

WEST VIRGINIA
HEALTH CARE AUTHORITY

In re: **Appalachian Regional Healthcare, Inc.,**
Applicant.

CON File #18-1-11318-P

DECISION

I. JURISDICTION

From 1977 until September 30, 1986, West Virginia participated in the federally funded health planning functions provided for by the National Health Planning and Resources Development Act of 1974. After October 1, 1986, Congress ceased funding the various state agencies known as State Health Planning and Development Agencies and in late 1986 Congress repealed the former provisions of 42 U.S.C. § 300k, et seq. However, West Virginia has continued with its state health planning and development functions. Pursuant to W.Va. Code § 16-2D-1, et seq., the state's Certificate of Need (CON) program was created and jurisdiction over that program is vested in the West Virginia Health Care Authority (hereinafter sometimes referred to as the "Authority").

The CON law in West Virginia, W.Va. Code § 16-2D-1, et seq., provides that any proposed new health service as defined therein, shall be subject to review by the Authority prior to the offering or development of the service. The law was effective July 8, 1977.

II. ISSUES

The general issue to be decided is whether the Applicant is subject to CON review and, if so, whether the Authority shall issue a CON for the Applicant's proposed new health service.

III. PROJECT DESCRIPTION

Appalachian Regional Healthcare, Inc. (ARH) proposes the establishment of an ambulatory health care facility, through the acquisition of Appalachian Gastroenterology, PLLC (AG) located at 429 Carriage Drive, Beckley, Raleigh County. The name of the facility developed will be ARH Gastroenterology and the location will remain the same. Currently, the facility is owned by Nazer and Gilbert, LLC (NG) and operated by AG. ARH proposes to acquire the assets of AG, enter into a contract for the services of Husam M. Nazer, M.D. and lease the practice space from NG.

ARH Gastroenterology will continue to provide the gastroenterology ambulatory care services and related surgical procedures will be provided in the hospital setting. ARH Gastroenterology will provide services to AG's current service area.

Between August 1, 2016 and July 31, 2017, AG provided services to patients from 19 counties, 13 of which did not have a resident gastroenterologist. ARH's service area is based on the historical experience of AG.

The project components include:

- Complete a service agreement with Dr. Nazer;

- Lease the existing practice space at AG;
- Employ the practice staff;
- Appoint Dr. Nazer as Medical Director of Gastroenterology at Beckley ARH Hospital;
- Purchase the equipment and other assets at the AG practice; and
- Manage the ambulatory health care facility.

The capital expenditure associated with the acquisition is \$80,410 and will be funded through cash on hand.

IV. PROCEDURAL HISTORY

The Letter of Intent was received on March 8, 2018 (Exhibit 1). On March 9, 2018, the Authority acknowledged receipt of the same (Exhibit 2).

On March 19, 2018, the CON application and appropriate filing fee were received (Exhibit 3). On March 20, 2018, the Authority acknowledged receipt of the same (Exhibit 4). The application was declared complete on March 21, 2018 (Exhibit 5), and the Notice of Review was issued on April 2, 2018 (Exhibit 6).

V. ANALYSIS OF CRITERIA AND FINDINGS OF FACT

West Virginia Code § 16-2D-12(a) states that a Certificate of Need may only be issued if the proposed new health service is:

1. found to be needed, and

2. except in emergency circumstances . . . , consistent with the State Health Plan, unless there are emergency circumstances that post a threat to public health.

The two findings above are independent of one another; that is, both must be met and the absence of one of the above requires the Authority to deny the application. See, Princeton Community Hospital v. State Health Planning and Development Agency, 328 S.E. 2d 164 (W. Va. 1985).

Proposed Service Area

ARH submits that the proposed service area will be the same population AG currently supports. Between August 1, 2016 and July 31, 2017, AG served patients from 19 counties. The service area was defined to include those counties that represent at least 1 percent of the patients served by AG, counties that do not have an active gastroenterologist practice within the county (based on the WV Medical Licensure Board information), and are located either adjacent to Raleigh County or within a reasonable travel distance with adequate roadways.

