Attachment III.A

DHP West Falls Church COPN:

Supporting Materials

January 2024

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District Hospital Partners, L.P., dba The George Washington University Hospital

THE GEORGE WASHINGTON UNIVERSITY HOSPITAL

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Service Data (Application Section III)

Statement of Need for Medical Facilities and Services Program (SMFP)

Historical and projected surgical services and population growth trends indicate an overall surgical services **deficit of 20 rooms by 2027** within Planning District 8, driving the need for the immediate identification of ASC space to stabilize and prepare the district for the future.

Methodology: George Washington University Hospital worked directly with various source data owners to acquire and obtain critical data points necessary to complete the formula required for determining a "Need for New Service" as defined by the Virginia code 12VAC5-230-500. Core data sources included ***Virginia Health Information*** and the ***US Census Bureau***.

12VAC5-230-500. Need for new service.

The combined number of inpatient and outpatient general purpose surgical operating rooms needed in a health planning district, exclusive of procedure rooms, dedicated cesarean section rooms, operating rooms designated exclusively for cardiac surgery, procedures rooms or VDH-designated trauma services, shall be determined as follows:

$$\text{FOR} = \frac{((\text{ORV}/\text{POP}) \times (\text{PROPOP})) \times \text{AHORV}}{1600}$$

ORV = the sum of total inpatient and outpatient general purpose operating room visits in the health planning district in the most recent five years for which general purpose operating room utilization data has been reported by VHI; and

POP = the sum of total population in the health planning district as reported by a demographic entity as determined by the commissioner, for the same five-year period as used in determining ORV.

PROPOP = the projected population of the health planning district five years from the current year as reported by a demographic program as determined by the commissioner.

AHORV = the average hours per general purpose operating room visit in the health planning district for the most recent year for which average hours per general purpose operating room visits have been calculated as reported by VHI.

FOR = future general purpose operating rooms needed in the health planning district five years from the current year.

1600 = available service hours per operating room per year based on 80% utilization of an operating room available 40 hours per week, 50 weeks per year.

B. Projects involving the relocation of existing operating rooms within a health planning district may be authorized when it can be reasonably documented that such relocation will: (i) improve the distribution of surgical services within a health planning district ; (ii) result in the provision of the same surgical services at a lower cost to surgical patients in the health planning district; or (iii) optimize the number of operations in the health planning district that are performed on an outpatient basis.

Statement of Need for Medical Facilities and Services Program (SMFP)

Historical and projected surgical services and population growth trends indicate an overall surgical services **deficit of 20 rooms by 2027** within Planning District 8, driving the need for the immediate identification of ASC space to stabilize and prepare the district for the future.

Result: Through evaluation of historical operating room, surgical procedure and visit time data acquired from VHI, GWUH identified a future state deficit in availability of operating rooms required to meet Planning District 8's growing population's needs. Proper planning through buildout of space and recruitment of qualified healthcare providers to meet this growing demand for surgical services will position PD8 for community health, cost control and readiness for emergent and urgent healthcare needs.

VHI Reported Rms (Planning District 8)				
Year	Operating	Exclusive Use	Procedure	Total
2022	214	1	70	**285**
2021	205	7	69	**281**
2020	203	6	64	**273**
2019	204	6	63	**273**
2018	204	6	61	**271**

		VHI-Provided Historical Data					Future	Calculated Values					
Element	**Factor**	**2022**	**2021**	**2020**	**2019**	**2018**	**2027**	ORV	POP	PROPOP	AHORV	FOR	Service Hrs
ORV*	Inpatient OR Visits	38,818	41,236	38,371	43,499	43,417		205,341					
	Outpatient OR Visits	193,794	181,224	145,806	173,694	166,851		861,369					
	Total OR Visits	232,612	222,460	184,177	217,193	210,268		**1,066,710**					
POP*	**Population**	2,619,630	2,584,772	2,550,377	2,516,440	2,482,954			**12,754,173**				
PROPOP*	**Projected Population**						2,801,103			**2,801,103**			
AHORV*	**Avg hrs per OR visit****										**2**		
FOR*	**Future OR rooms needed**						**374,532**					**374,532**	
Service Hrs	**Available Service Hrs**												**1,600**

***Total Operating Rooms Needed by Year 2027~	234
Projected 2027 Operating Room Surplus/(Deficit)~	(20)

*Within the Health Planning District

**For most recent year as calculated by VHI (only record data for one year)

*** FOR = ((ORV/POP) x (PROPOP)) x AHORV / 1600

~Exclusive of procedure rooms, dedicated cesarean section rooms, operating rooms designated exclusively for cardiac surgery, procedures rooms or VDH-designated trauma services

Service Data (Application Section III)

III.A An Overview of GWUH Current & Future State Service Offerings

GWUH intends to meet the growing community need for surgical services through expanding its surgical services offering into the Falls Church community through the addition of **3** operating rooms and **2** procedure rooms.

GWUH aims to expand community access and availability to crucial diagnostic procedure and surgical services, ultimately improving health outcomes for a large population of residents across DC and the metropolitan region. Integral to achieving this goal is the enablement of a continuum of care, of which one core component is the continued addition of ambulatory surgery centers (ASCs). Primary outcomes of this development encompass the establishment of Centers for Excellence for Cardiovascular Services, Oncology, Neurosciences, Orthopedics and General Surgery, bringing care to the citizens of Planning District 8 in convenient settings, in a timely manner, at lower costs to the healthcare system & patient.

GWUH currently performs outpatient surgical procedures across the specialties of **Pain Management, Gastroenterology, Ophthalmology, Orthopedics, Gynecology/OB, Urology, Colon/Rectal, ENT and General Surgery**. GWUH has developed a comprehensive plan projecting expected growth in volume by specialty, specialist provider recruitment needs, and primary care provider recruitment needs. GWUH's core specialty mix will ultimately be centered around Digestive Disease Disorders (Gastroenterology diagnostic & screening and colon/rectal procedures), which represents over 50% of intended facility use, along with OB/GYN, Urology, Neurology/Pain, Orthopedics, and a blend of other specialties to comprise the remaining procedure mix (namely, Ophthalmology, ENT, Cardio/Vascular, and General Surgery).

GWUH plans to complete the buildout of the facility in full, readying the facility for incoming providers and surgical services demand, and has already begun the recruitment process to identify qualified specialists and primary care providers to meet the community's needs.

GWUH served approximately **18,638** surgical services patients in 2023 and has seen an average growth trend of approximately 4.5% in its surgical services population across the past 5 years alone. Additionally, GWUH has experienced a year-over-year growth trend of approximately **20%** in Cardiology/Vascular and **10%** in Ophthalmology cases, highlighting the need to plan for increased demand of Cardiovascular sand Ophthalmology procedural space in an ASC setting to meet the growing heart and eye health demands of the general population.

III.G GWUH Historical & Future Surgical Services Utilization

GWUH demonstrates consistent demand in core outpatient surgical departments that occupy critical inpatient space within GWUH hospitals, where patients are eligible for procedures in an ASC environment based on Medicare authorization for such procedure and/or ASC classification and personal health criteria.

GWUH Outpatient Surgical Services Demand

Historical Volume							*Projected Volume (proposed ASC)*					
Specialty	2018	2019	2020	2021	2022	2023*	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	% Total
Gastroenterology	5,742	8,087	6,193	7,964	5,439	4,759	369	1,192	1,933	2,953	3,387	54%
OB/GYN	1,167	1,844	1,449	1,742	1,006	1,198	78	252	409	625	716	11%
Urology	1,026	1,409	1,222	1,428	1,568	1,304	66	213	346	528	606	10%
Neuro/Pain	1,883	2,850	2,357	2,605	2,362	2,174	61	196	317	484	556	9%
Orthopedics	2,033	2,267	2,125	2,436	1,926	1,956	51	166	270	412	472	8%
Ophthalmology	753	977	827	1,188	1,080	1,105	22	70	113	173	199	3%
ENT	1,270	1,643	1,354	1,527	1,486	1,459	15	48	77	118	135	2%
General & Plastics	2,421	3,445	2,902	3,498	3,894	4,078	11	36	59	90	103	2%
Cardiology/Vascular	257	284	345	355	519	605	7	23	37	56	64	1%
Grand Total	16,552	22,806	18,774	22,743	19,280	18,638	680	2,196	3,561	5,439	6,239	100%

*annualized October 2023 YTD

						Average
Normalized Growth	*37.8%*	*-17.7%*	*21.1%*	*-15.2%*	*-3.3%*	4.5%

The new ASC benefits the community by limiting wait time from referral to scheduled procedure by designating ASC space for lower acuity, ambulatory patients not requiring inpatient services, freeing critical bed space for emergent patient needs, and shifting non-emergent, diagnostic, elective, minor surgeries & procedures to a lower cost environment with enhanced outcomes. GWUH data also indicates that over 99% of GWUH patients maintain an ASA classification between I and III, indicating lower acuity and eligibility for consideration of surgical services within the ASC environment. Additionally, 14.2% of GWUH's current patient volume is originating from PD8, indicating that GWUH would add value to the community by opening an ASC in the area to meet existing, growing PD8 demand.

2023* GWUH Outpatient Surgical Services

Patient Origination Study

Specialty	PD8	% of Total	Total
Cardiology/Vascular	48	0.3%	605
ENT	529	2.8%	1,459
Neuro/Pain	131	0.7%	2,174
OB/GYN	110	0.6%	1,198
Urology	184	1.0%	1,304
Gastroenterology	496	2.7%	4,759
Orthopedics	233	1.2%	1,956
Ophthalmology	146	0.8%	1,105
General & Plastics	774	4.2%	4,078
Grand Total	2,651	14.2%	18,638

*annualized October 2023 YTD patient encounters

III.J Facility Staffing Strategy & Timing, page 1 of 2

GWUH has conscientiously considered the surgical demand and associated ramp-up period to be expected with the opening of the new facility. GWUH expects to utilize existing GWUH physicians, ancillary providers, and staff. Efforts have also begun to recruit new providers to the market to preserve existing market effort.

As patient demand dictates need, staff and physicians will allocate time appropriately to the new ASC, and block schedules will be adjusted to accommodate patient preference in surgical site. While services are initially being outfitted with existing GWUH staff and providers, GWUH will continue its existing recruitment and sourcing efforts strategies, which include leveraging out-of-state recruitment efforts, local recruitment efforts, and important, local school and society relationships which result in placement of qualified, emerging specialists, primary care physicians, advanced practice providers, and nursing staff.

The new ASC staffing model was developed both by applying internal staffing benchmarks obtained from GWUH's existing expertise in the ASC space and by considering national benchmarks. In addition, local supervisory requirements and physician to staff ratios were applied when planning utilization of advanced practice providers.

GWUH intends to establish a self-sustaining platform, recruiting from external markets which will naturally result in organic, internal referrals. Historical reputation and excellence in care will drive external referrals for diagnostic and screening procedures and surgical care, generating the need for GWUH to subsequently conduct external market searches for specialty providers to enter the PD8 market to provide care in a deficit space.

GWUH will provide governance to the new ASC through its existing surgical, quality, and infection control committees and the Governing Board of GWUH. This governance and oversight is part of what enables GWUH's existing providers to maintain high quality service provision and efficient utilization, minimizing adverse outcomes and reducing scheduling wait times.

New ASC Facility Staffing Strategy & Timing

Specialist FTEs	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Neurology / Pain	1	1	1	2	2
Gastroenterology	1	4	7	10	13
Orthopedics	1	1	1	1	2
ENT	1	1	1	1	1
General Surgery	1	1	1	1	1
Urology	1	1	1	2	2
OB/GYN	1	1	2	2	3
Ophthalmology	1	1	1	1	1
Cardio/Vascular	1	1	1	1	1
Total Specialist FTEs	**9**	**12**	**16**	**21**	**26**

Staff	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Administrator	1.0	1.0	1.0	1.0	1.0
DON	1.0	1.0	1.0	1.0	1.0
OR Nurse	1.0	2.0	2.4	3.5	4.5
Pre-Op/PACU RN	2.0	3.0	3.4	4.5	5.5
Surgical Tech (in room)	1.0	2.0	2.4	3.5	4.5
Sterile Processing	0.5	1.0	2.0	2.0	2.0
Orderly	0.0	1.0	1.0	1.0	1.0
Supply Chain	0.0	0.0	1.0	1.0	1.0
Front Desk	1.0	1.0	1.0	1.5	1.5
Anesthesia (Outsourced)	-	-	-	-	-
Total Staff	**7.5**	**12.0**	**15.2**	**19.0**	**22.0**

III.J Facility Staffing Strategy & Timing, page 2 of 2

The recruitment of Primary Care providers and Specialists is a critical success factor in ensuring the long-term success of this new ASC. As such, GWUH has begun the process of networking and sourcing qualified providers across the specialties of GI, Orthopedics, Neurology, Pain, ENT, General Surgery, OB/GYN, Urology, Ophthalmology, and Cardio/Vascular surgery.

GWUH's intended volume and staffing plan includes the phased hiring and onboarding of nurses, surgical technicians, general technicians, administrative staff, primary care providers, and specialist providers/surgeons.

Expertise in development, execution and ongoing operation of effective block schedule, rounding and call schedule management is being applied to the new facility for continuity of provider and patient experience as services are expanded.

The ASC environment boasts workforce-friendly hours of operation, requiring limited to no weekend, call, holiday or nighttime work, providing an appealing alternative to clinicians, staff and providers who desire a more consistent schedule and traditional Monday through Friday working hours. Staffing and hiring for the new ASC, from prior experience, should prove beneficial and welcome to community members, offering a new environment in which to practice medicine and/or provide care for patients.

Over a 5-year period, GWUH plans to build its primary care physician pool to 47 providers and specialist provider pool to 26 providers to service the WFC outpatient facility. According to research published by the Robert Graham Center, Virginia is projected to need 727 additional primary care providers by 2030 based on 2020 health trends.[1] The community should prepare now to meet growing, projected demand in the future and not overwhelm the health system, creating severely inflated long-term cost and havoc on the health system, impacting provider retention through even further increased provider burnout healthcare provider shortages. According to a two-year study, PCPs refer at a rate of 1.9% to specialists.[2]

New ASC Facility Volume & Room Utilization

	Metrics				
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Procedure Rooms	0.2	0.4	0.5	0.7	0.9
Operating Rooms	0.3	1.0	1.3	1.8	2.3
Total Rooms	**0.5**	**1.4**	**1.8**	**2.5**	**3.2**

Surgical Volume					
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Surgical Volume	311	1004	1627	2757	2851
Procedure Volume	369	1192	1934	2682	3388
Total Volume	**680**	**2196**	**3561**	**5439**	**6239**

[1] Robert Graham Center - Virginia: Projecting Primary Care Physician Workforce
[2] https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8131457/

Comprehensive Review & Justification for Buildout of ASC (Application Section IV.A)

IV.A Comprehensive Review & Justification for Buildout of ASC

Overview, Background & Problem Identification

George Washington University Hospital is proposing the buildout of an Ambulatory Surgery Center (ASC) in West Falls Church, Virginia. This ASC will contain 3 operating rooms and 2 procedure rooms and will provide PD8 residents with access to affordable, timely, outpatient surgical services in a convenient and safe environment.

This ASC provides outpatient surgical services access to a broader geographical footprint, allowing delivery care to patients when they need it, where they need it, and in a cost-conscious manner. Movement of traditionally provisioned inpatient surgical services approved by CMS for performance in an ASC adds layers of value to the community, its patients, our providers, healthcare workers, and the health system.

Through evaluation of historical operating room, surgical procedure and visit time data acquired from VHI, GWUH identified a future state deficit in availability of operating rooms required to meet Planning District 8's growing population's needs. Historical and projected surgical services and population growth trends indicate an overall surgical services deficit of 20 rooms by 2027 within Planning District 8, driving the need for the immediate identification of ASC space to stabilize and prepare the district for the future.

Proper planning through buildout of space and recruitment of qualified healthcare providers into the district to meet this growing demand for surgical services will position PD8 for long-term community health, cost control, and readiness for emergent and urgent healthcare needs.

IV.A Comprehensive Review & Justification for Buildout of ASC

GWUH's Proposed Solution

GWUH intends to meet the growing community need for surgical services through expanding its surgical services offering into the Falls Church community through the addition of 3 operating rooms and 2 procedure rooms, expanding community access and availability to crucial diagnostic procedure and surgical services, ultimately improving health outcomes for a large population of residents.

Enabling a continuum of care and comprehensive healthcare services within the new Falls Church community will support the state's strategic plan by providing convenient access to care at lower costs to patients and the healthcare system. ASCs represent one of the core components of lower cost care, of which one core component is the continued addition of ambulatory surgery centers (ASCs). Primary outcomes of this development encompass the establishment of Centers for Excellence for Cardiovascular Services, Oncology, Neurosciences, Orthopedics and General Surgery, bringing care to the citizens of Planning District 8 in convenient settings, in a timely manner, at lower costs to the healthcare system & patient. GWUH plans to complete the buildout of the facility in full, readying the facility for incoming providers and surgical services demand, and has already begun the recruitment process to identify qualified specialists and primary care providers to meet the community's needs.

