

COMMONWEALTH OF VIRGINIA

**APPLICATION FOR A
MEDICAL CARE FACILITIES CERTIFICATE OF PUBLIC NEED
(CHAPTER 4, ARTICLE 1:1 OF TITLE 32.1,
SECTIONS 32.1 – 102.1 THROUGH 32.1 – 102.11 OF
THE CODE OF VIRGINIA OF 1950, AS AMENDED)**

HOSPITALS

COPN Request No. VA-8880

Inova Health Care Services d/b/a Inova Alexandria Hospital

**Add One (1) Additional MRI Scanner Through Relocation From Inova
Mark Center**

March 27, 2026

SECTION I FACILITY ORGANIZATION AND IDENTIFICATION

A. Inova Alexandria Hospital

Official Name of Facility

250 Julia Johns Place

Address

<u>Alexandria</u>	<u>VA</u>	<u>22304</u>
City	State	Zip

703-504-3169

Telephone

B. Inova Health Care Services

Legal Name of Applicant

8095 Innovation Park Drive

Address

<u>Fairfax</u>	<u>VA</u>	<u>22031</u>
City	State	Zip

C. Chief Administrative Officer

Rina Bansal, MD (President, Inova Alexandria Hospital)

Name

4320 Seminary Road

Address

<u>Alexandria</u>	<u>VA</u>	<u>22304</u>
City	State	Zip

703-504-3169

Telephone

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

Paul Dreyer, Senior Director, Strategy & Planning, Inova Health System

Name

8095 Innovation Park Drive

Address

<u>Fairfax</u>	<u>VA</u>	<u>22031</u>
City	State	Zip

703-403-7598**Not Applicable****Paul.Dreyer@inova.org**

Telephone

Facsimile

E-Mail

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

Will the facility be operated by the owner? Yes **X** No _____

Owner of the Facility
(Check one)

Proprietary

Operator of Facility
(Check one)

(1) _____

(1) Individual

(1) _____

(2) _____

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

(2) _____

(3) _____

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

(3) _____

(4) _____

(4) Other _____ Identify

(4) _____

Non-Profit

(5) **X**

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

(5) **X**

Please see Attachment A.

(6) _____

(6) Other _____ Identify

(6) _____

Governmental

(7) _____

(6) State

(7) _____

(8) _____

(8) County

(8) _____

(9) _____

(9) City

(9) _____

(10) _____

(10) City/County

(10) _____

(11) _____

(11) Hospital Authority or

(11) _____

Commission

(12) _____ (12) Other _____ Identify (12) _____

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

- (1) _____ Fee simple title held by the applicant
 (2) _____ Option to purchase held by the applicant
 (3) **X** _____ **leasehold interest for not less than 95 years**
 (4) _____ Renewable lease, renewable every _____ years
 (5) _____ Other _____ Identify

Please see Attachment B.

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

Inova Health Care Services ("Inova") is a 501(c)(3) Virginia nonstock corporation. The sole member of Inova Health Care Services is the Inova Health System Foundation d/b/a Inova Health System ("Inova Health System"), which also is a 501(c)(3) Virginia nonstock corporation.

In the case of proprietary corporation also attach:

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

Not applicable.

(a) In the case of a non-profit corporation also attach:

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

Please see Attachment C for the names of the board members and officers of Inova Health System. Please direct any questions to board members at the following address:

**c/o Nena Jaspers
 8095 Innovation Park Drive
 Fairfax, VA 22031**

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

The Inova Health System board is charged with governance of all Inova hospitals. The names of the board members and officers are included in Attachment C.

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

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

- (b) In the case of a partnership also attach:

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

Not applicable.

- (c) In the case of other types of ownership, also attach such documents as will clearly identify the owner.

Not applicable.

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

Please see Attachment D for a comprehensive corporate organization chart for the Inova Health System.

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

Inova Health System Foundation (d/b/a Inova Health System).

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

Not applicable.

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

Not applicable.

SECTION II**ARCHITECTURE AND DESIGN****A. Location of the Proposed Project**

1. Size of site: 10.4 acres
2. Located in Alexandria City / Planning District ("PD") 8
City/County/Planning District

Address or directions 250 Julia Johns Place, Alexandria, VA 22304¹

3. Has site been zoned for type of use proposed:

 X Yes(attach copy of zoning or use permit) **Attachment E**

 No

If no, explain status

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

- (1) X New construction
- (2) Remodeling/modernization of an existing facility
- (3) No construction or remodeling/modernization
- (4) X Other **Relocation and replacement of MRI unit from Inova Alexandria Hospital's Inova Mark Center to Inova Alexandria Hospital at Landmark partial replacement hospital** (Identify)

C. Design of the facility

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

Long range planning is guided by the mission, vision, and values of Inova Health System, set forth in Attachment F.

Inova Health System's mission is:

To provide world-class healthcare – every time, every touch – to each person in every community we have the privilege to serve.

Our vision is:

To be among the leading healthcare systems in the nation.

¹ 250 Julia Johns Place, Alexandria, VA 22304 is a new street address assigned by the City of Alexandria

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

Inova Alexandria Hospital currently operates four (4) MRI units: two (2) at the hospital on Seminary Road, one (1) at the freestanding Inova Mark Center located on North Beauregard Street in Alexandria, and one (1) at the Inova Franconia-Springfield HealthPlex. The Inova Mark Center location is aged, poorly configured by today's standards for delivery of imaging services, in need of substantial, costly renovations, and is leased from a third party. The lease expires in 2028 and given the problems with the aged facility, Inova Alexandria Hospital does not intend to renew the lease. Additionally, the MRI unit at the Inova Mark Center is quite old, having been acquired in 2011 when the facility opened, and is in need of replacement.

This application seeks approval to relocate and replace the existing Inova Mark Center MRI unit. In light of the timing of the lease expiration and the projected opening date of the Inova Alexandria Hospital at Landmark, which will partially replace the existing Inova Alexandria Hospital, the replacement MRI unit would be brought online in 2028 at the Inova Alexandria Hospital at Landmark.

The Inova Alexandria Hospital at Landmark campus, located at the site of the former Landmark Mall, will include the partial replacement hospital, a separate Inova Cancer Center building, and a medical office building that will house an Outpatient Center, along with a central utility plant and parking (below grade plus an existing above grade parking deck) to support service availability on the campus.

The site is adequately sized to provide for future expansion as healthcare needs arise.