The top six counties in terms of patient encounters (including the home county of Raleigh) that meet these criteria are Raleigh, Wyoming, Fayette, Summers, Greenbrier, and Nicholas. Thirteen additional West Virginia counties account for 3.5 percent of patient encounters with the remaining 1.4 percent of encounters originating from residents of other states.

**ARH Gastroenterology Patient Origin
August 1, 2016 – July 31, 2017**

County	Number	Percent
Raleigh	1,688	58.6
Wyoming	451	15.7
Fayette	419	14.5
Summers	87	3.0
Greenbrier	55	1.9
Nicholas	39	1.4
Other WV Counties (13)	101	3.5
Other States	40	1.4
Total	2,880	100

(CON application, Section C, p 2.)

ARH submits that the population of the proposed service area includes more than 215,000 residents. Over the next five years, the service area population is projected to decline by 1.6 percent. The highest user of medical care within the service area, the elderly population (ages 65 and older), is projected to increase by almost 9 percent over the same period. Demand for colonoscopies has been projected to increase nationally by at least 10 percent by 2020.

ARH submits that despite the small decline in total population, an increase in the elderly population and an increase in the demand for gastroenterology services including colonoscopies, there will still be an increase in demand for gastroenterology services in the proposed service area. The elderly population currently represents more than 21 percent

of the service area population and is projected to increase by almost 9 percent over the next five years. ARH submits that the service area population projections for the next five years are shown in the chart below:

Service Area Population Projections

County	2018	2023	5-year Percent Change	2018-2023 Percentage Growth 65 and over
Raleigh	76,504	75,717	-1	8.9
Wyoming	21,174	20,472	-3.3	8.8
Fayette	44,013	43,067	-2.2	9.2
Summers	12,854	12,649	-1.6	7.3
Greenbrier	35,222	34,958	-0.7	6.6
Nicholas	25,821	25,282	-2.1	11.7
TOTAL	215,589	212,146	-1.6	8.8

Source: Bureau of Business and Economic Research, College of Business and Economics. March 2017. 2018 and 2023 projections are calculated from projected 2015, 2020 and 2025 estimates. (Exhibit 3, CON application, Section C, p. 3).

ARH submits that it has determined a continued need for the gastroenterology services in the six-county service area supported by Dr. Nazer's practice. ARH understands that the acquisition of this ambulatory practice through a service agreement with Dr. Nazer and the employment of the staff of AG is a strategy to support the physician to remain and practice in the community. The retention of such a longstanding practice assists with succession planning. This succession planning ensures that the specialty care needs of the community will continue to be met.

The applicable review criteria for this project are contained in the W.Va. State Health Plan Ambulatory Care Center Standards approved by the Governor on October 5,

1992. These Standards are set forth in bold below and the Applicant's responses follow:

AMBULATORY CARE CENTERS

I. **DEFINITIONS**- Omitted.

II. **GENERAL STANDARDS**

The following standards apply to all ambulatory care centers. Standards which apply specifically to a particular type of ambulatory care center are listed in Section III of this standard and supplement the general standards, unless otherwise noted.

A. **Need Methodology**

For ambulatory care centers for which no specific need methodology is set forth in Section III, below, the following general need methodology shall be used. If a need methodology is specified for a particular type of ambulatory care facility in Section III of this standard, the general need methodology will apply only to those portions of the need methodology which are not specified.

All certificate of need applicants shall demonstrate, with specificity, that there is an unmet need for the proposed ambulatory care services, that the proposed services will not have a negative impact on the community by significantly limiting the availability and viability of other services or providers, and that the proposed services are the most cost-effective alternative.

The applicant shall delineate the service area by documenting the expected areas around the ambulatory care facility from which the center is expected to draw patients. The applicant may submit testimony or documentation on the expected service area, based upon national data or statistics, or upon projections generally relied upon by professionals engaged in health planning or the development of health services.