IV.A Comprehensive Review & Justification for Buildout of ASC

GWUH Historical Information

GWUH served approximately 18,638 surgical services patients in 2023 and has seen an average growth trend of approximately 4.5% in its surgical services population across the past 5 years alone. GWUH provides surgical services across the specialties of Pain Management, Gastroenterology, Ophthalmology, Orthopedics, Gynecology/OB, Neurology, Cardiovascular, Urology, Colon/Rectal, ENT and General Surgery.

GWUH has developed a comprehensive plan projecting expected growth in volume by specialty, specialist provider recruitment needs, and primary care provider recruitment needs. GWUH's core specialty mix will ultimately be centered around Digestive Disease Disorders (Gastroenterology diagnostic & screening and colon/rectal procedures), which represents over 50% of intended facility use, along with OB/GYN, Urology, Neurology/Pain, Orthopedics, and a blend of other specialties to comprise the remaining procedure mix (namely, Ophthalmology, ENT, Cardio/Vascular, and General Surgery).

In addition, GWUH has experienced year-over-year growth of approximately 20% in Cardiology/Vascular and 10% in Ophthalmology, demonstrating the need to plan for increased demand of Cardiovascular sand Ophthalmology procedural space in an ASC setting to meet the growing heart and eye health demands of the general population.

IV.A Comprehensive Review & Justification for Buildout of ASC

GWUH Demonstrates Alignment Across Outcomes, State Health Strategy & Cost Containment. Expansion of GWUH existing service offerings to West Falls Church, VA, through build-out of new, multi-specialty ASC, enhances the PD8 and surrounding community's access to outpatient surgical services and provides essential repair to access to increasingly limited outpatient surgical services, reducing cost for patients and payors and minimizing the potential for long-term, negative health outcomes for patients who otherwise may forgo diagnostic, screening or surgical care.

1 Improved Quality, Safety, and Health Outcomes through Timely & Convenient Access

GWUH aims to guide patients to the most appropriate setting for their needs, treating lower acuity patients in an ASC, reserving immediate access for patients requiring emergent or inpatient treatment. The ASC environment has increasingly become the preferred location for care delivery by physicians and the preferred location for surgical care by patients given the ease of accessibility to the facility, the timely start of procedure, and the safe and effective outcome of the procedure. The results of surgical care in an ASC indicate higher levels of satisfaction, due to convenience of access, availability of surgical appointment times, timely completion of surgical procedure, lower rate of post-procedure hospitalization, incident & infection, and enhanced capability to provide continuity of care and care coordination as an extension of primary or specialty service provider at GWUH or the broader health system.

Health Planning District 8 is anticipated to be underserved by year 2027 in outpatient surgical suite availability based on district census and existing OR availability. GWUH proposes a plan that relieves this service gap and creates health system savings and efficiencies, supporting the state's expectation of responsible, measured growth.

According to the Leapfrog Group's 2021 publication regarding patient preference and satisfaction in an ASC vs. HOPD from surveys conducted in 2020, patients report higher satisfaction in an ASC vs. HOPD across four key areas: Facilities & Staff, Communications About Procedure, Overall Rating of Facility, and Patient Willingness to Recommend Facility to Friends & Family[3].

[3]https://www.leapfroggroup.org/sites/default/files/Files/Patient%20Experience%20Report_Final.pdf

IV.A Comprehensive Review & Justification for Buildout of ASC

GWUH Demonstrates Alignment Across Outcomes, State Health Strategy & Cost Containment. Expansion of GWUH existing service offerings to West Falls Church, VA, through build-out of new, multi-specialty ASC, enhances the PD8 and surrounding community's access to outpatient surgical services and provides essential repair to access to increasingly limited outpatient surgical services, reducing cost for patients and payors and minimizing the potential for long-term, negative health outcomes for patients who otherwise may forgo diagnostic, screening or surgical care.

1 Studies point to a lowered risk of patient revisits post-operation upon surgical care within an ASC

A comprehensive article published by the ***Korean Journal of Anesthesiology*** highlights several trends in outpatient care, noting cost differential, incentive-based payments, growth trends and specialty-specific preferences for ASC surgeries. According to this article, the USA should expect a consistent, annual 4% expansion of ASCs over four years. Highlights of this article include the following[1]:

1. Of 2 million cases performed within ASCs, the breakdown of services was as follows:
   - GI (32%)
   - Ophthalmology (26%)
   - Pain (22%)
   - Orthopedics (21%)
2. Notably, over a 7-year span, Gynecology saw a 41% shift from inpatient to outpatient procedures, resulting in decreased hysterectomy cost of $2500 per procedure. Gastroenterology patients saw decreased procedural fees of nearly $480 when shifting a GI procedure to an ASC.

In a May 2023 article discussing the outcome of a study published by ***Medical Care Journal***, "The rates of revisits and complications for ASC patients were far lower than for closely matched HOPD patients".[2] The increase in risk of 30-day revisits among HOPD patients versus ASC patients exceeds 4%, demonstrating the added safety an ASC procedure affords compared to a HOPD.

[1]https://www.ncbi.nlm.nih.gov/pmc/articles/PMC10562071/
[2]https://journals.lww.com/lww-medicalcare/abstract/2023/05000/the_safety_of_performing_surgery_at_ambulatory.10.aspx

IV.A Comprehensive Review & Justification for Buildout of ASC

GWUH offers solutions to common ASC deficiencies, demonstrating effective quality, safety & health outcomes.

1 While the progressing trend toward migration of cases from HOPDs to ASCs provides affordable access to timely care, high attention to regulatory matters, patient safety, and high quality are of equal and critical importance. Of recent, as noted by ***Claire Wallace in the November 29, 2023, issue of Becker's ASC Review*** describing top ASC deficiencies in 2023, the healthcare sector requires improvement in six critical areas. GWUH has demonstrated advanced proficiency in these areas and has shown evidence of commitment to these areas through its prior, successful integration of an ASC into the GWUH health system.

ASC Deficiencies	GWUH's Demonstrated Excellence & Capability
Documentation	GWUH's expertise in monitoring patient records, medications, allergies, sensitivities and history are directly transferrable from GWUH's existing operation, immediately minimizing this area of deficiency seen throughout the industry. Policies, procedures, protocols, training and controls are in place, and providers and staff are equipped with capabilities to effectively manage patient documentation and record-keeping.
Infection Control	GWUH's infection control measures and performance around preventing, reporting and monitoring infection rate provides substantial benefit to the new ASC through pre-existing protocols and reporting mechanisms for effective monitoring, training and review of incidence.
Quality of Care	GWUH is committed to monitoring, tracking & reporting quality metrics and adhering to standards established for the ASC setting. GWUH takes medication reconciliation seriously and engages pharmacy experts to check expiration dates and inventory on a regular basis, monitoring and advising the ASC on protocol and procedure.
Credentialing, Privileges and Peer Review	GWUH providers undergo a rigorous credentialing process and have clearly delineated, role-based privileges appropriately assigned based on level of training and proficiency. Providers are regularly reviewed by peers and monitored by an internal governing body. Qualifications, certifications, licensure and training requirements are carefully monitored to ensure no lapse in provider credentials or qualifications.
Emergency Preparedness	GWUH has extensive protocols in place to cover a wide range of emergency preparedness and regularly participates in drills, training & exercises to ensure staff and providers are equipped for any circumstance. Examples of training protocols include natural disaster training, fire hazard, equipment safety, and active shooter protocol.
Pharmaceutical Services	GWUH engages pharmaceutical experts to support protocol development, training and monitoring of storage and documentation related to controlled substances and drugs. Staff are regularly engaged and equipped with tools and resources necessary to meet standards and comply with regulations.

IV.A Comprehensive Review & Justification for Buildout of ASC

Community Health and Access to Care

1 Improving Quality of Life, Mortality Rate and Long-Term Health Outcomes for Residents of PD8

The proposed ASC addresses current and future state community need, access and convenience barriers for the broad PD8 community, with publicly available data suggesting a shortage of 20 operating rooms by year 2027. The urgency in building out community access to surgical care is evident when assessing the population data and available facilities. Additionally, the new facility will serve a high percentage of GI patients, meeting the growing demand for screening and diagnostic procedures and supporting Virginia in its state-wide quest for reduced overall healthcare cost and improvement in health outcomes through earlier access to affordable care.

PD8's highest growth age bracket is the 55+ community. This age group demands increased access to key outpatient surgical services to minimize long-term health complications, increase quality of life, and decrease mortality rates. The ASC has become an increasingly popular venue for performance of critical surgical services in the following areas:

1. Undiagnosed colorectal cancer can be prevented through screening colonoscopies, offering life-saving prevention or treatment of colon cancer through timely, early detection and removal of polyps at the Medicare approved age for a screening colonoscopy
2. GI complaints can be quickly assessed & treated through diagnostic endoscopic procedures
3. Coronary artery disease can be treated through application of stents & performance of diagnostic procedures
4. Cataract disease can be corrected through outpatient cataract surgery
5. Total joint replacements & other orthopedic surgeries approved for the outpatient setting

Age Group	Population	*% of Total*
10 to 14 years	178,903	7.0%
15 to 19 years	165,738	6.5%
20 to 24 years	159,007	6.2%
25 to 29 years	181,525	7.1%
30 to 34 years	188,982	7.4%
35 to 39 years	199,597	7.8%
40 to 44 years	187,739	7.4%
45 to 49 years	181,071	7.1%
50 to 54 years	174,141	6.8%
55 to 59 years	165,070	6.5%
60 to 64 years	137,818	5.4%
65 to 69 years	104,672	4.1%
70 to 74 years	83,227	3.3%
75 to 79 years	54,538	2.1%
80 to 84 years	33,193	1.3%
85 years and over	31,071	1.2%
Total population	**2,550,377**	

Data from 2020 Census

IV.A Comprehensive Review & Justification for Buildout of ASC

Alignment with “Partnering for a Healthy Virginia”

1. Virginia’s state health plan makes specific reference to convenient access to care and notes that timely screenings and treatment are correlative with accessibility. The new facility increases PD8 resident access to convenient and less costly outpatient care, increasing the likelihood for PD8 residents to follow up on Primary Care Provider referral for screening Colonoscopies and follow-ups on diagnostic procedures in instances of acute pain or symptomatic conditions. The new ASC will provide an avenue for patients with low co-morbidities to receive care in an outpatient setting, clearing the inpatient setting for urgent and emergent cases.

VDH VIRGINIA DEPARTMENT OF HEALTH

Partnering for a Healthy Virginia

IV.A "Partnering for a Healthy Virginia" – **Access to Care**

1 Virginia's most recent **State Health Assessment** was completed in 2022 and specifically calls out the need for outpatient care options to continue the downward trend in reducing delays in medical care due to cost. The DHP West Falls Church ASC directly supports this plan and provides critical access to patients for preventive and outpatient services in a low-cost setting (ASC). The Partnering for a Healthy Virginia strategy states "***Avoidable hospitalizations are hospital admissions for medical conditions that could have easily been prevented in an outpatient setting***."[1]

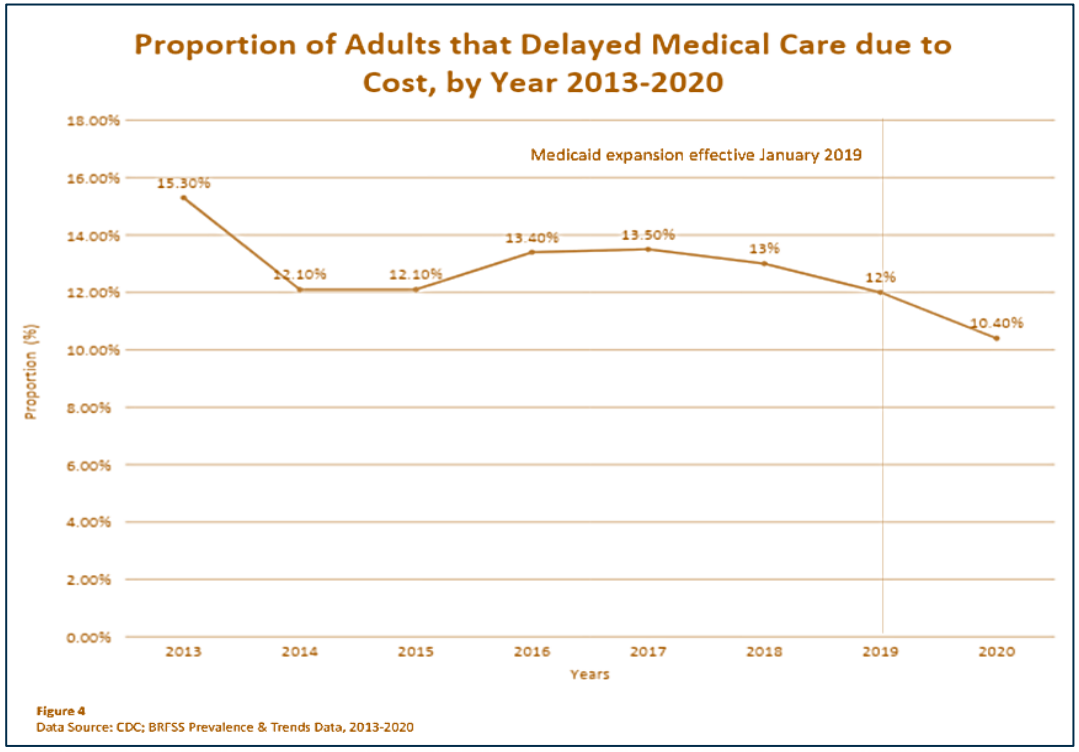


Figure 4
Data Source: CDC; BRFSS Prevalence & Trends Data, 2013-2020

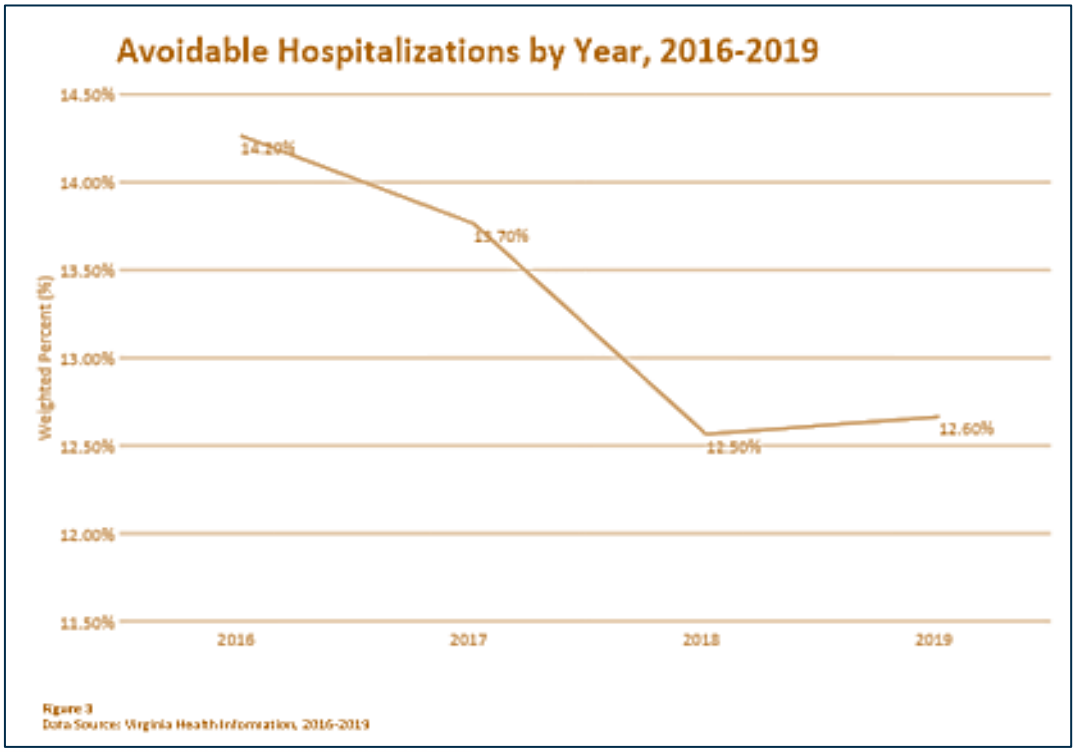


Figure 3
Data Source: Virginia Health Information, 2016-2019

Ensuring access to health care is important for improving health outcomes for Virginia residents. Since January 1, 2019, more adults living in Virginia have access to quality, low-cost health insurance through Virginia Medicaid. Covered adults include individuals ages 19 to 64 years old with income at or below 138% of the federal poverty level. Enrolled individuals have comprehensive health care coverage.