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

The Inova Alexandria Hospital at Landmark campus is well situated to public transportation and highway access. It is located at the intersection of two major vehicular access roads, Duke Street and I-395. Multiple bus routes serve the site and the site is located one mile from the Van Dorn Street Metro Station.

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

The Inova Alexandria Hospital at Landmark will be located at the intersection of Duke Street and I-395 in Alexandria, Virginia, on the west side of the property formerly occupied by the Landmark Mall. The property is bordered by the Henry G. Shirley Memorial Highway to the north, Duke Street to the west and south, and North Van Dorn Street to the east.

There will be three entrances to the Inova Alexandria Hospital at Landmark: a main front entrance, an Emergency Department walk-in drop-off entrance, and an ambulance entrance to the Emergency Department. The adjacent Cancer Center building will have a drop-off entrance located on the west side of the building.

The main parking garage for the Inova Alexandria Hospital at Landmark already exists at the site. Patients and visitors will access the Inova Alexandria Hospital at Landmark on the north side of the building. Underground parking will be located on the site as well for physicians and team members.

Water/sewer pipes and storm drains will be linked to the site utility provided to the Inova site at the property line.

Waste service compactor/container will be located at the lower floor loading dock on the west side of hospital.

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

This project proposes the relocation and replacement of Inova Alexandria Hospital's MRI unit at its Inova Mark Center location to the Inova Alexandria Hospital at Landmark partial replacement hospital. A separate COPN application, COPN Request No. VA-8881, proposes the relocation and replacement of Inova Alexandria Hospital's CT unit at its Inova Mark Center location to a proposed Inova Fair Oaks Hospital freestanding emergency department.

The Inova Alexandria Hospital Inova Mark Center location has been open since 2011. The facility is aged, poorly configured by today's standard for imaging services delivery, and the equipment has reached the end of its useful life. As discussed in Section II.C(2), the lease for the facility expires in 2028 and Inova Alexandria Hospital does not intend to renew it. Rather, Inova Alexandria Hospital intends to close the Inova Mark Center and relocate the COPN-regulated units of MRI

and CT capacity as proposed by this COPN Request No. VA-8880 and the separately pending COPN Request No. VA-8881.

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

Architecture

The Inova Alexandria Hospital at Landmark partial replacement facility is pursuing LEED v4 certification and will employ a variety of sustainable design features in the site, building systems, interior environment, and exterior envelope, all leading to a reduction in operating costs and energy usage when compared to minimum code requirements. A few of the more notable design initiatives include optimizing energy performance, material selections leading to building life-cycle impact reductions and sustainable sourcing of raw materials, indoor air quality, daylighting, and views to the exterior.

Heating, Ventilation and Air Conditioning (HVAC)

Energy efficiency is a key consideration for the mechanical, electronic, and plumbing (MEP) design. To offset fuel demands for the heating plant, the central cooling plant will utilize heat-recovery chillers that capture waste heat from the cooling process. The building's temperature control system will include vacancy sensors and adjustable occupancy schedules, which will allow for unoccupied spaces to set back temperatures and airflows. Low-flow and low-flush plumbing fixtures will help reduce total building water usage.

Lighting

Interior and exterior lighting will be designed to enhance comfort and safety for patients, visitors, and staff. Light levels will be consistent with the recommendations published by the Illuminating Engineering Society of North America (IESNA) Lighting Handbook 10th Edition, and lighting design will include decorative, accent, and architectural lighting to reinforce the architectural design. The design will provide ambient lighting and incorporate supplemental task lighting

Lighting equipment will be architectural grade for photometric performance and durability. LED sources will be used throughout for energy efficiency and simplified lighting maintenance thereby minimizing operating costs.

Building controls will be provided by a digital lighting control management system, which will optimize energy usage. Lighting will

be zoned and controlled with dimming switches to allow occupants to adjust light levels to suit their individual tasks, enhancing comfort and overall experience.

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

- (1) Letters from appropriate governmental agencies verifying the availability and adequacy of utilities,

Please see Attachments G.1 and G.2.

- (2) National Pollution Discharge Elimination System permits,

The VPDES permit application was accepted in July 2024.

Please see Attachment G.3.

- (3) Septic tank permits, or

Not applicable. The project will connect all sanitary waste to the Alexandria City sewer system. The site will not include any septic tanks.

- (4) Receipts for water and sewer connection and sewer connection fees.

Please see Attachment G.4

Sanitary Sewer

The overall project development utilizes a combination of existing (from services used by the prior commercial mall property to be demolished) and new sanitary infrastructure to provide overall onsite sanitary sewer lines to serve the Inova Alexandria Hospital at Landmark campus.

Water

The Inova Alexandria Hospital at Landmark campus is served by public water through Virginia American Water. The water service infrastructure for the entirety of the overall mixed-use development is served by existing services from the prior commercial mall property being demolished.

E. Space tabulation – (show in tabular form)

1. If Item #1 was checked in II-B, specify
 - a. The total number of square feet (both gross and net) in the proposed facility. **1165 Gross SF, 1019 Net SF**
 - b. The total number of square feet (both gross and net) by department and each type of patient room (the sum of the square footage in this part should equal the sum of the square footage in (a) above and should be consistent with any preliminary drawings, if available).

Please see Attachment H for the space tabulation for the MRI unit.

2. If Item #2 was checked in II-B, specify:
 - a. The total number of square feet (both gross and net) by department and each type of patient room in the existing facility.
 - b. The total number of square feet (both gross and net) needs to be added to the facility.
 - c. The total number square feet (both gross and net) to be remodeled, modernized or converted to another use.
 - d. The total number of square feet (both gross and net) by department and each type of patient room in the facility upon completion. (The sum of square footage in this part should equal the sum of the square footages in parts (a) and (b) above and should be consistent with any preliminary drawings, if available. (The department breakdown should be the same as in (a) above.

Not applicable.

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

The design team conducted an extensive benchmarking study of comparable hospital facilities on the East Coast to develop targets for Department Gross Square Feet (DGSF) per Key room (inpatient rooms, operating rooms, imaging rooms, etc.). The proposed project is sized to meet the space requirements per these benchmarks.

The facility is sized to meet all clearance and room requirements set forth in the 2018 edition of the Facilities Guidelines Institute – Guidelines for Design and Construction of Hospitals.

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

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

Please see Attachment I for a certified plat.

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

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

Please see Attachment J for preliminary design drawings.

