

Prince William Medical Center



June 12, 2026

Via Electronic Mail

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Mr. Dean Montgomery
Executive Director
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**Re: COPN Request No. VA-8886
Insight Health Corp. d/b/a Rayus Radiology
Establish a Specialized Center for MRI Services
Planning District 8**

Dear Ms. Scarbrough and Mr. Montgomery:

I write on behalf of UVA Community Health ("UVACH") to express concerns about Certificate of Public Need ("COPN") Request No. VA-8886, filed by Insight Health Corp., d/b/a Rayus Radiology ("Insight"). In its application, Insight proposes to establish MRI services in Manassas, in Planning District ("PD") 8. We appreciate and agree with the several points of concern about Insight's application that are noted in the Health Systems Agency of Northern Virginia ("HSANV") Staff Report. The application fails to identify a need for additional MRI services at the proposed location, and we respectfully request a recommendation of denial.

- 1. There is not a demonstrated need for additional MRI capacity in the Manassas area or the broader Insight service area given existing providers' low utilization and significant new capacity just recently operationalized. Insight's proposal stands to adversely impact those providers and, therefore, is not consistent with the State Medical Facilities Plan.**

The proposed Insight location is only 3.5 miles from UVA Health Prince William Medical Center ("PWMC"), which operated at 56% of the State Medical Facilities Plan ("SMFP") threshold in 2024 – the second-lowest MRI utilization of any hospital in PD 8. In other words, PWMC's two MRI scanners have significant capacity. The Insight site is also only about six miles, or approximately 15 minutes, from UVA Health Outpatient Imaging Gainesville, which just initiated its COPN-approved MRI services last month. With first-year MRI utilization projected at 2,471 scans – slightly less than half of the SMFP utilization threshold – UVA Health Outpatient Imaging Gainesville has significant capacity to accommodate any additional need and growth in the community.

In addition, our UVA Health Haymarket Medical Center ("HAMC") is less than ten miles and 20 minutes from Insight's proposed Manassas site; that facility also has capacity for additional patients, especially as our Gainesville utilization projections are predicated in part on serving patients previously served at HAMC. In Centreville, two MRI facilities – Fairfax Radiology-Centreville and UVA Health Outpatient Imaging Centreville – have MRI units. Both of these facilities are within about 20 minutes of Insight's proposed site. While UVA Health Outpatient Imaging Centreville is well utilized, we projected the utilization of UVA Health Outpatient Imaging Gainesville in part based on services to patients who have historically gone to our Centreville location. In short, the service area has a variety of options with evident capacity. Adding an imaging facility in Manassas at this time is not needed and will likely be damaging to UVACH, a non-profit community provider, especially given the low utilization at PWMC and the fact that UVA Health Outpatient Imaging Gainesville is in the ramp-up stages.

In that regard, we agree with the HSAHV Staff Report's observations stated on page 10 of that report:¹

[Insight's] proposed location is problematic. It is near and likely to affect negatively operations at two nearby UVA MRI services. It would have the same service area as UVA Prince William Medical Center (UVA PWMC), which has two MRI scanners with annual service volumes far below the service volume standard. Its 2024 UVA PWMC's service volume was 2,780 visits per scanner, about 55% of the nominal standard of 5,000 patient visits per scanner. It is also near and likely to have a common service area with the freestanding MRI service UVA Community Health opened in January of 2026.

¹ HSAHV Staff Report (Corrected) re COPN Request Nos. VA-8880, -8882, and -8886, June 11, 2026 ("HSAHV Staff Report") at 10.

It is evident that adding a fourth MRI scanner in this area will affect demand at nearby services with substantial unused capacity. If Insight were to serve only those from the region that now use its Woodbridge and Fairfax City services, without greater market penetration, its caseload would be less than half of the Virginia SMFP service volume standard. Adding a new service in the area now is likely to result in four low-volume MRI scanners in western Prince William County for several years.

2. “Institutional need” does not justify approval of Insight’s application.

