

**Health Systems Agency of Northern Virginia
Board of Directors Meeting
Video conference Meeting
June 27, 2022**

Members Present

Sahil Chaudhary
Tom Fonseca, Chairperson
Pamela Kincheloe, RN
Patrice Lepczyk
Lydia Lawrence
Sally Patterson
Douglas Samuelson
Kamila Torrez
Terry West

Staff Present

Ann McFeeley
Dean Montgomery

Guests (Partial List)

Elise Berman, MD, Fairfax Radiology Consultants
Paul Dryer, Senior Director, Planning & Strategy, Inova Health System
Audrey Fisher, CEO, The Cardiovascular Group (Virginia Heart)
Andrew Gill, Vice President/Administrator, Inova Heart & Vascular Institute
Peter Mellette, Counsel, The Cardiovascular Group (Virginia Heart)
Patrick Oliverio, MD, Chairman, Diagnostic Radiology, Inova Fairfax Hospital
Jessica Parker, Senior Director, Strategy and Planning, Inova Health System
Ibrahim Saeed, MD, Medical Director of Nuclear Imaging, The Cardiovascular Group (Virginia Heart)
Justin Zakia, CEO, Fairfax Radiology Centers

I. Call to Order

Tom Fonseca, Chairperson, Health Systems Agency of Northern Virginia (HSANV), called the meeting to order at 7:32 PM. He welcomed those present and reviewed the agenda.

Fonseca stated that, among other matters, the Committee would consider two certificate of public need (COPN) applications:

- The Cardiovascular Group, Establish PET-CT Service (COPN Request VA-8625)
- Inova Reston MRI Center, Establish MRI Service (COPN Request VA-8632)

II. Conflict of Interest

Fonseca followed established HSANV conflict of interest procedures to determine whether any member had a conflict of interest on the applications on the agenda. No conflicts were declared, alleged, or otherwise identified.

III. COPN Applications: **The Cardiovascular Group, Establish PET-CT Service (COPN Request VA-8625) **Inova Reston MRI Center, Establish MRI Service (COPN Request VA 8632)****

A. The Cardiovascular Group (dba, Virginia Heart)

HSANV Staff Review

Dean Montgomery presented the HSANV staff evaluation of the application. He said Virginia Heart proposes to develop a PET-CT service dedicated to cardiac PET imaging. The projected patient population is internal, patients of Cardiovascular Group physicians, largely those who would be likely to obtain a SPECT scan or have another less effective imaging procedure if the PET-CT option were not available. The slides Virginia Heart representatives used are attached (Attachment 1).

Examination of the application, in the context of regulatory requirements, the regional PET-CT market, and local service capacity indicates that:

- Northern Virginia has eight PET imaging services and more than adequate capacity to meet demand. Neither additional services nor additional capacity is needed.
- The oncology focused PET services have relatively low and stable use, with unused capacity in all service sites.
- The recently opened service dedicated to cardiac PET imaging, Carient Heart & Cardiovascular, reports the highest service volumes in the region, and is seeking authorization to expand.
- Given the nature of the project, a dedicated cardiac imaging service, and the reported high service volume of the Carient service, a Virginia Heart PET service is not likely to affect demand at and use of other PET-CT programs negatively.
- There is a credible argument that fragile and difficult to treat cardiac patients may benefit from PET based imaging.
- The possibility of reducing the number of unnecessary cardiac interventions cannot be dismissed lightly. Avoiding the risk and cost of these unproductive procedures is a worthy goal.

Based on these findings, and on the data and arguments presented in the application, staff conclude that the Virginia Heart application qualifies for approval, the availability of unused PET-CT capacity region wide notwithstanding.

The Cardiovascular Group Presentation

Audrey Fisher, CEO, The Cardiovascular Group, introduced herself and other Virginia Heart representatives present to discuss the application: Ibrahim Saeed, MD, Virginia Heart Medical Director of Nuclear Imaging and Peter Mellette, Counsel, The Cardiovascular Group. Among other considerations,

Fisher, Saeed Mellette, and Mellette emphasized several points, including

- Virginia Heart, with more than 50 physicians, 10 practice locations, and a patient base of more than 150,000, is the largest cardiovascular services group in the planning region.
- The group proposes to add PET-CT scanning, specifically advanced myocardial perfusion imaging, to the array of cardiovascular diagnostic and treatment services it offers.
- PET-CT scanning is the preferred, and more appropriate, diagnostic imaging option for many, if not most, patients with coronary artery disease.
- By reducing the number of false negative and false positive imaging tests, PET-CT scanning has the potential to reduce the number of unnecessary of coronary interventions and the associated risk and costs those interventions (e, g., cardiac catheterizations) entail.
- The capital cost of the project is reasonable, within the range commonly seen for similar projects statewide.
- With PET-CT capability Virginia Heart will undertake a community outreach program, which will include calcium scoring, to identify those most at risk of coronary artery disease.
- Projected caseloads in first two years of operations are based on the expectation that a significant number of Virginia Heart patients who obtain SPECT scans would be appropriate for, and better served by, PET-CT scanning.
- Virginia Heart projects (assumes) a charity care commitment of nearly 5% of projected PET-CT revenue.
- The project is consistent with the applicable provisions of the Virginia State Medical Facilities Plan (SMFP).
- Given the dedication to cardiac PET-CT scanning, the high service volume at the one cardiac PET service in the region, and the likelihood that internal referrals will be sufficient for the service to operate at capacity, the project will not affect use of other local PET-CT services negatively.