H. Construction Time Estimates

1. Date of Drawings:
 Preliminary: **Schematic Design complete: March 2022**
 Final: **Construction Documents complete: January 2024**
2. Date of Construction:
 Begin: **January 2027**
 Completion: **January 2028**
3. Target Date of Opening: **Q4 2028 (MRI unit to open with opening of Inova Alexandria Hospital at Landmark)**

SECTION III**SERVICE DATA**

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

Background

Inova Alexandria Hospital has served the City of Alexandria and its surrounding communities since 1872 and has been located on its current campus on Seminary Road since 1962. The hospital presently is configured as 302-bed acute care hospital offering medical-surgical, emergency, obstetric and delivery services (including a specialty level NICU), neurosciences, orthopedics, heart and vascular (including cardiac catheterization), and ambulatory diagnostic (including advanced imaging) and treatment (including radiation therapy) services.

The existing Inova Alexandria Hospital facilities on Seminary Road are well beyond their useful life and will be replaced across two locations, with one partial replacement hospital to be known as the Inova Alexandria Hospital at Landmark at the site of the former Landmark Mall (COPN No. VA-04793), and the other partial replacement hospital to be known as the Inova Franconia-Springfield Hospital on the Inova Franconia-Springfield Medical Campus (COPN No. VA-04832).

Inova Alexandria Hospital maintains COPN authorization for four (4) MRI units. At present, two (2) MRI units are located at the existing Inova Alexandria Hospital on Seminary Road, one (1) MRI unit is located at the Inova Mark Center on North Beauregard Street in Alexandria, and one (1) MRI unit is located at the Inova Springfield HealthPlex on the Inova Franconia-Springfield Medical Campus. As part of the COPNs authorizing the relocation and replacement of the Inova Alexandria Hospital to the Inova Alexandria Hospital at Landmark and the Inova Franconia-Springfield Hospital, each partial replacement hospital is authorized for one (1) MRI unit to be relocated and replaced from the existing Inova Alexandria Hospital.

Proposed Project

This application seeks approval to relocate and replace the existing Inova Mark Center MRI unit. The Inova Mark Center location is aged, poorly configured by today's standards for delivery of imaging services, in need of substantial, costly renovations, and is leased from a third party. The lease expires in 2028 and given the problems with the aged facility, Inova Alexandria Hospital does not intend to renew the lease. Additionally, the MRI unit at the Inova Mark Center is quite old, having been acquired in 2011 when the facility opened, and is in need of replacement. In light of the timing of the lease expiration and the projected opening date of the Inova Alexandria

Hospital at Landmark, the replacement MRI unit would be brought online in 2028 at the Inova Alexandria Hospital at Landmark.

The two MRI units at the existing Inova Alexandria Hospital at its Seminary Road location are heavily utilized, and in 2025 performed 10,003 MRI procedures, placing utilization at 100% State Medical Facilities Plan (“SMFP”) utilization standard of 5,000 MRI procedures. Inova Alexandria Hospital’s relocation and replacement of its Inova Mark Center MRI unit to the Inova Alexandria Hospital at Landmark will ensure that the partial replacement hospital has adequate MRI capacity to meet its patient population’s needs. The Inova Mark Center is located approximately two (2) miles (a 10-minute drive) from the Landmark site.

The table below reflects historical utilization of Inova Alexandria Hospital’s MRI units:

Facility	Number of MRI Units	Historical Utilization			% SMFP Utilization		
		2023	2024	2025	2023	2024	2025
Inova Alexandria Hospital (Existing Location)	2	10,401	9,543	10,003	104.1%	95.4%	100%
Inova Mark Center	1	3,686	3,298	3,645	73.7%	66%	73.1%
Inova Franconia-Springfield Health Center	1	1,919	4,494	4,654	38.4%	89.9%	93.1%

Inova Alexandria Hospital expects the demand for inpatient and outpatient hospital services, including MRI services, to increase due to significant projected growth in the hospital’s primary service area (“PSA”) (generally consisting of the City of Alexandria, Southern Arlington County, and Southeast Fairfax County). As reflected in the table below, the hospital’s PSA population currently consists of more than 850,000 individuals, representing nearly one third of PD 8’s total population, and is expected to grow to 878,394 by 2030, representing 3.3% growth in the 5-year period between 2025 and 2030. The senior population (age 65+) is expected to grow even more from 123,230 to 140,806, representing 14.3% growth during the same 5-year time period. As the senior population requires substantially more health care services than the general population, significant growth in the senior population is expected to be a substantial driver for both inpatient and outpatient MRI utilization.

Population Growth in IAH's PSA by Age Group

Age Group	2025	2030	% Change
			25-'30
0-17	184,300	185,445	1%
18-44	333,680	342,675	3%
45-64	208,999	208,469	0%
65+	123,230	140,806	14%
Grand Total	850,209	877,395	3.2%

Data Source: ESRI, MWCOG (note: only includes VA Zip Codes)

The heavy utilization of the two MRI units at the existing Inova Alexandria Hospital location on Seminary Road, coupled with the expected population growth, demonstrates that the MRI unit to be relocated from the hospital's Inova Mark Center is needed and will be well utilized upon its replacement at the hospital's Inova Alexandria Hospital at Landmark location.

- B. Specify the historical and projected utilization of the facility using the following format:

	Existing Inova Alexandria			IAH at Landmark	
	Past Three Years			Projected First Two Years	
	2023	2024	2025	2028	2029
1. Inpatient Data					
Total Licensed Beds	302	302	302	192	192
Total Patient Days	61,453	58,266	66,643	46,649	46,954
Total Occupancy %	55.8%	52.7%	60.5%	66.6%	67.0%
Total Discharges	13,696	13,842	16,171	11,178	11,251
Total Discharges Days	62,853	59,840	67,430	46,649	46,954
Average Length of Stay	4.5	4.2	4.1	4.2	4.2
2. By Major Inpatient Service					
Medical/Surgical Licensed Beds	194	194	194	124	124
Medical/Surgical Patient Days	46,417	43,206	50,819	32,001	32,211
Medical/Surgical Occupancy %	65.6%	60.9%	71.8%	70.7%	71.2%
Medical/Surgical Discharges	9,598	9,635	11,977	7,177	7,224
Medical/Surgical Discharges Days	49,965	47,186	54,626	35,241	35,472
Average Length of Stay	4.8	4.5	4.2	4.5	4.5
Pediatric Licensed Beds	0	0	0	0	0
Pediatric Patient Days	0	0	0	0	0
Pediatric Occupancy %	n/a	n/a	n/a	n/a	n/a
Pediatric Discharges	0	0	0	0	0
Pediatric Discharges Days	0	0	0	0	0
Average Length of Stay	0	0	0	0	0
Obstetric Licensed Beds	58	58	58	32	32
Obstetric Patient Days	6,437	6,363	6,384	7,623	7,673
Obstetric Occupancy %	30.4%	30.0%	30.2%	65.3%	65.7%
Obstetric Discharges	3,103	3,229	3,083	3,373	3,395
Obstetric Discharges Days	8,221	8,084	8,061	7,623	7,673
Average Length of Stay	2.1	2.0	2.1	2.3	2.3

