

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)

OUTPATIENT FACILITIES

COPN Request No. VA- 8757

IFRC, LLC

**Establishment of a Specialized Center for CT Services
Through the Acquisition of One CT Unit**

April 1, 2024

SECTION I FACILITY ORGANIZATION AND IDENTIFICATION

- A. **IFRC, LLC (proposed d/b/a: FRC at Inova Health Center--Woodbridge)**
Official Name of Facility

14349 Gideon Drive, Suite 101

Address

Woodbridge **Virginia** **22192**

City

State

Zip

(703) 698-4444

Telephone

- B. **IFRC, LLC**
Legal Name of Applicant

8260 Willow Oaks Corporate Drive, Suite 750

Address

Fairfax **Virginia** **22031**

City

State

Zip

- C. Chief Administrative Officer
Lance Boyd, CEO
Name

8260 Willow Oaks Corporate Drive, Suite 750

Address

Fairfax **Virginia** **22031**

City

State

Zip

(703) 698-4444

Telephone

- D. Person(s) to whom questions regarding application should be directed

Carol Burchett, Chief Strategy Officer, Fairfax Radiology Centers, LLC

Name

8260 Willow Oaks Corporate Drive, Suite 750

Address

Fairfax **Virginia** **22031**

City

State

Zip

(703) 698-4444

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) _____

(7) 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 11 years
 (4) _____ Renewable lease, renewable every _____ years
 (5) _____ Other

IFRC will sublease space from Inova Health Care Services if this COPN is approved. The sublease will commence approximately March 1, 2025, and end February 28, 2036. See Attachment C for Inova-FRC Sublease LOI for 14349 Gideon Drive, Woodbridge, Virginia 22192.

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 Drive

Fairfax, Virginia 22031

Fairfax Radiological Consultants, PLLC (Minority Owner)

8260 Willow Oaks Corporate Office Drive, Suite 750

Fairfax, Virginia 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 Health Care Services 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

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 (chair)

Sean Mcclary, 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, Chief Executive Officer
Kim Masters, Chief Operating Officer
Anna Toth, Chief Financial 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 operator of the Woodbridge imaging facility will be FRC, LLC. Its address is as follows:

**Fairfax Radiology Centers, LLC
8260 Willow Oaks Corporate Drive, Suite 750
Fairfax, Virginia 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 establish CT services at a new imaging facility to be located at 14349 Gideon Drive, Suite 101 in Woodbridge through the acquisition of one CT unit. If approved, the CT unit would be operational at the new Woodbridge imaging facility by April 2025.

CT imaging services at the new Woodbridge imaging facility will be under the management/operation of FRC, LLC. Please see Attachment D for a copy of the Administrative Services Agreement between IFRC, LLC 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: 2.7671 acres
2. Located in **Prince William County / PD 8** City/County/Planning District
3. Address or directions: **14349 Gideon Dr, Woodbridge, VA 22192**
4. Has site been zoned for type of use proposed:
X Yes **The property is zoned for General Business, which includes medical office use. See Attachment E – Zoning Map.**
 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 **The establishment of a specialized center for Computed Tomography (“CT”) services through the acquisition of one CT 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, LLC’s mission, vision and values as set forth in Attachment F.

FRC, LLC’s mission is:

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

FRC, LLC’s vision is:

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

FRC, LLC’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 establishment of CT services through the acquisition of one CT unit for a new imaging facility to be located at 14349 Gideon Drive, Suite 101, Woodbridge, Virginia 22192. In addition to the CT unit, IFRC also intends to provide MRI services at the new Woodbridge imaging facility subject to approval of the separately pending COPN Request No. VA-8756, and x-ray, which is not subject to COPN regulation. The building where the Woodbridge imaging facility will be located, including the imaging suite itself, will be updated and modernized with a thoughtful layout and wayfinding and include the latest ADA-compliant features.

If approved, this CT unit will be co-located in the same building as the future Inova Health Center--Woodbridge. The new facility will be located approximately 3.5 miles from an existing IFRC of Woodbridge site located at 4001 Prince William Parkway, which currently offers x-ray, DEXA, ultrasound, and mammography.

The establishment of CT services at the new Woodbridge imaging facility is intended to serve existing IFRC patients who currently receive diagnostic imaging services at IFRC of Woodbridge and other IFRC facilities and improve the continuum of care for such patients. The establishment of CT services at the new Woodbridge imaging facility is also intended to serve patients who will receive care at the future Inova Health Center--Woodbridge and improve patient access to advanced imaging services in an area where traffic congestion is significant and can be a barrier to efficient travel, allowing IFRC's and Inova Health Center--Woodbridge's patients to receive care closer to home.

Expanding the diagnostic imaging modalities currently available in this geography will enhance access to care, continuity of care, and the patient experience for existing IFRC and Inova patients in the service area. This project directly aligns with IFRC's mission 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 proposed Woodbridge imaging facility will be conveniently located at 14349 Gideon Dr. Woodbridge, VA 22192 near Interstate 95, the major north-south transportation corridor in Prince William County. The building where the facility will be located is a 3-story, Class A office building at a site zoned to include medical use. The nearest cross street is Telegraph Rd. An Omniride bus stop is a four-minute walk from the facility. Virginia Railway also offers

a stop in Woodbridge which allows patients to conveniently travel from areas south of Woodbridge.

- (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.

