

UVA Health Haymarket Medical Center



June 5, 2026

Via Electronic Mail

Ms. Allison Kagle
Project Review Analyst
Division of Certificate of Public Need
Virginia Department of Health
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Richmond, Virginia 23233
(allison.kagle@vdh.virginia.gov)

Mr. Dean Montgomery
Executive Director
Health Systems Agency of Northern Virginia
3040 Williams Drive, Suite 200
Fairfax, Virginia 22031
(hsanv@aol.com)

**Re: COPN Request No. VA-8881
Inova Health Care Services d/b/a Inova Fair Oaks Hospital
Expansion of CT Services Through the Relocation and Replacement
of One CT Scanner from within the Inova Health System to Inova
Health Center Gainesville
Planning District 8**

Dear Ms. Kagle and Mr. Montgomery:

I write on behalf of UVA Community Health ("UVACH") to express concerns about Certificate of Public Need ("COPN") Request No. VA-8881 filed by Inova Health Care Services d/b/a Inova Fair Oaks Hospital ("Inova"). Inova's request seeks to expand Inova Fair Oaks Hospital's ("IFOH's") CT services "through the inventory-neutral relocation and replacement of the CT unit from Inova Alexandria Hospital's freestanding Inova Mark Center to a to-be-developed ambulatory facility to be known as Inova Health Center – Gainesville." The relocated CT service will be located in an imaging center that will be co-located with a freestanding emergency department ("FSED"). We believe that this project represents an unnecessary expense and proliferation of facilities. It does not

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address a public need or Inova's purported institutional need, and it is likely to result in adverse impact on UVACH facilities. As explained herein, one of those facilities is just two miles from Inova's proposed Gainesville site and initiated CT services just last month, in May 2026. We appreciate the opportunity to raise our concerns and thank you and the Board of the Health Systems Agency of Northern Virginia for your consideration.

As a threshold matter, UVACH has a very high bar for expressing opposition to an Inova project. Like UVACH, Inova is a trusted non-profit health system for the region, and we appreciate its role and contributions in Planning District ("PD") 8. Reflecting that sentiment, I am unaware of any Inova project opposed by UVACH or UVA Health. However, this particular project raises significant health planning concerns, which I outline below. Broadly speaking, we are concerned that Inova's proposal does not address the need identified in the application and threatens UVACH's community-based resources. Those resources – specifically, our newly opened full-service imaging facility in Gainesville, and our emergency departments ("EDs") at UVA Health Haymarket Medical Center ("HAMC") and UVA Health Prince William Medical Center ("PWMC") – have significant capacity to address the area's needs.

More specifically, our concerns are as follows:

- 1. Inova's project is premature given recently operationalized capacity in Gainesville.**

Inova's proposal to relocate CT services to Gainesville is redundant, not needed to address any demonstrated public need in the area, and premature. Just last month, UVACH opened its UVA Health Outpatient Imaging Gainesville facility, with one CT unit and one MRI unit. We appreciate the HSNV Staff Report's recognition that UVACH's hospitals and its Gainesville imaging services are nearby, and that the Gainesville facility just recently opened. The Staff Report indicates that it is unclear how Inova's Gainesville facility will affect demand at UVACH's facilities. Regrettably, we fear that the Inova facility will suppress demand for CT at our newly opened Gainesville facility, undermining the careful planning that went into that facility. Our Gainesville location is a full-service imaging center located just about two miles away – only a six-minute drive – from Inova's proposed location. Proposed utilization for UVA Health Outpatient Imaging Gainesville is 1,814 CT scans in 2026 and 2,722 CT scans in 2027 (its second year of operation). In other words, this service has ample capacity to address current demand and to accommodate growth in the community. These modest projections – far lower than those projected by Inova – represent our familiarity with the community and demand. The facility is a lower-cost independent diagnostic testing facility, or IDTF, and, as the HSNV Staff Report on our application recognized, the lower reimbursements and initial modest volumes mean that the operation is essentially breakeven. It would be premature to approve Inova's proposal while UVACH's nearby facility is just becoming operational; diversion of patients would have an immediate adverse impact on the facility.

2. Comparatively few Inova patients originate in the Gainesville primary service area (“PSA”), and Inova has not demonstrated a public or institutional need to place a CT in Gainesville.

Of the 431,484 CT procedures performed within the Inova Health System in 2024, approximately 20,000 are reported to have originated in the proposed Gainesville PSA – 4.6%. That number includes those performed in the inpatient hospital setting. Per the 2024 VHI data, approximately 20% of IFOH’s total reported CT scans were inpatient; the specific proportion of outpatient volumes originating in the Gainesville PSA is not discernible from the VHI data or the data provided by Inova. The proposed facility is projected to provide approximately 5,380 CT scans in its second year of operation – 1.2% of the total CT procedures performed by Inova Health System in 2024.¹ Even those numbers likely overstate the potential demand for an Inova CT in Gainesville. The Inova-identified Gainesville PSA stretches approximately 40 miles from southeast to northwest, covering communities that already offer CT and ED services – again, including UVACH’s newly operational imaging center right in Gainesville – or have nearby access just outside the PSA. Based on IFOH data alone, 12% of the hospital’s CT utilization originates in the proposed Gainesville PSA, but the highest ZIP code (Gainesville itself) is responsible for only 2%, and most of other PSA ZIP codes fall substantially below that figure. In short, while IFOH is the Inova facility with a need to expand, purported “expansion” in Gainesville, 16 miles away, does little to address IFOH’s institutional need. Even Inova Fairfax Hospital serves more patients from the Gainesville PSA than IFOH.²

3. Consistent with the aforementioned patient origin data, the proposed project seeks to relocate an existing scanner a significant distance from its existing patient base.