Psychiatric Licensed Beds	0	0	0	0	0
Psychiatric Patient Days	0	0	0	0	0
Psychiatric Occupancy %	n/a	n/a	n/a	n/a	n/a
Psychiatric Discharges	0	0	0	0	0
Psychiatric Discharges Days	0	0	0	0	0
Average Length of Stay	0	0	0	0	0
Long-Term Care/Nursing Home Licensed Beds	0	0	0	0	0
Long-Term Care/Nursing Home Patient Days	0	0	0	0	0
Long-Term Care/Nursing Home Occupancy %	n/a	n/a	n/a	n/a	n/a
Long-Term Care/Nursing Home Discharges	0	0	0	0	0
Long-Term Care/Nursing Home Discharges Days	0	0	0	0	0
Average Length of Stay	0	0	0	0	0
ICU Licensed Beds	50	50	50	36	36
ICU Patient Days	8,599	8,697	9,440	7,025	7,071
ICU Occupancy %	47.1%	47.5%	51.7%	53.5%	53.8%
ICU Discharges	995	978	1,111	628	632
ICU Discharges Days	4,667	4,570	4,743	3,785	3,809
Average Length of Stay	8.6	8.9	8.5	11.2	11.2
CCU Licensed Beds	0	0	0	0	0
CCU Patient Days	0	0	0	0	0
CCU Occupancy %	n/a	n/a	n/a	n/a	n/a
CCU Discharges	0	0	0	0	0
CCU Discharges Days	0	0	0	0	0
Average Length of Stay	0	0	0	0	0
Other Licensed Beds	0	0	0	0	0
Other Patient Days	0	0	0	0	0
Other Occupancy %	n/a	n/a	n/a	n/a	n/a
Other Discharges	0	0	0	0	0
Other Discharges Days	0	0	0	0	0
Average Length of Stay	0	0	0	0	0

- C. State assumptions and show methodology used to calculate projections for two years following completion of the proposed project.

Inova Alexandria Hospital expects the PSAs for its two partial replacement hospitals – the Inova Alexandria Hospital at Landmark and the Inova Franconia-Springfield Hospital - to mirror the PSA for the existing Inova Alexandria Hospital location on Seminary Road.

In respect of MRI utilization specifically, Inova Alexandria Hospital projects that MRI volume will shift from the existing Seminary Road location to the replacement hospitals based on population growth within each zip code comprising the hospital's PSA, allocated by geographic proximity of the relevant zip code to the most proximate partial replacement hospital.

In addition, Inova Alexandria Hospital's projections account for the anticipated shift in MRI volume from its Inova Mark Center upon closure of the facility and relocation and replacement of the MRI unit to the Inova Alexandria Hospital at Landmark partial replacement hospital. Inova Alexandria Hospital projects that MRI utilization at the Mark Center location will grow at a rate consistent with the hospital's PSA population, with 80% of the Mark Center's MRI volume shifting to the Inova Alexandria Hospital at Landmark and 20% shifting to the Inova Franconia-Springfield Hospital.

Facility	MRI Units (Current)	Historical Utilization			MRI Units (Future)	Projected Utilization		% SMFP Utilization	
		2023	2024	2025		2028	2029	2028	2029
Inova Alexandria Hospital (Existing Location)	2	10,401	9,543	10,003	0				
Inova Alexandria Hospital at Landmark	0				2	9,425	9,497	94.3%	95.0%
Inova Mark Center	1	3,686	3,298	3,645	0				
Inova Franconia-Springfield Hospital	0				1	4,530	4,564	90.6%	91.3%
Inova Franconia-Springfield Health Center	1	1,919	4,494	4,654	1	4,747	4,777	94.9%	95.5%
Total	4	16,006	17,355	18,302	4	18,702	18,838	93.5%	94.2%

D. Existing and/or Proposed Bed Complement

This project will not impact COPN-authorized bed capacity.

	Current Beds: Inova Alexandria Hospital (Existing Location)	Inova Alexandria Hospital at Landmark (Partial Replacement Hospital)	Total Beds To Be Lost or Removed Due To Project
1. Hospitals			
Medical/Surgical	194	124	0
Obsterical	58	32	0
Pediatric	0	0	0
Psychiatric	0	0	0
Intensive/Coronary Care	50	36	0
Long-term/Extended Care	0	0	0
Self-Care	0	0	0
Other (Specify)	0	0	0
Total	302	192	0
2. Nursing Home Units			
Skilled Care	0	0	0
Intermediate Care	0	0	0
Other (Specify)	0	0	0
Total	0	0	0
3. Bed Assignment			
One-Bed Rooms	156	192	0
Two-Bed Rooms	73	0	0
Three-Bed Rooms	0	0	0
Four-Bed Rooms	0	0	0
Other(Specify)	0	0	0
Total	229	192	0

E. Facilities and Services to be Provided

	Inova Alexandria Hospital (Existing Location)	Inova Alexandria Hospital at Landmark (Partial Replacement Hospital)	This Project to be Expanded at Inova Alexandria Hospital at Landmark
1. Post-Operative Recovery Room	X	X	
2. Intensive Care Unit Cardiac	X	X	
3. Open Heart Surgery Facilities			
4. Pharmacy with full-time pharmacists	X	X	
with part-time pharmacists			
5. Diagnostic Radiological Services x-ray	X	X	

