization of an existing facility
- (3)        No construction or remodeling/modernization
- (4)        X Other **Expansion of MRI Services through the addition of a 3<sup>rd</sup> MRI unit.**

## C. Design of the facility

- (1) Does the facility have a long-range plan? If yes, attach a copy.

**IFRC's plans are guided by FRC's mission, vision and values as set forth in Attachment F.**

**FRC's mission is:**

**FRC exists to provide exceptional access to world-class, patient-centered radiological care, for every patient, every time.**

**FRC's vision is:**

**To be the first choice of every patient and referring physician in our growing community.**

**FRC's values are:**

**Respect, Trust, Compassion, and Innovation.**

- (2) Briefly describe the proposed project with respect to location, style and major design features, and the relationship of the current proposal to the long range plan.

**The proposed project involves the expansion of MRI services at an existing multi-modality imaging facility, FRC Lansdowne (“Lansdowne”), located at 19455 Deerfield Ave, Suite 102, Lansdowne, Virginia 20176.**

**The project, which is proposed based on the IFRC Lansdowne facility’s institution-specific need, would add one (1) MRI unit, bringing the total complement of MRI units at the facility to three (3). In addition to MRI services, the Lansdowne facility also offers CT services as well as other imaging services that are not subject to COPN regulation, including X-ray and ultrasound. FRC’s services at Lansdowne are billed at lower, free-standing outpatient rates.**

**Physicians refer to IFRC because they recognize that their patients will have the highest quality interpretation of studies performed by board-certified, fellowship-trained radiologists who are subspecialized within areas of expertise. As a result, IFRC’s Lansdowne MRI service has become increasingly busy with procedural volume far exceeding the SMFP utilization standard, resulting in the need for additional capacity at the site in order for patients to have their studies performed in a timely manner.**

**MRI utilization at the Lansdowne facility has grown significantly in the last three years. In 2021, the Lansdowne facility’s two (2) existing MRI units performed 7,727 MRI procedures, placing utilization at 77.3% of the SMFP standard of 5,000 procedures per year. In 2022, volume on the two (2) existing MRI units grew to 11,421 MRI procedures, placing utilization at 114.2 % of SMFP standard. This dramatic growth trend has continued into 2023. Based on annualized August 2023 year-to-date data, the two (2) existing MRI units are projected to perform 13,683 MRI procedures in 2023, placing utilization at 136.8% of SMFP standard.**

**The additional MRI unit is urgently needed because of the scheduling backlog for MRI services that currently exists at IFRC’s Lansdowne location. Wait times for the two (2) existing MRI units (one 3T unit and one 1.5T unit) at the Lansdowne location are considerable; wait times for an MRI procedure on the facility’s 3T MRI unit currently average 3 weeks or more and wait times for an MRI procedure on the facility’s 1.5T MRI unit currently average 2.5-3 weeks, depending on whether the procedure is to be performed with or without contrast. Such considerable wait times are a significant dissatisfier for patients and referring physicians.**

**Adding a third (3<sup>rd</sup>) MRI unit at the Lansdowne facility will improve access to IFRC’s patient population by reducing the backlog and improving the patient experience through greater efficiency and reduced wait times. This directly**

**aligns with FRC's vision to provide exceptional access to world-class, patient-centered radiological care, for every patient, every time.**

- (3) Describe the relationship of the facility to public transportation and highway access.

**IFRC's Lansdowne imaging facility is conveniently located in the Lansdowne Office Park complex at 19455 Deerfield Avenue in the Lansdowne area of Loudoun County near Route 7, which is the major east-west corridor in Loudoun County. The building where the facility is located is a 3-story, Class A office building for medical use. The nearest cross street is Riverside Parkway. Route 70 of the Loudoun County Bus Service has multiple stops along Riverside Parkway and serves the Route 7 corridor.**

- (4) Relate the size, shape, contour and location of the site to such problems as future expansion, parking, zoning and the provision of water, sewer and solid waste services.

**The development encompassing the building where the Lansdowne imaging facility is located consists of four (4) medium-to-high-rise condominium office buildings (19415, 19450, 19455, and 19465 Deerfield Avenue). The development zoning district is PD-OP (planned development-office park) and the property subtype is medical. The site is approximately 0.9 miles from Inova Loudoun Hospital. See Attachment G for Site Plan.**

**IFRC's Lansdowne imaging facility is located in Suite 102 on the main level the 19455 Deerfield Avenue office building. There are two entrances to the suite, from the front of the building directly off the lobby ground floor or, around the back of the building, there is a private entrance directly into the suite from the outside. The property has ample parking available for patients, visitors, and staff, including handicapped parking optimally adjacent to the entrance door. In addition, there is additional parking shared by adjacent buildings. Adequate public utilities currently exist on site, including water, sewer, and solid waste services.**

- (5) If this proposal is to replace an existing facility, specify what use will be made of the existing facility after the new facility is completed.

**Not applicable. This project proposes the expansion of MRI services at an existing imaging facility.**

- (6) Describe any design features which will make the proposed project more efficient in terms of construction costs, operating costs, or energy conservation.

**The addition of a third (3<sup>rd</sup>) MRI unit at IFRC's existing Lansdowne imaging facility will be undertaken within space already leased by IFRC for the imaging facility. The expansion of MRI services therefore will not result in**

**any additional lease expenses. Moreover, the existing space utilizes energy saving features consistent with local building ordinances, including occupancy sensor-controlled lighting in support areas. The renovations necessary for buildout of the space will be compliant with local energy calculation requirements and specifications for high efficiency mechanical equipment.**

D. Describe and document in detail how the facility will be provided with water, sewer and solid waste services. Also describe power source to be used for heating and cooling purposes. Documentation should include, but is not limited to:

- (1) Letters from appropriate governmental agencies verifying the availability and adequacy of utilities,
- (2) National Pollution Discharge Elimination System permits,
- (3) Septic tank permits, or
- (4) Receipts for water and sewer connection and sewer connection fees.

**Adequate public utilities currently exist on-site, including water, sewer and solid waste services, in addition to heating and cooling equipment. The project does not require additional utility services. The water/sewer service and electrical capacity has been evaluated by the professional engineer responsible for determining the adequacy of the mechanical, electrical, and plumbing (MEP) systems as part of the due diligence at the site. Please see Attachment H.**

E. Space tabulation – (show in tabular form)

1. If Item #1 was checked in II-B, specify: **Not applicable.**

- a. The total number of square feet (both gross and net) in the proposed facility.
- b. The total number of square feet (both gross and net) by department and each type of patient room (the sum of the square footage in this part should equal the sum of the square footage in (a) above and should be consistent with any preliminary drawings, if available).

2. If Item #2 was checked in II-B, specify:

- a. The total number of square feet (both gross and net) by department and each type of patient room in the existing facility.

**Item #2 was not checked; however, the space within the existing imaging center space that will be dedicated to the third (3<sup>rd</sup>) MRI unit consists of 2,229 gross square feet (1,904 net square feet) as well as an**

**additional 1,034 gross square feet (879 net square feet) attributable to common areas related to the new MRI unit.**

- b. The total number of square feet (both gross and net) to be added to the facility.

**The MRI unit will be located at the existing imaging facility at Lansdowne. The center has two COPN approved MRI scanners in place as well as the following other imaging services not subject to COPN regulation: ultrasound and X-ray as well as one previously approved COPN modality: CT.**

**The total square footage leased by IFRC for the Lansdowne facility is 12,605.46 gross square feet (11,534 net square feet). The incremental MRI dedicated space comprises 2,229 gross square feet and 1,900 net square feet as noted above in subsection 2.a. There is adequate space within the existing footprint of the facility; therefore total square footage will not need to be increased, but will be reconfigured to optimally place the proposed 3<sup>rd</sup> MRI adjacent to the already existing MRIs. This will require relocating the ultrasound units to another area in the suite. Please refer to Attachment I for more information.**

- c. The total number square feet (both gross and net) to be remodeled, modernized, or converted to another use.
- d. The total number of square feet (both gross and net) by department and each type of patient room in the facility upon completion. (The sum of square footage in this part should equal the sum of the square footages in parts (a) and (b) above and should be consistent with any preliminary drawings, if available. (The department breakdown should be the same as in (a) above.)

- 3. Specify design criteria used or rationale for determining the size of the total facility and each department within the facility.

**The proposed third (3<sup>rd</sup>) MRI unit is to be located in an existing, operational imaging center. A test fit was completed and the dedicated space for the third (3<sup>rd</sup>) MRI unit will be 2,229 gross square feet (1,900 square feet net) in compliance with the vendor specifications and all FGI and other regulatory requirements.**

- F. Attach a plot plan of the site which includes at least the following:

- 1. The courses and distances of the property line.
- 2. Dimensions and location of any buildings, structures, roads, parking areas, walkways, easements, right-of-way or encroachments on the site.