ARH submits that the proposed primary service area includes Raleigh, Wyoming, Fayette, Summers, Greenbrier and Nicholas counties, represents almost 95% of the patients currently seen at the existing facility.

The applicant shall document expected utilization for the services to be provided by the facility for the population within the service area. As used in this section, "expected utilization", in addition to the expected demand for the service, may be expressed as the number of providers typically required to serve any given population, or as the number of persons in a population that are typically served by a single provider. Where a population is known to have specific characteristics, such as age or disease rates, that affect utilization, then those characteristics may be taken into consideration.

ARH submits that the ARH Gastroenterology will provide gastroenterology services to the community. In 2018, the service area population is projected to be 215,000. The expected utilization of these services within the service area was projected based on the expected number of gastroenterologists needed to support the population. This was projected based on the national physician to population ratios for the gastroenterology active physicians as reported by the American Association of Medical Colleges (AAMC). The AAMC developed these ratios based on the American Medical Association (AMA) Physician Master file (2015 data reported in 2016 AAMC reports).

The estimated need for gastroenterology physicians in the primary service area was projected using the AAMC reported United States population per gastroenterologist in 2016, applied to the population of ARH Gastroenterology service area. Dividing the service area population by the U.S. population per gastroenterologist results in a need for 9.5. Specialty designations are based on the primary specialty selected by the physician on the AMA-administered Census of Physicians. 2016 data is the most current available.

The AAMC data indicates that more than 22,000 people are required to support a single gastroenterologist. Almost one-half of the counties in West Virginia do not have a population large enough to support one gastroenterologist. As the sixth largest county (by

population), Raleigh County is large enough to serve as a hub for gastroenterology for many of the southern West Virginia counties with populations that are not large enough to support a full-time practice. This is consistent with the existing AG practice serving patients from 19 different counties in West Virginia.

After establishing expected utilization or demand, the applicant shall estimate or document the number of existing providers within the service area and the extent to which the demand is being met by existing providers located within the service area. Where expected utilization is expressed as a number of providers typically serving a given population, it shall be sufficient to show that the ratio of providers to the population in the area is below the expected number. Providers located outside the service area need not be considered, absent specific showing that a provider located outside the service area is a major provider of services to the population within the service area.

ARH submits that the West Virginia Medical Board identifies 7 gastroenterologists with practices in Raleigh County, less than the projected 9.5 gastroenterologists in the six-county service area. There are no other active gastroenterology practices identified in the other five services area counties. ARH further submits that this demonstrates an unmet need for 2.5 FTE gastroenterologists in the proposed service area. Although the proposed project does not increase the number of active physicians in the service area, it is consistent with the need findings supporting the need to maintain the current supply of 7 gastroenterologists in Raleigh County.

ARH submits that the acquisition of this practice is a strategy to see that the gastroenterologists remain and practice in the community. This proposal does not add any additional gastroenterologists rather it supports the continuation of an existing practice. The retention of such a longstanding practice allows for recruitment of additional

gastroenterologists as needed, which assists with succession planning. This succession planning ensures that the gastroenterology needs of the service area continue to be met.

B. Quality

Applicants seeking a certificate of need approval for the development of an ambulatory care center, or for a renovation project or replacement facilities, shall demonstrate compliance with applicable licensing, certification, and/ or accreditation standards, or submit a substantive and detailed plan to come into compliance with applicable licensing, certification and/or accreditation requirements. All staff of the facility shall be in compliance with applicable standards.

All ambulatory care centers shall document written plans for the development and implementation of a quality assurance program which meets acceptable standards as specified by any applicable accrediting organizations.

All ambulatory care centers shall demonstrate:

1. suitability of physical plant, if applicable;

ARH submits that it proposes to lease the physical plant used by AG for this project. The facility is designed and operates as an ambulatory care practice. ARH Gastroenterology will continue to be used for that purpose.