	Inova Alexandria Hospital (Existing Location)	Inova Alexandria Hospital at Landmark (Partial Replacement Hospital)	This Project to be Expanded at Inova Alexandria Hospital at Landmark
ultrasonography	X	X	
radioisotope	X	X	
CT scanning	X	X	
MRI scanning	X	X	X
6. Therapeutic Radiological Services			
Brachytherapy	X	X	
Linear Accelerator	X	X	
SRS / SRT	X	X	
7. Clinical Pathology Laboratory	X	X	
8. Organ Bank			
9. Blood Bank	X	X	
10. Electroencephalography	X	X	
11. Electrocardiography	X	X	
12. Respiratory Therapy	X	X	
13. Premature Nursery	X	X	
14. Self-Care Unit			
15. Skilled Nursing or Long-Term Nursing			
16. Renal Dialysis	X	X	
Acute			
Chronic			
Inpatient	X	X	
Outpatient			
Home dialysis training			
17. Burn Care Unit			
18. Physical Therapy Department	X	X	
19. Occupational Therapy	X	X	
20. Medical Rehabilitation			
Inpatient			
Outpatient			
21. Tuberculosis Unit			
22. Psychiatric Services			
inpatient			
Outpatient			
partial hospitalization program			
emergency services	X	X	
foster and/or home care			

	Inova Alexandria Hospital (Existing Location)	Inova Alexandria Hospital at Landmark (Partial Replacement Hospital)	This Project to be Expanded at Inova Alexandria Hospital at Landmark
Consultation	X	X	
23. Clinical Psychology	X	X	
24. Organized Outpatient Department	X	X	
25. Outpatient Surgery	X	X	
26. Social Work Department	X	X	
27. Family Planning Service			
28. Genetic Counseling Service			
29. Abortion Services inpatient			
Outpatient			
30. Pediatric Department			
31. Obstetric Unit	X	X	
32. Alcoholic & Detoxification Department			
33. Home Care Department			
34. Speech Pathology Services	X	X	
35. Audiology Services	X	X	
36. Hospital Auxiliary	X	X	
37. Volunteer Service Department	X	X	
38. Paramedical Training Program			
39. Emergency Department	X	X	
40. Dental Services (oral surgery)	X	X	
41. Podiatric Services	X	X	
42. Pre-Admission Testing	X	X	
43. Pre-Discharge Planning	X	X	
44. Multiphasic Screening	X	X	
45. Other (Identify)			

F. Staffing of Existing and/or Proposed Facility

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

	Current Staffing		Future Staffing	
	Full Time Equivalent	Vacant Positions (FTEs)	Full Time Equivalent	Additional FTEs
<u>Current: Inova Alexandria Hospital</u>	9.3	0	0	
<u>Current: Inova Imaging Center - Mark Center</u>	2.8	0	0	
<u>Future: Inova Alexandria Hospital at Landmark</u>	0	0	12.3	
<u>Grand Total</u>	12.1	0	12.3	0.2

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

The incremental staffing needs for this project are minimal and we do not anticipate difficulty staffing the MRI. With the relocation of the MRI unit the staff are likely to shift along with the service.

Inova maintains two partnerships with MRI training programs where students perform clinical training at Inova facilities. Inova staff is also cross-trained so many x-ray technicians become MRI technicians through on the job training.

As a general matter, Inova maintains a robust recruitment and retention program focused on bringing in top talent from within and outside of the Northern Virginia region. It is proud to offer team members a robust benefits package that supports professional growth and development through monetary support for professional degrees and certifications.

Inova expects that many staff of the existing Inova Alexandria Hospital will transition their employment to the replacement hospitals. Additional staffing needs will be met through the following initiatives:

- **Recruiting initiatives targeted at labor pools which have historically been underutilized in the health care industry (e.g., minorities, seniors, retired military personnel, etc.), thereby expanding the pool of available workers, not draining resources from other facilities.**
- **Recruiting in geographic areas well outside Northern Virginia, thereby expanding the pool of available workers, without draining resources from other Northern Virginia facilities.**
- **Continuing initiatives to bolster the size and quality of the health services labor pool in Northern Virginia over the long-term by**

promoting health care career paths among area youth, benefitting all area health care providers with a vibrant and enthusiastic labor pool.

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

Inova does not expect this project to have a negative impact on the staffing of other facilities in the service area. MRI staff from the Inova Mark Center are expected to transition with the MRI service. Any additional staffing needs are expected to be met by continued growth over time in Inova's employee base through the development pipelines described in Section III.G above.

- H. Attach the following information or documents

1. Roster of medical staff (existing facilities). Indicate their specialty, board Certification, Board eligibility, and staff privileges (active, associate, etc.)

Please see Attachment K for a roster of Inova Alexandria Hospital's medical staff.

Inova Alexandria Hospital expects members of the existing Inova Alexandria Hospital's medical staff to apply for clinical privileges at one or both of the Inova Alexandria Hospital at Landmark and Inova Franconia-Springfield Hospital partial replacement hospitals. Members of the medical staffs of other Inova facilities also are expected to apply for clinical privileges at the replacement hospitals.

2. Existing Facilities- Attach copy(ies) of letter of endorsement from the medical staff organization indicating the medical need for the proposed project.

Please see Attachment L for a letter of endorsement from the Inova Alexandria Hospital Medical Executive Committee.

3. Copy of most recent licensing report from State Agency (existing facilities).

Please see Attachment M for a copy of the most recent licensing report for Inova Alexandria Hospital at its current Seminary Road location.

4. Current accreditation status and copy of the latest accreditation report from the Joint Commission on Accreditation of Hospitals (existing facilities).

Please see Attachment N for a copy of the most recent accreditation report from The Joint Commission for Inova Alexandria Hospital at its current Seminary Road location.

SECTION IV PROJECT JUSTIFICATION AND IDENTIFICATION OF COMMUNITY NEED

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

Please refer to Section III.A for a comprehensive narrative description of the proposed project.

- B. Identification of Community Need

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

As discussed in Section III.C, Inova Alexandria Hospital expects the PSAs for its two partial replacement hospitals – the Inova Alexandria Hospital at Landmark and the Inova Franconia-Springfield Hospital – to mirror the PSA for the existing Inova Alexandria Hospital location on Seminary Road. Inova Alexandria Hospital also expects the MRI PSA to be the same as the replacement hospital's PSA. Please see Attachment O for a map of Inova Alexandria Hospital's historical PSA and the proposed PSA for each replacement hospital.

Note that the Inova Alexandria Hospital PSA map excludes the Maryland zip codes within the hospital's PSA.

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

Please see Attachment P for Inova Alexandria Hospital's 2025 MRI patient origin by zip code. The patient origin data includes MRI patients originating from Maryland zip codes.

