



Robert E. Smanik, FACHE
President and CEO

DAY KIMBALL HOSPITAL

320 Pomfret Street Putnam, Connecticut 06260 860-928-6541 www.daykimball.org

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CONNECTICUT OFFICE OF
HEALTH CARE ACCESS

April 20, 2010

The Honorable Cristine A. Vogel
Deputy Commissioner
Office of Health Care Access
Division of the Department of Public Health
410 Capitol Avenue, MS#13HCA
Hartford, CT 06134

RE: Acquisition of MRI Unit Located at
39 Kennedy Drive, Putnam, CT 06260

Dear Commissioner Vogel:

Attached is a Letter of Intent for the acquisition of an MRI unit currently located at 39 Kennedy Drive, Putnam, CT, and operated by Norwich Radiology Group, P.C.

After the sale of the MRI, Day Kimball Hospital will continue to operate the MRI in its current location, allowing the MRI unit to continue to serve its current patient population.

If you have any questions, please do not hesitate to contact me at 860-963-6310.

Sincerely,

Robert E. Smanik, FACHE
President and CEO
Day Kimball Healthcare, Inc.

cc: Robert J. Anthony, Esq.



**State of Connecticut
Office of Health Care Access
Letter of Intent Form
Form 2030**

All Applicants involved with the proposal must be listed for identification purposes. A proposal's Letter of Intent (LOI) form must be submitted prior to a Certificate of Need application submission to OHCA by the Applicant(s), pursuant to Sections 19a-638 and 19a-639 of the Connecticut General Statutes and Section 19a-643-79 of OHCA's Regulations. Please complete and submit Form 2030 to the Commissioner of the Office of Health Care Access, 410 Capitol Avenue, MS# 13HCA, P.O. Box 340308, Hartford, Connecticut 06134-0308.

SECTION I. APPLICANT INFORMATION

If this proposal has more than two Applicants, please attach a separate sheet, supplying the same information for each additional Applicant in the format presented in the following table.

	Applicant One	Applicant Two
Full legal name	Day Kimball Healthcare, Inc.	
Doing Business As	Day Kimball Hospital	
Name of Parent Corporation	Day Kimball Healthcare, Inc.	
Applicant's Mailing Address, if Post Office (PO) Box, include a street mailing address for Certified Mail (Zip Code Required)	320 Pomfret Street Putnam, CT 06260	
Identify Applicant Status: P for Profit or NP for Nonprofit	NP	
Does the Applicant have Tax Exempt Status?	Yes	
Contact Person, including Title/Position: This Individual will be the Applicant Designee to receive all correspondence in this matter.	Robert E. Smanik, FACHE President & Chief Executive Officer	
Contact Person's Mailing Address, if PO Box, include a street mailing address for Certified Mail (Zip Code Required)	Day Kimball Hospital 320 Pomfret Street Putnam, CT 06260	
Contact Person Telephone Number	860-963-6310	
Contact Person Fax Number	860-963-6341	
Contact Person e-mail Address	rsmanik@daykimball.org	

SECTION II. GENERAL APPLICATION INFORMATIONa. Project Title: Acquisition of MRI Unit

b. Project Proposal:

Day Kimball Healthcare, Inc., doing business as Day Kimball Hospital (the "Applicant") is a non-stock tax-exempt acute care general hospital located at 320 Pomfret Street, Putnam, CT 06260. The proposed project is the acquisition of an MRI unit currently located at 39 Kennedy Drive, Putnam, CT at a total cost of \$225,000. Following the acquisition, the MRI unit will remain in its current location and will be operated by the Applicant rather than its current lessee, Norwich Radiology Group, P.C.

c. Type of Project/Proposal, please check all that apply:

Inpatient Service(s):

- Medical/Surgical Cardiac Pediatric Maternity
 Trauma Center Transplantation Programs
 Rehabilitation (*specify type*) _____
 Behavioral Health (Psychiatric and/or Substance Abuse Services)
 Other Inpatient (*specify*) _____

Outpatient Service(s):

- Ambulatory Surgery Center Primary Care Oncology
 New Hospital Satellite Facility Emergency Urgent Care
 Rehabilitation (*specify type*) _____ Central Services Facility
 Behavioral Health (Psychiatric and/or Substance Abuse Services)
 Other Outpatient (*specify*) _____

Imaging:

- MRI CT Scanner PET Scanner
 CT Simulator PET/CT Scanner Linear Accelerator
 Cineangiography Equipment New Technology: _____

Non-Clinical:

- Facility Development Non-Medical Equipment Renovations
 Change in Ownership or Control Land and/or Building Acquisitions
 Organizational Structure (Mergers, Acquisitions, & Affiliations)
 Other Non-Clinical: _____

d. Does the proposal include a Change in Facility (F), Service (S)/Function (Fnc) pursuant to Section 19a-638, C.G.S.?