Board & Staff Questions, Discussion

In response to questions, Fisher and Saeed stated that

- Currently, Virginia Heart does not refer patients to any of the existing PET-CT services. The service (and capability) Virginia Heart proposes to offer is not now available at the imaging programs that focus on cancer diagnosis and treatment.
- Calcium scoring to assess cardiovascular risk entails using the CT component of the PET-CT system independent of the PET element.
- Cardiac PET imaging is more costly than other cardiovascular imaging procedures. Payment (reimbursement) for SPECT myocardial perfusion imaging, for example, is about \$600 per scan compared with about \$3,200 per scan for a PET-CT scan.
- Virginia Heart's projected demand of 1,200 scans per year is based on the expectation that about 20% of the group's patients who obtain SPECT scans would be more appropriately served with a PET-CT scan.
- Arrangements may be made for physicians from outside The Cardiovascular Group to use the PET-CT service, but the expectation is that internal demand will meet or exceed service capacity.

Public Comment

Andrew Gill, Vice President & Administrator, Inova Heart and Vascular Institute, spoke in support of the application.

Gill noted a 10 year working agreement Inova Heart and Vascular Institute and Virginia Heart negotiated to advance cardiovascular services and care. Establishing a PET-CT service dedicated to cardiac imaging near the center of the planning region, as proposed by Virginia Heart, would contribute meaningfully to this cooperative initiative.

Staff Recommendation

Based on the information presented in the agency staff report on the application, and the testimony presented earlier by Virginia Heart representatives, Montgomery recommended approval of the application.

Board Deliberation and Vote

Douglas Samuelson offered a motion to recommend approval of the application. Sally Patterson seconded the motion. The motion passed by a vote of nine in favor (Chaudhary, Fonseca, Kincheloe, Lawrence, Lepczyk, Patterson, Samuelson, Torrez, West) and none opposed.

B. Inova Reston MRI Center

HSANV Staff Review

Dean Montgomery presented the HSANV staff assessment of the application. He noted that the Inova Reston MRI Center (IRMC) proposal is to replace and relocate an aging MRI service and scanner. The service would be moved to a new location in Herndon., VA, less than a mile and a half from the current site, and the scanner would be replaced with state-of-the-art equipment and technology. There would be not net increase in regional MRI capacity.

Examination of the application, in the context of regulatory requirements, the regional MRI market, and local capacity and service volumes indicates that:

- Demand for MRI scanning and regional MRI capacity are in balance. Average regional service volumes in recent years have been between 80% and 85% of the Virginia Sate Medical Facilities Plan (SMFP) planning standard of 5,000 cases per scanner per year. There is no need for additional MRI services or additional MRI scanners.
- Existing services and scanners are well distributed locally with a reasonable mix of hospital based and freestanding services.
- The IRMC service is heavily used, with recent annual service volumes near or above the recommended planning standard.
- Neither the service area nor the physician referral base would change as a result of the relocation.
- Reasons for, and benefits of, relocating the service and replacing the scanner are evident and well documented.
- Projected capital costs are within the capital expenditure range commonly seen for similar projects.

Based on these findings, and on the data and arguments presented in the application, staff conclude that the IRMC application qualifies for approval.

Inova Reston MRI Center Presentation

Paul Dryer, Senior Director, Planning & Strategy, Inova Health System, introduced himself and others representing the applicant: Patrick Oliverio, MD, Chairman, Diagnostic Radiology, Inova Fairfax Hospital, and Justin Zakia, CEO, Fairfax Radiology Centers, and Elise Berman, MD, Fairfax Radiological Consultants.

Dryer, Oliverio, Zakia and Berman discussed the substance of the proposal and the reasons for relocating the imaging center and replacing the scanner. Among other factors, they emphasized:

- The building in which the imaging center is located has a number of structural problems that make efficient diagnostic imaging operations difficult. The service is to be moved about 1.3 miles to a more appropriate location.
- The IRMC scanner is near the end of its useful life and must to be replaced, on site or elsewhere.
- The project will not result in an increase in local MRI scanning services or capacity.
- Projected capital costs are within the range seen for similar projects locally and statewide.
- There would be no change in the IRMC primary service area. The project will not affect demand at or use of other MRI services.
- With a new state-of-the-art MRI scanner in a convenient location IRMC will be in a position to provide advanced breast cancer diagnosis and treatment.
- Replacement and relocation of the dated scanner is consistent with applicable provisions of the Virginia State Medical Facility Plan (SMFP).

Board & Staff Questions, Discussion

There were no additional questions. Fonseca thanked IRMC representatives for their presentation.

Public Comment

There was no public comment other than the letters of support submitted as a part of the application.

Final Summary

Paul Dryer indicated that the applicant did not wish to offer additional testimony.

Staff Recommendation

Based on the information presented in the agency staff report on the application, and the testimony presented earlier by IRMC representatives, Montgomery recommended approval of the application.

Board Deliberation and Vote

Sally Patterson offered a motion to recommend approval of the application. Pam Kincheloe seconded the motion. The motion passed by a vote of nine in favor (Chaudhary, Fonseca, Kincheloe, Lawrence, Lepczyk, Patterson, Samuelson, Torrez, West) and none opposed.

IV. Previous Minutes

Minutes of the June 13, 2022 meeting were approved

V. Nominations Committee Report

Members considered the Nominations Committee report (Attachment 2) which, given the extraordinary circumstances and conditions under which most agency operated over the last two years, recommended that the terms of current officers and executive members be extended for a year. The motion to adopt the committee recommendation was approved unanimously, nine in favor and none opposed. The board also accepted the committee recommendation that the board return to routine in person meetings beginning September 12, 2022.

VI. Other Business

The next HSANV board meeting was set for Monday, September 12, 2022.

VII. Adjourn

Fonseca adjourned the meeting 9:15 PM.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Dean Montgomery".

Dean Montgomery

Attachments (1)