Even when Virginia residents have health insurance coverage, without social support systems, people with limited funds and lack of transportation options still may not be able to get the care they need. Delays in seeking medical care for injuries, illness or chronic conditions can have significant impact on the individual, the economy and the healthcare system. These delays are mostly attributed to cost. According to the Kaiser Family Foundation, dental services are the most common type of care that people report delaying or skipping.

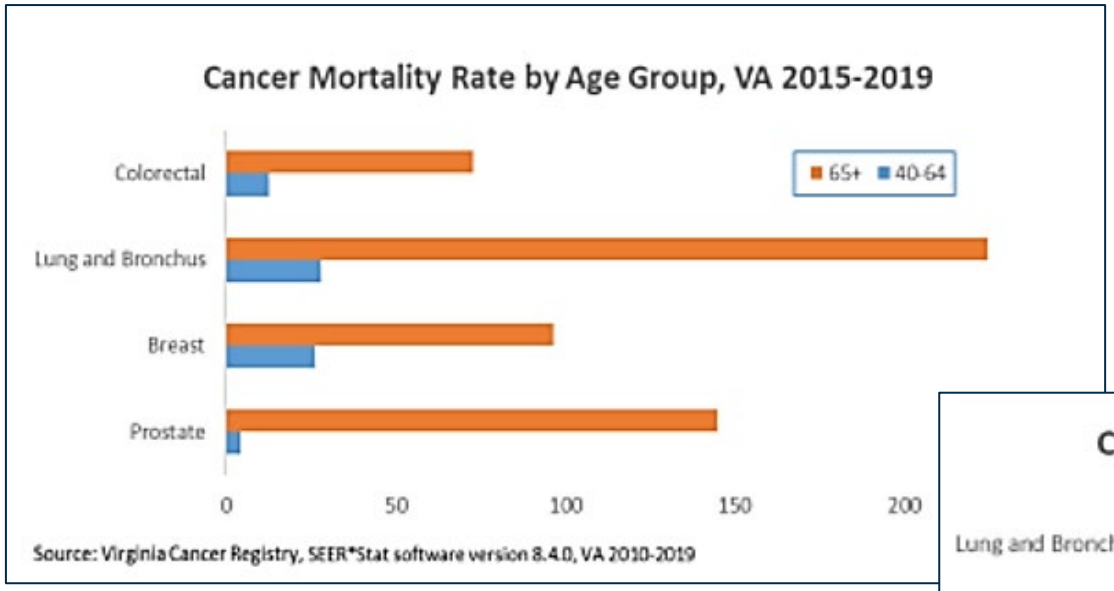
[1] https://virginiawellbeing.com/wp-content/uploads/2023/02/OHE-Access-to-Care.png

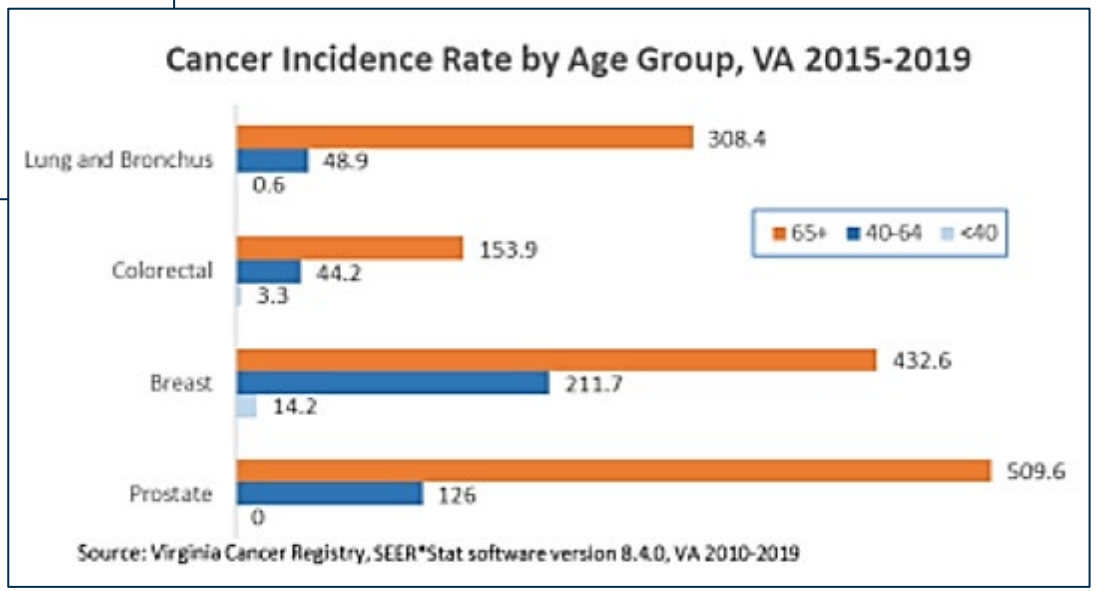
IV.A "Partnering for a Healthy Virginia" – **Cancer**

1 Virginia's most recent State Health Assessment was completed in 2022 and addresses **colorectal cancer** as a data point of importance. The DHP West Falls Church ASC provides an avenue for both screening and diagnostic Gastrointestinal Cancer Screening. Early detection of polyps through screening colonoscopy is proven to reduce the mortality rate and would provide the district with access to low-cost preventive and diagnostic screening, supporting a lower incidence of cancer diagnosis and death.

VDH VIRGINIA DEPARTMENT OF HEALTH

Partnering for a Healthy Virginia





https://virginiawellbeing.com/wp-content/uploads/2023/02/Cancer-.png

IV.A Comprehensive Review & Justification for Buildout of ASC

Cost Containment & State Health Strategy Alignment / Economic Impact

2 **Cost Containment through Strategic Alignment with "Partnering For a Healthy Virginia"**: Virginia's most recent State Health Assessment was completed in 2022 and specifically calls out the need for outpatient care options to continue the downward trend in reducing delays in medical care due to cost. The DHP West Falls Church ASC directly supports this plan and provides critical access to patients for preventive and outpatient services in a low-cost setting (ASC). According to Virginia Health Information's Healthcare Pricing Transparency publication[1], the cost to perform a colonoscopy in an ASC is over $1,000 lower than in an HOPD. Downstream cost related to long-term illness due to deferral of diagnostic or preventive screening colonoscopies adds even further cost burden to patients and the health system. The ASC is a proven solution to facilitating rapid access to care for prevention of health complications & unnecessary cost.

In a recent **Beckers** article titled "***5 numbers on HOPD vs. ASC costs***"[2], the disparity between HOPD and ASC reimbursement was highlighted as a leadership frustration, noting the consistent increase in healthcare costs. According to Andrew Weiss, administrator of Vorhees, N.J.-based Summit Surgical Center, "Our costs are increasing, especially salaries and benefits, which need to be competitive with HOPDs and hospitals, yet reimbursements still sit at 50% of the HOPD rates," The article notes the following five cost differentiators between HOPDs and ASCs:

1. Medical procedures can cost as much as 58% more at HOPDs when compared to a physician office or ASC, according to an analysis by Blue Health Intelligence, the Blue Cross Blue Shield Association's data analytics company.
2. Colonoscopy screenings cost 32% more in a hospital than in an ASC, according to the same analysis.
3. Diagnostic colonoscopies cost 58% more and cataract surgery costs 56% more.
4. More than 80% of HOPD cardiovascular procedures could be allowed in ASCs from Medicare's covered procedure list inclusion, according to a report from Cardiovascular Business.
5. The average cost of a knee arthroscopy with cartilage removal at an ASC is $3,412, compared to $5,226 at an HOPD, according to data from Sidecar Health's care price calculator.

[1] https://vhi.org/healthcarepricing/
[2] https://www.beckersasc.com/asc-coding-billing-and-collections/5-numbers-on-hopd-vs-asc-costs.html

IV.A Comprehensive Review & Justification for Buildout of ASC

Cost Containment & State Health Strategy Alignment / Economic Impact

2 Economics, Growth & Service Offerings:

The addition of the new ASC provides desirable jobs with sought-after work hours and schedules in a desirable work environment, offering the residents of PD8 local options for work. GWUH has already initiated strategic recruitment initiatives around out-of-market recruitment for high-demand positions such as clinician specialists to preserve existing market supply of services. GWUH has a strong reputation for effective clinician utilization and block schedule management among its existing specialists and will carry forward the existing practice and governance around utilization and schedule fill rates, led by the Assistant Chief Nursing Officer of GWUH. GWUH's experience in running an ASC and leveraging central services for multi-site operations provides the organization with competitive advantage around expertise in cross-utilization and flexing staff and clinicians to effectively meet patient demand peaks and valleys.

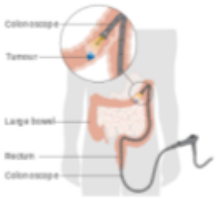
In a recent **Beckers** Article, Ira Richterman, MD, Orthopedic Surgeon at OrthoUnited Spectrum in Canton, Ohio, notes that "The biggest lesson ASCs learned in 2023 is to recognize they can maintain and hire staff at a lower pay rate than hospitals as long as the ASC provides the life-work balance the staff desires. Working during the day — and no nights, weekends or holidays — certainly represents a great value. Hospital systems have created an unsustainable pay scale escalation. These overinflated labor costs are having detrimental consequences to their financial survival. Secondary to the Medicare failure to recognize the fact that paying physicians at 1994 Medicare reimbursement rates is absolutely depleting the physician pool and ultimately is creating a massive physician shortage."[1]

[1]https://www.beckersasc.com/leadership/behind-hospitals-unsustainable-pay-scale-why-ascs-have-an-edge-in-staffing.html

IV.A VA Northern Region Cost of Service Comparison (ASC vs HOPD)

2 [1]https://vhi.org/healthcarepricing/

Colonoscopy



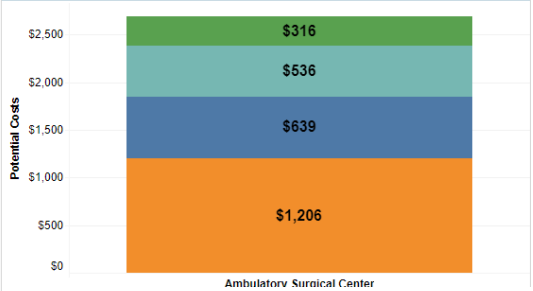
Colonoscopy allows the doctor to examine the large intestine (bowel) through a fiber optic tube inserted through the anus. The doctor uses a fiber optic tube the size of a fountain pen with special lights inside. Your doctor will give you directions for preparation for colonoscopy.

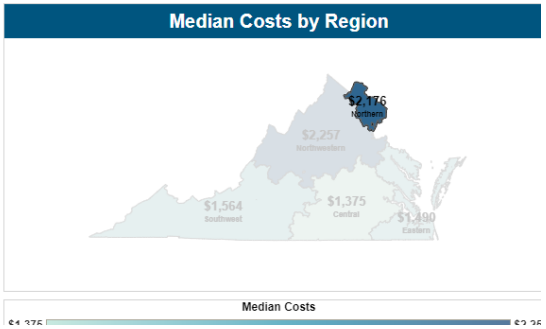
It is used to find and treat diseases of the lower digestive tract where the body processes food and eliminates waste. A colonoscopy can be done in the hospital, a licensed ambulatory surgical center, or in some doctors' offices.

CPT Code(s)- 45378

Place of Service

Ambulatory Surgical Center	Hospital Outpatient	Physician Office
$1,759 ($1,304 - $3,051)	$2,828 ($2,140 - $3,802)	$1,209 ($895 - $1,950)





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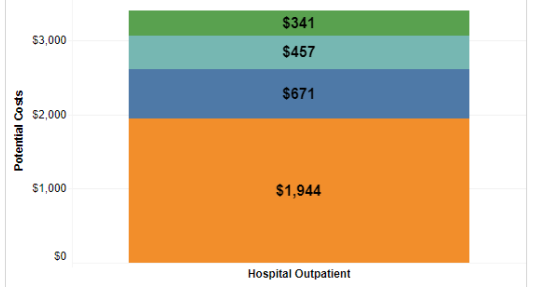
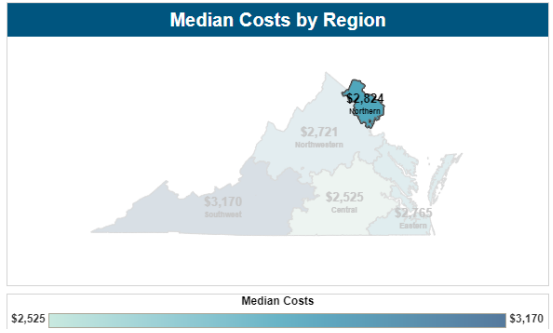




Cost Category
- Surgeon
- Other Professional Costs
- Anesthesiologist
- Facility

Other professional costs include any costs attributed to practitioner or group practice claims that are not related to surgery, anesthesiology, or radiology. Other costs include all other costs not represented by the other cost categories (e.g., durable medical equipment (DME) and supplies, glasses/contacts benefits, etc.)

More on this report http://www.vhi.org/healthcarepricing/about_healthcarepricing.asp
Other information on healthcare pricing http://www.vhi.org/healthcarepricing/other_healthcarepricing.asp

FROM NUMBERS TO KNOWLEDGE VHI VIRGINIA HEALTH INFORMATION

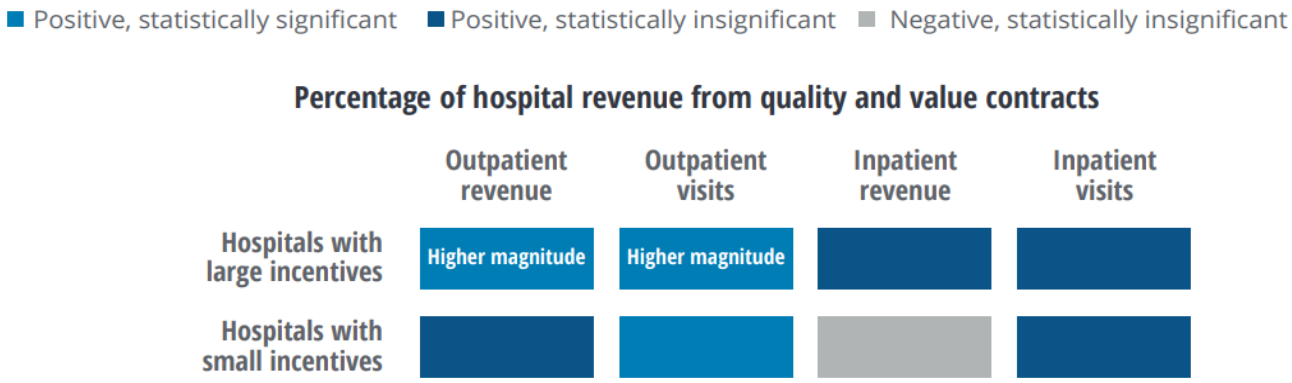
	Total PD8 Patients within Target Screening Colonoscopy Range							
Zip	Total population	45 to 49 years	50 to 54 years	50 to 54 years	55 to 59 years	55 to 59 years	60 to 64 years	60 to 64 years
TOTAL	2455877	24772	174259	22776	153099	21960	127568	20221
% of Total	*100%*	*1.0%*	*7.1%*	*0.9%*	*6.2%*	*0.9%*	*5.2%*	*0.8%*

IV.A Payer Action, Incentivization and Cost (ASC vs HOPD)

2 Government and commercial payers have aligned in expectations for providers and health systems to maintain low cost of service and high-quality care, introducing performance-based incentive payments for top performers who comply with quality reporting mandates and demonstrate commitment to providing low-cost care. Rising healthcare costs, aging demographics, and consumer demands for convenience have accelerated the shift over time to freestanding ASCs.