IFRC's proposed Woodbridge imaging facility will be located in a 3-story building built in 2009. It is a Class A office building totaling 42,000 square feet with an average floor size of 14,000 square feet. The development zoning district is General Business, and the property subtype is medical. The location of the facility offers easy access to Interstate 95 and the greater Washington, D.C. area. See Attachment G for Site Plan.

IFRC's proposed Woodbridge imaging facility will be located on the ground floor of the office building. There are two entrances to the suite, one from the front of the building directly off the lobby ground floor with the other around the back of the building with a private entrance that goes directly into the suite from 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 an additional parking garage. 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.

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

The suite that will house the Woodbridge imaging facility will utilize energy saving features consistent with local building ordinances, including occupancy sensor-controlled lighting in support areas, and will be compliant with local energy calculation requirements and specifications for high efficiency mechanical equipment. Windows will have high efficiency glass.

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

Item #2 was not checked; however, space that will be dedicated to the CT unit consists of 908.6 gross square feet (873.0 net square feet) as well as an additional 505.2 gross square feet (494.0 net square feet) attributable to common areas related to the CT unit. The total square footage leased by IFRC for the Woodbridge facility is 4,728.4 gross square feet (4,601.5 net square feet). No additional square footage will be added. In addition to the CT services that are the subject of this COPN Request No. VA-8757, the imaging facility also will offer MRI services subject to approval of the separately pending COPN Request No. VA-8756 and x-ray, which is not subject to COPN regulation.

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

The CT will be located in a 4,728.4 gross square foot suite with co-located services. A test fit was completed and the CT dedicated space itself will be 908.6 gross square feet in compliance with the vendor specifications and all Facility Guidelines Institute (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 __3/1/24__ Final __8/1/24__**
2. Date of Construction: Begin **COPN approval + 1 month**
Completion **COPN approval + 6 months**
3. Target Date of Opening: **COPN approval + 7 months**

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.

CT is a widely utilized, essential diagnostic imaging modality. A CT 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 x-ray 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.

CT 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, lung nodules, and liver masses and to plan medical, surgical or radiation treatment.

IFRC proposes to establish CT services at the proposed Woodbridge imaging facility to address high and growing demand for CT services at its existing CT sites and to improve access to CT services for its patient population that resides in and near Woodbridge. In 2023, IFRC performed 62,079 CT procedures, including 13,774 non-coronary CTA CT procedures, at its existing CT sites for patients who reside in the proposed Woodbridge facility's primary service area ("PSA"). Placement of a CT unit at the Woodbridge facility is expected to address capacity constraints at IFRC's other CT sites by establishing an additional access point at a location near where many of its CT patients reside.

IFRC currently operates a total of 9 CT units (and is COPN-approved for a 10th)¹ at 7 locations in PD 8.² In 2022, IFRC's then 8 CT units performed a total of 58,378 CT procedures, placing utilization at 99% of the SMFP utilization standard of 7,400 procedures per unit. In 2023, IFRC's then 8 CT units performed 62,079 CT procedures, placing utilization at 105% of the SMFP utilization standard. IFRC placed its 9th CT unit into service at its Prosperity location (located on Arlington Boulevard in Fairfax) in late December 2023 (COPN No. VA-04855). However, the addition of CT capacity at Prosperity and the COPN-approved capacity at Springfield (see footnote 1) will not be sufficient to address IFRC's capacity constraints across its CT imaging sites, particularly as volume continues to grow. Notably, the one additional CT unit approved for the IFRC location in Springfield, which is expected to become operational in August 2024, is intended to address the

¹ In February 2024, the Commissioner issued COPN No. VA-04878, authorizing IFRC to establish CT services with one CT unit at its Springfield location (an 8th IFRC CT site).

² In August 2023, the Commissioner issued COPN No. VA-04855, authorizing IFRC to add a second CT unit to its Fairfax Radiology Center of Prosperity imaging facility located at 8503 Arlington Boulevard in Fairfax, Virginia.

need for more CT with cardiac CT angiography capability due to increasing demand for cardiac CT. Even with the newly-added CT units at the Springfield and Prosperity sites, IFRC's CT units are expected to operate at 97% of the SMFP utilization standard in 2025.

The establishment of CT services at the new Woodbridge imaging facility is also intended to serve existing IFRC patients who currently receive diagnostic imaging services at IFRC of Woodbridge. The existing IFRC of Woodbridge facility, which is located approximately 3.5 miles from the proposed new Woodbridge imaging facility, offers the following services not subject to COPN regulation: mammography, DEXA, ultrasound, and x-ray. Establishment of CT services at the new Woodbridge facility will provide an advanced imaging complement to the existing IFRC services in Woodbridge and will greatly improve patient convenience, efficiency and coordination of care. The proposed project will also alleviate potential travel stress for existing IFRC CT patients in an area where traffic congestion is significant and can be a barrier to efficient travel, allowing IFRC patients to receive care closer to home instead of having to travel outside of their own community for CT services at another IFRC site. Having CT services at the same site as the Inova Health Center--Woodbridge and nearby existing Inova Medical Group offices will provide greater convenience and access for Inova's and IFRC's patients.

Importantly, in addition to IFRC's need for additional CT capacity, there is also a computational need for additional CT capacity in PD 8. In its January 19, 2024 DCOPN staff report on COPN Requests (Nos. VA-8726, 8727, 8728, 8730, 8734, and 8735), DCOPN calculated a need for 76 CT scanners based on 2021 utilization data and noted that 2023 COPN authorized CT scanners totaled 73. Since then, 2022 PD 8 utilization data indicates a need for 81 CT scanners. In the most recent cycle of PD 8 CT approvals (February 2024) DCOPN approved 3 additional CT scanners, meaning 5 CT scanners are needed in the planning district.