**Please see Attachment G.**

G. Attach a preliminary design drawing drawn to a scale of not less than 1/16"-1'0" showing the functional layout of the proposed project which indicates at least the following:

1. The layout of each typical functional unit.
2. The spatial relationship of separate functional components to each other.
3. Circulatory spaces (halls, stairwells, elevators, etc.) and mechanical spaces.

**Please see Attachment I.**

H. Construction Time Estimates

1. Date of Drawings: **Preliminary 7/6/23 Final TBD**
2. Date of Construction: Begin **1/1/2025** Completion **5/15/2025**
3. Target Date of Opening: **7/1/2025**

## SECTION III

## SERVICE DATA

- A. In brief narrative form describe the kind of services now provided and and/or the kind of services to be available after completion of the proposed construction or equipment installation.

**This COPN request proposes to expand the existing MRI services at IFRC's Lansdowne imaging facility through the addition of an MRI unit, which would bring the facility's total MRI complement to three (3) MRI units. The project is proposed to address an institution-specific need for additional access to MRI services. In 2022, the facility's two (2) existing MRI units performed 11,421 MRI procedures, placing utilization at 114.2 % of SMFP standard. Based on annualized August 2023 year-to-date data, the two (2) existing MRI units are projected to perform 13,683 MRI procedures in 2023, placing utilization at 136.8% of SMFP standard.**

**An MRI produces high-resolution images of the inside of the body that can help diagnose a variety of conditions and injuries, such as brain aneurysms, stroke, tumors, joint abnormalities caused by trauma or repetitive injuries, disk abnormalities in the spine, or bone infections. It combines a series of images taken from different angles around the body and uses computer processing to create cross-sectional images (i.e., slices) of the bones, blood vessels and soft tissues inside the body providing more detailed information than plain X-rays do.**

**MRI is frequently ordered and used for the detection, staging and follow-up treatment of cancer and to monitor the effectiveness of treatment. It is also used to detect and monitor heart disease and liver masses, and to plan medical, surgical or radiation treatment. MRI angiography also may be used to assess a person's risk of heart disease or detect damage to blood vessels in the form of aneurysms or blockages. During some MRI exams, the blood vessels are injected with contrast to make the flow of blood through the body more visible. For suspected cancer or heart disease cases, being able to schedule timely diagnostic imaging is very important.**

**The additional MRI unit will improve access to the IFRC patient population by reducing substantial scheduling backlogs for MRI services at the site, and improving the patient experience, providing greater efficiency and reduced wait times.**

**In addition to MRI services, the Lansdowne imaging site also offers CT services as well as ultrasound and x-ray services.**

**The imaging facility at Lansdowne already exists with two COPN approved MRI scanners in place as well as the following other imaging services not subject to COPN regulation: ultrasound and X-ray as well as one previously approved COPN modality: CT.**

**In accordance with 12VAC5-230-160, Expansion of fixed site service, the location at Lansdowne is well above the 7,400 required procedures per unit to request an additional MRI unit.**

- B. Describe measures used or steps taken to assure continuity of care.

**The proposed expansion of the existing MRI services will not interrupt continuity of care at the Lansdowne facility. Continuity of care has always been, and remains, a priority for Inova Health Care Services and Fairfax Radiology Consultants, which own IFRC. IFRC employs several mechanisms and technologies that facilitate the inclusion of patients, referring physicians and other care providers in our processes making IFRC staff and radiologists valuable members of the patient care team. Measures and steps to assure continuity of care include, without limitation, the following:**

**Record Continuity**

**IFRC maintains a physician portal connecting to the EMR which provides all members of the patient care teams access to pertinent patient information such as diagnostic images, radiologist reports and other pertinent information from past visits. That portal is accessible 24/7.**

**IFRC has the ability to securely send images and reports electronically to external EMRs.**

**Clinician/Patient Continuity**

**In addition to the physician portal, IFRC patients have access to a patient portal where they can securely view their images and the radiologist's reports.**

**The radiologist uses a “call center” that facilitates connecting the referring physicians to the radiologist for patient consultation.**

- C. What procedures are utilized in quality care assessment?

**IFRC has adopted protocols and procedures used across its facilities. These protocols and procedures are designed to ensure quality of care and incorporate the concepts and functions of continuous quality improvements. Examples are as follows:**

**Patient Safety**

**All MRI units are inspected annually by a physicist and receive regularly scheduled preventative maintenance several times per year. In addition, we employ a certified Magnetic Resonance Safety Officer (“MRSO”). The MRSO has specialized training in MRI safety, risk factors and emergency response and works with staff and site managers to develop and implement safety protocols. Any deficiencies are handled by equipment vendor for correction and reported to the Patient Safety Committee.**

**The Patient Safety Committee is composed of a multidisciplinary team. The Committee is headed by FRC's Chief Operating Officer and is comprised of clinical directors, site managers and technology specialists. This crossover of departments ensures that everyone who could be involved in an MRI's four safety zones is represented. (i.e., Zone I: Freely Accessible All areas freely accessible to the general public without supervision.. Zone II: Notice: Still a public area, but the interface between**

unregulated Zone I and the strictly controlled Zones III and IV. MR safety screening typically occurs here under supervision. **Zone III:** Caution: An area near the magnet room where the fringe, gradient, or RF magnetic fields are sufficiently strong to present a physical hazard to unscreened patients and personnel. **Zone IV:** Danger: Synonymous with the MR magnet room itself. Has the highest field (and greatest risk) and from which all ferromagnetic objects must be excluded.)

### **Quality of Radiologist and Technologist**

**Fairfax Radiological Consultants, PLLC, staffs the existing Lansdowne facility and will continue to staff the facility following the expansion of MRI services. The practice is comprised of a diversified group of radiologists who are board certified in many areas of expertise. The technologists are all licensed by the Virginia Department of Health and certified by the applicable governing organization (which varies by modality) and annual competency assessments ensure their ability to perform procedures and carry out safe patient care.**

- D. Describe the plan for obtaining additional medical, nursing and paramedical personnel required to staff the project following completion and identify the sources from which such personnel are expected to be obtained.

**Fairfax Radiology Centers, LLC (FRC, LLC), which manages/operates IFRC's imaging services, recruits for all positions internally and has two recruiters dedicated to clinical recruitment. Additionally, IFRC**

- **Has a formal in-house MRI Tech training program**
- **Partners with outside educational institutions**
- **Maintains a float pool of Technologists to cover vacancies and employee absences.**

**Additional components of IFRC's recruitment program include:**

- **Post open positions internally**
- **Place special advertisements strategically in Indeed and other national job search engines**
- **Employee referral bonus program**

- E. Facilities and Services to be Provided (Check)

**The response set forth below reflects the addition of an incremental MRI unit to the proposed site. Approval requested will result in the expansion of existing MRI services at the site from 2 MRI units to 3 MRI units.**

	<u>Existing</u>	<u>This Project To be Added</u>	<u>This Project to be Discontinued</u>
1. Outpatient Surgery	_____	_____	_____

2.	Post Operative Recovery Room	_____	_____	_____
3.	Pharmacy with full-time pharmacists	_____	_____	_____
	part-time pharmacists	_____	_____	_____
4.	Diagnostic Radio- logical Services			
	x-ray	___X___	_____	_____
	radioisotope	_____	_____	_____
	MRI scanning	___X___	___X___	_____
5.	Therapeutic Radio- logical Services	_____	_____	_____
	Specify Source(s) or Type(s) or Equipment Used			
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
6.	Clinical Pathology Laboratory	_____	_____	_____
7.	Blood Bank	_____	_____	_____
8.	Electroencephalo- graphy	_____	_____	_____
9.	Electrocardiography	_____	_____	_____
10.	Ultrasonography	___X___	_____	_____
11.	Respiratory Therapy	_____	_____	_____
12.	Renal Dialysis			
	chronic outpatient	_____	_____	_____
	home dialysis training	_____	_____	_____
13.	Alcoholism Service	_____	_____	_____
14.	Drug Addiction Service	_____	_____	_____

15.	Physical Therapy Department	_____	_____	_____
16.	Occupational Therapy Department	_____	_____	_____
17.	Medical Rehabilitation outpatient	_____	_____	_____
18.	Psychiatric Service outpatient	_____	_____	_____
	emergency service	_____	_____	_____
19.	Clinical Psychology	_____	_____	_____
20.	Outpatient Emergency Service	_____	_____	_____
21.	Social Service	_____	_____	_____
22.	Family Planning Service	_____	_____	_____
23.	Genetic Counseling Service	_____	_____	_____
24.	Abortion Service	_____	_____	_____
25.	Pediatric Service	_____	_____	_____
26.	Obstetric Service	_____	_____	_____
27.	Gynecological Service	_____	_____	_____
28.	Home Care Service	_____	_____	_____
29.	Speech Pathology Service	_____	_____	_____
30.	Audiology Service	_____	_____	_____
31.	Paramedical Training Program	_____	_____	_____
32.	Dental Service	_____	_____	_____
33.	Podiatric Service	_____	_____	_____

- |     |                        |              |       |       |
|-----|------------------------|--------------|-------|-------|
| 34. | Pre-Admission Testing  | _____        | _____ | _____ |
| 35. | Pre-Discharge Planning | _____        | _____ | _____ |
| 36. | Multiphasic Screening  | _____        | _____ | _____ |
| 37. | Other (Identify)       | _____        | _____ | _____ |
|     | CT                     | <u>  X  </u> | _____ | _____ |
|     |                        | _____        | _____ | _____ |

F. Program

1. Is (will) this outpatient facility (be) a department, unit or satellite of a hospital?

\_\_\_\_\_ Yes (Give name of hospital) \_\_\_\_\_

  X   No

2. Is this outpatient facility affiliated with or does it have a transfer agreement with a hospital?

  X   Yes (Give name of hospital)

**Inova Fairfax Hospital, Inova Fair Oaks Hospital, Inova Alexandria Hospital, Inova Mount Vernon Hospital, and Inova Loudoun Hospital**

\_\_\_\_\_ No

3. Is (will) there (be) an arrangement whereby medical records can readily be transferred between this outpatient facility and an inpatient facility (ies)?