At the core of Insight’s argument is that it has an institutional need to expand. Insight’s reliance on the SMFP’s institutional need and expansion provisions to justify its new site is insufficient to support approval. As the HSANV Staff Report indicates, “[a]sserting institutional need as justification for establishing a distant new service with established low volume services is questionable.”²

The purpose of the SMFP’s expansion provision is to alleviate documented capacity constraints for the existing patient base within the established primary service area (“PSA”).³ It is a remedy designed to address a provider’s high localized demand. Here, the argument fails on both the facts and the law.

Although Insight’s proposed facility would be located in Manassas, apparently part of the Insight PSA, the proposed location is at the far edge of Insight’s historical PSA, and the new PSA appears designed to capture and serve areas outside of its existing PSA. In particular, the southwestern part of the planned PSA includes broad geographic areas in western PD 8 and in PD 9 from which Insight appears to serve few if any patients. Please see the attached map.

Insight’s PSA for its new Manassas site also extends quite far to the east of Manassas, overlapping with Insight’s existing Woodbridge site and into communities with several existing options for MRI services, including hospital-located and outpatient facilities. A new Inova-affiliated MRI location in Woodbridge – within 30 minutes of much of Insight’s proposed service area – was approved less than two years ago and just opened in December 2025. The northern part of the service area has good access to facilities along the I-66 corridor, including those in Centreville.

In short, Insight’s proposal seems to rely in significant part on capturing new patients rather than serving existing ones, or on scheduling for the new Manassas/western Prince William site patients who are closer to its Woodbridge facility. Insight’s own utilization data and projections reflect this strategy. As the HSANV Staff Report noted, Insight serves more than 2,000 patients from the western Prince William area at its

² Id. at 8.

³ 12 VAC 5-230-160.

Woodbridge and Fairfax locations. Yet it projects 3,701 scans in its second year of operation, projections that rely on substantial service to new patients. If Insight believes its Woodbridge facility needs more capacity, then a more efficient way to address such a need would be to add an additional MRI to Woodbridge rather than build an entirely new facility in Manassas. There is not an institutional need, consistent with the SMFP, to establish a new location.

The SMFP also commands limited applicability of the institutional need provisions; utilization above the SMFP's minimum threshold does not merit automatic expansion. Rather, facility-specific utilization is one of many indicia of need that must be examined during the COPN review. The SMFP's expansion provision specifically mandates that an additional unit may be approved for an overutilized provider "provided the proposed expansion is not likely to significantly reduce the utilization of existing providers in the health planning district."⁴ The COPN Guiding Principles emphasize that "excess capacity or underutilization of medical facilities are detrimental to both cost effectiveness and quality of medical services in Virginia."⁵ Accordingly, the analysis here must ensure that existing and recently approved facilities can attain efficient utilization before new facilities are approved in close proximity. As discussed above, that will not be the case here, given the presence of at least two facilities with considerable capacity within 10-15 minutes of Insight's site. The additional facility proposed by Insight would directly reduce utilization at existing services below appropriate levels, undermining efficient operations and conflicting with the SMFP requirements to avoid underutilization.

As the HSANV Staff Report recognized, Insight proposes a "distant new service posing substantial risks to nearby low-volume services."⁶ Approval of Insight's application would permit a duplicative and unnecessary investment to the detriment of existing providers and patient care, inconsistent with the SMFP and with sound health planning.

3. Insight's application does not introduce beneficial competition.

The COPN law requires consideration of "[t]he extent to which the proposed service or facility fosters institutional competition that benefits the area to be served while improving access to essential health care services for all persons in the area to be served."⁷ Insight's arguments that its proposal will foster such competition are incorrect.

First, Insight will not introduce a lower-cost model of care to the community. UVA Health Outpatient Imaging Centreville and UVA Health Outpatient Imaging Gainesville are both operated as independent diagnostic testing facilities ("IDTFs"), offering outpatient-focused services that are billed at lower rates than hospital services. Other providers likewise operate IDTFs accessible to the proposed service area population.

⁴ Id.

⁵ 12 VAC 5-230-30.