A Historical View of Payer Steerage to ASCs:

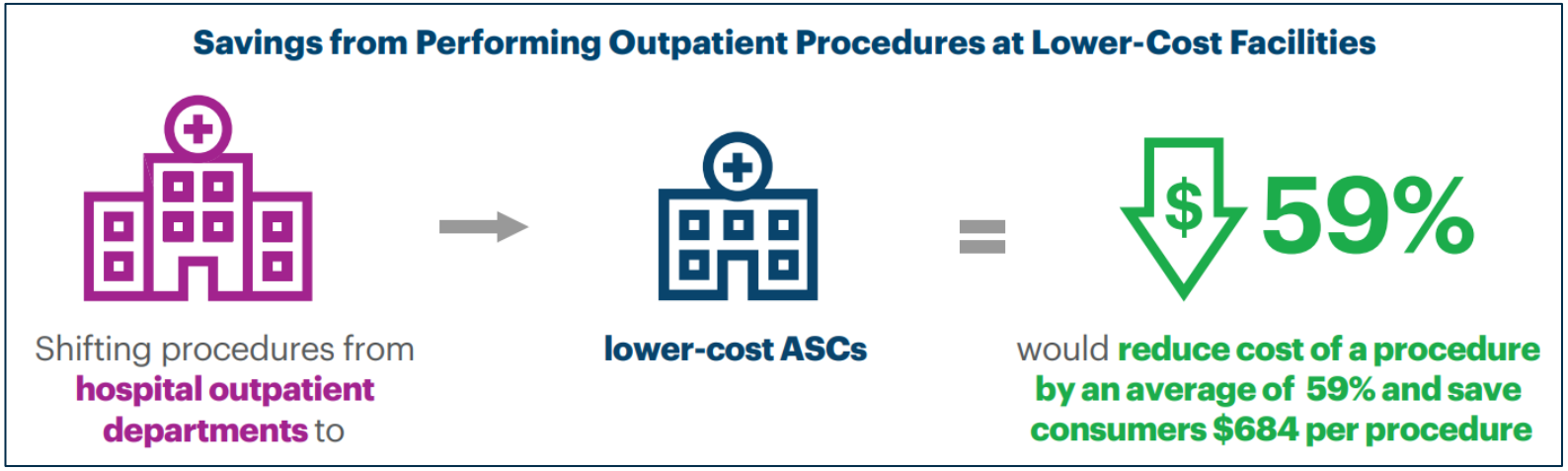
According to a report by McKinsey & Company, a new segment of at-risk and value-based contracts are incentivizing providers to offer care at the lowest cost sites, which are typically outpatient locations.[1] Deloitte conducted a study to measure if hospitals receiving a higher share of revenue from quality and value contracts are seeing more services shift to outpatient locations.[2] The results show that hospitals with higher quality and value incentives have more outpatient visits and revenue. The impact here demonstrates that providers can offer care in convenient, outpatient locations that provide a benefit to the patient and financial incentive to the provider.

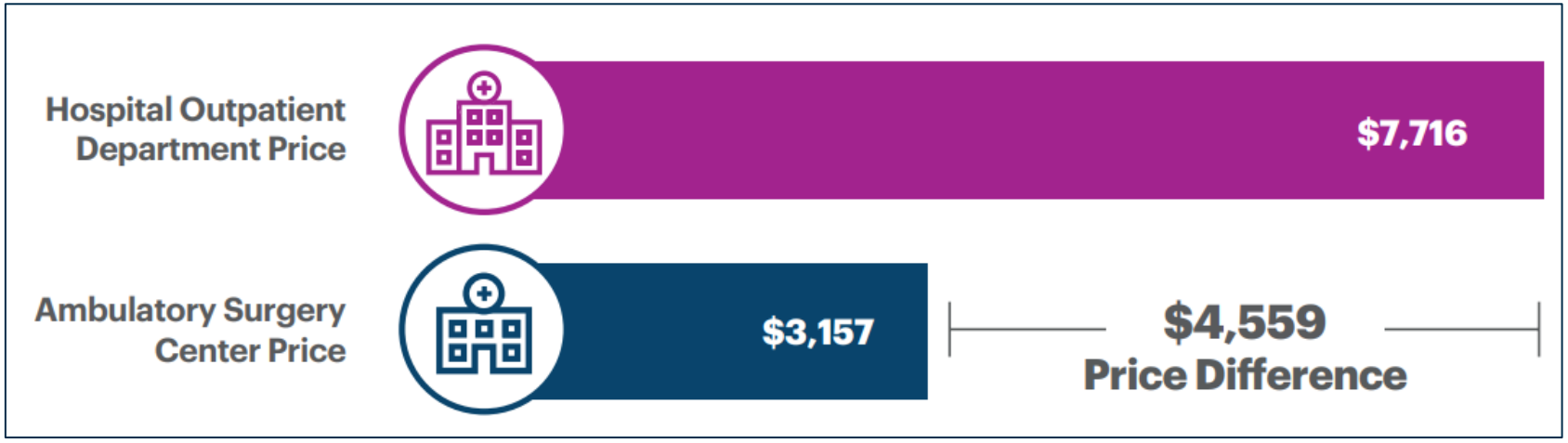


[1] https://www.mckinsey.com/industries/healthcare/our-insights/walking-out-of-the-hospital-the-continued-rise-of-ambulatory-care-and-how-to-take-advantage-of-it#/
[2] https://www2.deloitte.com/content/dam/insights/us/articles/4170_Outpatient-growth-patterns/DI_Patterns-of-outpatient-growth.pdf

IV.A Cost of Service Comparison (ASC vs HOPD)

2 UnitedHealth Group[1] published a guide stating the following: ”Shifting outpatient procedures for non-complex commercially insured individuals to ASCs would reduce spending by 59 percent and save consumers $684 on average per outpatient procedure. The average price of common procedures performed in a hospital outpatient department in 2019 was $7,716—144 percent more than the average price of the same procedures performed in ASCs.”





[1] https://www.unitedhealthgroup.com/content/dam/UHG/PDF/2021/Site-of-Service-Research-Brief.pdf

IV.A Cost of Service Comparison (ASC vs HOPD)

2 ASCA[2] published a study using 400,000 de-identified commercial claims data to draw the following conclusions:

- "For the commercially insured population in the U.S., an estimated $37.8 billion is saved annually by using ASCs."
- "Despite the savings detailed above, for commercially insured populations, only 48 percent of procedures commonly performed in ASCs are actually performed in ASCs. If the remaining 52 percent were performed at ASC price points, an additional $41 billion in healthcare costs could be saved annually."
- "Assuming that the price differential and the rate of ASC ineligibility due to comorbidities for total joint replacement will be commensurate with other outpatient procedures, $3.2 billion could be saved by moving total hip and knee replacements to ASCs."
- "For example, in Charlotte, NC, the average ASC price for a knee arthroscopy was $6,118, while the average HOPD price was $12,493, more than twice as expensive. That means $6,375 is saved on average in Charlotte, NC, when a patient chooses an ASC for a knee arthroscopy."

Average Savings from Procedures Performed in ASCs	
% of Common ASC Procedures Currently Performed at ASCs	48%
Current Annual Savings	$37.8 B
Potential Additional Annual Savings	$38.2 B
Potential Additional Annual Savings from Optimal Migration to ASCs	$55.6 B

[2] https://www.ascassociation.org/asca/about-ascs/savings/private-payer-data/shifting-procedures-to-ascs/commercial-insurance-cost-savings-in-ascs

Community Need: Geography & Patient Demand (Application Section IV.B1)

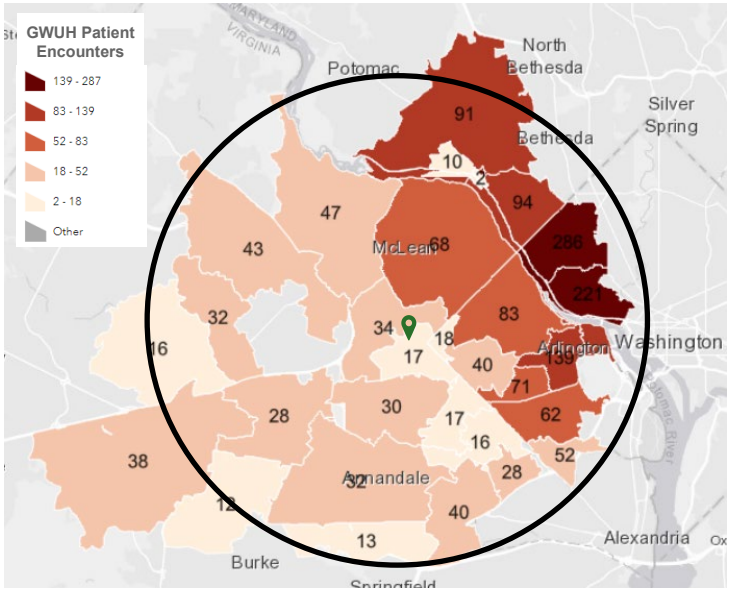
IV.B1 Community Need: Geographic Boundaries of Primary Service Area

The map depicted to the right shows the location of the new, proposed ASC in relation to the other surgical facilities within PD8.

The map depicted below shows GWUH's current patient base, residing both within and outside of Planning District 8.

For purposes of defining need, GWUH focused solely on patients within PD8. Adding patients traveling into PD8 from outside the district nearly doubles the need for surgical services, which is not considered in this application.

Primary Service Area

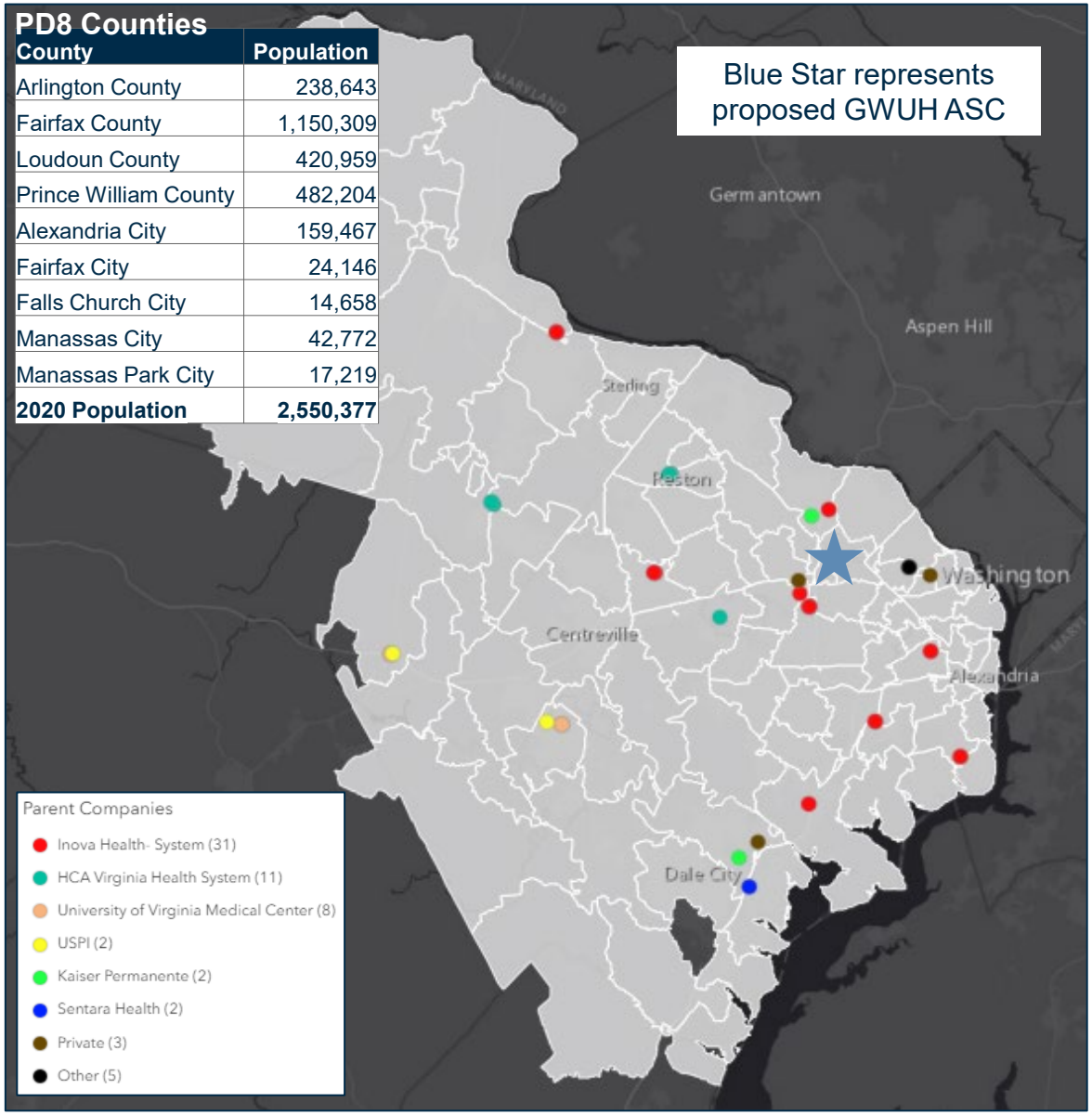


Zip codes represent GWUH outpatient (ASA I,II,III) cases within & outside of PD8, Annualized to 2023

Existing Surgical Facilities & Operating Rooms

PD8 Counties

County	Population
Arlington County	238,643
Fairfax County	1,150,309
Loudoun County	420,959
Prince William County	482,204
Alexandria City	159,467
Fairfax City	24,146
Falls Church City	14,658
Manassas City	42,772
Manassas Park City	17,219
2020 Population	**2,550,377**



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IV.B1 Community Need: Geographic Boundaries of Primary Service Area

The Primary Service Area (PSA) of the proposed GWUH ASC includes the reported US Census Bureau population of residents within zip codes comprising PD8. Drive times and demographic age bands were key factors used in assessing community need within the PSA boundary.

Virginia Code 12VAC5-230-490 (Travel Time) stipulates that "Surgical services should be available within 30 minutes driving time one way under normal conditions for 95% of the population of the health planning district using mapping software as determined by the commissioner." 2.55M residents occupied PD8 according to 2020 US Census Bureau data. The proposed ASC provides convenient access to surgical services for nearly 2M patients, providing 79% of PD8 residents with surgical services access within a convenient, 30-minute drive.

Additionally, **Virginia Code 12VAC5-230-500 (Need for New Service)**, clearly defines the equation necessary for determining community need. The completion of this formula results in a **conclusive deficit of 20 operating rooms** within PD8 by year 2027, demonstrating the pressing need for GWUH's proposal to receive authorization for advancement.

Beyond the formulaic and statute-based justification, GWUH also took care to align its planning with the state of Virginia's overall health plan and strategy (**Partnering for a Healthy Virginia**), focusing intently on the state's desire to reduce access barriers and cancer-related mortality rate related to delayed care. GWUH's expectation is that over 50% of its ASC will be dedicated to serving the needs of patients with Gastroenterology screening and diagnostic surgical needs, emphasizing the downstream improvements in quality of life and health outcomes that can result in early detection of polyps through age-appropriate colon cancer screening and rapid diagnostic assessment of GI-related symptoms.

Over 600K residents (24% of PD8's population) are age 55+. When also factoring in the recent trend in decreasing colorectal cancer screening age to 45 years, PD8 should expect to see a resounding 38% of its residents (**nearly 1M eligible patient lives**) referred for screening colonoscopies in the immediate months and years.

IV.B1 Community Need: Geographic Boundaries of Primary Service Area

PD8 population & demographic considerations: While overall population growth in the past decade has been modest, at 1.3%, the 55+ demographic age band has experienced combined growth of nearly 23%.

Key Census & Demographic Findings

1. The population of PD8 (2.55M in year 2020) grew at an overall rate of 1.3% from 2010 to 2020
2. Each 5-year tier within the 55+ age band outpaced the overall (and individual age group growth rates under age 54) by nearly double of the 0-54 age bracket by nearly double
3. The highest growth was seen in age bands 70-74 years (6.4%) and 75-79 years (5.6%)
4. The aging demographic validates GWUH's proactive approach to buildout of the ASC, in which critical surgical services can be conveniently and safely provided at a lower cost, preventing long-term high-cost impacts to the economy and patients

PD8 Census (Selected Demographics – 2010 & 2020)

Age Group	2010	2020	Raw Growth	Annual Growth
Total population	2,230,623	2,550,377	14%	1.3%
55 to 59 years	132,992	165,070	24%	2.2%
60 to 64 years	109,140	137,818	26%	2.4%
65 to 69 years	70,109	104,672	49%	4.1%
70 to 74 years	44,723	83,227	86%	6.4%
75 to 79 years	31,487	54,538	73%	5.6%
80 to 84 years	22,960	33,193	45%	3.8%
85 years and over	23,310	31,071	33%	2.9%

PD8 Age Bands

Age Group	Population	% of Total
Under 5 years	154,375	6.1%
5 to 9 years	169,710	6.7%
10 to 14 years	178,903	7.0%
15 to 19 years	165,738	6.5%
20 to 24 years	159,007	6.2%
25 to 29 years	181,525	7.1%
30 to 34 years	188,982	7.4%
35 to 39 years	199,597	7.8%
40 to 44 years	187,739	7.4%
45 to 49 years	181,071	7.1%
50 to 54 years	174,141	6.8%
55 to 59 years	165,070	6.5%
60 to 64 years	137,818	5.4%
65 to 69 years	104,672	4.1%
70 to 74 years	83,227	3.3%
75 to 79 years	54,538	2.1%
80 to 84 years	33,193	1.3%
85 years and over	31,071	1.2%
Total population	**2,550,377**	**100.0%**