  X   Yes (give name of facility)

**Medical records can be shared with any Inova hospital**

\_\_\_\_\_ No

4. Outpatient services are (will be) available from: **Monday through Friday 6 AM to 11 PM, and Saturday and Sunday 7 AM to 7 PM.**

5. Does (will) the facility operate scheduled clinics?

\_\_\_\_\_ Yes (Attach clinic schedule list)

X   No

6. Are there other organized outpatient services in your primary service area?

  X   Yes            No

7. The outpatient facility is (will be) staffed:

(a) Only by physicians on call:            Yes   X   No

(b) By full time physicians:   X   Yes            No

(c) By physicians who limit their practice to this outpatient service?            Yes   X   No

8. State specifically any limitations or restrictions for participation in the services of the facility. **Not Applicable; any appropriately licensed physician can refer a patient to the imaging facility.**

- G. Please provide historical and/or project utilization statistics for the facility including number of patients, number of patient visits and number of patient services.

**Last year, in evaluating MRI volume for purposes of a COPN application to request moving COPN-approved MRI services from an existing IRMC site (Inova MRI Center Reston) to a new location, (i.e., COPN Request No. VA-8632), it was discovered that MRI procedure volume to VHI had been underreported for multiple years. Following the discovery, VHI was contacted and 2021 volumes were corrected. However, per VHI rules, VHI was unable to accept corrected MRI procedure volumes for years prior to 2021. The table below reflects the correct MRI procedure volume for the Lansdowne imaging facility for years 2020-2022. Projected year 1 and year 2 reflects utilization of the facility with 3 MRI units.**

	Historical			Projected		
	2021	2022	2023	2024	Year 1	Year 2
<b>Procedures</b>	<b>7,727</b>	<b>11,421</b>	<b>13,683</b>	<b>13,700</b>	<b>16,300</b>	<b>17,130</b>
<b>% of SMFP Utilization</b>	<b>77%</b>	<b>114%</b>	<b>137%</b>	<b>137%</b>	<b>109%</b>	<b>114%</b>
<b># MRI units</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>3</b>

Projected Year 1 and Year 2 assumes approval of the 3<sup>rd</sup> MRI unit; the projected volumes cannot be accommodated on the existing two (2) MRI units without the addition of the 3<sup>rd</sup> MRI unit. Note that 2023 data is based on August YTD annualized.

- H. Staffing of Existing and/or Proposed Facility

In the following categories, indicate the number of full-time equivalent personnel (at least 35 hours per week).

Current		Additional Needed
Full	Vacant	Full

	Time	Positions	Time	TOTAL
Total number of Full-time staff	<u>10</u>	<u>0</u>	<u>5</u>	<u>15</u>
<b>Administration-</b>				
<b>Business Office</b>	<u>2</u>	<u>0</u>	<u>1</u>	<u>3</u>
Registered Nurses	_____	_____	_____	_____
Licensed Practical Nurses, Nurses Aides, Orderlies/Attendants	_____	_____	_____	_____
Registered Medical Records Librarian	_____	_____	_____	_____
Registered Pharmacists	_____	_____	_____	_____
Laboratory Medical Technologists	_____	_____	_____	_____
ADA Dieticians	_____	_____	_____	_____
<b>Radiologic Technologists</b>	<u>8</u>	<u>0</u>	<u>4</u>	<u>12</u>
Occupational Therapists	_____	_____	_____	_____
Physical Therapists	_____	_____	_____	_____
Psychologists	_____	_____	_____	_____
Psychiatric Social Workers	_____	_____	_____	_____
Recreational Therapists	_____	_____	_____	_____
Inhalation Therapists	_____	_____	_____	_____
Medical Social Workers	_____	_____	_____	_____
Other Health Professionals, Identify	_____	_____	_____	_____
_____	_____	_____	_____	_____
All Other Personnel (Exclude Physicians and Dentists)	_____	_____	_____	_____

Present a plan for obtaining all additional personnel required to staff the project following completion and identify the sources from which such personnel are expected to be obtained.

**Fairfax Radiology Centers, LLC (FRC, LLC), which manages/operates IFRC's imaging services, recruits for all positions internally and has two recruiters dedicated to clinical recruitment. Additionally, IFRC**

- **Has a formal in-house MRI Tech training program**
- **Partners with outside educational institutions**
- **Maintains a float pool of Technologists to cover vacancies and employee absences.**

**Additional components of the recruitment program include:**

- **Post open positions internally**
- **Place special advertisements strategically in Indeed and other national job search engines**
- **Employee referral bonus program**

- J. Describe the anticipated impact that the project will have on the staffing of other facilities in the service area.

**We do not anticipate any impact on other facilities in the service area as MRI Technologist continues to be a desirable career advancement opportunity internally from X-ray and other technologist positions.**

- K. Attach the following information or documents:

1. Copy of most recent licensing report from State Agency (existing facilities, excluding public health centers). **Not Applicable**
2. Current accreditation status and copy of latest accreditation report from Joint Commission on Accreditation of Hospitals (existing facilities excluding public health centers). **Not Applicable**
3. Roster of medical staff (existing facilities). Indicate their specialty, Board Certification, Board eligibility and staff privileges (active, associate, etc.).

**See attached medical roster at Attachment Q. Fairfax Radiological Consultants, PLLC is contracted to provide professional interpretation of the MRI scans. This coverage is consistent with the current services and would continue with the additional MRI.**

4. Copies of letters of commitment or statement of intent from physicians indicating they will staff the proposed new facility or service upon completion (existing and proposed facilities).

**Please see Attachment J.**

## SECTION IV

**PROJECT JUSTIFICATION AND IDENTIFICATION OF  
COMMUNITY NEED**

- A. Please provide a comprehensive narrative description of the proposed project.

**IFRC proposes to expand MRI services at its Lansdowne facility, based on institution-specific need, to provide enhanced access to a critical diagnostic imaging service. In 2022, the two (2) existing MRI units at the facility performed 11,421 procedures, placing utilization at 114.2% of SMFP standard of 5,000 procedures per unit. Based on annualized August 2023 year-to-date data, the two (2) existing MRI units are projected to perform 13,683 MRI procedures in 2023, placing utilization at 136.8% of SMFP standard. Without the additional capacity and with continued population growth and growth in the use of MRI services to support expanded clinical criteria, IFRC will be unable to meet its patient population's need for MRI services at the Lansdowne facility.**

**Referring physicians refer to IFRC because they recognize that their patients will have the highest quality interpretation of studies performed by board-certified, fellowship-trained radiologists who are subspecialized within areas of expertise. As a result, IFRC's current MRI service at Lansdowne has become increasingly busy, with procedural volumes on its two (2) existing MRI units far exceeding the SMFP utilization standard. IFRC must expand MRI services at the site in order to provide the service to its patients in a timely manner.**

**MRI services are a critical imaging tool and accurate and prompt diagnosis and treatment is essential to patient care. Wait times for the two (2) existing MRI units (one 3T unit and one 1.5T unit) at the Lansdowne location are considerable; wait times for an MRI procedure on the facility's 3T MRI unit currently average 3 weeks or more and wait times for an MRI procedure on the facility's 1.5T MRI unit currently average 2.5-3 weeks, depending on whether the procedure is to be performed with or without contrast. Hours of operation have already been extended to the maximum extent reasonably possible, with the facility operating Monday through Friday from 6 AM to 11 PM, and Saturday and Sunday from 7 AM to 7 PM. Despite those extended hours, wait times for elective MRI procedures persist as noted above. Timeliness is critical to patient care. Many patients are waiting for a diagnostic appointment to rule out or diagnose disease that will require further diagnosis, such as biopsy, following the diagnostic study.**

**By increasing capacity through the addition of a third (3<sup>rd</sup>) MRI unit, wait times will decrease and will lead to an improved patient experience allowing the next phase of care to proceed in a timely manner and reduce patient anxiety, which can be significant.**

- B. Identification of Community Need

1. Describe the geographic boundaries of the facility's primary service area. (Note: Primary service area may be considered to be geographic area from which 75% of patients are expected to originate.)