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

Yes

2. If yes,

- a. Identify the facility(ies)

Please see Attachment Q for a map and list of the existing MRI service providers in PD 8/HPR II.

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

This project proposes to relocate and replace an existing COPN-authorized unit of MRI capacity from Inova Alexandria Hospital's Inova Mark Center to the Inova Alexandria Hospital at Landmark, which will partially replace Inova Alexandria Hospital at its existing Seminary Road location. As discussed in Sections II.C(2) and III.A, Inova Alexandria Hospital's Inova Mark Center is aged, poorly configured by today's standards for delivery of imaging services, in need of substantial, costly renovations, and for these reasons Inova Alexandria Hospital does not intend to renew the facility lease when it expires in 2028. Additionally, the MRI unit at the Inova Mark Center is quite old, having been acquired in 2011 when the facility opened, and is in need of replacement. Given the timing of the lease expiration, Inova Alexandria proposes to bring the replacement MRI unit online in 2028 at the Inova Alexandria Hospital at Landmark at the time the partial replacement hospital opens to the public.

Approval of this project will increase the number of COPN-authorized units at the Inova Alexandria Hospital at Landmark from one (1) to two (2). However, the project is inventory-neutral and will not impact the number of units of MRI capacity COPN-authorized to Inova Alexandria Hospital or in PD 8.

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

As reflected in the table included in Section III.C and further detailed in the table below, the Inova Alexandria Hospital at Landmark is projected to perform 9,425 MRI procedures in 2028 and 9,947 MRI procedures in 2029. If the partial replacement hospital remains authorized for just one MRI unit, it will be unable to accommodate the projected MRI volume. Two (2) MRI units are needed to ensure the partial replacement hospital has adequate MRI capacity to meet patient needs beginning in year one of operation.

Facility	Projected Utilization		% SMFP Utilization with One MRI Unit		% SMFP Utilization with Two MRI Units	
	2028	2029	2028	2029	2028	2029
Inova Alexandria Hospital at Landmark	9,425	9,497	188.5%	189.9%	94.3%	95.0%

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

This project is limited to the inventory neutral relocation and replacement of existing COPN-authorized capacity currently in operation at Inova Alexandria Hospital's Inova Mark Center. The Inova Mark Center site is located approximately two (2) miles – one exit on Interstate 395 – from the Inova Alexandria Hospital and Landmark site. As discussed in Sections II.C(2), III.A and III.C, Inova Alexandria Hospital intends to close the Inova Mark Center upon expiration of the facility's lease in 2028, and given the timing of the lease expiration, proposes to bring the replacement MRI unit online at the Inova Alexandria Hospital at Landmark replacement hospital when it opens in 2028.

As reflected in the table included in Section III.C and discussed further in Section IV.C(2)(c) above, the Inova Alexandria Hospital at Landmark is projected to perform 9,425 MRI procedures in 2028 and 9,947 MRI procedures in 2029 and two (2) MRI units are needed to ensure the partial replacement hospital has adequate MRI capacity to meet patient needs beginning in year one of operation.

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

12VAC5-230-140. Travel time.

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

MRI services are currently available within 30 minutes driving time one way under normal conditions of 95% of the population in PD 8. The project involves the expansion of MRI services at the Inova Alexandria Hospital at Landmark through the inventory-neutral relocation and replacement of existing capacity from Inova Alexandria Hospital's Inova Mark Center. The relocation of the capacity to the Inova Alexandria Hospital at Landmark will ensure the partial replacement hospital has adequate MRI capacity to meet the needs of the patient population as it continues to grow and age in place.

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

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

hospital and serving an area distinct from the proposed new service site may be disregarded in computing the average utilization of MRI scanners in such health planning district.

Not applicable. This project proposes the relocation and replacement of an existing Inova Alexandria Hospital MRI unit from the hospital's Inova Mark Center to the Inova Alexandria Hospital at Landmark, which will partially replace the existing Inova Alexandria Hospital facility.

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

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

Inova Alexandria Hospital maintains COPN authorization for a total of four (4) MRI units. At present, two (2) MRI units are located at the existing Inova Alexandria Hospital, one (1) MRI unit is located at the Inova Mark Center, and one (1) MRI unit is located at the Inova Springfield HealthPlex. As part of the two (2) COPNs authorizing the relocation and replacement Inova Alexandria Hospital – one to partially replace the existing hospital with the Inova Alexandria Hospital at Landmark and the other to partially replace the existing hospital with the Inova Springfield Hospital – each partial replacement hospital is authorized for one MRI unit to be relocated and replaced from the existing Inova Alexandria Hospital.

This project proposes to relocate and replace Inova Alexandria Hospital's MRI unit from the Inova Mark Center to the Inova Alexandria Hospital Alexandria Hospital at Landmark. Although the project would increase the total number of COPN-authorized MRI units at the Inova Alexandria Hospital at Landmark site from one (1) to two (2), the project is inventory neutral and would not impact the number of MRI units COPN-authorized to Inova Alexandria Hospital or in PD 8. Inova Alexandria Hospital's Inova Mark Center is an aging imaging facility that is at the end of its useful life and planned for closure upon the 2028 expiration of the facility's lease and opening of the Inova Alexandria Hospital partial replacement hospitals.

The Inova Alexandria Hospital at Landmark site is located within the existing Inova Alexandria Hospital's primary service area for MRI services. Inova Alexandria Hospital does not expect the relocation and replacement of an MRI unit from its Inova Mark Center to the Inova Alexandria Hospital at Landmark site to negatively impact other existing MRI providers in PD 8. Notably, the two sites are located within two miles of one another.

12VAC5-230-170. Adding or expanding mobile MRI services.

- A. *Proposals for mobile MRI scanners demonstrate that, for the relevant reporting period, at least 2,400 procedures were performed and that the proposed mobile unit will not significantly reduce the utilization of existing MRI providers in the health planning district. Not applicable. The project does not involve adding or expanding mobile MRI services.*

Not applicable. The project does not involve adding or expanding mobile MRI services.

- B. *Proposals to convert authorized mobile MRI scanners to fixed site scanners shall demonstrate that, for the relevant reporting period, 3,000 procedures were performed by the mobile scanner and that the proposed conversion will not significantly reduce the utilization of existing MRI providers in the health planning district.*

Not applicable. The project does not involve the conversion of mobile MRI services.

12VAC5-230-180. Staffing.