2. adequate staff;

ARH submits that it is employing the practice staff and Dr. Nazer will continue to provide services under a service agreement contract. Dr. Nazer will also be appointed as the Medical Director of Beckley ARH Hospital's gastroenterology service.

3. effective treatment environment documented by written protocol;

ARH submits that it will assure an effective treatment environment is offered to its patients through a variety of written and documented protocol. The Joint Commission's accreditation report provides an example of how Beckley ARH ambulatory care services offer an effective treatment environment through compliance with the Joint Commission Ambulatory Care Safety Goals. These goals are outlined in the CON application as Exhibit I-1.

4. recognition of patient rights; and

ARH submits that it recognizes the importance of the rights of patients. ARH Gastroenterology's patient rights policy is included in the CON application as Exhibit I-2. It is ARH Gastroenterology's policy to provide quality medical care in a compassionate and cost-effective manner reflecting its tradition of warm, personalized caring. ARH further submits that it will conduct all hospital activities with concern for patient rights and individual needs.

5. an administration/evaluation process.

ARH submits that it will be governed by the ARH Board of Trustees, which has oversight over all ARH operations.

C. Continuum of Care

Ambulatory care centers will develop referral relationships and cooperative agreements with other health care providers as may be required to assure a continuum of care.

ARH submits that as a service offering, the proposed project enhances the continuum of care available to patients of AG. With approval of the proposed project, ARH Gastroenterology physicians and staff will have access to all facilities and service offerings of ARH and its affiliates. Exhibit I-3 of the CON application identifies examples of affiliations and agreements with other health providers and a list of the broad array of facilities and service offerings within ARH.

D. Cost

The financial feasibility of a proposed ambulatory care center must be demonstrated through three years.

ARH submits that the financial pro forma for ARH Gastroenterology is provided in the CON application as Exhibit N-2. ARH has agreed to subsidize any financial losses associated with the operation of the practice in the spirit of maintaining access to essential specialty services in the region.

ARH Gastroenterology Pro Forma			
	Year 1	Year 2	Year 3
Gross Charges	\$ 2,978,082	\$ 3,067,424	\$ 3,159,447
Contractual Allowances	2,115,345	2,178,805	2,244,170
Charity Expenses	1,481	1,526	1,572
Bad Debt Expenses	29,781	30,674	31,594
Revenue Adjustments	2,146,607	2,211,005	2,277,336
Total Cash Available	\$ 831,475	\$ 856,419	\$ 882,111
Operating Expenses			
Support Staff	1,052,583	1,081,254	1,110,786
Support Staff Benefits	157,600	156,097	160,780
IT and Communication Expense (a)	2,200	-	-
Medical and Surgical Supplies (a)	13,511	14,334	14,764
Building and Occupancy Expense (b)	46,085	46,085	46,085
Office Supplies and Services (a)	4,157	4,411	4,543

Malpractice Insurance (a)	50,495	53,020	58,322
Business Insurance (a)	1,634	1,634	1,683
Recruitment Expense (c)	21,000	-	-
Promotion and Marketing (d)	333	-	-
Depreciation (e)	8,000	8,000	8,000
Signing Bonus (f)	20,000	-	-
HBOC Expenses (a)	8,315	8,564	9,001
Central Billing (a)	45,731	45,731	47,103
Clinic Headquarters (a)	24,944	25,693	26,463
Lexington Allocation (a)	54,046	55,667	57,337
Central Transcription (a)	20,787	21,410	22,053
Total Expenses	1,531,421	1,521,900	1,566,920
Total All Expenses	1,531,421	1,521,900	1,566,920
Net Income	(699,947)	(665,481)	(684,808)
All Encounters	7,683	7,913	8,151

(Exhibit 3, CON Application, Exhibit N-2, p.2)

ARH Gastroenterology Payor Mix

Insured	24.11%
Medicaid	29.86%
Medicare	37.25%
Agencies	04.37%
Self-Pay	00.62%
UMWA	03.55%
Workers Comp.	00.25%
Totals	

(Exhibit 3, CON Application, Exhibit N-2, p.2).