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

Continuity of care has always been, and remains, a priority for Inova Health Care Services and Fairfax Radiology Consultants, PLLC, 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 IFRC facilities which will be implemented at the new Woodbridge imaging center. 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 CT units are inspected annually by a physicist and receive regularly scheduled preventative maintenance several times per year. In addition, IFRC employs two (2) certified Radiation Safety Officers ("RSO"). The RSOs have received specialized training in CT safety, risk factors and emergency response and works with staff and site managers to develop and implement safety protocols. Any deficiencies are handled by the 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 the 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 a radiation producing area is represented. In addition, the FRC, LLC Patient Safety Committee reports up to the Quality and Safety Committee of the Board of Directors, which is chaired by an FRC, PLLC radiology physician leader.

Quality of Radiologist and Technologist

Fairfax Radiological Consultants, PLLC staffs existing IFRC facilities and will staff the new IFRC location in Woodbridge as well. The practice is comprised of a diversified group of radiologists who are board certified in many areas of expertise. The technologists are certified by their governing organization 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.

FRC, LLC, which manages/operates IFRC's imaging services, recruits for all positions internally and has two recruiters dedicated to clinical recruitment and

recently hired a highly experienced professional recruitment manager. Additionally, FRC, LLC:

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

Additional components of FRC's recruitment program include:

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

Given the significant nationwide tech staffing shortage, recruitment and retention initiatives are a significant focus of the organization's operational and human resources leadership and related key performance indicators are part of the organization's strategic plan.

E. Facilities and Services to be Provided (Check)

The response set forth below reflects the addition of one (1) CT unit to the proposed site. Approval will result in the acquisition of one (1) CT unit.

	<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	_____	_____	_____
CT scanning	_____	_____ X _____	_____
MRI scanning	_____	_____	_____
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			
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)	_____	_____	_____
	Mammography	_____	_____	_____
	Dexa scan	_____	_____	_____

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 7 AM to 5 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

7. 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 any IFRC 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.

Historical Utilization

The table below reflects the CT procedure volume for IFRC's CT imaging facilities for years 2021-2023. Please note, in 2021 IFRC determined that 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. The table below reflects the corrected volume for IFRC CT procedures for 2021.

	# CTs	Procedures			% of State Medical Facility Plan		
		2021	2022	2023	2021	2022	2023
IFRC							
Centreville	1	6,462	8,445	9,691	87%	114%	131%
Prosperity	1	8,212	9,151	9,205	111%	124%	124%
Lansdowne	1	6,091	8,234	8,710	82%	111%	118%
Reston-Herndon	1	6,300	7,096	7,804	85%	96%	105%
Fairfax City	1	6,430	6,237	6,942	87%	84%	94%
Woodburn	2	12,178	13,407	13,412	82%	91%	91%
Sterling	1	4,670	5,808	6,315	63%	78%	85%
IFRC Total	8	50,343	58,378	62,079	85%	99%	105%

*Note: In August 2023, the Commissioner issued COPN No. VA-04855, authorizing IFRC to add a second CT unit to its Fairfax Radiology Center of Prosperity imaging facility located at 8503 Arlington Boulevard in Fairfax, Virginia. In February 2024, the Commissioner issued COPN No. VA-04878, authorizing IFRC to establish CT services with one CT unit at its Springfield location.

Projected Utilization

In projecting utilization of the new Woodbridge imaging center, IFRC considered the following factors:

- IFRC's existing high CT utilization and historical CT demand
- Referrals from Inova Health Center--Woodbridge primary care and specialty physicians
- Existing IFRC patients (including, without limitation, IFRC patients who receive imaging services at the existing IFRC of Woodbridge facility) in the applicable service area and patient origin data
- Patient choice and scheduling preferences
- Population growth and aging in the expected CT service area of the proposed imaging facility.

Projected CT Utilization	Units	Year 1	Year 2
CT Scans	1	5,190	5,501
CT Utilization	1	70.1%	74.3%

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).

The staffing set forth below is specific to the proposed CT unit.

	Current Full Time	Vacant Positions	Additional Needed Full Time	TOTAL
Total number of Full-time staff	<u>0</u>	<u> </u>	<u>2.0</u>	<u>2.0</u>
Administration-				
Business Office	<u>0</u>	<u> </u>	<u>1.0</u>	<u>1.0</u>
Registered Nurses	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Licensed Practical				
Nurses, Nurses Aides,				
Orderlies/Attendants	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Registered Medical				
Records Librarian	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Registered Pharmacists	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Laboratory Medical				
Technologists	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ADA Dieticians	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Radiologic				
Technologists	<u>0</u>	<u> </u>	<u>2.0</u>	<u>2.0</u>
Occupational				
Therapists	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Physical Therapists	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Psychologists	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Psychiatric Social				
Workers	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Recreational Therapists	_____	_____	_____	_____
Inhalation Therapists	_____	_____	_____	_____
Medical Social Workers	_____	_____	_____	_____
Other Health Professionals, Identify	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

- I. 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.

FRC, LLC, which manages/operates IFRC's imaging services, recruits for all positions internally and has two recruiters dedicated to clinical recruitment and recently hired a highly experienced professional recruitment manager. Additionally, FRC, LLC:

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

Additional components of FRC, LLC's 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.