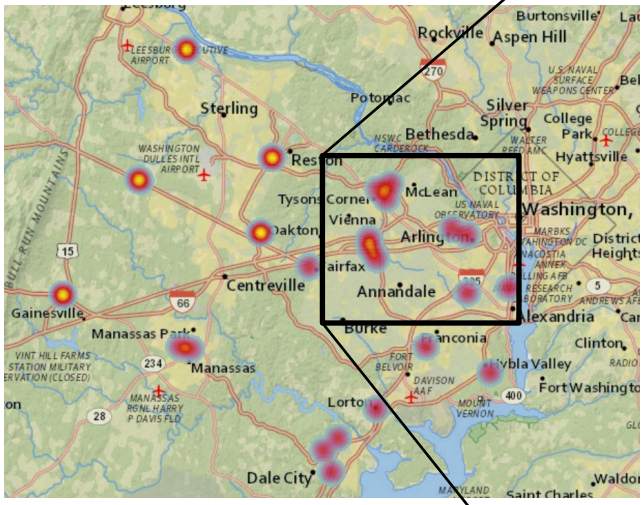
Data from 2020 Census

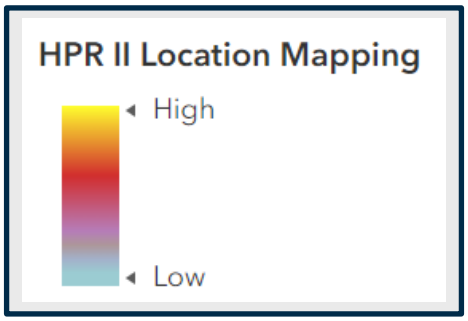
Sources: U.S Census Bureau; Northern Virginia Regional Commission

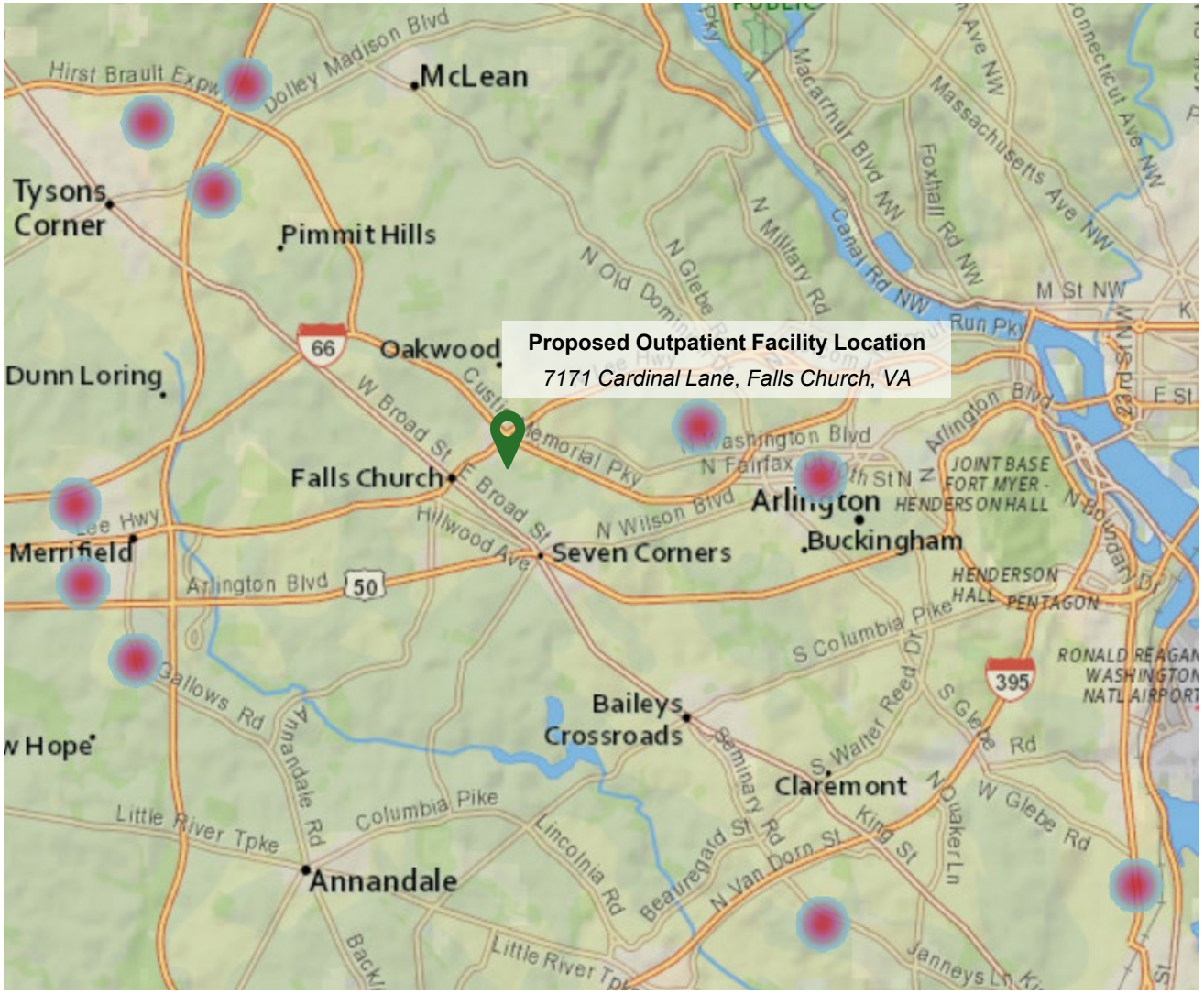
IV.B1 Community Need: Geographic Boundaries of Primary Service Area

Approval of the new ASC increases existing Virginia PD8 ORs to 217, placing the district one facility closer to bridging the projected 2027 deficit.

The planned outpatient facility is expected to include a comprehensive set of outpatient services along with a full suite of complementary imaging modalities.







VHI 2022 Data

Source: VDH "COPN-Inventory-of-Equipment-Services-4-15-2022"

Community Need: Patient Origin, Discharge Diagnosis & Utilization Data (Application Section IV.B2)

IV.B2 Community Need: Patient Origin & Eligibility for Services

Patient Origin: Assessment of Drive-Time & Convenience

14% of GWUH's total outpatient surgical volume is being delivered to PD8 residents. GWUH's investment in the proposed ASC brings existing surgical service demand to the residents of PD8.

The addition of the proposed ASC reduces tension on neighboring facilities and increases accessibility to high-demand surgical services for PD8 residents. The new ASC reaches nearly 2M of the PD8 residents (79% of the population), demonstrating GWUH's recognition of Virginia's Drive Time Code and providing enhanced focus on serving PD8 patients in a low-cost, convenient, and high-quality manner.

PD8 Facilities & Patient Drive-Time Assessment*

Facility	Residents with <30 min drive time		Net New Patient Service Capability	Residents with >30 min drive time	
	#	%		#	%
The Wellness Center at Falls Church	**1,986,325**	**79%**	**1,986,325**	**538,429**	**21%**
Kaiser Permanente Tysons Corner Surgery Center	1,883,188	75%	103,137	641,566	25%
Inova Fairfax Medical Campus	1,868,977	74%	117,348	655,777	26%
VHC Ambulatory Surgery Center	1,849,465	73%	136,860	675,289	27%
Fairfax Surgical Center	1,800,106	71%	186,219	724,648	29%
Pediatric Specialists of Virginia	1,706,920	68%	279,405	817,834	32%

**Population Data from Census ACS 5-Year Estimates (2022)*

Existing PD8 Surgical Services Providers**

Parent Company	Operating Rooms
Inova Health System	111
HCA Virginia Health System	33
Other	28
Kaiser Permanente	14
Sentara Health	9
University of Virginia Medical Center	8
USPI	6
Private	5
PD8 Total	**214**

***OR data from VHI (2022)*

IV.B2

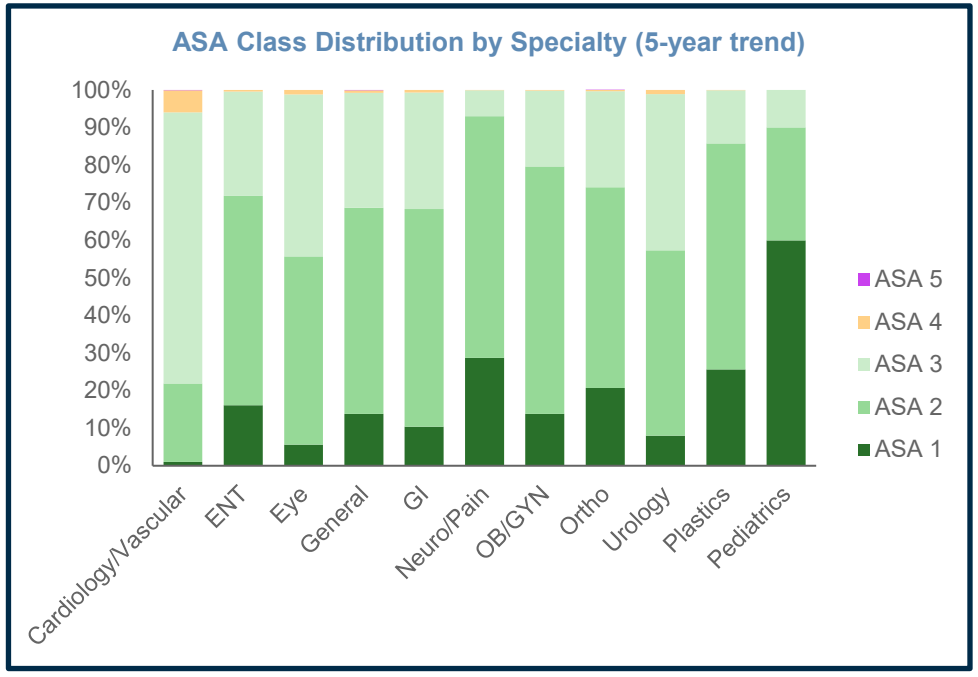
Community Need: Patient Origin & Eligibility for Services

ASA Classification: GWUH's historically healthy population of patients presenting for outpatient surgical procedures provides justification of need for lower cost, convenient, ASC setting where non-invasive surgical and diagnostic procedures can be performed.

Existing patient health status qualifies over 99% of outpatient procedures for eligibility to be performed in an ASC.

GWUH historical patient data demonstrates that ASA classes 4 and above comprise a negligible <1% of total GWUH outpatient surgical encounter patient ASA classification, demonstrating the low-acuity patient classification that should be directed to an ASC setting.

Addition of this ASC provides capacity for healthy, ambulatory patients with limited co-morbidities to be safely seen in an ambulatory surgery center, releasing valuable inpatient and hospital-based space for urgent and emergent cases.



ASA Classifications - 2023*

Specialty	ASA I	ASA II	ASA III	ASA IV+
Cardiovascular	2	120	452	30
ENT	217	743	487	12
Eye	67	500	532	6
General Surgery	186	702	516	8
GI	433	2,311	1,968	46
Neuro/Pain	743	1,230	199	2
OB/GYN	152	698	344	2
Ortho	342	1,049	565	0
Urology	47	54	60	6
Total Encounters	**2,190**	**7,408**	**5,124**	**113**

** Oct YTD 2023 Annualized*

IV.B2 Community Need: Patient Origin & Eligibility for Services

Addition of an ASC in PD8 meets a growing need for surgical services in an outpatient environment.

GWUH Historical Surgical Services Volume
Patient Origin Study

	2018			2019			2020			2021			2022			YTD Oct 2023 Annualized*		
Specialty	PD 8	Non-PD8	Total	PD 8	Non-PD8	Total	PD 8	Non-PD8	Total	PD 8	Non-PD8	Total	PD 8	Non-PD8	Total	PD 8*	Non-PD8*	Total*
Cardiology/Vascular	28	229	257	25	259	284	42	303	345	31	324	355	33	486	519	48	557	605
ENT	395	875	1,270	500	1,143	1,643	425	929	1,354	436	1,091	1,527	441	1,045	1,486	529	930	1,459
Neuro/Pain	194	1,689	1,883	251	2,599	2,850	230	2,127	2,357	248	2,357	2,605	183	2,179	2,362	131	2,044	2,174
OB/GYN	172	995	1,167	242	1,602	1,844	219	1,230	1,449	224	1,518	1,742	126	880	1,006	110	1,087	1,198
Urology	176	850	1,026	222	1,187	1,409	227	995	1,222	256	1,172	1,428	247	1,321	1,568	184	1,121	1,304
Gastroenterology	688	5,054	5,742	929	7,158	8,087	718	5,475	6,193	891	7,073	7,964	609	4,830	5,439	496	4,264	4,759
Orthopedics	288	1,745	2,033	285	1,982	2,267	242	1,883	2,125	270	2,166	2,436	204	1,722	1,926	233	1,723	1,956
Ophthalmology	103	650	753	129	848	977	85	742	827	136	1,052	1,188	111	969	1,080	146	959	1,105
General & Plastics	395	2,026	2,421	647	2,798	3,445	469	2,433	2,902	625	2,873	3,498	656	3,238	3,894	774	3,304	4,078
Grand Total	2,439	14,113	16,552	3,230	19,576	22,806	2,657	16,117	18,774	3,117	19,626	22,743	2,610	16,670	19,280	2,651	15,988	18,638

Population demographics indicate a future-state shortage in operating rooms by year 2027, should the community continue its growth trend. GWUH's long-standing history of excellent surgical services to PD8 residents has resulted in average, year over year growth of 4.5% across core specialties. GWUH patients are commuting to Washington, D.C. for these services and can maintain this level of service excellence they have grown to trust in their own neighborhood with the approval of the proposed ASC.

Approximately 2,351 of GWUH's current 2,651 patients reside within a 30-minute drive time of the proposed facility, improving access for 18% of GWUH's PD8 patient base, boosting GWUH's 30-minute drive time access to 89% of its PD8 patient population. Bringing surgical services to these PD8 residents within their community even further increases the quality of care they currently receive from GWUH by allowing them convenient access at even further reduced scheduling wait times and decreased surgical risk.

GWUH Existing Patient Outpatient Surgical Services*
Patient Drive Time Study

Existing GWUH patients residing in PD8	2,651

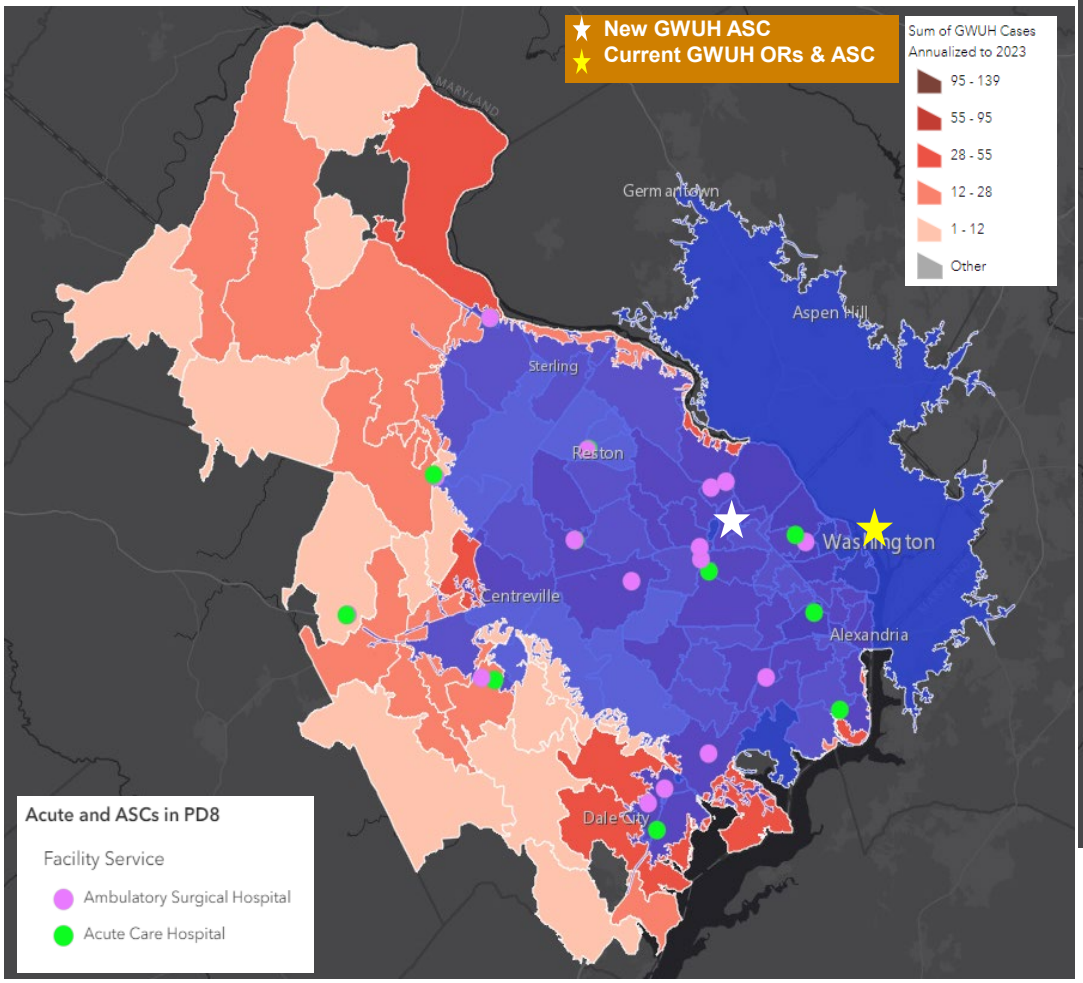
Travel Time	Current	Proposed	Impact
< 30 Minute	1,961	2,351	390
% of Total	*74%*	*89%*	*15%*
> 30 Minute	690	300	-390
% of Total	*26%*	*11%*	*-15%*