Pro Forma Assumptions:

All Encounters

Physician volume was developed by provider and assumes 3% increase per year.

Pro Forma assumptions key

- (a) Rates comparable to like specialties or practices across ARH
- (b) Negotiated rent
- (c) Negotiated recruitment expenses
- (d) Miscellaneous estimated expenses comparable to like specialties
- (e) Estimated depreciation expense
- (f) As negotiated

Costs and charges for services and procedures provided in an ambulatory care center shall be comparable to the cost and charges of facilities offering comparable services, as defined by the Health Care Cost Review Authority, except where sliding fee arrangements exist based on patients' ability to pay.

ARH submits that costs and charge schedules for services will be comparable to and are based on the costs and charge schedules of other ARH physician practices. The projected pro forma for the first three years is provided in the CON application as Exhibit N-2. The pro forma was developed based on similar ARH practice costs and charge schedules.

Applicants must demonstrate in their financial projections that all indigent persons needing the services or procedures can be served without jeopardizing the financial viability of the project.

ARH submits that its financial projection assumptions on payor mix and specifically indigent, charity, and self-pay patients are based on historical experience of the practice and similar ARH practices. With approval of the proposed project, ARH Gastroenterology will follow the patient financial access policies of ARH.

Applicants must demonstrate that new services, facilities and technologies will not lead to unnecessary increases in costs.

ARH submits that there are no new services, facilities, or technologies that will result in unnecessary increases in cost.

E. Accessibility

Facilities shall comply with all applicable state and federal laws regarding accessibility to the disabled.

ARH submits that the proposed project will comply with all applicable state and federal laws regarding accessibility to the disabled.

Preference will be given to applicants who demonstrate intent to provide services to all patients, without regard to their ability to pay.

ARH submits that it will comply with the financial policies of ARH regarding patients' ability to pay. The policy is included in the CON application as Exhibit F-2. ARH Gastroenterology will provide care for emergency medical conditions to all individuals, without discrimination and regardless of their eligibility for financial assistance. Emergency services will never be denied or delayed based on patients' ability to pay.

F. Alternatives

Alternatives to new construction should be explored and applicants must demonstrate the need for any new construction proposed for the development of an ambulatory care center.

ARH submits that the proposed project does not include new construction or renovation.

Other alternatives which can assure the availability of the service at a lower or similar cost with improved accessibility shall be addressed.

ARH submits that there were no alternatives that would result in the same services at a lower cost with improved accessibility. The proposed acquisition is the lowest cost alternative to construction, renovation or relocation of the clinic. The proposal involves an existing clinic that is not expected to impact the operation of similar services offered by existing providers in the service area.

G. Other

Notwithstanding their location in an ambulatory care center, nothing in this standard shall exempt from review certain health services, major medical equipment,

and/or facilities, which are subject to separate certificate of need review pursuant to West Virginia Code. These include, but are not limited to:

**Computerized Tomography
Proton Emission Tomography
Magnetic Resonance Imaging
Cardiac Catheterization
Radiation Therapy
Lithotripsy**

ARH submits that this criterion is not applicable to the proposed acquisition.

Based upon the evidence, the Authority finds that ARH has adequately addressed and is consistent with the pertinent Standards applicable to the proposed project. ARH Gastroenterology will operate at a loss. Additionally, any financial shortfall will be covered by ARH. Therefore, the Authority determines that the project is financially feasible.

Other Required Findings:

In addition to the Authority finding that the project is needed and consistent with the State Health Plan under W.Va. Code § 16-2D-12(a), the Authority must make other required findings under W.Va. Code § 16-2D-12(b) and (c).