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

All Inova MRI services, including MRI services provided by Inova Alexandria Hospital, are under the direct supervision of board-certified and trained radiologists. Fairfax Radiological Consultants provides professional radiology services to Inova Alexandria Hospital. Please see Attachment S.3 for the staffing and support letter from Fairfax Radiological Consultants.

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

Please see the response in Section III.C.

- G. Coordination and Affiliation with Other Facilities.

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

Inova Health System is a broad-based regional healthcare system and provides a comprehensive and coordinated range of acute, ambulatory, and tertiary services.

H. Attach copies of the following documents:

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

As discussed in Section III, Inova expects the combined PSAs for the replacement hospitals will mirror the historical PSA for Inova Alexandria Hospital.

Please see Attachment R for a map of the proposed PSAs for the replacement hospitals identifying (1) the location of the proposed replacement hospitals, and (2) the location of other hospitals, including bed counts.

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

Please see Attachment S

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

Please see Attachment T

SECTION V**FINANCIAL DATA**

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

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

This question requires the disclosure of confidential and proprietary information.

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

 X Yes No

If yes, specify program **All Inova Health System facilities participate in VHI.**
Provide a copy of report(s) which provide(s) the basis for comparison.

Please see Attachment U for copies of Inova Alexandria Hospital's 2023 and 2024 EPICS submissions.

- C. Estimated Capital Costs

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

Part I – Direct Construction Costs

1.	Cost of materials	\$ <u> 152,750 </u>
2.	Cost of labor	\$ <u> 82,250 </u>
3.	Equipment included in construction contract	\$ <u> 0 </u>
4.	Builder's overhead	\$ <u> 8,225 </u>
5.	Builder's profit	\$ <u> 3,525 </u>
6.	Allocation for contingencies	\$ <u> 10,176 </u>
7.	Sub-total (add lines 1 thru 6)	\$ <u> 256,926 </u>

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

8.	a. Equipment	\$ <u>2,555,892</u>
	b. Furnishings	\$ <u>0</u>
	c. Signage	\$ <u>0</u>
	d. Data & Telecommunications	\$ <u>0</u>
	e. Contingency	\$ _____
9.	Sub-total (add lines 8a thru 8e)	\$ <u>2,555,892</u>

Part III – Site Acquisition Costs

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

Part IV – Site Preparation Costs

16.	Earth work	\$ <u>0</u>
17.	Site utilities	\$ <u>0</u>

18.	Roads and walks	\$ <u>0</u>
19.	Lawns and planting	\$ <u>0</u>
20.	Unusual site conditions:	
	a. _____	\$ _____
	b. _____	\$ _____
21.	Accessory structures	\$ <u>0</u>
22.	Demolition costs	\$ <u>0</u>
23.	Sub-total (add lines 16 thru 22)	\$ <u>0</u>

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

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

Part VI – Architectural and Engineering Fees

29.	Architect's design fee	\$ <u>44,204</u>
30.	Architect's supervision fee	\$ <u>1,800</u>
31.	Engineering fees	\$ <u>27,678</u>
32.	Consultant's fees	\$ <u>5,296</u>
33.	Sub-total (add lines 29 thru 32)	\$ <u>78,978</u>

Part VII – Other Consultant Fees (List each separately)

34.	a. _____	\$ _____
	b. _____	\$ _____

c. _____ \$ _____

35. Sub-total (add lines 34a thru 34c) \$ **0**

Part VIII – Taxes During Construction

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

37. List other taxes:

a. _____ \$ _____

b. _____ \$ _____

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

Part IX-A – HUD Section 232 Financing

39. Estimated construction time(in months) **n/a**

40. Dollar amount of construction loan \$ **n/a**

41. Construction loan interest rate **n/a** %

42. Estimated construction loan interest costs \$ **n/a**

43. Term of financing (in years) **n/a**

44. Interest rate on permanent loan **n/a** %

45. FHA mortgage insurance premium \$ **n/a**

46. FHA mortgage fees \$ **n/a**

47. Financing fees \$ **n/a**

48. Placement fees \$ **n/a**

49. AMPO (non-profit only) \$ **n/a**

50. Title and recording fees \$ **n/a**

51. Legal fees \$ **n/a**

52. Total interest expense on permanent mortgage loan \$ **n/a**

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

Part IX-B – Industrial Development Authority Revenue and General

Obligation Bond Financing

(Circle selected method of financing)

54. Method of construction financing (construction loan, proceeds of bond sales, if other, specify) _____
If construction is to be financed from any source other than bond sale proceeds, answer question 56 through 58. Otherwise, proceed to question 59.
55. Estimated construction time (in months) _____
56. Dollar amount of construction loan \$ **n/a**
57. Construction loan interest rate **n/a** %
58. Estimated construction loan interest cost \$ **n/a**
59. Nature of bond placement (direct, underwriter, if other, specify)
60. Will bonds be issued prior to the beginning of construction?
61. If the answer to question 60 is yes, how long before in months? _____
62. Dollar amount of bonds expected to be sold prior to the beginning of construction \$ **n/a**
63. Will principal and interest be paid during construction or only interest? **n/a**
64. Bond interest expense prior to the beginning of construction (in dollars) \$ **n/a**
65. How many months after construction begins will last bond be sold?
66. Bond interest expense during construction \$ **n/a**
67. What percent of total construction will be financed from bond issue?

68. Expected bond interest rate n/a
69. Anticipated term of bond issued (in years) n/a
70. Anticipated bond discount (in dollars) \$ n/a
71. Legal costs \$ n/a
72. Printing costs \$ n/a
73. Placement fee \$ n/a
74. Feasibility study \$ n/a
75. Insurance \$ n/a
76. Title and recording fees \$ n/a
77. Other fees (list each separately)
- a. _____ \$ _____
- b. _____ \$ _____
- c. _____ \$ _____
78. Sinking fund reserve account
(Debt Service Reserve) \$ n/a
79. Total bond interest expenses (in dollars) \$ n/a
80. Sub-total Part IX_B (add lines 58, 64, 66,
71, 72, 73, 74, 75, 76, 77a, b, c and 78) \$ n/a

Part IX_C – Conventional Mortgage Loan Financing

81. Estimated construction time (in months) n/a
82. Dollar amount of construction loan \$ n/a
83. Construction interest rate n/a %
84. Estimated construction loan interest cost
(in dollars) \$ n/a
85. Term of long term financing (in years) n/a