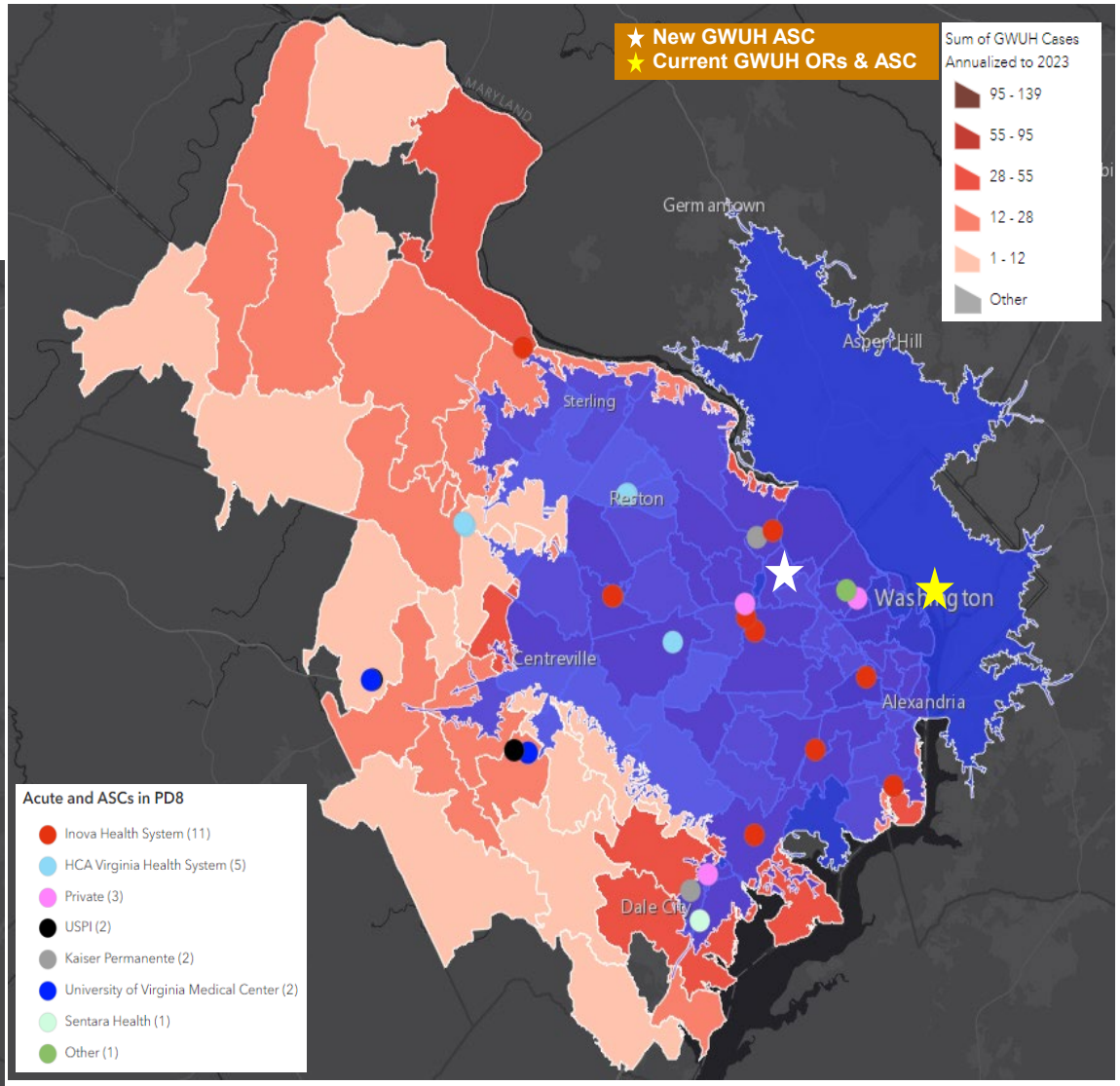
**Annualized Oct YTD 2023 Patient Encounters*

IV.B2 Community Need: Patient Origin & Eligibility for Services

Representation of GWUH current & proposed facilities, layering in existing patient density & neighboring facilities

2,651 of GWUH's total surgical services patient population of 18K+ patients travel outside of PD8 into Washington, D.C. to receive surgical care from GWUH providers. GWUH desires to bring care home to the communities of these patients by building the proposed ASC.





IV.B2

Maintaining Continuity of Care

The current healthcare landscape reflects a need for convenient access to care in order maintain care continuity and achieve optimal health outcomes. A GWUH ASC in Northern Virginia will improve care continuity by offering improved convenience of access for patients in this area.

Partly resulting from the recent pandemic, the current healthcare trend demonstrates a shift in the delivery preferences among clinicians and patients. The focus is to provide care closer and more conveniently for patients without any degradation of the care provision. GWUH stives to provide the same level of quality care with the same providers in a more convenient, patient-centered location in the community. The lack of OR facilities to support the population growth of PD8 commands attention on serving these residents through buildout of additional ASCs to bridge the gap.

An expansion of GWUH's geographical presence into the Northern Virginia community will enable enhanced continuity of care due to the improved convenience of care available to Northern Virginia patients. ASCs provide easier access to high-quality, necessary care without the need to travel extensive durations or receive care in an inpatient setting.

GWUH's expansion into PD8 will enhance the treatment and follow-up care for PD8 residents by providing consistent follow-up/post-discharge visualization and analytics of the patient's condition. Key features and benefits of the proposed ASC include:

- Easy access for current GWUH patients residing in PD8
- Even further reduced scheduling wait times according to GWUH historical metrics
- Integrated patient record-keeping and access to results

IV.B2 Weighing the Benefits: HOPD vs. ASC

Rising healthcare costs, aging demographics, consumer demands for convenience, and payer directives are accelerating the shift to freestanding diagnostic centers.

According to Deloitte's study, **Growth in Outpatient Care**: The Role of Quality and Incentives, innovation and improvements have accelerated a shift to outpatient care.[1] Both interventional and diagnostic procedures can easily be performed in an outpatient setting that provides patients with convenience and cost savings. The proposed West Falls Church location aligns with the national shift to outpatient care to better address costs, an aging population, and new payer programs.

Healthcare Spending

According to CMS, healthcare spending in the United States grew by 2.7% in 2021 to $4.3 trillion, representing 18.3% of the country's Gross Domestic Product.[2] Hospital care comprises 31% of this $4.3 trillion demonstrating the impact of costly, inpatient care. The shift to outpatient care has been taking shape for over a decade due to clinical innovation, patient preference and convenience, and financial incentives and benefits. Effective January 1st, 2021, hospitals began publishing cost information to provide more transparency to help patients and consumers make more informed decisions.[3] Hospitals across the industry are realizing this shift from inpatient to outpatient: according to Kaufman Hall, in 2022, outpatient revenue increased 8% while inpatient revenue was flat.

Changing Demographics

An aging population is further accelerating the shift from inpatient to outpatient care to accommodate the expected the demand while managing costs. According to Jones Lang LaSalle research, patients 55+ is the biggest healthcare consumer with those over age 80 expected to grow by 50% over the next decade[4]. According to Dan Squiers, SVP and National Healthcare Lead at Jones Lang LaSalle, "The aging population, along with the pandemic, have accelerated the migration from acute care facilities to more local outpatient clinics."[4]

[1]https://www2.deloitte.com/content/dam/insights/us/articles/4170_Outpatient-growth-patterns/DI_Patterns-of-outpatient-growth.pdf
[2]https://www.cms.gov/files/document/highlights.pdf
[3]https://www.cms.gov/priorities/key-initiatives/hospital-price-transparency
[4]https://www.us.jll.com/en/newsroom/outpatient-healthcare-services-and-facilities-set-for-growth

IV.B2

Removing Barriers to Patient-Centered Care

Studies have shown that lower-income and elderly patients experience increased barriers to access resulting from transportation challenges. This barrier results in interference in a patient's continuity of care & detrimental long-term effects.

A 2017 study by the American Hospital Association showed that annually, 3.6 million Americans do not get the care they need due to transportation issues.[1] 40% of these transportation are related to mobility issues. 15% of these individuals are represented in the senior age band. 24% of the PD8 residents are over the age of 55.

Proper management of these patients requires comprehensive care coordination for improved quality, outcomes and decreased cost. Patient compliance, engagement, satisfaction, and care continuity are contingent upon provision of convenient & accessible care. Without compliant follow up, patients risk the exacerbation of their illness, emergency room visits and unplanned readmissions to the hospital resulting in poorer outcomes and significant increase in cost.

Many patients and families are not able to navigate the commute or lack the physical ability to make the appointments resulting in missed appointments, delayed care and medications and poorer management of acute or chronic illnesses. Patients often have uncertainty of transitioning to new providers in their area. This is especially true if the medical condition requires complex integrated care.

GWUH has demonstrated superior capabilities in providing timely scheduling access to patients requiring outpatient surgical services and is equipped to extend this expertise to its new ASC, if approved. Patients who are required to receive outpatient care in an HOPD frequently report dissatisfaction in time at the facility due to start time delays that often result from in-patient or emergency procedures taking priority over an outpatient surgical case. The ASC provides an excellent solution to this unwelcome delay in case start time. Patients experiencing such delays often avoid follow-up procedures due to the dissatisfying experience awaiting procedure start times, leading to poor outcomes and increased cost, long-term.

[1] https://www.aha.org/ahahret-guides/2017-h-15-socialdeterminants-health.seriesTransportationandroleofhospitals

IV.B2 Patient Experience

U.S. healthcare providers and patients are moving towards more patient-centric, convenient sites for quality care.

According to the Agency for Healthcare Research and Quality[1], "Patient experience encompasses the range of interactions that patients have with the healthcare system, including their care from health plans, and from doctors, nurses, and staff in hospitals, physician practices, and other healthcare facilities. As an integral component of healthcare quality, patient experience includes several aspects of healthcare delivery that patients value highly when they seek and receive care, such as getting timely appointments, easy access to information, and good communication with health care providers."

In an evolving healthcare landscape where consumers have greater choice, GWUH's proposed ASC in West Falls Church is aligned with the need to continually improve upon patient experience while delivering excellent, accessible care. The proposed site offers convenience with an easier commute, enhances the patient-centered approach to care, and improves patient experience which can lead to better quality outcomes.

Location and Drive Time

GWUH's intention to establish an ASC in West Falls Church, Virginia, is due in part to improving patient experience by offering a more convenient and accessible location outside of the GWUH hospital campus. The Washington, D.C.-metro area's traffic issues are well known and especially challenging for patients who are elderly or recovering from illness or surgery. According to a U.S. News and World Report article from May 20232, Washington D.C. currently ranks as the 8th worst city in America for traffic.

Google Maps estimates a commute time at either 8:00 am or 4:00 pm from the proposed West Falls Church to the GWUH hospital is 37 minutes without extra delays. It is reasonable to assume time for parking and navigating to a hospital-based clinic could add another 30 minutes, resulting in total travel time over 60 minutes one way or ~120 minutes roundtrip.

[1]https://www.ahrq.gov/cahps/about-cahps/patient-experience/index.html

IV.B2 Patient Experience

U.S. healthcare providers and patients are moving towards more patient-centric, convenient sites for quality care.

Patient-Centric Model

KPMG notes in its Healthcare 2030 report that "a consumer-centric healthcare system will be an imperative."[1] The aging Millennials, Generation X, and Baby Boomers will drive clinical demand while expecting lower costs and more convenient care. COVID-19 further advanced this theme by demonstrating providers' ability to deliver effective care through unique modalities, such as telemedicine. As such, patients carry an expectation of convenience and cost effectiveness when selecting healthcare options.

Impact on Quality

The Agency for Healthcare Research and Quality describes how improving and focusing on patient experience can lead to strong clinical outcomes[2]:

1. "At both the practice and individual provider levels, patient experience positively correlates to process of care for both prevention and disease management."
2. "Patients' experiences with care, particularly communication with providers, correlate with adherence to medical advice and treatment plans."
3. "Patients with better care experiences often have better outcomes."

The focus on cost and quality are especially important at this time given healthcare expenditures and the acceleration of an aging population that dominates healthcare utilization across this country.

[1] https://kpmg.com/us/en/articles/2023/healthcare-20301.html
[2] https://www.ahrq.gov/cahps/quality-improvement/improvement-guide/2-why-improve/index.html

Bridge Care Delivery Gaps & Plan for the Future (Application Section IV.D)

IV.D Statement of Need for New Medical Services

Historical and projected OR trends suggest that by 2027, there will be a deficit of 20 operating rooms in Planning District 8. GWUH's proposed ASC bridges this gap and provides the district with 3 operating rooms and 2 procedure rooms.

12VAC5-230-500

Element	Factor	Calculated Values
ORV*	Total OR Visits	1,066,710
POP*	Population	12,754,173
PROPOP*	Projected Population	2,801,103
AHORV*	Avg hrs per OR visit**	2
FOR*	Future OR rooms needed	374,532
Service Hrs	Available Service Hrs	1,600
***Total Operating Rooms Needed by Year 2027~	234	
Projected 2027 Operating Room Surplus/(Deficit)~	(20)	

*Within the Health Planning District

**For most recent year as calculated by VHI (only record data for one year)

*** $FOR = \frac{((ORV/POP) \times (PROPOP)) \times AHORV}{1600}$

~Exclusive of procedure rooms, dedicated cesarean section rooms, operating rooms designated exclusively for cardiac surgery, procedures rooms or VDH-designated trauma services

Inputs used for calculation above

PD8 OR and Surgical Volumes over the Years

	2022	2021	2020	2019	2018
Inpatient OR Visits	38,818	41,236	38,371	43,499	43,417
Outpatient OR Visits	193,794	181,224	145,806	173,694	166,851
Total OR Visits	232,612	222,460	184,177	217,193	210,268
Total PD8 ORs	214	205	203	204	204
Avg Visits/OR	1,087	1,085	907	1,065	1,031

IV.D Comparative Analysis of Virginia Health Planning Regions

The state of Virginia averages **11.6 operating rooms** per 100K residents and **3.5 procedure rooms** for the same 100K population. However, PD8, consistent with findings driven by the deficit identified through completing the required formula for determining community need, PD8 is most limited in its surgical services accessibility to its residents, falling short by a total of **4 rooms per 100K residents**, further supporting GWUH's proposed solution to serve the citizens of PD8 by bringing this much needed service to the community.

Furthermore, lesser capacity to accommodate resident surgical services needs is decreasing the overall state of Virginia's OR availability per capita.

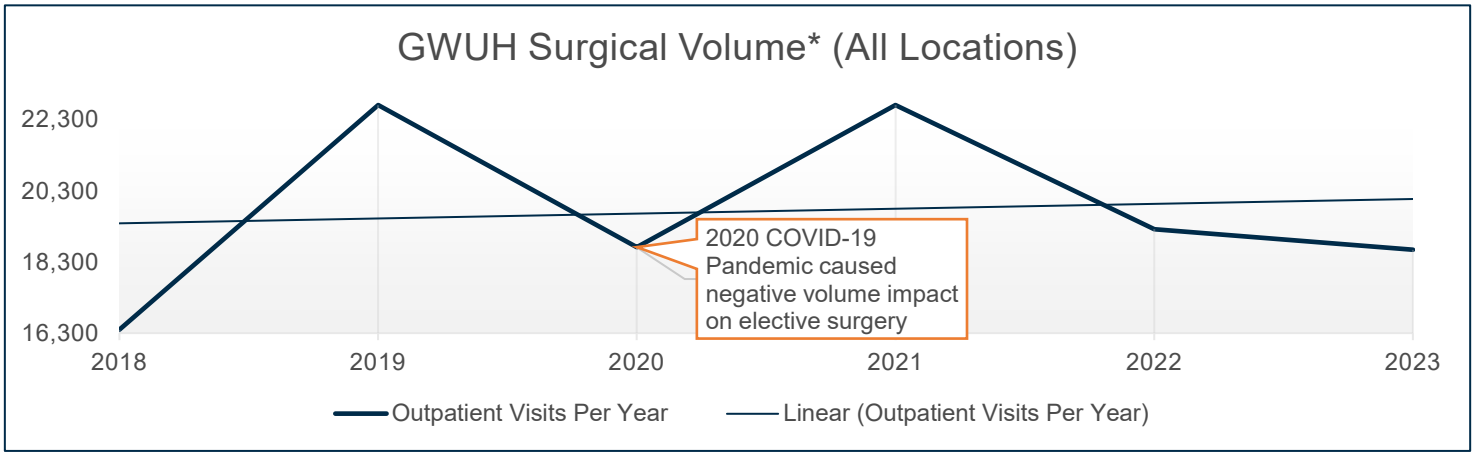
PD8's representation of 29% of the entire Virginia population places an even further sense of urgency around the need to right-size surgical services availability within this health planning district.