⁶ HSANV Staff Report at 12.

⁷ Va. Code Section 32.1-102.3.B(4).

The COPN law is predicated on the reality that financially stronger service lines are necessary to support those that are not as profitable but that patients and communities need within their community hospitals. This includes typically money-losing service lines such as emergency and neonatal intensive care services. Diversion of the most profitable procedures, coupled with cherry-picking better-insured patients, can have a significant adverse impact on non-profit community hospitals with extensive charity and Medicaid patient loads, weakening essential community providers. Here, diverting outpatient MRI studies – most likely of commercially-insured and Medicare patients – will erode the financial strength of PWMC’s and HAMC’s MRI services and thus have a downstream impact on our ability to provide a comprehensive range of services needed by the communities we serve. PWMC has the highest charity care in PD 8 among acute care hospitals, at 5.72%. At the same time, PWMC and HAMC are already among the least profitable acute care hospitals in PD 8.⁸

Insight’s implication that UVACH somehow has an outsized presence in western Prince William County borders on the amusing. First, the geographic market for a public need assessment is not western Prince William County. Even the SMFP’s 30-minute drive time standard of 12 VAC 5-230-140 reaches Loudoun and Fairfax Counties as well as PD 9. Patient in-migration and outmigration demonstrate that the approximately 10-mile radius encompassing the UVACH facilities is not an insulated market. Numerous other providers are within the proposed PSA and/or within 30 minutes of Insight’s proposed site, including Inova, HCA, and Sentara-affiliated sites (as well as UVACH’s), both hospital-based and freestanding. Interstate 66 runs through the northern part of Insight’s PSA and is used by tens of thousands of patients to access providers to the east. Patients in these communities already have, and exercise, choice among providers. In reality, UVACH is a small provider within the PD 8 landscape, where Inova plays by far the largest role, providing more than half of all MRI scans. Inova, Insight, Kaiser, and Virginia Hospital Center each provide more MRI scans than all UVACH facilities combined. The idea that patients have few choices because UVACH has several facilities within an Insight-defined area is simply wrong. Existing choices at providers with capacity, and which offer a lower-cost model of care, abound; Insight proposes an unnecessary duplication.

4. Conclusion

As the HSANV Staff Report notes in recognizing the likely negative impact of Insight’s proposal on UVACH’s MRI operations, “[t]he principal question to be resolved is whether potential benefits of the project outweigh likely potential negative effects at the UVA MRI services.”⁹ The answer to the question is a resounding no; the benefits of the Insight project are elusive and come at worrisome cost to the existing healthcare system. MRI access in Insight’s PSA is strong, with a range of providers offering services, and

⁸ VHI 2024 Hospital and Ambulatory Financials (Revenue and Gains in Excess of Expenses and Losses; Total Gross Patient Revenue; and Net Worth).

⁹ HSANV Staff Report at 10.

Prince William Medical Center



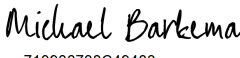
several with plentiful capacity. Insight's projections – for a site at the very edge of its service area – rely on serving new patients from communities not historically in Insight's service area. With projections well in excess of historic volumes from its service area, Insight relies on diversion from other providers. Insight does not offer an improved or unique financial model; both of UVACH's outpatient sites are lower-cost IDTFs, and other IDTFs are likewise nearby. UVACH developed and has invested in the Gainesville facility specifically to improve access and offer a lower-cost alternative. That facility, open for just a month, has not even had the chance to get off the ground; nearby duplication would be very damaging. If Insight's historic service area needs more capacity, a more efficient and responsible alternative is to add capacity to one of its existing sites.

Thank you for your review and consideration of UVACH's concerns. Please let us know if we can provide any additional information.

Sincerely,

Signed by:

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Donna Staton
Chief Operating Officer
UVA Community Health

Signed by:

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Michael Barkema
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cc: (all via electronic mail)

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**Historical Insight/Rayus All-Facilities PSA (gray) vs. Proposed PSA (pink).
(Lilac color is overlap between existing and proposed PSAs)**