Yes No

If you checked "Yes" above, please check the appropriate box below:

- New (F, S, Fnc) Additional (F, S, Fnc) Replacement
 Expansion (F, S, Fnc) Relocation Termination of Service
 Reduction Change in Ownership/Control

e. Will the Capital Expenditure/Cost of the proposal exceed \$3,000,000, pursuant to Section 19a-639, C.G.S.?

Yes No

If you checked "Yes" above, please check the boxes below, as appropriate:

- New equipment acquisition and operation
 Replacement equipment with disposal of existing equipment
 Major medical equipment
 Change in ownership or control

f. Location of proposal, identifying Street Address, Town and Zip Code:

39 Kennedy Drive, Putnam, CT 06260

g. List each town this project is intended to serve:

Brooklyn, Ashford, Hampton, Chaplin, Eastford, Killingly, Plainfield, Pomfret, Putnam, Sterling, Thompson, Canterbury, and Woodstock.

h. Estimated starting date for the project:

Immediately upon approval.

i. If the proposal includes change in the number of beds provide the following information:

Type	Existing Staffed	Existing Licensed	Proposed Increase or (Decrease)	Proposed Total Licensed

SECTION III. ESTIMATED CAPITAL EXPENDITURE/COST INFORMATION

- a. Estimated Total Project Expenditure/Cost: \$225,000
- b. Please provide the following tentative capital expenditure/costs related to the proposal:

Major Medical Equipment Purchases*	\$225,000
Medical Equipment Purchases*	
Non-Medical Equipment Purchases*	
Land/Building Purchases	
Construction/Renovation	
Other (Non-Construction) Specify: _____	
Total Capital Expenditure	\$225,000
Major Medical Equipment – Fair Market Value of Leases Medical	
Equipment – Fair Market Value of Leases	
Non-Medical Equipment – Fair Market Value of Leases*	
Fair Market Value of Space – Capital Leases Only	
Total Capital Cost	
Total Project Cost	
Capitalized Financing Costs (Informational Purpose Only)	

* Provide an itemized list of all medical and non-medical equipment to be purchased and leased.

- c. If the proposal has a total capital expenditure/cost exceeding \$20,000,000 or if the proposal is for major medical equipment exceeding \$3,000,000, you may request a Waiver of Public Hearing pursuant to Section 19a-643-45 of OHCA's Regulations? Please check your preference.

Yes No

- 1. If you checked "Yes" above: please check the appropriate box below indicating the basis of the projects eligibility for a waiver of hearing

Energy Conservation Health, Fire, Building and Life Safety Code
 Non Substantive

- 2. Provide supporting documentation from elected town officials (i.e. letter from Mayor's Office).

- d. Major Medical and/or Imaging Equipment Acquisition:

Equipment Type	Name	Model	Number of Units	Cost per unit
MRI Unit	GE	1.0 Tesla, Short Bore, CX, Conquest Magnet	1	Lease

Note: Provide a copy of the vendor contract or quotation for each major medical/imaging equipment.

Attached as Exhibit A.

e. Type of financing or funding source (more than one can be checked):

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> Applicant's Equity | <input type="checkbox"/> Capital Lease | <input type="checkbox"/> Conventional Loan |
| <input type="checkbox"/> Charitable Contributions | <input type="checkbox"/> Operating Lease | <input type="checkbox"/> CHEFA Financing |
| <input type="checkbox"/> Funded Depreciation | <input type="checkbox"/> Grant Funding | |
| <input type="checkbox"/> Other (specify) _____ | | |

SECTION IV. PROJECT DESCRIPTION

In paragraph format, please provide a description of the proposed project, highlighting each of its important aspects, on at least one, but not more than two separate 8.5" X 11" sheets of paper. At a minimum each of the following items need to be addressed, if applicable.