Health Planning Region	Population	ORs per 100,000 pop	Procedure Rooms per 100,000 pop	OP Surgical Procedures per 100,000 pop	Outpatient Visits per 100,000 pop
1 - Northwestern	1,405,850	12.2	2.9	7,875	8,802
2 - Northern	2,545,650	8.4	2.7	7,244	7,613
3 - Southwestern	1,330,048	12.6	4.3	11,174	10,985
4 - Central	1,504,999	15.0	4.1	12,529	11,918
5 - Eastern	1,897,072	11.9	4.0	9,108	10,295
Virginia Total	**8,683,619**	**11.6**	**3.5**	**9,271**	**9,654**

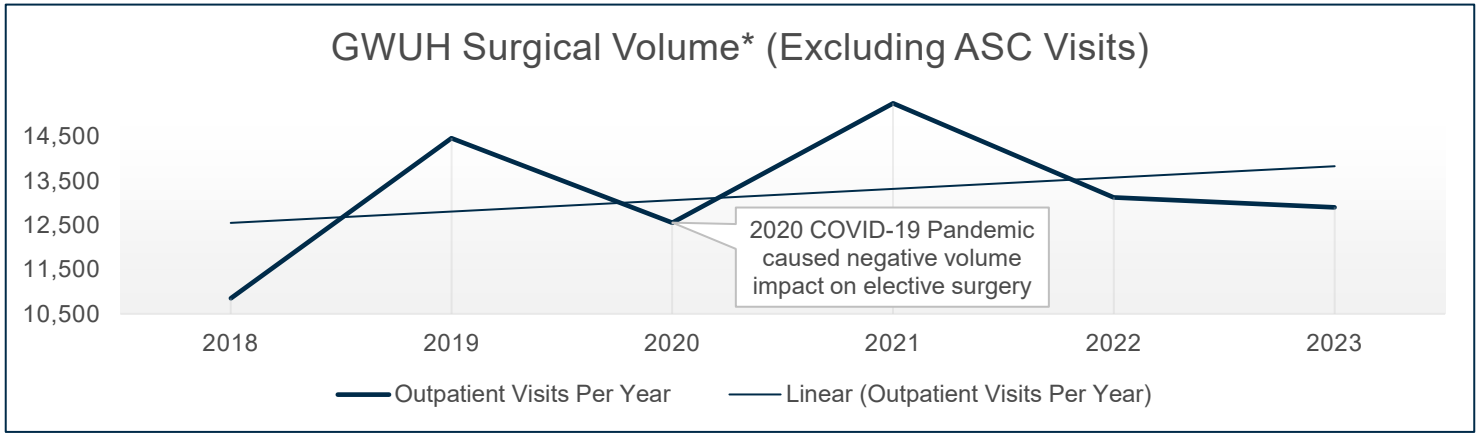
Source: U.S. Census Bureau 2022 population estimates by county; Virginia Department of Health COPN authorized service/equipment inventory

IV.D Historical GWUH Outpatient Surgical Volume

The addition of an ASC provides essential capacity solutions for a hospital, shifting outpatient surgical volume to the ASC setting and creating critical access within the hospital for emergent cases and inpatient surgical procedures where limitations on critical or acute space can exist



Nationally, 66% of referrals result in completion of a procedure. PCP referrals utilize national benchmarks to build growth and referrals, resulting in the potential of 7-8 scheduled surgical cases per day (based on the national referral success rate)



2023 Outpatient Visits are Annualized

IV.D GWUH Patient Access Trends

GWUH patients currently experience scheduling wait times of 1.8 weeks from scheduling date to date of procedure across all specialties. Specific specialty patient access data is provided below (i.e. Gastroenterology average are 2.2 times below the national average)

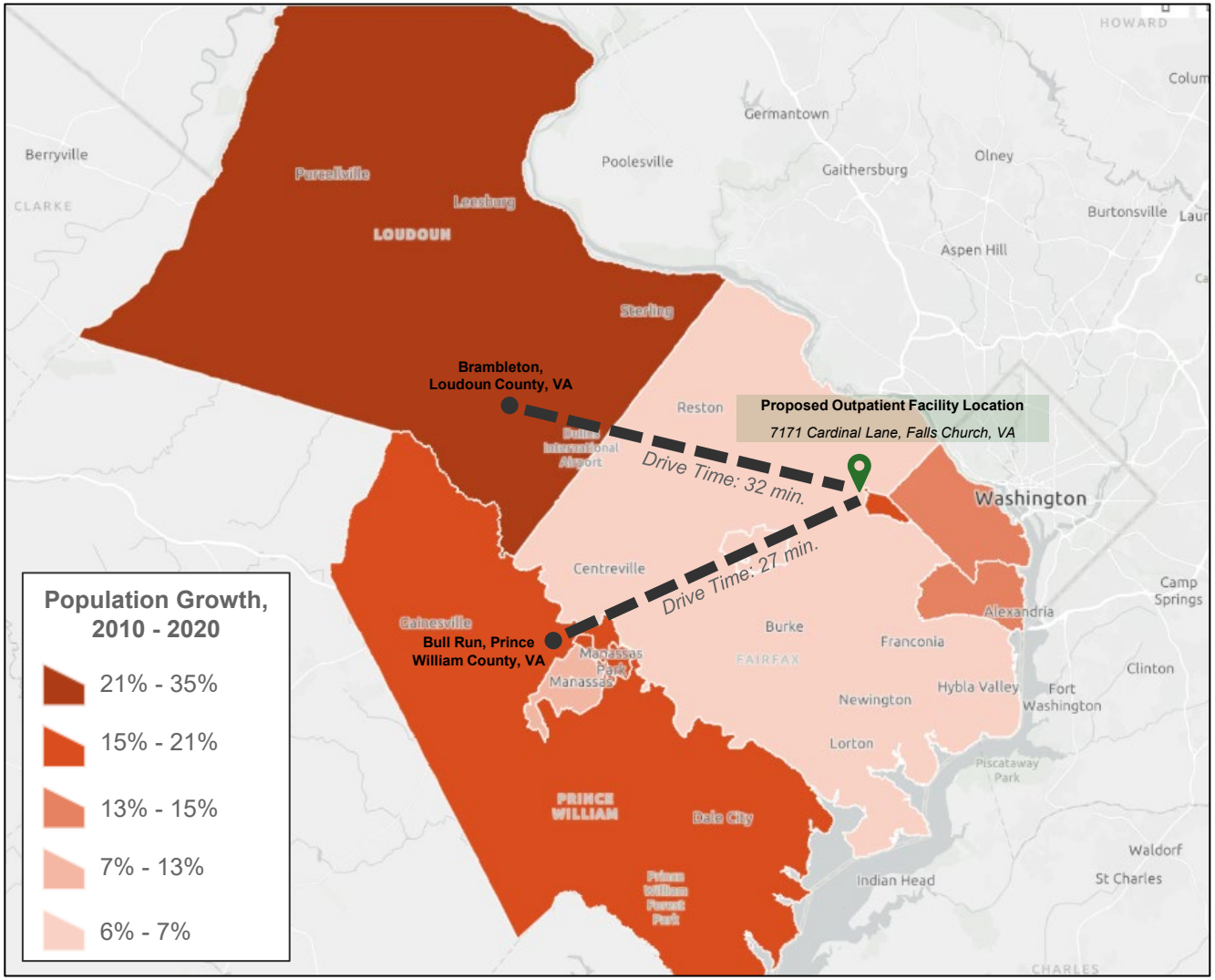
GWUH uses effective block time management strategies to decrease wait times. The proposed ASC would maintain the utilization of block time management, providing high performance and efficiency. Remaining below the national average puts GWUH at the frontlines for care, removing barriers to patient access to surgical care. Opening a new ASC allows patients with high-risk cases to more immediately be treated at GWUH, and those with lower-risk to be treated at an alternate facility.

Specialty	Avg Days between booking and appt	Weeks
GI	12.8	1.8
OB/GYN	7.6	1.1
Eye	16.1	2.3
Ortho	6.6	0.9
ENT	15.9	2.3
Neuro/Pain	6.7	1.0
Plastics	22.0	3.1
General	9.3	1.3
Cardiology/Vascular	4.9	0.7
Urology	9.7	1.4
Grand Total	**11.8**	**1.7**

GWUH patient encounters full year 2021 through 2022

IV.D Highest Growth Counties in Planning District 8

With growth in healthcare demand expected from the outer-ring D.C. suburb population (based on observed population growth in those areas), the proposed outpatient facility will help address those needs due to its relative proximity.



U.S Census Bureau; Northern Virginia Regional Commission

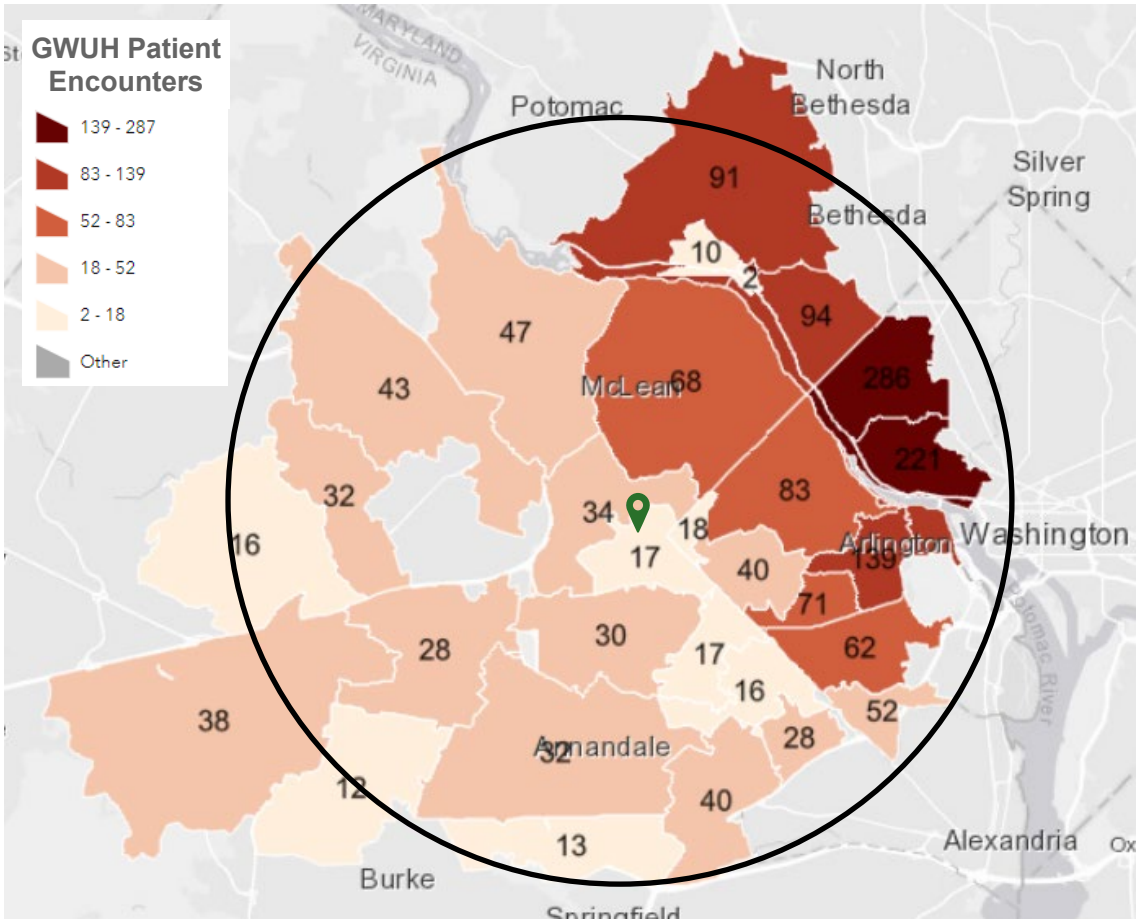
- According to the Northern Virginia Regional Commission, through the past decade, "[t]he preponderance of population growth of Northern Virginia continues to be located in the outer-ring suburbs of Prince William, Loudoun Counties, and the Cities of Manassas and Manassas Park."
- While Northern Virginia's population grew 14% from 2010 to 2020, the populations of Loudoun County, Prince William County, and Manassas Park City grew 35%, 21%, and 20%, respectively
- This accelerated growth in the outer-ring suburbs will continue to increase the volume of healthcare need in PD 8
- The proposed facility will provide improved care access to this growing area of PD 8 as it is closer to the outer-ring suburbs than alternative sites of care in the District of Columbia
- This growth is additive to the demand from existing GWUH patients, who are already receiving or have received care from GWUH, residing in these areas of PD 8 (additional details on subsequent slides). A convenient outpatient facility closer to their locations of residence will enhance continuity of care for these existing patients

IV.D Convenience for Existing GWUH Patients

GWUH provided surgical services to approximately 2,651 PD8 residents in 2023. The proposed PD8 facility represents improved convenience and access to surgical care for this population of PD8 residents.

GWUH Encounters by Patient Place of Residence

Annualized Estimates based on GWUH October YTD 2023 Encounter Data



GWUH outpatient surgery patients currently travel into the heart of the District of Columbia to receive care, which often poses significant inconvenience due to factors of limited parking availability, traffic, tolls, and/or public transit limitations.

The opportunity to receive outpatient services at a West Falls Church site away from the congestion of downtown Washington, D.C. will offer significantly improved convenience and access.

The map includes the Primary Service Area zip codes where 75% of the patients are expected to originate.

Medicare: 27% of GWUH patients residing in the proposed ASC's primary service area are Medicare patients. Improved access and convenience are important for the aging population who can experience barriers to access related to transportation.

Medicaid: 9% of GWUH patients residing in the proposed ASC's primary service area are Medicaid patients. The West Falls Church ASC would offer the benefit of improved access and convenience to low-income and disabled residents who may experience barriers to access.

IV.D Drive Time Analysis for GWUH Patients

390 existing GWUH patients (18%) will experience an improvement in facility accessibility with GWUH's proposed addition of the ASC.

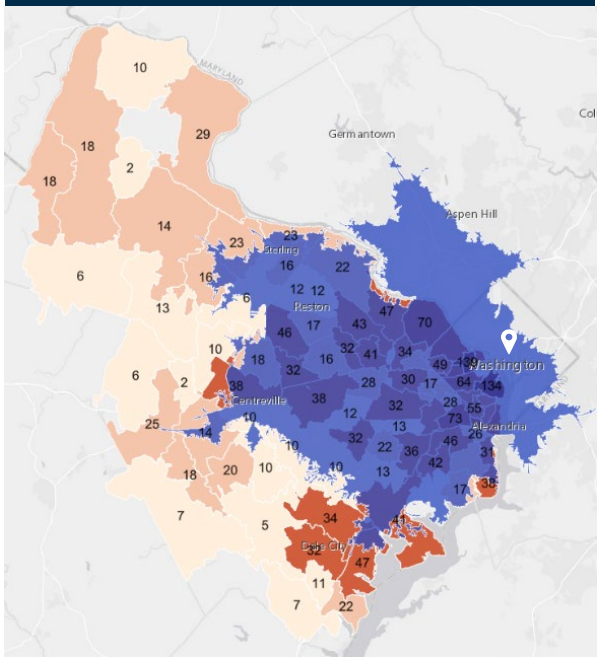
GWUH Existing Patient Outpatient Surgical Services*
Patient Drive Time Study

Existing GWUH patients residing in PD8	2,651

Travel Time	Current	Proposed	Impact
< 30 Minute	1,961	2,351	390
% of Total	*74%*	*89%*	*15%*
> 30 Minute	690	300	-390
% of Total	*26%*	*11%*	*-15%*

**Annualized Oct YTD 2023 Patient Encounters*

GWUH Patient Drive Time from Proposed ASC

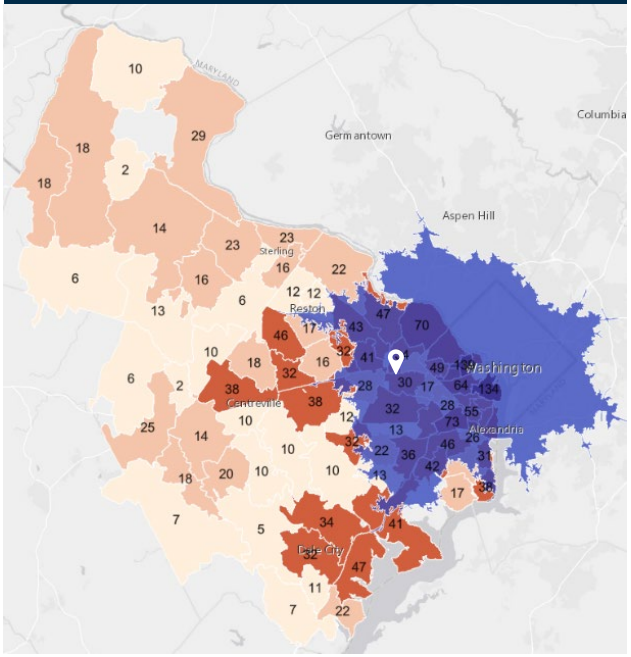


GWUH Patient Encounters

Annualized Jan-Oct 2023 GWUH Data

- 95 - 139
- 55 - 95
- 29 - 55
- 13 - 29
- 1 - 13
- Other

GWUH Patient Drive Time from GWUH



IV.D PD8 Growth Projections & Surgical Services Demand by Age Group

PD8 is experiencing its highest growth among its population age group 65+. The table below provides a demonstration of what might be expected in terms of specialty care by age group for the district to prepare itself for impending surgical services demand.