The applicant does not anticipate any impact on other facilities in the service area due to the limited nature of the staffing needs (1 FTE administration/business office, and 2.0 FTE CT Technologists) and as CT 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 CT scans at all IFRC facilities equipped with CT and will provide professional interpretation for the Woodbridge imaging facility as well.

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 establish CT services at the new Woodbridge imaging facility through the acquisition of one CT unit.³

IFRC currently operates a total of 9 CT units (and is COPN-approved for a 10th)⁴ at 7 locations in PD 8.⁵ In 2022, IFRC's then 8 CT units performed a total of 58,378 CT procedures, placing utilization at 99% of the SMFP utilization standard of 7,400 procedures per unit. In 2023, IFRC's then 8 CT units performed 62,079 CT procedures, placing utilization at 105% of the SMFP utilization standard. IFRC placed its 9th CT unit into service at its Prosperity location (located on Arlington Boulevard in Fairfax) in late December 2023 (COPN No. VA-04855). However, the addition of CT capacity at Prosperity and the COPN-approved capacity at Springfield (see footnote 1) will not be sufficient to address IFRC's capacity constraints across its CT imaging sites, particularly as volume continues to grow. Notably, the one additional CT unit approved for the IFRC location in Springfield, which is expected to become operational in August 2024, is intended to address the need for more CT with cardiac CT angiography capability due to increasing demand for cardiac CT. Even with the newly-added CT units at the Springfield and Prosperity sites, IFRC's CT units are expected to operate at 97% of the SMFP utilization standard in 2025. Placement of a CT unit at the Woodbridge facility is expected to address capacity constraints at IFRC's other CT sites by establishing an additional access point at a location near where many of its CT patients reside.

The establishment of CT services at the new Woodbridge imaging facility is also intended to serve existing IFRC patients who currently receive diagnostic imaging services at IFRC of Woodbridge. The existing IFRC of Woodbridge facility, which is located approximately 3.5 miles from the proposed new Woodbridge imaging facility, offers the following services not subject to COPN regulation: mammography, DEXA, ultrasound, and x-ray. Establishment of CT services at the new Woodbridge facility will provide an advanced imaging complement to the existing IFRC services in Woodbridge and will greatly improve patient convenience, efficiency and coordination of care. The proposed project will also alleviate potential travel stress for existing

³ In addition to the CT unit, IFRC also intends to provide MRI services at the new Woodbridge imaging facility subject to approval of the separately pending COPN Request No. VA-8756, and x-ray, which is not subject to COPN regulation.

⁴ In February 2024, the Commissioner issued COPN No. VA-04878, authorizing IFRC to establish CT services with one CT unit at its Springfield location (an 8th IFRC CT site).

⁵ In August 2023, the Commissioner issued COPN No. VA-04855, authorizing IFRC to add a second CT unit to its Fairfax Radiology Center of Prosperity imaging facility located at 8503 Arlington Boulevard in Fairfax, Virginia.

IFRC CT patients in an area where traffic congestion is significant and can be a barrier to efficient travel, allowing IFRC patients to receive care closer to home instead of having to travel outside of their own community for CT services at another IFRC site. Having CT services at the same site as the Inova Health Center--Woodbridge and nearby existing Inova Medical Group offices will provide greater convenience and access for Inova's and IFRC's patients.

Importantly, in addition to IFRC's need for additional CT capacity, there is also a computational need for additional CT capacity in PD 8. In its January 19, 2024 DCOPN staff report on COPN Requests (Nos. VA-8726, 8727, 8728, 8730, 8734, and 8735), DCOPN calculated a need for 76 CT scanners based on 2021 utilization data and noted that 2023 COPN authorized CT scanners totaled 73. Since then, 2022 PD 8 utilization data indicate a need for 81 CT scanners. In the most recent cycle of PD 8 CT approvals (February 2024) DCOPN approved 3 additional CT scanners, meaning 5 CT scanners are needed in the planning district. Approval of IFRC's COPN Request No. VA-8757 will address IFRC's need and the planning district's need for additional capacity and, importantly, will do so without harming other providers because the project is designed to served IFRC's existing patient population as well as patients of the future Inova Health Center--Woodbridge.

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 CT locations have become increasingly busy, resulting in the need for additional capacity in order for IFRC patients to have their CT studies performed in a timely manner.

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 CT service which includes select zip codes of Prince William County, Fairfax County, and other areas where patients in migrate such as Stafford County. It also factors in the potential patients who in conjunction with choosing between several IFRC facilities, have close enough proximity that they may choose an appointment at the Woodbridge imaging center rather than wait for an appointment at an existing IFRC facility that may be slightly closer to where they live..

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

Please see Attachment L for 2023 CT origin data for IFRC based on the primary service area.

- 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, CT services are currently offered at other facilities in PD 8.

2. If Yes,

- a. Identify the facility(ies)

The facilities that provide CT services in PD 8 are listed in Attachment K-1 and in the table that follows below. Please note, in 2021 IFRC determined that 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 reflect the corrected volume for IFRC CT procedures. However, 2021 is the last year for which VHI accepted corrections.

