

**Health Systems Agency of Northern Virginia
Board of Directors Meeting
April 7, 2025**

Members Present

Lee Draznin
Cody Hennelly
Pamela Kincheloe, RN, Chairperson
Patrice Lepczyk
Anitha Raj
Douglas Samuelson
Robert Sharpe
James Smith, MD
Jennifer Weber

Staff Present

Ann McFeeley
Dean Montgomery

Guests (Partial List)

Paul Dryer, Senior Director, Strategy & Planning, Inova Health System
Rishi Garg, MD, Chief Medical Officer of Inova Fairfax Hospital
Mary Anne Harkins, UVA Health
Betsy Reilly, Business Analyst, JHU Healthcare
Patricia Schmehl, RN, Senior Vice President, COO of Inova Fairfax Hospital
Spencer Wildonger, Director of Planning, Transformation, JHU Medicine
Alicia Wiygul, Director, Strategy & Planning, Inova Health System

I. Call to Order

Pam Kincheloe, RN, Chairperson, Health Systems Agency of Northern Virginia (HSANV), called the meeting to order at 7:30 PM. She welcomed Cody Hennelly, recently appointed Fairfax County consumer representative. She reviewed the agenda and initiated introductions.

Kincheloe stated that, among other matters, the board would consider a certificate of public need (COPN) application filed by Inova Health Care Services seeking authorization to add 48 medical-surgical beds at Inova Fairfax Hospital.

II. Previous Minutes

The board approved minutes of the March 10, 2025, meeting.

III. Conflict of Interest

Kincheloe followed HSANV conflict of interest procedures to determine whether any member had a conflict of interest on either of the application. No conflicts were declared, alleged, or otherwise identified.

IV. COPN Application: Inova Health Care Services, COPN Request VA-8803

Inova Health Care Services Presentation

Alicia Wiygul, Director, Strategy & Planning, Inova Health System, introduced herself and other Inova representatives present to discuss the application: Patricia Schmehl, RN, Senior Vice President, COO of Inova Fairfax Hospital; Rishi Garg, MD, Chief Medical Officer of Inova Fairfax Hospital.

Among other considerations, Wiygul, Schmehl, and Garg emphasized several points:

- Inova Fairfax Hospital (IFH) is the largest and busiest hospital in the region. It is both a community hospital and the region's medical referral center.
- Inpatient use of IFH is high, the highest in the region. Occupancy of the hospital's medical-surgical beds is much higher than planning guidelines. Demand is increasing. IFH medical-surgical beds are now used to capacity. Additional beds are needed as soon as possible.
- Inova seeks authorization to add forty-eight (48) beds at IFH. The project would increase IFH's total licensed bed complement to 976 beds, 554 of which would be for general medical-surgical use.
- There is no evidence of a general regional need for additional capacity. Unused beds elsewhere in the planning region, and outside Inova Health System, are not a practical alternative to respond to increasing demand at Inova Fairfax. Unused beds elsewhere in the planning region, and outside Inova Health System, are not a practical alternative to respond to increasing demand at Inova Fairfax.
- Capital costs, though substantial at about \$33.0 million, are reasonable for the space to be converted to medical-surgical nursing units.
- Based on recent and near-term projected use, Inova Fairfax Hospital has an internal (*institution specific*) need for additional beds.
- The proposal is consistent with the institutional need provision (Section 12VAC5-230-80) of the Virginia State Medical Facilities Plan (SMFP).

A copy of the slides presented by Inova representatives in support of the application are attached (Attachment 1).

Board & Staff Questions, Discussion

In response to questions Wiygul, Schmehl, and Garg stated that:

- Sustained, increasingly effective efforts are underway to redirect (channel) medical-surgical patients to other Inova Health System hospitals where they can be served efficiently and effectively. The effort will continue systemwide.
- The replacement hospitals for Inova Alexandria Hospital (Landmark and Springfield) will open in 2028. Inova expects many of those residing near these facilities who now use IFH to use those facilities for inpatient care.

- Projections of likely demand at Inova Fairfax Hospital over the next five years take into account the projected use of these facilities when they were authorized.
- There is space in the hospital that will be used to accommodate observation patients when the current observation unit is converted to licensed bed space
- About 20% of Inova Fairfax Hospital medical-surgical patients come from outside the planning district.
- The average length of stay at Inova Fairfax Hospital increased by nearly 10%, at Inova Fairfax Hospital over the last five years (2019-2024). This reflects the increasing acuity level of the hospital's patient base. Over this period the CMS case mix increased to more than 2.0, the highest in the region and among the highest in the state.
- Inova expects occupancy levels at the hospital to remain high, substantially above the 80% planning standard, with the added capacity and the redirection of patients to other Inova facilities.

Public Comment

There was no public comment on the proposal other than the letters of support submitted with the application. There is no known opposition to the project.

Applicant Final Summary

Wiygul summarized the benefits of the proposal and thanked the board for its consideration of the proposal. He offered to answer any additional questions.

Staff Recommendation, COPN Request VA-8803

Dean Montgomery summarized the data and information presented in the agency staff report on the application. He noted that:

- Though application of the medical-surgical bed need formula specified in the Virginia SMFP indicates there is no near-term regional need for additional hospital beds, medical-surgical and otherwise, within the next five years, Inova presents a strong case for increasing the number of licensed medical-surgical beds at Inova Fairfax Hospital as quickly as they can be added.
- Inova's assessment of its capacity and projected demand is system wide. Changes underway at other Inova Health System (e.g. Inova Alexandria Hospital) are taken into account.
- The projected capital cost of the project, which entails the renovation and conversion of existing space to licensed bed space, is reasonable for the space to be renovated and for the number of beds developed.
- The project qualifies for consideration to add capacity under Section 12VAC5-230-80, the institutional need provision, of the Virginia State Medical Facilities Plan.

Based on these considerations, on the data and information presented in the agency staff report on the application, and on the testimony presented by the applicant, Montgomery recommended approval of the application.

Board Deliberation and Vote, COPN Request VA-8803

Douglas Samuelson offered a motion to recommend approval of the application. Anitha Raj seconded the motion. The motion passed by a vote of nine in favor (Draznin, Hennelly, Kincheloe, Lawrence, Lepczyk, Samuelson, Sharp, Smith, Weber) and none opposed.

V. Review of Recent COPN Decisions

Lee Draznin raised questions about the underlying rationale of decision memorandum on the recently approved Loudoun ProCo nursing home expansion project authorizing four additional at the facility. He noted that the decision is contrary to the advice and recommendations of HSANV and DCOPN, the Commissioner's staff. The discussion focused on the nature and history of the project and similar projects that have resulted in the transfer of nursing home capacity (beds) from southwest Virginia to northern Virginia.

VI. Other Business

The next board meeting was set for Monday, June 9, 2025.

VII. Adjourn

Kincheloe adjourned the meeting at 8:40 PM.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Dean Montgomery", written in a cursive style.

Dean Montgomery

Attachments (1)