1. List the types of services are currently being provided. If applicable, provide a copy of each Department of Public Health (DPH) license held by the Applicant.
2. List the types of services being proposed and what DPH licensure categories will be sought, if applicable.
3. Identify the current population served and the target population to be served.
4. Identify any unmet need and describe how this project will fulfill that need.
5. Are there any similar existing service providers in the proposed geographic area?
6. Describe the anticipated effect of this proposal on the health care delivery system in the State of Connecticut.
7. Who will be responsible for providing the service?
8. Who are the current payers of this service and identify any anticipated payer changes when the proposed project becomes operational?

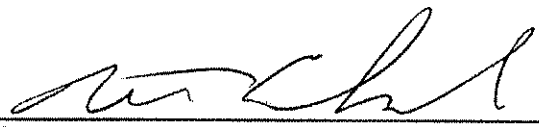
AFFIDAVIT

To be completed by each Applicant

Applicant: Day Kimball Healthcare, Inc.

Project Title: Acquisition of MRI Unit

I, Robert E. Smanik, President and CEO of Day Kimball Healthcare, Inc., being duly sworn, depose and state that the information provided in this CON Letter of Intent (Form 2030) is true and accurate to the best of my knowledge, and that Day Kimball Healthcare, Inc. complies with the appropriate and applicable criteria as set forth in the Sections 19a-630, 19a-637, 19a-638, 19a-639, 19a-486 and/or 4-181 of the Connecticut General Statutes.

	<u>4/21/10</u>
Signature	Date

Subscribed and sworn to before me on 4-21-2010

Marcy L. White
Notary Public/~~Commissioner of Superior Court~~

My commission expires: 6-30-2010

Nancy L. White
NOTARY PUBLIC
State of Connecticut
My Commission Expires
June 30, 2010

Responses to Questions in Section V

Project Description

Day Kimball Healthcare, Inc., doing business as Day Kimball Hospital (the "Applicant") is a non-stock tax-exempt acute care general hospital located at 320 Pomfret Street, Putnam, CT 06260. The proposed project is the acquisition of an MRI unit currently located at 39 Kennedy Drive, Putnam, CT at a total cost of \$225,000. Following the acquisition, the MRI unit will remain in its current location and will be operated by the Applicant rather than its current lessee, Norwich Radiology Group, P.C.

1. List the types of services are currently being provided. If applicable, provide a copy of each Department of Public Health (DPH) license held by the Applicant.

The Applicant currently provides residents with a full range of inpatient and outpatient services on its main campus at 320 Pomfret Street, Putnam, CT, including MRI services. A copy of the facility's license is attached hereto as Exhibit B

2. List the types of services being proposed and what DPH licensure categories will be sought, if applicable.

The parties do not anticipate any interruptions or changes of service as a result of the Applicant assuming ownership of the MRI unit. The MRI Unit is currently leased by Norwich Radiology Group, P.C., and operated within its premises located at 39 Kennedy Drive, Putnam, CT. After the acquisition of the MRI unit by Applicant, the MRI unit will remain in the same location, and will continue to serve the same patient population that it currently serves.

3. Identify the current population served and the target population to be served.

The Applicant's current population of residents from Putnam and the surrounding towns, along with the existing patient population of Norwich Radiology Group, P.C., who require MRI services will continue to be served after the proposed sale of the MRI unit takes place.

4. Identify any unmet need and describe how this project will fulfill that need.

The proposed acquisition of the MRI unit will enable the MRI to continue serving its current populations.

5. Are there any similar existing service providers in the proposed geographic area? Yes

The following facilities offer MRI services within a 10 mile radius of the MRI UNIT:

Day Kimball Healthcare, Inc. – 320 Pomfret Street Putnam, CT 06260

6. Describe the anticipated effect of this proposal on the health care delivery system in the State of Connecticut.

The effect of this proposal should be neutral because the proposed project will not result in the addition or reduction of any MRI units within the State of Connecticut.

7. Who will be responsible for providing the service?

The Applicant will be responsible for providing the service.

8. Who are the current payers of this service and identify any anticipated payer changes when the proposed project becomes operational?

The Applicant's current payer mix includes Medicare, Medicaid, and commercial insurers. The Applicant does not anticipate any change in payers will occur as a result of this transaction.