**Please see Attachment L for a map outlining the primary service area for the MRI service. No change in the primary service area is projected.**

2. Provide patient origin, discharge diagnosis or utilization data appropriate for the type of project proposed.

**Please see Attachment L for 2022 patient origin data for the Lansdowne MRI volume.**

- C. 1. Is (are) the service(s) to be offered presently being offered by any other existing facility(ies) in the Health Planning Region?

**Yes, MRI services are currently offered at other facilities in PD 8.**

2. If Yes,

- a. Identify the facility(ies)

**The facilities that provide MRI services in PD 8 are listed in Attachment K and in the table that follows below. Please note last year we discovered that our VHI data submissions had been understated for years due to an error in the internal report used to identify procedures for reporting to VHI which had qualifiers that caused an omitting of relevant CPT procedure-based codes from the count. Both the VHI table and the one that follows it reflect the corrected volume for IFRC MRI procedures for 2019-2021 which is the last year corrections were still allowable (based on date of discovery of the error).**

PD8 MRI Diagnostic Scanner Utilization - VHI Data						
Hospital	Location	Units	Total MRI Procedures			2021 Utilization (as % of SMFP)
			2019	2020	2021	
Inova Alexandria Hospital <sup>1</sup>	Alexandria City	3	11,367	10,203	11,828	79%
Inova Fair Oaks Hospital	Fairfax County	2	7,988	6,673	7,259	73%
Inova Fairfax Hospital & MRI Center <sup>2</sup>	Fairfax County	9	44,139	40,704	49,863	111%
Inova HealthPlex - Lorton <sup>3</sup>	Fairfax County	1	0	1,906	2,360	47%
Inova HealthPlex - Springfield	Fairfax County	1	3,844	3,491	3,745	75%
Inova Loudoun Hospital Center <sup>4</sup>	Loudoun County	2	8,608	7,334	8,126	81%
Inova Mount Vernon Hospital	Fairfax County	1	5,667	4,477	5,116	102%
Novant Health UVA Health System <sup>5</sup>	Prince William County	3	10,207	8,724	10,775	72%
Reston Hospital Center	Fairfax County	1	4,337	4,002	3,959	79%
Sentara Northern Virginia Medical Center (NVCH) <sup>6</sup>	Prince William County	1	2,974	3,398	3,867	77%
StoneSprings Hospital Center	Loudoun County	1	1,302	1,208	1,831	37%
Virginia Hospital Center	Arlington County	3	15,354	12,714	15,746	105%
<b>Hospital Subtotal</b>	<b>PD8</b>	<b>28</b>	<b>115,787</b>	<b>104,834</b>	<b>124,475</b>	<b>75%</b>
Inova Arlington MRI Center	Arlington County	1	2,226	2,291	3,372	46%
Fairfax MRI Center - Tysons	Fairfax County	2	10,146	8,165	9,937	82%
Fairfax MRI Center - Reston	Fairfax County	1	5,837	4,633	6,161	93%
Radiology Imaging Associates at Lansdowne	Loudoun County	2	7,397	6,511	7,727	65%
Kaiser Permanente - Fairfax/Tysons Corner	Fairfax County	1	3,864	11,166	13,726	223%
Kaiser Permanente - Reston	Fairfax County	1	6,933	5,007	5,844	100%
Kaiser Permanente - Woodbridge	Prince William County	1	3,864	4,311	5,587	86%
Medical Imaging Center of Arlington (InSight)	Arlington County	2	7,529	7,199	7,451	72%
Medical Imaging Center of Fairfax (InSight)	Fairfax County	1	4,219	3,992	4,236	80%
Medical Imaging Center of Woodbridge (InSight)	Prince William County	2	8,379	7,573	8,349	76%
MRI of Reston (Reston Radiology Consultants)	Fairfax County	4	16,890	14,308	20,128	72%
Northern Virginia Imaging - Sterling/Dulles	Loudoun County	1	4,059	2,682	4,040	54%
NV Doctors MRI (now Virginia MRI) <sup>7</sup>	Arlington County	0	0	0	0	-
Sentara Advanced Imaging - Lake Ridge	Prince William County	1	2,974	2,123	2,351	42%
Tysons Diagnostic Imaging (Novant)	Fairfax County	2	7,456	6,092	6,381	61%
Vienna Diagnostic Imaging (Novant) <sup>8</sup>	Fairfax County	1	0	5,635	5,866	113%
Washington Radiology Associates - Fairfax	Fairfax County	1	3,811	3,094		62%
<b>Outpatient Imaging Center Subtotal</b>	<b>PD8</b>	<b>24</b>	<b>95,584</b>	<b>94,782</b>	<b>111,156</b>	<b>79%</b>
<b>Total MRI Scanners</b>	<b>PD8</b>	<b>52</b>	<b>211,371</b>	<b>199,616</b>	<b>235,631</b>	<b>77%</b>

<sup>1</sup> Includes two (2) MRI units at Inova Alexandria Hospital and one (1) unit listed as Inova Imaging Center - Mark Center

<sup>2</sup> Includes five (5) MRI units at Outpatient MRI Center and three (3) units on the Inova Fairfax Hospital campus

<sup>3</sup> Authorized in 2016; not operational in 2017.

<sup>4</sup> Includes one MRI unit at the Inova Loudoun Hospital campus and one MRI unit at the Cornwall campus

<sup>5</sup> Includes Manassas and Haymarket

<sup>6</sup> Predecessor hospital (NVCH) closed in 2006; SHCC opened December 7, 2015

<sup>7</sup> Bought out of bankruptcy in 2012; acquired by Inova Health Services in 2016; not operational in 2017, being moved to Ballston

<sup>8</sup> Now doing business as MRI Imaging of Virginia

**Both the table above and the table below reflect corrected MRI procedure volume for IFRC's imaging sites for 2021.**

Facility	# MRIs	Procedures			% of State Medical Facility Plan		
		2021	2022	Aug 2023 YTD Annualized	2021	2022	Aug 2023 YTD Annualized
BALLSTON IMAGING CENTER	1	3,372	4,500	5,198	67%	90%	104%
LANSDOWNE IMAGING CENTER	2	7,727	11,421	13,683	77%	114%	137%
STERLING IMAGING CENTER	1	4,040	3,794	3,599	81%	76%	72%
	<b>4</b>	<b>15,139</b>	<b>19,715</b>	<b>22,479</b>	<b>76%</b>	<b>99%</b>	<b>112%</b>

- b. Discuss the extent to which the facility(ies) satisfy(ies) the current demand for the service(s).

The project proposes to expand MRI services at IFRC's Lansdowne facility through the addition of a third (3<sup>rd</sup>) MRI unit based on the facility's institution-specific need. Increasing MRI capacity at Lansdowne will reduce wait times and improve access, and thereby improve the IFRC patient experience. The additional MRI unit is needed both to reduce current wait times and avoid lengthening wait times as the population continues to grow and age in PD 8 and, more specifically, in the Loudoun region.

According to the Healthcare Advisory Board's Imaging Market Estimator, the annual expected growth rate for outpatient MRI in PD8 for 2024-2029 is 2.4%.

MRI volume is growing in MSK, brain MRI and MR angiography, and head/neck MRI and head/neck MR angiography consistent with the joint and neurological diseases inherent in an aging population.

In addition, IFRC has experienced MRI services increasingly being used in the diagnosis and care planning for cardiac patients and anticipates that this trend will continue as novel uses of MRI as a diagnostic tool continues to grow.

Because the proposed project involves IFRC's own patient base and IFRC's institution-specific need for additional MRI services, IFRC does not expect the expansion of MRI services to negatively impact other existing MRI providers in PD 8.

- \*c. Discuss the extent to which the facility(ies) will satisfy the demand for services in five years.

As discussed in Sections II.C.2, III.A and IV.A, MRI volume at IFRC's Lansdowne facility substantially exceeds the SMFP utilization standard. The ability to provide timely access to MRI services to the facility's patients is already challenged with longer wait times due to capacity constraints. Factoring in the growing expanded clinical applications for MRI and the impact of population growth, IFRC will no longer be able to support additional MRI volume at the Lansdowne facility without additional MRI capacity

IFRC projects the demand for MRI services will continue to grow, exceeding population growth. Growth in MRI service is expected to exceed population growth due to the expanded clinical application of MRI as described in Section IV.C.2.b above.