PD8 CT Procedures Capacity - VHI Data

Hospital	Location	Units	Total CT Procedures		2022 Utilization (as % of SMFP)
			2021	2022	
Inova Alexandria Hospital ¹	Alexandria City	4	45,944	50,908	172%
Inova Fair Oaks Hospital	Fairfax County	3	34,828	28,593	129%
Inova Fairfax Hospital	Fairfax County	6	112,482	120,057	270%
Inova Loudoun Hospital Center ²	Loudoun County	3	51,676	59,846	270%
Inova Mount Vernon Hospital	Fairfax County	2	20,977	24,116	163%
UVA Health System ³	Prince William County	3	38,381	21,018	95%
Reston Hospital Center	Fairfax County	4	32,315	33,224	112%
Sentara Northern Virginia Medical Center (NVCH)	Prince William County	2	26,169	25,673	173%
StoneSprings Hospital Center	Loudoun County	1	8,182	8,936	121%
Virginia Hospital Center	Arlington County	3	47,231	52,263	235%
Hospital Subtotal	PD8	31	418,185	424,634	185%
IRMC - Tysons MRI and Imaging Ctr (Fairfax MRI Center - Tysons)	Fairfax County	1	3,524	4,224	57%
IRMC - Fairfax Pet/CT Center	Fairfax County	1	2,103		0%
IFRC: Woodburn DX Center	Fairfax County	2	12,178	13,407	91%
IFRC: Reston Imaging Center	Fairfax County	1	6,300	7,096	96%
IFRC: Centreville DX Center	Fairfax County	1	6,462	8,445	114%
IFRC: Prosperity Center	Fairfax County	1	8,212	9,151	124%
IFRC: Fairfax Diagnostic Imaging Ctr	Fairfax County	1	6,430	6,237	84%
IFRC: Lansdowne Imaging Center	Loudoun County	1	6,091	8,234	111%
IFRC: Sterling Imaging Center	Loudoun County	1	4,670	5,808	78%
Fair Oaks Imaging Center (Reston Radiology Associates)	Fairfax County	1	2,605	2,864	39%
Inova HealthPlex - Lorton	Fairfax County	1	7,504	6,157	83%
Inova HealthPlex - Springfield	Fairfax County	1	16,679	11,745	159%
Inova HealthPlex - Ashburn	Loudoun County	1	8,092	6,085	82%
Inova Emergency Care- Fairfax City	Fairfax County	1	4,039	3,388	46%
Kaiser Permanente (Multiple Sites)	-	4	35,422	57,184	193%
Medical Imaging Center of Fairfax (InSight)	Fairfax County	1	4,299	3,491	47%
Medical Imaging Center of Arlington (InSight)	Fairfax County	1	199	1,978	27%
Metro Region PET Center	Fairfax County	1	2,815	2,763	37%
Orthopaedic Foot and Ankle Center of Washington	Fairfax County	1	168	136	2%
Sentara Advanced Imaging - Lake Ridge	Prince William County	1	8,941	9,232	125%
Sentara Advanced Imaging - Lorton	Fairfax County	1	2	-	-
Sentara Advanced Imaging - Springfield	Fairfax County	1	0	0	0%
Tysons Diagnostic Imaging (UVA)	Fairfax County	1	1,064	911	12%
Vienna Diagnostic Imaging (UVA)	Fairfax County	1	1,249		0%
Washington Radiology Associates - Lakeside	Fairfax County	1	2,299	3,522	48%
UVA OP Imaging Centreville	Fairfax County	1		1,306	18%
Outpatient Imaging Center Subtotal	PD8	30	151,347	173,364	78%
Total CT Scanners	PD8	61	569,532	597,998	132%

¹ Includes three (3) CT units at Inova Alexandria Hospital and one (1) unit listed as Inova Imaging Center - Mark Center² Includes two(2) CT units at the Inova Loudoun Hospital campus and one (1) unit at the Cornwall campus³ Includes Manassas and Haymarket

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

	# CTs	Procedures			% of State Medical Facility Plan		
		2021	2022	2023	2021	2022	2023
IFRC							
Centreville	1	6,462	8,445	9,691	87%	114%	131%
Prosperity	1	8,212	9,151	9,205	111%	124%	124%
Lansdowne	1	6,091	8,234	8,710	82%	111%	118%
Reston-Herndon	1	6,300	7,096	7,804	85%	96%	105%
Fairfax City	1	6,430	6,237	6,942	87%	84%	94%
Woodburn	2	12,178	13,407	13,412	82%	91%	91%
Sterling	1	4,670	5,808	6,315	63%	78%	85%
IFRC Total	8	50,343	58,378	62,079	85%	99%	105%

¹In August 2023, the Commissioner issued COPN No. VA-04855, authorizing IFRC to add a second CT unit to its Fairfax Radiology Center of Prosperity imaging facility located at 8503 Arlington Boulevard in Fairfax, Virginia. In February 2024, the Commissioner issued COPN No. VA-04878, authorizing IFRC to establish CT services with one CT unit at its Springfield location.

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

This project proposes to establish CT services at the new Woodbridge imaging facility to be located at 14349 Gideon Drive, Suite 101, Woodbridge, Virginia 22192 through the acquisition of one CT unit. As discussed in this COPN application, IFRC's existing CT imaging sites are heavily utilized, and volume is continuing to grow. This project seeks to decompress high volumes at IFRC's existing CT imaging sites by establishing an additional access point at a location closer to where many of IFRC's CT patients reside.

In addition, the demand for more cardiac CT services has led to the need to increase the cardiac CT complement in PD 8, as evidenced by the recent COPN approval to add a CT unit with cardiac capability in the Springfield area as well as the COPN approval of a second CT unit without cardiac capabilities to IFRC's Fairfax Radiology Center of Prosperity imaging facility to decompress utilization of Prosperity's CT unit with cardiac capabilities.