The project proposes the relocation of a CT unit from Inova Alexandria Hospital’s Inova Mark Center in Alexandria, 35 miles and about 35-45 minutes away from the proposed Gainesville site. While technically part of the same PD, the two sites serve distinct communities located nearly at the opposite ends of the PD. These communities constitute entirely different submarkets within PD 8, so the concept of a “relocation” is technical at best; this project functionally places a new CT within a new submarket for Inova. The project does not address the need for additional capacity at IFOH.

Indeed, Inova frames the application as an expansion of IFOH’s CT services, allegedly necessary to decompress CT and ED volumes at IFOH by providing an alternative place of service for existing patients. However, this is a thinly supported argument, for reasons enumerated below:

First, it does not appear that there is demand for any additional ED services in Gainesville that this proposed CT would be needed to support. Existing providers clearly have capacity: HAMC is just three miles from Inova’s proposed Gainesville site and has

¹ COPN Request No. VA-8881 at 22, 23, 28.

² Id. at 15.

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the second-lowest ED utilization among PD 8's 11 acute care hospitals; the hospital with the least-used ED in PD 8 is HCA Stone Springs Hospital Center, and that facility is located only 12 miles away, just north of the service area.

Second, from a system need perspective, the choice of Gainesville for an IFOH hospital-based ED with CT services is perplexing. While unquestionably strong and perhaps supporting an additional CT within IFOH itself, IFOH's CT utilization volumes rank fourth out of the five Inova hospitals in 2024. Its ED volumes also rank fourth. These are not the metrics that support an urgent need to decant patients at IFOH by establishing an FSED with CT services at a location some 16 miles from that hospital. Indeed, while Gainesville appears to be technically within IFOH's PSA, it is just barely so, serving 2% of IFOH's CT patients in 2025. Again, more patients from the Gainesville PSA appear to go to the Inova Fairfax Hospital ED than to IFOH. The rest of the Gainesville facility's PSA is home to comparatively few IFOH patients, and at least five ZIP codes in the Gainesville PSA are not in the IFOH PSA.

The State Medical Facilities Plan ("SMFP") authorizes placement of a new CT unit at a separate location within the applicant's PSA for CT services. But this application for the relocation of the Inova Mark Center CT, couched as an expansion of an IFOH CT service, should be viewed for what it is: the establishment of a new medical care facility in Gainesville in furtherance of a broader system strategy to expand Inova's already large and dominant presence in PD 8 at a new site of care.

4. Inova is already the dominant provider of CT and FSED services in PD 8.

Based on 2024 data, Inova already provides 66% of all CT scans furnished in PD 8 – at Inova facilities and the Fairfax Radiology Centers (a partnership between Inova and Fairfax Radiological Consultants). Inova also operates six of the eight FSEDs in PD 8 that are supported by CT services and report utilization to VHI. When dominant providers preemptively develop resources in areas where they serve few patients, competition is stifled and health care costs can increase, given that new facilities often require a highly favorable payor mix to offset high fixed operational costs. On this note, we appreciate the HSAHV Staff Report's recognition that the Inova Gainesville CT would be developed as a hospital-based service, with charges and reimbursements on a higher scale than the IDTF model under which UVACH's Gainesville site operates. As the Staff Report notes, "[t]he difference is substantial" between hospital-based and IDTF costs and charges. To wit, UVACH projects an average CT payment of \$271 per case at our Gainesville facility, as noted in the HSAHV Staff Report on our project. Inova's Gainesville CT, on the other hand, projects average payment of \$561 per case, again as noted in the Staff Report. These are measurable cost differences that will be borne by patients, payors, and the health system. And although Inova claims that the Gainesville facility would decompress existing services, data suggests that the contemplated FSED would more likely function as a geographic feeder facility.

5. Summary

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To be sure, UVACH is not minimizing the health care needs of the existing Inova patient population that originates in the proposed Gainesville PSA or dismissing the importance of their access to care. Any medical care facility will be closer to some patients than existing facilities may be. But the COPN law exists to limit such proliferation, which adds costs to the healthcare system and can harm existing providers. Where, as here, there exists strong access to providers with plentiful capacity, the COPN law militates against approval of additional facilities.

In sum, IFOH reports CT utilization at 244% of the SMFP threshold in 2025; average CT utilization of the overall Inova Health System in 2024 was 223%.³ Even acknowledging these numbers, any need for additional CT capacity at Inova or IFOH is not concentrated in the Gainesville area. Rather than meaningfully improving access to Inova's and IFOH's busy services, relocation of the Inova Mark Center CT unit to the proposed Gainesville facility would merely plant a flag for Inova in a submarket it currently does not serve to a comparatively significant degree. Indeed, the project appears designed to siphon other providers' patients. UVACH is concerned that the proposed relocated unit and co-located FSED would divert existing patient volumes from established UVACH community provider sites, which have historically served as the local safety net. Such reallocation would destabilize the utilization patterns in the area and jeopardize UVACH's sites' sustainability – particularly in Gainesville.

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

Sincerely,

Signed by:

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Amanda Welch, MBA
VP Chief Operating Officer
UVA Community Health Haymarket

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³ Id. at 28.