The table below (sourced from Table 4 of the DCOPN Staff Report on COPN Request No. VA-8632) reflects projected population growth in PD 8 through 2030. As DCOPN noted in its DCOPN Staff Report on COPN Request No. VA-8632, *“the population of PD 8 as a whole was expected to increase approximately 16% for the period ending in 2020 and approximately 14% for the period ending in 2030, rates nearly double that of the statewide average.*

*With regard to the 65 and older age cohort, Weldon-Cooper projects a much more rapid increase (Table 4). Specifically, Weldon-Cooper projects an increase of approximately 56% for the period ending in 2020 and approximately 38% for the period ending in 2030. This is significant, as this age group uses medical care resources, including diagnostic services, at a rate much higher than the rest of the population.”*

**Table 4. Population Projections for PD 8, 2010-2030**

**Table 4. Population Projections for PD 8, 2010-2030**

Locality	2010	2020	% Change 2010-2020	Avg Ann % Change 2010-2020	2030	% Change 2020-2030	Avg Ann % Change 2020-2030
Arlington	139,966	166,261	18.79%	1.69%	182,067	9.51%	0.91%
Fairfax County	207,627	249,298	20.07%	1.80%	274,339	10.04%	0.96%
Loudoun	22,565	25,047	11.00%	1.02%	26,397	5.39%	0.53%
Prince William	1,081,726	1,162,504	7.47%	0.71%	1,244,025	7.01%	0.68%
Alexandria City	12,332	14,988	21.54%	1.92%	17,032	13.64%	1.29%
Fairfax City	312,311	430,584	37.87%	3.18%	554,808	28.85%	2.57%
Falls Church City	37,821	43,099	13.96%	1.28%	46,332	7.50%	0.73%
Manassas City	14,273	17,086	19.71%	1.77%	20,284	18.72%	1.73%
Manassas Park City	402,002	478,134	18.94%	1.71%	571,844	19.60%	1.81%
<b>Total PD 8</b>	<b>2,230,623</b>	<b>2,587,000</b>	<b>15.98%</b>	<b>1.46%</b>	<b>2,937,128</b>	<b>13.53%</b>	<b>1.28%</b>
<b>PD 8 65+</b>	<b>192,589</b>	<b>300,491</b>	<b>56.03%</b>	<b>4.44%</b>	<b>413,269</b>	<b>37.53%</b>	<b>3.24%</b>
Virginia	8,001,024	8,655,021	8.17%	0.77%	9,331,666	7.82%	0.76%
Virginia 65+	976,937	1,352,448	38.44%	3.22%	1,723,382	27.43%	2.45%

Source: U.S. Census, Weldon Cooper Center Projections (August 2019) and DCOPN (interpolations)

- D. Discuss how project will fill an unmet need in the delivery of health care in the service area including, where applicable, geographic barriers to access.

**Expansion of IFRC’s MRI services at Lansdowne will improve access to time-critical diagnostic imaging services. Referring physicians refer to IFRC because they recognize that their patients will have the highest quality care by board-certified, fellowship trained, radiologists subspecialized in interpreting the studies within their area of expertise.**

Utilization of the Lansdowne facility's two (2) existing MRI units substantially exceeds the SMFP utilization standard. Wait times for the two (2) existing MRI units (one 3T unit and one 1.5T unit) at the Lansdowne location are considerable; wait times for an MRI procedure on the facility's 3T MRI unit currently average 3 weeks or more and wait times for an MRI procedure on the facility's 1.5T MRI unit currently average 2.5-3 weeks, depending on whether the procedure is to be performed with or without contrast. Hours of operation have already been extended to the maximum extent reasonably possible, with the facility operating Monday through Friday from 6 AM to 11 PM, and Saturday and Sunday from 7 AM to 7 PM. Despite those extended hours, wait times for elective MRI procedures persist as noted above. Timeliness is critical to patient care. Many patients are waiting for a diagnostic appointment to rule out or diagnose disease that will require further diagnosis, such as biopsy, following the diagnostic study.

Increased capacity via the addition of another MRI will decrease wait times which will improve the patient experience and reduce patient anxiety. Many of these patients are waiting for a diagnostic appointment to rule out cancer or set treatment plans for another serious disease. If these patients are not able to be evaluated quickly and then have their downstream medical care performed in a timely manner, then surgery and/or neoadjuvant chemotherapy will be delayed at a time when the goal is to shorten the time from diagnosis to treatment.

- E. Discuss the consistency of the proposed project with applicable Regional Health Plan, State Health Plan, State Medical Facilities Plan, or other plans promulgated by State agencies.

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

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

IFRC has an institutional need for an additional MRI unit at its Lansdowne facility. As discussed in Section III.G above, last year, in evaluating MRI volume for purposes of a COPN application to request moving COPN-approved MRI services from an existing IRMC site (Inova MRI Center Reston) to a new location, (i.e., COPN Request No. VA-8632), it was discovered that MRI procedure volume to VHI had been underreported for multiple years. Following the discovery, VHI was contacted and 2021 volumes were corrected. However, per VHI rules, VHI was unable to accept corrected MRI procedure volumes for years prior to 2021. The table below reflects the correct MRI procedure volume for the Lansdowne imaging facility for years 2020-2022.

	Historical			Projected		
	2021	2022	2023	2024	Year 1	Year 2
<b>Procedures</b>	<b>7,727</b>	<b>11,421</b>	<b>13,683</b>	<b>13,700</b>	<b>16,300</b>	<b>17,130</b>
<b>% of SMFP Utilization</b>	<b>77%</b>	<b>114%</b>	<b>137%</b>	<b>137%</b>	<b>109%</b>	<b>114%</b>
<b># MRI units</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>3</b>

Projected Year 1 and Year 2 assumes approval of the 3<sup>rd</sup> MRI unit; the projected volumes cannot be accommodated on the existing two (2) MRI units without the addition of the 3<sup>rd</sup> MRI unit.. Note that 2023 data is based on August YTD annualized.

**As the population continues to grow and age in PD 8 and more specifically at Lansdowne, the need for MRI services will continue to increase (to include the expanding clinical application as described in Section IV.C.2.b). Approval of this project is necessary to support current and future demand for MRI services at the Lansdowne facility, as demonstrated by existing procedural volumes well in excess of the standard.**

*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.*

**In addition to the two (2) MRI units at the Lansdowne site, IFRC owns MRI imaging centers in Sterling and Ballston. In 2021, IFRC's combined MRI units operated at 76% of SMFP standard. In 2022, the combined MRI utilized increased to 99% of SMFP standard. Based on year-to-date utilization data through August 2023 annualized, utilization of IFRC's MRI units has increased to 112% of the SMFP standard. There is no excess capacity within IFRC available for reallocation to Lansdowne; reallocation of MRI services from either Sterling or Ballston would eliminate access to MRI service at the site.**

	Units	2021	2022	Aug 2023 YTD Ann.
<b>MRI</b>				
<b>LANSDOWNE IMAGING CENTER</b>	<b>2</b>	<b>7,727</b>	<b>11,421</b>	<b>13,683</b>
<b>STERLING IMAGING CENTER</b>	<b>1</b>	<b>4,040</b>	<b>3,794</b>	<b>3,599</b>
<b>BALLSTON IMAGING CENTER</b>	<b>1</b>	<b>3,386</b>	<b>4,500</b>	<b>5,198</b>
<b>TOTAL</b>	<b>4</b>	<b>15,153</b>	<b>19,715</b>	<b>22,480</b>
<b>% of SMFP</b>		<b>76%</b>	<b>99%</b>	<b>112%</b>

*12VAC5-230-140. Travel time.*

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

**MRI services are generally available within 30 minutes driving time one way under normal conditions of 95% of the population in PD 8 – traffic patterns, road construction and congestion, however, often has a substantially impact on patients living in the high-density areas of Northern Virginia.**

*12VAC5-230-150. Need for new fixed site service.*

*No new fixed site MRI services should be approved unless fixed site MRI services in the health planning district performed an average of 5,000 procedures per existing and approved fixed site MRI scanner during the relevant reporting period and the proposed new service would not significantly reduce the utilization of existing fixed site MRI providers in the health planning district. The utilization of existing scanners operated by a hospital and serving an area distinct from the proposed new service site may be disregarded in computing the average utilization of MRI scanners in such health planning district.*

**Not applicable. IFRC proposes the expansion of an existing MRI service.**

*12VAC5-230-160. Expansion of fixed site service.*

*Proposals to expand an existing medical care facility's MRI services through the addition of an MRI scanner may be approved when the existing service performed an average of 5,000 MRI procedures per scanner during the relevant reporting period. The commissioner may authorize placement of the new unit at the applicant's existing medical care facility, or at a separate location within the applicant's primary service area for MRI services, provided the proposed expansion is not likely to significantly reduce the utilization of existing providers in the health planning district.*

**The proposed project is consistent with this standard. In 2022, the Lansdowne facility's two (2) existing MRI units performed 11,421 MRI procedures, placing utilization at 114.2 % of SMFP standard. Based on annualized August 2023 year-to-date data, the two (2) existing MRI units are projected to perform 13,683 MRI procedures in 2023, placing utilization at 136.8% of SMFP standard. Because the proposed project involves IFRC's existing patient population and is intended to address IFRC's MRI capacity constraints, IFRC does not expect the additional unit at its Lansdowne imaging facility to negatively impact other existing MRI providers in PD 8.**

*12VAC5-230-180. Staffing.*

*MRI services should be under the direct supervision of one or more qualified physicians.*

**IFRC's MRI services is and will remain under the direct supervision of certified and trained radiologists.**

- F. Show the method and assumptions used in determining the need for additional beds, new services or deletion of service in the proposed project's service area.