The establishment of CT services at the new Woodbridge imaging facility is also intended to serve existing IFRC patients who currently receive diagnostic imaging services at IFRC of Woodbridge. The existing IFRC of Woodbridge facility, which is located approximately 3.5 miles from the proposed new Woodbridge imaging facility, offers the following services not subject to COPN regulation: mammography, DEXA, ultrasound, and x-ray. Establishment of CT services at the new Woodbridge facility will provide an advanced imaging complement to

the existing IFRC services in Woodbridge and will greatly improve patient convenience, efficiency and coordination of care. The proposed project will also alleviate potential travel stress for existing IFRC CT patients in an area where traffic congestion is significant and can be a barrier to efficient travel, allowing IFRC patients to receive care closer to home instead of having to travel outside of their own community for CT services at another IFRC site. Having CT services at the same site as the Inova Health Center--Woodbridge and nearby existing Inova Medical Group offices will provide greater convenience and access for Inova's and IFRC's patients.

Because the proposed project involves IFRC's existing patient population and is intended to address IFRC's and Inova's existing CT patient needs, IFRC does not expect the CT unit at the Woodbridge imaging facility to negatively impact other existing CT providers in PD 8.

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

IFRC projects the demand for CT services will continue to grow, exceeding population growth. Growth in CT services is expected to exceed population growth consistent with diseases of an aging population and as a result of lifestyle risk factor diseases. According to the Healthcare Advisory Board's Imaging Market Estimator, the annual expected growth rate for outpatient CT in PD 8 for 2024-2029 is 5.3%.

While the CT unit at Woodbridge will not be equipped with cardiac capabilities, CT volume is growing in CT angiography of all types including significant volume in head/neck/brain angiography and abdominal/pelvic CT angiography, extremity musculoskeletal, and chest CT consistent with the joint and neurological diseases inherent in an aging population as well as lifestyle impact diseases. The increase in use of cardiac CTs has resulted in additional need for general diagnostic CT services.

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%
Total PD 8	2,230,623	2,587,000	15.98%	1.46%	2,937,128	13.53%	1.28%
PD 8 65+	192,589	300,491	56.03%	4.44%	413,269	37.53%	3.24%
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.

IFRC, owned by Inova and Fairfax Radiological Consultants, is committed to supporting Inova’s initiative at the Woodbridge Health Center and alleviating the considerable travel stress of IFRC and Inova patients living in the outer PD 8 regions including Prince William County. This helps to ensure continuity of care for patients is maintained by placing services closer to the communities in which IFRC and Inova patients live and who otherwise would have to drive outside their community in traffic-congested Northern Virginia, particularly along the I-95 corridor.

The establishment of CT services at the new Woodbridge imaging facility will provide enhanced access to time-critical diagnostic services. Physicians refer patients 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.

In 2023, IFRC performed 62,079 CT procedures, including 13,774 non-coronary CTA CT procedures, at its existing CT sites for patients who reside in the proposed Woodbridge facility’s primary service area (“PSA”). Placement of a CT unit at the Woodbridge facility is expected to address

capacity constraints at IFRC's other CT sites by establishing an additional access point at a location near where many of its CT patients reside.

- 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.

As reflected above, there is a net need for additional CT capacity in PD 8. The proposed diagnostic imaging services will offer improved access to IFRC and Inova patients in the Woodbridge patient service area and a seamless experience to support co-located Inova primary and specialty care providers at the future Inova Health Center--Woodbridge that would commonly use imaging services. It will also provide an advanced imaging complement to the FRC of Woodbridge facility 3.5 miles away. This will greatly improve patient convenience, efficiency and coordination of care for those patients as well as support current and future demand for IFRC's CT services in PD 8 as a whole. As the 65+ age group increases, the prevalence of disease is also expected to increase, resulting in increasing demand for CT as referenced in Section IV.C.2.c above.

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.

IFRC currently operates a total of 9 CT units (and is COPN-approved for a 10th)⁶ at 7 locations in PD 8.⁷ In 2022, IFRC's then 8 CT units performed a total of 58,378 CT procedures, placing utilization at 99% of the SMFP utilization standard of 7,400 procedures per unit. In 2023, IFRC's then 8 CT units performed 62,079 CT procedures, placing utilization at 105% of the

⁶ In February 2024, the Commissioner issued COPN No. VA-04878, authorizing IFRC to establish CT services with one CT unit at its Springfield location (an 8th IFRC CT site).

⁷ In August 2023, the Commissioner issued COPN No. VA-04855, authorizing IFRC to add a second CT unit to its Fairfax Radiology Center of Prosperity imaging facility located at 8503 Arlington Boulevard in Fairfax, Virginia.

SMFP utilization standard. IFRC placed its 9th CT unit into service at its Prosperity location (located on Arlington Boulevard in Fairfax) in late December 2023 (COPN No. VA-04855). However, the addition of CT capacity at Prosperity and the COPN-approved capacity at Springfield (see footnote 1) will not be sufficient to address IFRC's capacity constraints across its CT imaging sites, particularly as volume continues to grow. Notably, the one additional CT unit approved for the IFRC location in Springfield, which is expected to become operational in August 2024, is intended to address the need for more CT with cardiac CT angiography capability due to increasing demand for cardiac CT. Even with the newly-added CT units at the Springfield and Prosperity sites, IFRC's CT units are expected to operate at 97% of the SMFP utilization standard in 2025. There is no excess capacity within IFRC.