106.	Sub-total Part IX-C Conventional Loan Financing (line 95)	\$ <u>0</u>
107.	TOTAL CAPITAL COST (lines 96 thru 106)	\$ <u>2,891,796</u>
108.	Percent of total capital costs to be financed <u> n/a </u> %	
109.	Dollar amount of long term mortgage (line 107 x 108)	\$ <u>0</u>
110.	Total Interest Cost on Long Term Financing	
	a. HUD-232 Financing (line 53)	\$ <u>0</u>
	b. Industrial Development Authority Revenue & General Revenue Bond Financing (line 79)	\$ <u>0</u>
	c. Conventional loan Financing (line 94)	\$ <u>0</u>
111.	Anticipated Bond discount	
	a. HUD-232 Financing (line 53)	\$ <u>0</u>
	b. Industrial Development Authority Revenue & General Revenue Bond Financing (line 70)	\$ <u>0</u>
	c. Conventional Loan Financing (line 87)	\$ <u>0</u>
112.	TOTAL CAPITAL AND FINANCING COST (ADD LINES 107, 110a, b or c AND 111a, b or c)	\$ <u>2,891,796</u>
D.	1. Estimated costs for new construction (excluding site acquisition costs)	\$ <u>0</u>
	2. Estimated costs of modernization and renovation (excluding site acquisition costs)	\$ <u>0</u>
E.	Anticipated Sources of Funds for Proposed Project	<u>Amount</u>
	1. Public Campaign	\$ _____
	2. Bond Issue (Specify Type) _____	\$ _____
	3. Commercial Loans	\$ _____
	4. Government Loans (Specify Type) _____	\$ _____

5. Grants (Specify Type) _____ \$ _____
6. Bequests _____ \$ _____
7. Private Foundations _____ \$ _____
8. Endowment Income _____ \$ _____
9. Accumulated Reserves **\$2,891,796**
10. Other (Identify) _____ \$ _____

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

Not applicable. This project will be funded through accumulated reserves.

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

This project will be funded through accumulated reserves and is not expected to impact the cost of providing care. There are no debt service costs associated with this project.

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

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

Inova Alexandria Hospital Room Rates by Type – CY 2025

Description	Inova Alexandria Hospital Charge
HC PRIVATE ROOM MED/SURG/GYN	\$2,017.00
HC PRIVATE ROOM OBSTETRICS	\$2,148.00
HC STANDARD ROOM MED/SURG/GYN	\$1,867.00
HC STANDARD ROOM OBSTETRICS	\$1,717.00
HC NEWBORN SERVICES	\$2,248.00
HC NURSERY LEVEL II	\$6,383.00
HC NURSERY LEVEL III	\$10,400.00
HC NURSERY LEVEL IV	\$11,202.00
HC ICU	\$5,641.00
HC INTERMEDIATE ICU	\$3,632.00

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

Please see Attachment V for the most recent two (2) years of audited financial statements for Inova Health System.

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

Please see Attachment W for a statement of estimated income and expense for the proposed project.

SECTION VI

ASSURANCES

I hereby assure and certify that:

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

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



Signature of Authorizing Officer

Inova Health System

Address – Line 1

Paul Dreyer
Type/Print Name of Authorizing Officer

8095 Innovation Park Drive
Address – Line 2

Senior Director, Strategy & Planning
Title of Authorizing Officer

Fairfax, VA 22031
City/State/Zip

March 27, 2026
Date

(703) 403-7598
Telephone Number

Copies of this request should be sent to:

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

Inova Alexandria Hospital at Landmark
COPN Request No. VA-8880
Relocation of MRI Services From the Inova Mark Center

Financial Projections	IAH MRI Services without Project		Project Only		IAH MRI Services + Project	
	Yr 1: 2028	Yr 2: 2029	Yr 1: 2028	Yr 2: 2029	Yr 1: 2028	Yr 2: 2029
Amounts in \$000's						
Statement of Revenue and Expenses	\$		\$		\$	
Gross Patient Revenue	15,848	16,288	7,599	7,810	23,447	24,098
Deductions from Patient Revenue						
Contractual/Other Discounts	\$ 687	\$ 706	\$ 304	\$ 312	\$ 991	\$ 1,018
Charity Deductions	\$ 10,487	\$ 10,778	\$ 4,640	\$ 4,769	\$ 15,127	\$ 15,547
Total Deductions from Revenue	\$ 11,174	\$ 11,484	\$ 4,944	\$ 5,081	\$ 16,118	\$ 16,565
Total Operating Revenue	\$ 4,675	\$ 4,804	\$ 2,655	\$ 2,728	\$ 7,329	\$ 7,533
Operating Expenses						
Salaries, Wages and Benefits	\$ 907	\$ 951	\$ 531	\$ 552	\$ 1,438	\$ 1,503
Supplies	\$ 91	\$ 95	\$ 59	\$ 61	\$ 149	\$ 157
Purchased Services	\$ 556	\$ 582	\$ 183	\$ 192	\$ 739	\$ 775
Bad Debt	\$ 189	\$ 194	\$ 84	\$ 86	\$ 273	\$ 280
Depreciation & Amortization	\$ 297	\$ 311	\$ 399	\$ 399	\$ 696	\$ 710
Indirect Expenses - Occupancy	\$ 1,236	\$ 1,270	\$ 172	\$ 176	\$ 1,407	\$ 1,446
Other Expense	\$ 1	\$ 1	\$ 3	\$ 3	\$ 4	\$ 4
Total Operating Expenses	\$ 3,277	\$ 3,405	\$ 1,429	\$ 1,469	\$ 4,706	\$ 4,875
Excess of Revenue Over Expenses	\$ 1,398	\$ 1,399	\$ 1,225	\$ 1,259	\$ 2,623	\$ 2,658
Total MRI Scans	6,443	6,492	2,982	3,004	9,425	9,497

Expected Payor Mix*	MRI
Medicare	40.8%
Medicaid	10.1%
Commercial	39.7%
Charity	4.3%
Self Pay	5.1%
TOTAL	100.0%

Pro Forma Assumptions:

- Revenue modeled on outpatient MRIs. Reimbursement performed on inpatients are included in the MS-DRG rate for the entire inpatient stay.
- Payor mix reimbursement is based on internal Inova information, % of Gross Charges
- Annual inflation estimates: gross charge per case = 2%, net revenue per case = 2%, all expenses = 4%
- Equipment depreciation straight-lined for seven (7) years
- Construction/Renovation depreciation straight-lined for ten (10) years