**This project is to address institutional specific need for additional MRI capacity at IFRC's Lansdowne imaging facility. Utilization of the facility's two (2) existing MRI units substantially exceeds the SMFP standard. Volume is expected to continue to grow based on expanding clinical applications for MRI and projected population growth, but IFRC cannot meet the projected demand for MRI services without additional MRI capacity at the Lansdowne site.**

	Historical			Projected		
	2021	2022	2023	2024	Year 1	Year 2
<b>Procedures</b>	<b>7,727</b>	<b>11,421</b>	<b>13,683</b>	<b>13,700</b>	<b>16,300</b>	<b>17,130</b>
<b>% of SMFP Utilization</b>	<b>77%</b>	<b>114%</b>	<b>137%</b>	<b>137%</b>	<b>109%</b>	<b>114%</b>
<b># MRI units</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>3</b>

Projected Year 1 and Year 2 assumes approval of the 3<sup>rd</sup> MRI unit; the projected volumes cannot be accommodated on the existing two (2) MRI units without the addition of the 3<sup>rd</sup> MRI unit.. Note that 2023 data is based on August YTD annualized.

**As reflected in the chart above, IFRC projects the three (3) MRI units at the Lansdowne facility will perform 16,300 MRI procedures in the first full year following installation of the 3<sup>rd</sup> MRI unit and 17,130 MRI procedures in the second year. As noted above, even with the addition of the 3<sup>rd</sup> MRI, the volume level over 3 units is still expected to exceed the SMFP.**

**The projected MRI volume is based on expected population growth, plus the expanding clinical applications as described in section IV.C.2b. IFRC MRI volume at Lansdowne is already artificially constrained as evidenced by increasing wait times. With an incremental MRI unit, IFRC will be able to significantly reduce the wait time for an appointment as well as meet the increasing need for MRI services as a result of population growth and the utilization of MRI as an enhanced diagnostic tool for cancer patients and significantly increased use of MRI for clinical rule out of other diseases.**

**Without the third unit, IFRC has no other opportunity to expand capacity and will quickly reach a point at which it is unable to accommodate additional volume on its existing two (2) MRI units. Hours of operation are already Monday through Friday from 6 AM to 11 PM, and Saturday and Sunday from 7 AM to 7 PM.**

- G. Coordination and Affiliation with Other Facilities. **Not Applicable**

Describe any existing or proposed formal agreements or affiliations to share personnel, facilities, services or equipment. (Attach copies of any formal agreements with another health or medical care facility.)

H. Attach copies of the following documents:

1. A map of the service area indicating:
  - a. Location of proposed project.
  - b. Location of other existing medical facilities (by name, type (hospital, nursing home, outpatient clinic, etc.) and number of beds in each inpatient facility).

**Please see Attachment K-1 for the locations of other existing providers of MRI services in PD 8.**

2. Any material which indicates community and professional support for this project, i.e. letter of endorsement from physicians, community organizations, local government, Chamber of Commerce, medical society, etc.

**Please see Attachments P-1 through P-4.**

3. Letters to other area facilities advising of the scope of the proposed project.

**Please see Attachment N.**

## SECTION V

## FINANCIAL DATA

It will be the responsibility of the applicant to show sufficient evidence of adequate financial resources to complete construction of the proposed project and provide sufficient working capital and operating income for a period of not less than one (1) year after the date of opening:

- A. Specify the per diem rate for all existing negotiated reimbursement contracts and proposed contracts for patient care with state and federal governmental agencies, Blue Cross/Blue Shield Plans, labor organizations such as health and welfare funds and membership associations.

**This question requires the disclosure of confidential and proprietary information.**

- B. Does the facility participate in a regional program which provides a means for facilities to compare its costs and operations with similar institutions?

  X   Yes        No

If yes, specify program **All of IFRC's facilities participate in VHI**

Provide a copy of report(s) which provide(s) the basis for comparison.

**IFRC will continue to participate in VHI and report MRI utilization for its Lansdowne facility MRI services. As discussed in prior sections of this COPN application, IFRC determined that it had underreported MRI volume and submitted a correction to the EPICS submission prior to the deadline to fix an understatement of IFRC's procedural volume for 2021. Please see Attachment O-1 for a copy of IFRC's 2021 corrected EPICS submission (identifying corrected MRI procedural volume of 7,727). Attachment O-2 is the 2022 EPICs submission (identifying MRI procedural volume of 11,421).**

- C. Estimated Capital Costs

Please see "Instructions for Completing Estimated Capital Costs" Section of the Certificate of Need application for detailed instructions for completing this question (attached)

Part I – Direct Construction Costs

1.	<b>Cost of materials</b>	<b>\$ 471,760</b>
2.	<b>Cost of labor</b>	<b>\$ 707,640</b>
3.	<b>Equipment included in construction contract</b>	<b>\$ ___N/A</b>
4.	<b>Builder's overhead</b>	<b>\$ 142,500</b>

<b>5.</b>	<b>Builder's profit</b>	<b>\$118,352</b>
<b>6.</b>	<b>Allocation for contingencies</b>	<b>\$ 85,000</b>
<b>7.</b>	<b>Sub-total (add lines 1 thru 6)</b>	<b>\$1,525,252</b>

Part II – Equipment Not Included in Construction Contract  
(List each separately) If leasehold, lease expense for the entire term of the initial lease

<b>8.</b>	<b>a. <u>MRI Unit</u> _____</b>	<b>\$1,960,744</b>
	<b>b. <u>Furnishings</u> _____</b>	<b>\$ 26,734</b>
	<b>c. <u>Signage</u> _____</b>	<b>\$ 2,500</b>
	<b>d. <u>Capital lease interest expense</u></b>	<b>\$ 412,374</b>
	<b>See capital lease amortization schedule at Attachment M.</b>	
	<b>e. _____</b>	<b>\$</b>
<b>9.</b>	<b>Sub-total (add lines 8a thru 8e)</b>	<b>\$2,402,352</b>

\* MRI to be leased over 6 years; at conclusion the MRI will be owned.  
Capital lease expense is on line d.

#### Part III – Site Acquisition Costs

<b>10.</b>	<b>Full purchase price</b>	<b>\$ _____ 0 _____</b>
<b>11.</b>	<b>For sites with standing structures</b>	<b>\$ _____ 0 _____</b>
	<b>a. purchase price allocable to structures</b>	<b>\$ _____ 0 _____</b>
	<b>b. purchase price allocable to land</b>	<b>\$ _____ 0 _____</b>
<b>12.</b>	<b>Closing costs</b>	<b>\$ _____ 0 _____</b>
<b>13.</b>	<b>If leasehold, lease expense for the entire term of the initial lease</b>	<b>\$ no incremental lease expense</b>
<b>4.</b>	<b>Additional expenses paid or accrued:</b>	
	<b>a. _____</b>	<b>\$ _____ 0 _____</b>
	<b>b. _____</b>	<b>\$ _____ 0 _____</b>
	<b>c. _____</b>	<b>\$ _____ 0 _____</b>
<b>15.</b>	<b>Sub-total (add lines 10 thru 14c)</b>	<b>\$</b>

#### Part IV – Site Preparation Costs

16.	Earth work	\$ _____ 0 _____
17.	Site utilities	\$ _____ 0 _____
18.	Roads and walks	\$ _____ 0 _____
19.	Lawns and planting	\$ _____ 0 _____
20.	Unusual site conditions:	
	a. _____	\$ _____ 0 _____
	b. _____	\$ _____ 0 _____
21.	Accessory structures	\$ _____ 0 _____
22.	Demolition costs	\$ _____ 0 _____
23.	Sub-total (add lines 16 thru 22)	\$ _____ 0 _____

Part V – Off-site Costs (List each separately)

24.	_____	
25.	_____	\$ _____ 0 _____
26.	_____	\$ _____ 0 _____
27.	_____	\$ _____ 0 _____
28.	Sub-total (add lines 24 thru 27)	\$ _____ 0 _____

Part VI – Architectural and Engineering Fees

29.	Architect's design fee	\$ <b>55,000</b>
30.	Architect's supervision fee	\$ included in 29.
31.	Engineering fees	\$ included in 29.
32.	Consultant's fees	\$ including in 29.
33.	Sub-total (add lines 29 thru 32)	\$ <b>55,000</b>

Part VII – Other Consultant Fees (List each separately)