First, under W.Va. Code § 16-2D-12(b)(1), the Authority must find that superior alternatives to the services in terms of cost, efficiency and appropriateness do not exist and the development of alternatives is not practicable. ARH submits that as an alternative, maintaining the status quo and not leasing the facility and equipment or employing/contracting with the staff was considered. ARH further submits that there were no other alternatives identified that would result in providing the same services at lower

costs with improved accessibility. ARH also submits that the proposed project does not increase the number of providers but rather ensures the services provided to the community are continued and succession planning is made.

ARH submits that the proposed project offers enhanced cost containment opportunities to the existing facility and staff. It is extremely difficult for solo practices to recruit and/or develop effective succession planning. The status quo is not a viable long-term option. Based upon the evidence, the Authority finds that superior alternatives do not exist.

Second, under W.Va. Code § 16-2D-12(b)(2), the Authority must find that existing facilities providing services similar to those proposed are being used in an appropriate and efficient manner. ARH submits that the proposed project involves an acquisition of an existing practice and is not expected to impact the operation of similar services offered by existing providers in the service area. The services offered and the current service area for AG is not expected to change with approval of the proposed project. ARH further submits that the proposed project will not have an impact on the costs of available services to consumers in the area. Based upon the evidence, the Authority finds that the criterion is not applicable to the proposed project.

Third, under W.Va. Code § 16-2D-12(b)(3), the Authority must find that in the case of new construction, alternatives to new construction, such as modernization or sharing arrangements, have been considered and have been implemented to the maximum extent practicable. ARH submits that the proposed project does not involve new construction,

renovation or related capital costs. Based upon the evidence, the Authority finds that the criterion is not applicable to the proposed project.

Fourth, under W.Va. Code § 16-2D-12(b)(4), the Authority must find that patients will experience serious problems in obtaining care of the type proposed in the absence of the proposed health service. ARH submits that as a specialty service, ARH Gastroenterology is designed to serve residents of 19 West Virginia Counties and residents in other states who do not have access to an active gastroenterologist practice and are located either adjacent to Raleigh County or within a reasonable travel distance. There is a need to continue the existing specialty practice. The proposed project does not increase the number of providers in the service area but ensures the services provided in the community are continued. Without the proposed project the practice will eventually close. Based upon the evidence, the Authority finds that patients will experience serious problems in obtaining care of the type proposed in the absence of the proposed project.

Finally, for each proposed new health service it approves, the Authority must make a written finding, which shall take into account the extent to which the proposed health service meets the criteria in W.Va. Code § 16-2D-12(c), regarding the needs of medically underserved population. ARH submits that AG has a long and valued history of providing financial assistance to the community it serves. ARH Gastroenterology will determine if a patient qualifies for financial assistance (up to and including free care), and if so, it calculates a discount off charges. This policy does not affect or limit ARH Gastroenterology's dedication and obligation under the Emergency Medical Treatment and Labor Act to treat patients with emergency medical conditions, regardless of ability to pay.

ARH further submits that it will operate in full compliance with ARH policies and will remain in compliance with federal civil rights laws. ARH Gastroenterology will not discriminate based on race, color, national origin, age, disability, or sex. Charity care is reflected in the financial statements and accounts for 0.05 percent of charges. ARH also submits that it will comply with state and federal laws regarding accessibility to the disabled at the proposed facility. Based upon the evidence, the Authority finds that the proposed project will be accessible to the medically underserved population.

VI. CONCLUSIONS OF LAW

1. The proposed project is reviewable under West Virginia Certificate of Need law.
2. The proposed project is needed.
3. Superior alternatives to the proposed project in terms of costs, efficiency and appropriateness do not exist.
4. Patients will continue to experience serious problems in obtaining care of the type proposed in the absence of the proposed project.
5. The proposed project is consistent with the State Health Plan.
6. The proposed project will serve the medically underserved population.