	# CTs	Procedures			% of State Medical Facility Plan		
		2021	2022	2023	2021	2022	2023
IFRC							
Centreville	1	6,462	8,445	9,691	87%	114%	131%
Prosperity	1	8,212	9,151	9,205	111%	124%	124%
Lansdowne	1	6,091	8,234	8,710	82%	111%	118%
Reston-Herndon	1	6,300	7,096	7,804	85%	96%	105%
Fairfax City	1	6,430	6,237	6,942	87%	84%	94%
Woodburn	2	12,178	13,407	13,412	82%	91%	91%
Sterling	1	4,670	5,808	6,315	63%	78%	85%
IFRC Total	8	50,343	58,378	62,079	85%	99%	105%

¹In August 2023, the Commissioner issued COPN No. VA-04855, authorizing IFRC to add a second CT unit to its Fairfax Radiology Center of Prosperity imaging facility located at 8503 Arlington Boulevard in Fairfax, Virginia. In February 2024, the Commissioner issued COPN No. VA-04878, authorizing IFRC to establish CT services with one CT unit at its Springfield location.

12VAC5-230-90. Travel time.

CT 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.

CT 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, can have a significant impact on travel time for patients living in the high-density areas of Northern Virginia. The proposed project will establish CT services at an imaging facility in Woodbridge. This project will have a favorable impact on travel time for Inova and IFRC patients in the Woodbridge and Prince William areas of PD 8 who currently must travel north for IFRC or IRMC imaging services.

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

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

In its January 19, 2024 DCOPN staff report on COPN Requests (Nos. VA-8726, 8727, 8728, 8730, 8734, and 8735), DCOPN calculated a need for 76 CT scanners based on 2021 utilization data and noted that 2023 COPN authorized CT scanners totaled 73. Since then, 2022 PD 8 utilization data indicate a need for 81 CT scanners. In the most recent cycle of PD 8 CT approvals (February 2024) DCOPN approved 3 additional CT scanners, meaning 5 CT scanners are needed in the planning district.

Approval of IFRC's COPN Request No. VA-8757 will address IFRC's need and the planning district's need for additional capacity and, importantly, will do so without harming other providers because the project is designed to served IFRC's existing patient population as well as patients of the future Inova Health Center--Woodbridge.

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

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

IFRC currently operates a total of 9 CT units (and is COPN-approved for a 10th)⁸ at 7 locations in PD 8.⁹ In 2022, IFRC's then 8 CT units performed a total of 58,378 CT procedures, placing utilization at 99% of the SMFP utilization standard of 7,400 procedures per unit. In 2023, IFRC's then 8 CT units performed 62,079 CT procedures, placing utilization at 105% of the SMFP utilization standard. IFRC placed its 9th CT unit into service at its Prosperity location (located on Arlington Boulevard in Fairfax) in late December 2023 (COPN No. VA-04855). However, the addition of CT capacity

⁸ In February 2024, the Commissioner issued COPN No. VA-04878, authorizing IFRC to establish CT services with one CT unit at its Springfield location (an 8th IFRC CT site).

⁹ In August 2023, the Commissioner issued COPN No. VA-04855, authorizing IFRC to add a second CT unit to its Fairfax Radiology Center of Prosperity imaging facility located at 8503 Arlington Boulevard in Fairfax, Virginia.

at Prosperity and the COPN-approved capacity at Springfield (see footnote 1) will not be sufficient to address IFRC's capacity constraints across its CT imaging sites, particularly as volume continues to grow. Notably, the one additional CT unit approved for the IFRC location in Springfield, which is expected to become operational in August 2024, is intended to address the need for more CT with cardiac CT angiography capability due to increasing demand for cardiac CT. Even with the newly-added CT units at the Springfield and Prosperity sites, IFRC's CT units are expected to operate at 97% of the SMFP utilization standard in 2025.

Without the CT capacity proposed for the Woodbridge imaging facility, IFRC will be even more capacity constrained at its existing sites. Because the proposed project is intended to serve IFRC's existing patient population by addressing capacity constraints at IFRC's existing sites and establish an access point for CT services at a location where a substantial number of IFRC patients reside, IFRC does not expect the CT unit at its Woodbridge imaging facility to negatively impact other existing CT providers in PD 8.

12VAC5-230-130. Staffing.

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

IFRC's CT services are 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.

As set forth in Section III.G, IFRC projects the CT unit proposed for its Woodbridge imaging facility will perform 5,190 CT procedures in the first full year of operation and 5,501 CT procedures in the second full year of operation.

The methodology used to project CT volume for the Woodbridge location is based on:

- **An evaluation of IFRC's CT procedure volume and historical CT demand**
- **Referrals from Inova Health Center--Woodbridge primary care and specialty physicians**
- **Existing IFRC patients (including, without limitation, IFRC patients who receive imaging services at the existing IFRC of Woodbridge facility) in the applicable service area and patient origin data**
- **Patient choice and scheduling preferences**
- **Population growth and aging in the expected CT service area of the proposed imaging facility.**

In 2023, IFRC's existing CT facilities performed more than 13,000 procedures originating from the Woodbridge facility's PSA. By placing a CT unit at the requested location, IFRC expects to decompress CT volume at its existing sites and improve access to its Woodbridge PSA population patients by establishing a point of access for CT services closer to where a large portion of its patient population resides. IFRC will be able to better meet the increasing need for CT services driven by population growth and expanding clinical applications for diagnosis of cancer and musculoskeletal conditions in particular.

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-2 for the locations of other existing providers of CT 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 with COPN-regulated services participate in, and report utilization to VHI**

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

IFRC will continue to participate in VHI and report CT utilization for all locations including for its Springfield facility CT services upon approval of the COPN.