34.	a.	\$ _____
-----	----	----------

b. \_\_\_\_\_ \$ \_\_\_\_\_ 0 \_\_\_\_\_

c. \_\_\_\_\_ \$ \_\_\_\_\_ 0 \_\_\_\_\_

35. Sub-total (add lines 34a thru 34c) \$ \_\_\_\_\_

#### Part VIII – Taxes During Construction

36. Property taxes during construction \$ \_\_\_\_\_ 0 \_\_\_\_\_

37. List other taxes:

a. \_\_\_\_\_ \$ \_\_\_\_\_ 0 \_\_\_\_\_

b. \_\_\_\_\_ \$ \_\_\_\_\_ 0 \_\_\_\_\_

38. Sub-total (add lines 36 thru 37b) \$ \_\_\_\_\_ 0 \_\_\_\_\_

#### Part IX-A – HUD Section 232 Financing

39. Estimated construction time (in months) \_\_\_\_\_ 0 \_\_\_\_\_

40. Dollar amount of construction loan \$ \_\_\_\_\_ 0 \_\_\_\_\_

41. Construction loan interest rate \_\_\_\_\_ %

42. Estimated construction loan interest costs \$ \_\_\_\_\_ 0 \_\_\_\_\_

43. Term of financing (in years) \_\_\_\_\_ 0 \_\_\_\_\_

0

44. Interest rate on permanent loan \_\_\_\_\_ %

45. FHA mortgage insurance premium \$ \_\_\_\_\_ 0 \_\_\_\_\_

46. FHA mortgage fees \$ \_\_\_\_\_ 0 \_\_\_\_\_

47. Financing fees \$ \_\_\_\_\_ 0 \_\_\_\_\_

48. Placement fees \$ \_\_\_\_\_ 0 \_\_\_\_\_

49. AMPO (non-profit only) \$ \_\_\_\_\_ 0 \_\_\_\_\_

50. Title and recording fees \$ \_\_\_\_\_ 0 \_\_\_\_\_

51. Legal fees \$ \_\_\_\_\_ 0 \_\_\_\_\_

52. Total interest expense on permanent

mortgage loan \$ \_\_\_\_\_ 0 \_\_\_\_\_

53. Sub-total Part IX-A HUD Section 232 Financing  
(add lines 42, 45, 46, 47, 48, 49, 50 and 51) \$ \_\_\_\_\_ 0 \_\_\_\_\_

Part IX-B – Industrial Development Authority Revenue and General  
Obligation Bond Financing (Circle selected method of financing)

54. Method of construction financing (construction loan, proceeds  
of bond sales, if other, specify)

If construction is to be financed from any source other than bond sale  
proceeds, answer question 56 through 58. Otherwise, proceed to question 59.

55. Estimated construction time (in months) \_\_\_\_\_

56. Dollar amount of construction loan \$ \_\_\_\_\_ 0 \_\_\_\_\_

57. Construction loan interest rate \_\_\_\_\_ %

58. Estimated construction loan interest cost \$ \_\_\_\_\_ 0 \_\_\_\_\_

59. Nature of bond placement (direct, underwriter,  
if other, specify)

\_\_\_\_\_

60. Will bonds be issued prior to the beginning  
of construction? \_\_\_\_\_ Yes ☒ No

61. If the answer to question 60 is yes,  
how long before (in months)? \_\_\_\_\_

62. Dollar amount of bonds expected to be  
sold prior to the beginning of construction \$ \_\_\_\_\_ 0 \_\_\_\_\_

63. Will principal and interest be paid  
during construction or only interest? \_\_\_\_\_

64. Bond interest expense prior to the  
beginning of construction (in dollars) \$ \_\_\_\_\_ 0 \_\_\_\_\_

65. How many months after construction  
begins will last bond be sold? \_\_\_\_\_

66. Bond interest expense during construction \$ \_\_\_\_\_ 0 \_\_\_\_\_

67. What percent of total construction will be

	Financed from bond issue?	\$ _____ 0 _____
68.	Expected bond interest rate	_____ %
69.	Anticipated term of bond issued (in years)	_____
70.	Anticipated bond discount (in dollars)	_____ 0 _____
71.	Legal costs	\$ _____ 0 _____
72.	Printing costs	\$ _____ 0 _____
73.	Placement fee	\$ _____ 0 _____
74.	Feasibility study	\$ _____
75.	Insurance	\$ _____ 0 _____
76.	Title and recording fees	\$ _____ 0 _____
77.	Other fees (list each separately)	
	a. _____	\$ _____
	b. _____	\$ _____
	c. _____	\$ _____
78.	Sinking fund reserve account (Debt Service Reserve)	\$ _____ 0 _____
79.	Total bond interest expenses (in dollars)	\$ _____ 0 _____
80.	Sub-total Part IX_B (add lines 58, 64, 66, 71, 72, 73, 74, 75, 76, 77a, b, c and 78)	\$ _____ 0 _____
Part IX_C – Conventional Mortgage Loan Financing		
81.	Estimated construction time (in months)	_____
82.	Dollar amount of construction loan	
83.	Construction loan interest rate	_____ %
84.	Estimated construction loan interest cost (in dollars)	\$ _____
85.	Term of long term financing (in years)	_____

86.	Interest rate on long term loan	____%
87.	Anticipated mortgage discount (in dollars)	\$_____0_____
88.	Feasibility study	\$_____0_____
89.	Finder's fee	\$_____0_____
90.	Legal fees	\$_____0_____
91.	Insurance	\$_____0_____
92.	Other fees (list each separately)	
	_____	\$_____0_____
93.		\$_____
94.	Total permanent mortgage loan interest expense (in dollars)	\$_____0_____
95.	Sub-total Part IX_C (add lines 84 & 88 thru 93)	\$ 0

## Financial Data Summary Sheet

96.	Sub-total Part I	Direct Construction Cost (line 7)	<b>\$ 1,525,252</b>
97.	Sub-total Part II	Equipment not included in construction contract (line 9)	<b>\$ 2,402,352</b>
98.	Sub-total Part III	Site Acquisition Costs (line 15)	\$ 0
99.	Sub-total Part IV	Site Preparation Cost (line 23)	\$_____0_____
100.	Sub-total Part V	Off-Site Costs (line 28)	\$_____0_____
101.	Sub-total Part VI	Architectural and Engineering fees (line 33)	<b>\$ 55,000</b>
102.	Sub-total Part VII	Other Consultant fees (line 35)	\$
103.	Sub-total Part VIII	Taxes During Construction (line 38)	\$_____0_____
104.	Sub-total Part IX-A	HUD-232 Financing (line 53)	\$_____0_____
105.	Sub-total Part IX-B	Industrial Development Authority Revenue & General Revenue Bond Financing (line 80)	\$_____0_____

106.	Sub-total Part IX-C Conventional Loan Financing (line 95)	\$ _____
107.	TOTAL CAPITAL COST (lines 96 thru 106)	<b>\$3,982,604</b>
108.	Percent of total capital costs to be financed _____ 60% Note: IFRC intends to acquire the MRI unit through a capital lease with the vendor. This percentage reflects that portion of capital costs related to the capital lease for the MRI unit.	
109.	Dollar amount of long term mortgage (line 107 x 108)	\$ _____
N/A - See Note at #108 above		
110.	Total Interest Cost on Long Term Financing	\$ _____ 0 _____
	a. HUD-232 Financing (line 53)	\$ _____ 0 _____
	b. Industrial Development Authority Revenue & General Revenue Bond Financing (line 79)	\$ _____ 0 _____
	c. Conventional Loan Financing (line 94)	\$ _____ 0 _____
111.	Anticipated Bond discount	
	a. HUD-232 Financing (line 53)	\$ _____ 0 _____
	b. Industrial Development Authority Revenue & General Revenue Bond Financing (line 70)	\$ _____ 0 _____
	c. Conventional Loan Financing (line 87)	\$ _____ 0 _____
112.	<b>TOTAL CAPITAL AND FINANCING COST (ADD LINES 107, 110a, b or c AND 111a, b or c)</b>	<b>\$3,982,604</b>
<b>D.</b>	<b>1. Estimated costs for new construction (excluding site acquisition costs)</b>	<b>\$ _</b>
	<b>2. Estimated costs of modernization and renovation (excluding site acquisition costs)</b>	<b>\$ _____ 0 _____</b>
<b>E.</b>	Anticipated Sources of Funds for Proposed Project	Amount
	1. Public Campaign	\$ _____ 0 _____
	2. Bond Issue (Specify Type) _____	\$ _____ 0 _____
	3. Commercial Loans	<b>\$ 2,149,744</b>

4.	Government Loans (Specify Type)_____	\$ _____ 0 _____
5.	Grants (Specify Type)_____	\$ _____ 0 _____
6.	Bequests	\$ _____ 0 _____
7.	Private Foundations	\$ _____ 0 _____
8.	Endowment Income	\$ _____ 0 _____
9.	Accumulated Reserves	<b>\$ 1,832,860</b>
10.	Other	\$ _____

- F. Describe in detail the proposed method of financing the proposed project, including the various alternatives considered. Attach any documents which indicate the financial feasibility of the project.