VII. DECISION

The West Virginia Health Care Authority **APPROVES** the application submitted by ***Appalachian Regional Healthcare, Inc.*** for the establishment of an ambulatory health care facility through the acquisition of Appalachian Gastroenterology, PLLC located at 429 Carriage Drive, Beckley, Raleigh County, West Virginia. The Decision is **CONDITIONED** upon the Applicant submitting annual reports showing the actual utilization and revenue and expenses compared to the projections presented by the Applicant in its application. This condition is applicable for the first three fiscal years of operation. The Decision is further **CONDITIONED** in that the Applicant is responsible for the submission of all required financial disclosure information as set forth in W.Va. C.S.R. § 65-13-1, et seq. and W.Va. Code § 16-29B-24.

The capital expenditure associated with the project is **\$80,410**. A Certificate of Need is hereby issued in the form of this Decision.

This Certificate of Need is valid for a period of one (1) year from the date of this Decision. Applicant shall notify the Authority immediately of any anticipated project changes, including cost increases, as outlined in W.Va. C.S.R. § 65-32-14.

At least forty-five days prior to the expiration of this Certificate of Need, the Applicant must submit a report on the progress being made toward completion of the project. At a minimum, the progress report will include the information required by W. Va. C.S.R. § 65-32-13. The progress report must contain a verification signed by the Chief Executive

Officer. If the approved project will not be completed prior to the expiration date, a written request for an extension must be submitted.

The Applicant shall incur an obligation for a capital expenditure associated with an approved project within twelve (12) months of issuance of the Certificate of Need.

Upon good cause shown, the Authority may extend the duration of a Certificate of Need for up to six (6) months. If the obligation required to be incurred by W. Va. C.S.R. § 65-32-13.6 is not incurred within eighteen (18) months of the issuance of the Certificate of Need, the Certificate automatically expires.

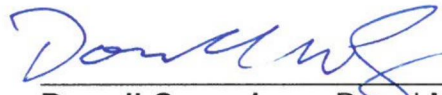
If the obligation is incurred within the prescribed time period, the Applicant may request a renewal of the Certificate of Need, in writing, in order to complete the project. The request shall contain a verification signed by the Chief Executive Officer. If a request for renewal of a Certificate of Need is not made before its expiration, the Certificate automatically expires.

Also, the Applicant must request a substantial compliance review, in writing, no later than forty-five days prior to licensure or the undertaking of the activity for which a Certificate of Need was issued as provided for in W.Va. C.S.R. § 65-32-16.1 and a copy of the **final cost report** must be filed with the Authority. The request shall contain a verification signed by the Chief Executive Officer. An increase in the capital expenditure above the approved **\$80,410** may be subject to review.

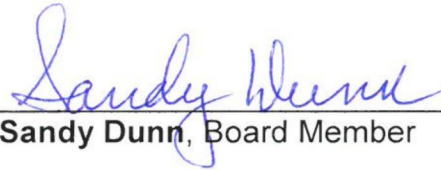
APPEALS

Appeal from this Decision may be taken in accordance with the provisions of W.Va. Code § 16-2D-16, and must be requested in writing and received by the West Virginia Health Care Authority, Office of Judges, Post Office Box 3585, Charleston, West Virginia 25328, within thirty (30) days after the date of this Decision.

Done this 22nd day of May, 2018.



Darrell Cummings, Board Member



Sandy Dunn, Board Member



Charlene Farrell, Board Member

DISTRIBUTION

Peggy M. Cella, President (Certified Copy)
Cella Consulting Group

The Honorable Andrew "Mac" Warner
Secretary of State

Dennis Garrison, Director, Consumer Advocacy Division
West Virginia Insurance Commission

CDF/JD

CON Case File #18-1-11318-P

Appalachian Regional Healthcare, Inc.

CON File #18-1-11318-P

EXHIBITS REFERENCE

Exhibit Number	Description	Document Date	Date Rec'd by CON
1	Letter of Intent	03/08/18	03/08/18
2	Acknowledgment of receipt of Letter of Intent	03/09/18	
3	CON application and fee	03/19/18	03/19/18
4	Acknowledgment of receipt of application and fee	03/20/18	
5	Completeness letter	03/21/18	
6	Notice of Review	04/02/18	