- 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.	Cost of materials	\$ 223,200
2.	Cost of labor	\$ 148,800
3.	Equipment included in construction contract	\$__N/A
4.	Builder's overhead	\$ 29,000
5.	Builder's profit	\$ 38,643
6.	Allocation for contingencies	\$ 0
7.	Sub-total (add lines 1 thru 6)	\$ 439,643

Part II – Equipment Not Included in Construction Contract

(List each separately) If leasehold, lease expense for the entire term of the initial lease

8.	a. CT Unit	\$ 570,876
	b. Furnishings	\$ 2,500
	c. Signage	\$ 2,000
	d. Capital lease interest expense	\$ 110,320
	See capital lease amortization schedule at Attachment M.	
	e. <u>IT</u>	\$ 20,978
9.	Sub-total (add lines 8a thru 8e)	\$ 706,674

***CT to be leased over 6 years; at conclusion the CT will be owned.
Capital lease interest expense included on line d is CT related**

Part III – Site Acquisition Costs

10.	Full purchase price	\$ 0
11.	For sites with standing structures	\$ 0
	a. purchase price allocable to structures	\$ 0
	b. purchase price allocable to land	\$ 0
12.	Closing costs	\$ 0
13.	If leasehold, lease expense for the entire term of the initial lease	\$ 406,259
14.	Additional expenses paid or accrued:	
	a. _____	\$ 0
	b. _____	\$ 0
	c. _____	\$ 0
15.	Sub-total (add lines 10 thru 14c)	\$ 406,259

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 | \$ 12,000 |
| 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) | \$ 12,000 |

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)	<u>0</u>
71.	Legal costs	\$ <u>0</u>
72.	Printing costs	\$ <u>0</u>
73.	Placement fee	\$ <u>0</u>
74.	Feasibility study	\$
75.	Insurance	\$ <u>0</u>
76.	Title and recording fees	\$ <u>0</u>
77.	Other fees (list each separately)	
	a. _____	\$ _____
	b. _____	\$ _____
	c. _____	\$ _____
78.	Sinking fund reserve account (Debt Service Reserve)	\$ <u>0</u>
79.	Total bond interest expenses (in dollars)	\$ <u>0</u>
80.	Sub-total Part IX_B (add lines 58, 64, 66, 71, 72, 73, 74, 75, 76, 77a, b, c and 78)	\$ <u>0</u>

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)	\$ <u>0</u>
88.	Feasibility study	\$ <u>0</u>

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)	\$ 439,643
97.	Sub-total Part II	Equipment not included in construction contract (line 9)	\$ 706,674
98.	Sub-total Part III	Site Acquisition Costs (line 15)	\$ 406,259
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)	\$ 12,000
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)		\$ 1,564,576

- 108. Percent of total capital costs to be financed** **36%**
Note: IFRC intends to acquire the CT unit through a capital lease with the vendor.
This percentage reflects that portion of capital costs related to the capital lease for the CT 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.	TOTAL CAPITAL AND FINANCING COST (ADD LINES 107, 110a, b or c AND 111a, b or c)	\$1,564,576
D.	1. Estimated costs for new construction (excluding site acquisition costs)	\$_____
	2. Estimated costs of modernization and renovation (excluding site acquisition costs)	\$_____
E.	Anticipated Sources of Funds for Proposed Project	Amount
	1. Public Campaign	\$_____0_____
	2. Bond Issue (Specify Type) _____	\$_____0_____
	3. Commercial Loans	\$ 570,876 _____
	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	\$ _____
10.	Other	
	a) Operating Revenue	\$ <u>842,283</u>
	b) Tenant Improvement Allowance for remainder	\$ <u>151,417</u>

The amount of tenant improvement allowance noted is based on the CT related buildout allocable portion only

- 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 costs associated with this project will be funded from operations. The CT equipment will be leased from the vendor pursuant to a capital lease whereby IFRC will own the equipment at the end of the lease term.

- 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/buildout costs associated with this project will be funded from operations. The CT equipment will be acquired via the equipment vendor pursuant to a capital lease whereby at the end of the term, IFRC will own the equipment. Please see Attachment T for a copy of the equipment quote for the CT unit. The establishment of CT services at the Woodbridge imaging facility is not expected to impact the cost of providing care. Please see Attachment M for a copy of the requested amortization schedule.

- 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. The Woodbridge imaging facility will be an outpatient facility and will 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 for the most recent two (2) years 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 – Line 1

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

April 1, 2024

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.**

IFRC at Inova Health Center -- Woodbridge 1 CT			
Financial Projections		Projected	
		<u>Year 1</u>	<u>Year 2</u>
Amounts in \$000's Statement of Revenues and Expenses			
Total CT Scans		5,190	5,501
Gross Patient Revenue		5,694	6,226
Deductions from Patient Revenue			
Contractual/Other Discounts		(3,766)	(4,139)
Charity Discounts		(64)	(64)
Total Deductions from Revenue		(3,830)	(4,203)
Total Operating Revenue		1,863	2,023
Operating Expenses			
Salaries, Wages and Benefits		324	334
Supplies		86	90
Purchased Services		-	-
Bad Debt (above in Op Rev)		-	-
Depreciation and Amortization		125	125
Indirect Expense- Occupancy		36	49
Other Expense		409	443
Debt (Financing Expense)		27	28
Total Operating Expenses		1,006	1,068
Excess of Revenue Over Expenses		857	955

Note that IFRC is subject to Inova's Charity Care Policies.