**The construction/buildout portion of the project will be funded from operations and accumulated reserves. The MRI equipment will be leased from the vendor pursuant to a capital lease whereby, at the end of the lease term, IFRC will own the MRI unit.**

- G. Describe the impact the proposed capital expenditure will have on the cost of providing care in the facility. Specify total debt service cost and estimated debt service cost per patient day for the first two (2) years of operation. (Total debt service cost is defined as total interest to be paid during the life of the loan (s). Estimate debt service cost per patient day by dividing estimated total patient days for year one into amount of debt service for that year. Repeat for year two.) Please attach an amortization schedule showing how the proposed debt will be repaid.

**The construction costs associated with this project will be funded from operations. The MRI equipment will be acquired via the equipment vendor pursuant to a lease whereby at the end of the term, IFRC will own the equipment. See equipment quote at Attachment T. Addition of MRI capacity is not expected to impact the cost of providing care. See Attachment M for amortization schedules for information on debt service.**

H. Attach a copy of the following information of documents.

1. The existing and/or proposed room rate schedule, by type of accommodation.

**Not applicable. IFRC's Lansdowne imaging facility is an outpatient facility and does not provide inpatient services.**

2. The audited annual financial statements for the past two (2) years of the existing facility or/if a new facility without operating experience, the financial state of the owner (s). Audited financial statements are required, if available.

**Please see Attachment R for the most recent audited financial statements for IFRC, LLC.**

3. Copy of the proposed facility's estimated income, expense and capital budget for the first two years of operation after the proposed project is completed.

**Please see Attachment S for the pro forma.**

## SECTION VI

## ASSURANCES

I hereby assure and certify that:

- a. The work on the proposed project will be initiated within the period of time set forth in the Certificate of Public Need; and
- b. completion of the proposed project will be pursued with diligence; and
- c. the proposed project will be constructed, operated and maintained in full compliance with all applicable local, State and Federal laws, rules, regulations and ordinances.

I hereby certify that the information included in this application and all attachments are correct to the best of my knowledge and belief and that it is my intent to carry out the proposed project as described.



\_\_\_\_\_  
Signature of Authorizing Officer

Inova Health System

Address – Line1

Paul Dreyer

Type/Print Name of Authorizing Officer

8095 Innovation Park Drive

Address – Line 2

Senior Director, Strategic Planning

Title of Authorizing Officer

Fairfax, Virginia 22031

City/State/Zip

September 29, 2023

Date

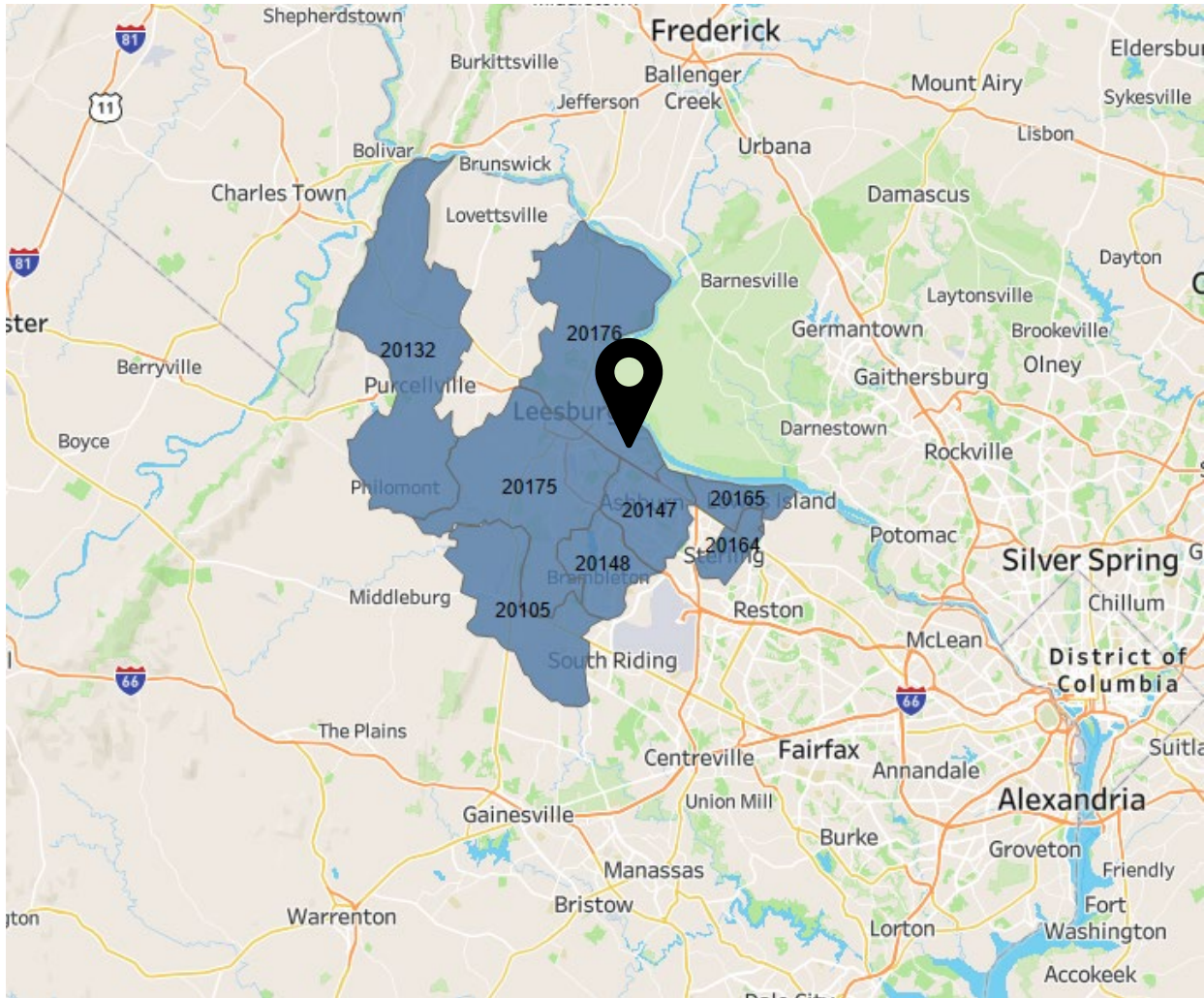
(703) 403-7598

Telephone Number

Copies of this request should be sent to:

- A. **Virginia Department of Health  
Division of Certificate of Public Need  
9960 Mayland Drive – Suite 401  
Henrico, Virginia 23233**
- B. **The Regional Health Planning Agency if one is currently designated by the Board of Health to serve the area where the project would be located.**

# Lansdowne Imaging Center MRI PSA 2022



Lansdowne Imaging Center PSA				
Zip Codes	Patients	%	Cum %	PSA
20147	1,571	17.67%	17.67%	PSA
20176	1,472	16.56%	34.23%	PSA
20148	886	9.97%	44.19%	PSA
20175	829	9.32%	53.51%	PSA
Outside PD 8	685	7.70%	61.22%	PSA
20132	464	5.22%	66.44%	PSA
20165	377	4.24%	70.68%	PSA
20105	249	2.80%	73.48%	PSA
20164	237	2.67%	76.14%	PSA



Lansdowne Imaging Center Location

FRC of Lansdowne Addition of 1 MRI						
Financial Projections	Projected Without 3rd MRI		3rd MRI Only		Current + 3rd MRI	
	<u>Year 1</u>	<u>Year 2</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 1</u>	<u>Year 2</u>
Amounts in \$000's Statement of Revenues and Expenses						
Total CT Scans	12,230	12,360	2,600	3,430	14,830	15,790
Gross Patient Revenue	18,380	18,576	4,424	5,953	22,804	24,529
Deductions from Patient Revenue						
Contractual/Other Discounts	12,211	12,340	3,039	4,067	15,250	16,408
Charity Discounts	129	150	42	57	170	207
Total Deductions from Revenue	12,339	12,491	3,081	4,124	15,420	16,615
Total Operating Revenue	6,041	6,085	1,371	1,845	7,384	7,914
Operating Expenses						
Salaries, Wages and Benefits	2,483	2,558	650	670	3,133	3,227
Supplies	464	487	71	75	535	561
Purchased Services	129	129		45	129	174
Bad Debt (above in Op Rev)	-	-	-	-	-	-
Depreciation and Amortizations	635	600	493	493	1,129	1,094
Indirect Expense- Occupancy	45	47	-	-	45	47
Other Expense	1,265	1,279	326	438	1,592	1,717
Debt (Financing Expense)	13	13	117	94	131	108
Total Operating Expenses	5,035	5,113	1,658	1,815	6,692	6,928
Excess of Revenue Over Expenses	1,006	972	(286)	30	692	986