Age Group (Years)	Focused Specialty	Population	% PD8 Affected
0-19	Tonsillectomy/Adenoidectomy, Myringotomy, Appendectomy, Therapeutic Procedures (Urology, ENT)	668,726	26.2%
20-44	Appendectomy, Inguinal and femoral hernia repair, Cholecystectomy, Hysterectomy, Oophorectomy, Therapeutic Procedures (Orthopedics, Dermatology, OB/GYN)	916,850	35.9%
45-64	Inguinal and Femoral Hernia Repair, Lens and Cataracts Procedures, Hysterectomy, Cholecystectomy, Therapeutic Procedures (Orthopedics, OB/GYN, Dermatology)	658,100	25.8%
65+	Lens and Cataracts, Inguinal and Femoral Hernia, Cardiac Pacemakers/Cardioverter/Defib, Lumpectomy/Quadrantectomy, Arthroplasty, Therapeutic Procedures (Orthopedics)	306,701	12.0%

https://hcup-us.ahrq.gov/reports/statbriefs/sb287-Ambulatory-Surgery-Overview-2019.pdf

Age Group	Population	% of Total
Under 5 years	154,375	6.1%
5 to 9 years	169,710	6.7%
10 to 14 years	178,903	7.0%
15 to 19 years	165,738	6.5%
20 to 24 years	159,007	6.2%
25 to 29 years	181,525	7.1%
30 to 34 years	188,982	7.4%
35 to 39 years	199,597	7.8%
40 to 44 years	187,739	7.4%
45 to 49 years	181,071	7.1%
50 to 54 years	174,141	6.8%
55 to 59 years	165,070	6.5%
60 to 64 years	137,818	5.4%
65 to 69 years	104,672	4.1%
70 to 74 years	83,227	3.3%
75 to 79 years	54,538	2.1%
80 to 84 years	33,193	1.3%
85 years and over	31,071	1.2%
Total population	**2,550,377**	**100.0%**

US Census Bureau 2020

Age Group	2010	2020	Annual Growth
Total population	2,230,623	2,550,377	1.3%
45 to 49 years	180,015	181,071	0.1%
50 to 54 years	161,907	174,141	0.7%
55 to 59 years	132,992	165,070	2.2%
60 to 64 years	109,140	137,818	2.4%
65 to 69 years	70,109	104,672	4.1%
70 to 74 years	44,723	83,227	6.4%
75 to 79 years	31,487	54,538	5.6%
80 to 84 years	22,960	33,193	3.8%
85 years and over	23,310	31,071	2.9%

US Census Bureau Decennial

Methodology for Need Determination (Application Section IV.F)

IV.F: Methodology for Need Determination

The SMFP calculation conducted by GWUH indicates that PD8 will experience a deficit of 20 operating rooms by 2027 based on existing rate of OR visits, population growth trends, hours required per OR visit, and available service hours. GWUH's proposed buildout of the ASC bridges critical service gaps created by the growing population.

12VAC5-230-500

Element	Factor	Calculated Values
ORV*	Total OR Visits	1,066,710
POP*	Population	12,754,173
PROPOP*	Projected Population	2,801,103
AHORV*	Avg hrs per OR visit**	2
FOR*	Future OR rooms needed	374,532
Service Hrs	Available Service Hrs	1,600
***Total Operating Rooms Needed by Year 2027~	234	
Projected 2027 Operating Room Surplus/(Deficit)~	(20)	

*Within the Health Planning District

**For most recent year as calculated by VHI (only record data for one year)

*** $FOR = \frac{((ORV/POP) \times (PROPOP)) \times AHORV}{1600}$

~Exclusive of procedure rooms, dedicated cesarean section rooms, operating rooms designated exclusively for cardiac surgery, procedures rooms or VDH-designated trauma services

IV.F Statement of Need for Medical Facilities and Services Program (SMFP)

Historical and projected surgical services and population growth trends indicate an overall surgical services **deficit of 20 rooms by 2027** within Planning District 8, driving the need for the immediate identification of ASC space to stabilize and prepare the district for the future.

Methodology: George Washington University Hospital worked directly with various source data owners to acquire and obtain critical data points necessary to complete the formula required for determining a "Need for New Service" as defined by the Virginia Code 12VAC5-230-500. Core data sources included ***Virginia Health Information*** and the ***US Census Bureau***.

12VAC5-230-500. Need for new service.

The combined number of inpatient and outpatient general purpose surgical operating rooms needed in a health planning district, exclusive of procedure rooms, dedicated cesarean section rooms, operating rooms designated exclusively for cardiac surgery, procedures rooms or VDH-designated trauma services, shall be determined as follows:

$$\text{FOR} = \frac{((\text{ORV}/\text{POP}) \times (\text{PROPOP})) \times \text{AHORV}}{1600}$$

ORV = the sum of total inpatient and outpatient general purpose operating room visits in the health planning district in the most recent five years for which general purpose operating room utilization data has been reported by VHI; and

POP = the sum of total population in the health planning district as reported by a demographic entity as determined by the commissioner, for the same five-year period as used in determining ORV.

PROPOP = the projected population of the health planning district five years from the current year as reported by a demographic program as determined by the commissioner.

AHORV = the average hours per general purpose operating room visit in the health planning district for the most recent year for which average hours per general purpose operating room visits have been calculated as reported by VHI.

FOR = future general purpose operating rooms needed in the health planning district five years from the current year.

1600 = available service hours per operating room per year based on 80% utilization of an operating room available 40 hours per week, 50 weeks per year.

B. Projects involving the relocation of existing operating rooms within a health planning district may be authorized when it can be reasonably documented that such relocation will: (i) improve the distribution of surgical services within a health planning district ; (ii) result in the provision of the same surgical services at a lower cost to surgical patients in the health planning district; or (iii) optimize the number of operations in the health planning district that are performed on an outpatient basis.

IV.F Statement of Need for Medical Facilities and Services Program (SMFP)

Historical and projected surgical services and population growth trends indicate an overall surgical services **deficit of 20 rooms by 2027** within Planning District 8, driving the need for the immediate identification of ASC space to stabilize and prepare the district for the future.

Result: Through evaluation of historical operating room, surgical procedure and visit time data acquired from VHI, GWUH identified a future state deficit in availability of operating rooms required to meet Planning District 8's growing population's needs. Proper planning through buildout of space and recruitment of qualified healthcare providers to meet this growing demand for surgical services will position PD8 for community health, cost control and readiness for emergent and urgent healthcare needs.

VHI Reported Rms (Planning District 8)				
Year	Operating	Exclusive Use	Procedure	Total
2022	214	1	70	**285**
2021	205	7	69	**281**
2020	203	6	64	**273**
2019	204	6	63	**273**
2018	204	6	61	**271**

		VHI-Provided Historical Data					Future	Calculated Values					
Element	**Factor**	**2022**	**2021**	**2020**	**2019**	**2018**	**2027**	ORV	POP	PROPOP	AHORV	FOR	Service Hrs
ORV*	Inpatient OR Visits	38,818	41,236	38,371	43,499	43,417		205,341					
	Outpatient OR Visits	193,794	181,224	145,806	173,694	166,851		861,369					
	Total OR Visits	232,612	222,460	184,177	217,193	210,268		**1,066,710**					
POP*	**Population**	2,619,630	2,584,772	2,550,377	2,516,440	2,482,954			**12,754,173**				
PROPOP*	**Projected Population**						2,801,103			**2,801,103**			
AHORV*	**Avg hrs per OR visit****										**2**		
FOR*	**Future OR rooms needed**						**374,532**					**374,532**	
Service Hrs	**Available Service Hrs**												**1,600**

*Within the Health Planning District

**For most recent year as calculated by VHI (only record data for one year)

~Exclusive of procedure rooms, dedicated cesarean section rooms, operating rooms designated exclusively for cardiac surgery, procedures rooms or VDH-designated trauma services

*** $FOR = \frac{((ORV/POP) \times (PROPOP)) \times AHORV}{1600}$

***Total Operating Rooms Needed by Year 2027~	234
Projected 2027 Operating Room Surplus/(Deficit)~	(20)

Supplemental Slides

Existing ASCs within the Primary Service Area

27 facilities provide outpatient surgical services within PD8 (16 are designated as ambulatory surgical hospitals)

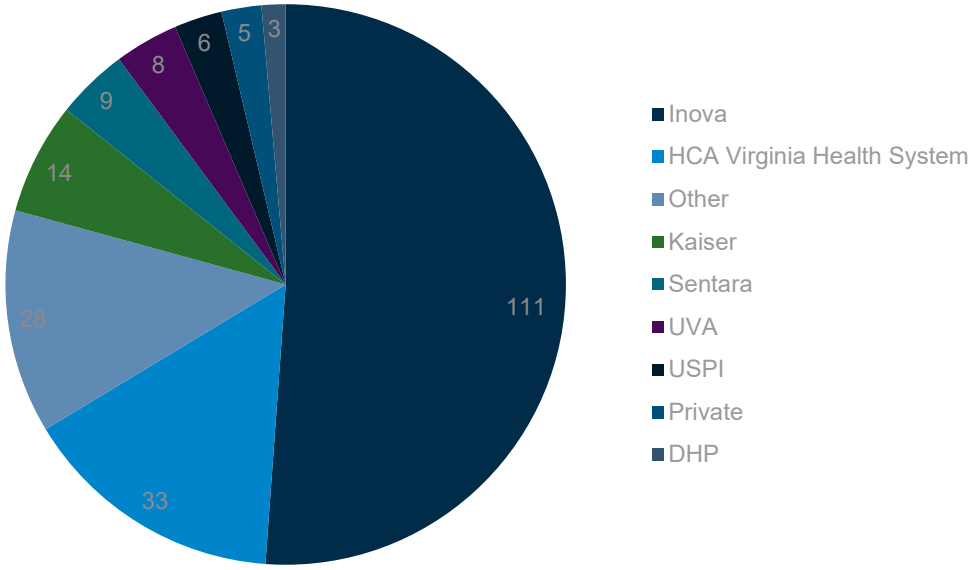
Facility Name	Address	City	State	Zip Code	Facility Type
Fairfax Surgical Center	10730 Main Street	Fairfax	VA	22030	Ambulatory Surgical Hospital
Haymarket Surgery Center	15195 Heathcote Blvd	Haymarket	VA	20169	Ambulatory Surgical Hospital
HealthQare Services ASC, LLC	1005 Glebe Road	Arlington	VA	22201	Ambulatory Surgical Hospital
Inova Alexandria Hospital	4320 Seminary Road	Alexandria	VA	22304	Acute Hospital
Inova Ambulatory Surgery Center at Lorton, LLC	9321 Sanger Street	Lorton	VA	22079	Ambulatory Surgical Hospital
Inova Fair Oaks Hospital	3600 Joseph Siewick Drive	Fairfax	VA	22033	Acute Hospital
Inova Fairfax Hospital	3300 Gallows Road	Falls Church	VA	22042	Acute Hospital
Inova Loudoun Ambulatory Surgery Center, LLC	44035 Riverside Parkway	Leesburg	VA	20176	Ambulatory Surgical Hospital
Inova Loudoun Hospital	44045 Riverside Parkway	Leesburg	VA	20176	Acute Hospital
Inova Mount Vernon Hospital	2501 Parker's Lane	Alexandria	VA	22306	Acute Hospital
Inova Surgery Center @ Franconia-Springfield	6355 Walker Lane	Alexandria	VA	22310	Ambulatory Surgical Hospital
Kaiser Permanente - Woodbridge Surgery Center (AKA Caton Hill Center)	13285 Minnieville Road	Woodbridge	VA	22192	Ambulatory Surgical Hospital
Kaiser Permanente Tysons Corner Surgery Center	8008 Westpark Drive	McLean	VA	22102	Ambulatory Surgical Hospital
Lake Ridge Ambulatory Surgery Center, LLC	12825 Minnieville Road	Woodbridge	VA	22192	Ambulatory Surgical Hospital
McLean Ambulatory Surgery Center, LLC	7601 Lewinsville Road	McLean	VA	22102	Ambulatory Surgical Hospital
Northern Virginia Eye Surgery Center, LLC	2710 Prosperity Avenue	Fairfax	VA	22031	Ambulatory Surgical Hospital
Northern Virginia Surgery Center	3620 Joseph Siewick Drive	Fairfax	VA	22033	Ambulatory Surgical Hospital
Pediatric Specialists of Virginia Ambulatory Surgery Center	3023 Hamaker Ct.	Fairfax	VA	22031	Ambulatory Surgical Hospital
Prince William Ambulatory Surgery Center	8644 Sudley Road	Manassas	VA	20110	Ambulatory Surgical Hospital
Reston Hospital Center	1850 Town Center Parkway	Reston	VA	20190	Acute Hospital
Reston Surgery Center	1860 Town Center Drive	Reston	VA	20190	Ambulatory Surgical Hospital
Sentara Northern Virginia Medical Center	2300 Opitz Boulevard	Woodbridge	VA	22191	Acute Hospital
Stone Springs Ambulatory Surgery Center	24570 Medical Dr	Dulles	VA	20166	Ambulatory Surgical Hospital
Stone Springs Hospital Center	24440 Stone Springs Blvd	Dulles	VA	20166	Acute Hospital
UVA Health Haymarket Medical Center	15225 Healthcote Blvd	Haymarket	VA	20169	Acute Hospital
UVA Health Prince William Medical Center	8700 Sudley Road	Manassas	VA	20110	Acute Hospital
Virginia Hospital Center	1701 N. George Mason Drive	Arlington	VA	22205	Acute Hospital

Competitor Comparisons

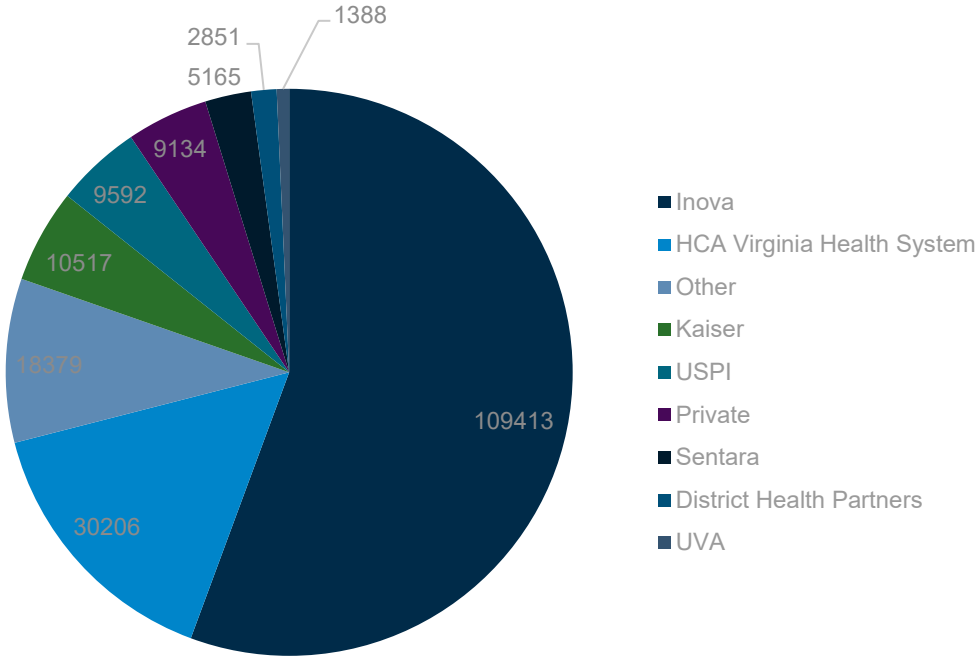
Side by Side Views of PD8 Parent Company Rollups highlighting Operating Room & Outpatient Surgical Volume

Inova is indicated as the clear dominate player in Planning District 8, controlling market share of 51% in operating rooms and 55% in outpatient visit volume, compared to its next largest district peer, HCA Virginia Health System, possessing 15% market share of both operating rooms and outpatient visits. The remaining market share is evenly distributed across several health system players. DHP will rank at 1% in terms of operating room market share and 3% in outpatient visits if the proposed ASC is approved.

PD8 Operating Rooms by Parent Company



PD8 Outpatient Visits by Parent Company



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