Exhibit A



GE Capital Healthcare Financial Services

January 4, 2005

Dr. A. Dalal
Norwich Radiology Group, P.C.
12 Case Street
Norwich, CT 06360

RE: GE Healthcare Financial Services Lease Contract
Account# 8533252-001
PO# n/a

Thank you for allowing GE Healthcare Financial Services to finance your recent medical equipment acquisition. This packet contains your document copies, and Tax Acknowledgement form. Please take a moment to complete and return the Tax Acknowledgement form, and to review the enclosed documents. Should there be any discrepancy in the documents or if there is anything else you feel should be included in this transaction, please notify us immediately at the numbers provided.

You may contact your Customer Service Representative by calling toll free, **#800-225-7480**.

Your account number is noted on the top of this letter for easy reference when calling about your account. Your customer service representative will be able to help you with any questions concerning this transaction. The office hours are 8:00 AM to 5:00 PM, Monday through Friday, Central time zone or you can leave a recorded message on our 800 number for call back service.

GE Healthcare Financial Services is committed to providing the highest quality of customer service possible and we wish to express our sincere appreciation for allowing us this opportunity to assist you with your financing needs.

Sincerely,
GE Healthcare Financial Services

Lori Mayer, Transaction Analyst
GE Healthcare Financial Services

enclosures
mb



GE Healthcare Financial Services

Date: December 28, 2004

Attention: Norwich Radiology Group, P.C.
Accounts Payable

Reference: GE Healthcare Financial Services Financing Transaction

Equipment: GE Healthcare MR System
Contract #: 8533252-001
Order #: 0002-528972

Thank you for allowing GE Healthcare Financial Services to help you with your financing needs.

The monthly payment for your financing transaction has been revised due to a change in the 5 Year Interest Rate Swaps from 3.63% to 3.98% at the time of the financing commencement date. Therefore, your monthly payment has been recalculated and is now: 60 Months @ \$15,417.21, plus all applicable taxes.

Please contact GE Healthcare Financial Services at (800) 225-7480, if you have any questions regarding the above information. A copy of your fully executed contract and monthly invoices will follow.

GE Healthcare Financial Services

STIPULATED LOSS TABLE

Lessee Name: Norwich Radiology Group, P.C.

Equipment Description: GE Healthcare MR System

Equipment Cost: \$ 341,760.00

Number of Month's	Stipulated loss Value % of Cost
1	107.00
2	106.01
3	105.01
4	103.98
5	102.91
6	101.82
7	100.72
8	99.60
9	98.48
10	97.33
11	96.18
12	95.01
13	93.83
14	92.63
15	91.42
16	90.20
17	88.97
18	87.73
19	86.48
20	85.21
21	83.94
22	82.65
23	81.35
24	80.04
25	78.72
26	77.39
27	76.04
28	74.68
29	73.32
30	71.94
31	70.55
32	69.16

33	67.75
34	66.34
35	64.91
36	63.47
37	62.02
38	60.57
39	59.10
40	57.61
41	56.12
42	54.61
43	53.10
44	51.58
45	50.04
46	48.49
47	46.94
48	45.36
49	43.78
50	42.19
51	40.59
52	38.97
53	37.34
54	35.70
55	34.06
56	32.41
57	30.75
58	29.08
59	27.40
60	25.70

Mo pymt has been adj to reflect the change in the Fed
Res 5-yr T-Bill Rate which was 3.98% at the time the
contract commenced. The adj pymt is

60 @ \$15,477.21



GE Healthcare Financial Services

Internal Contract Ref. # 8533252
Internal Order Ref. # 2528972

**MAXISERVICE® SCHEDULE
DATED AS OF 04/05/2004
TO MASTER LEASE AGREEMENT
DATED AS OF ~~11/15/2004~~**

This Schedule is executed pursuant to, and incorporates by reference the terms and conditions of, the Master Lease Agreement identified above ("Master Agreement," said Master Agreement and this Schedule being collectively referred to as the "Agreement"). Except as provided herein, capitalized terms not defined herein shall have the meanings assigned to them in the Master Agreement. This Schedule constitutes a separate instrument of lease that applies to the leasing of Equipment from General Electric Capital Corporation (the "Lessor") and the provisions of Support Services mentioned below by GE Medical Systems, a division of General Electric Company ("GE") or an affiliate entity of GE.

1. **EQUIPMENT:** Subject to the terms and conditions of the Agreement, Lessor agrees to lease the Equipment described below (the "Equipment") to Lessee.

Number of Units	Site	Model and Type Of Equipment
1	Norwich Radiology Group, P.C. 35 Kennedy Drive Putnam, CT 06260	GE Healthcare MR System

2. **SUPPORT:** During the term of this Schedule, GE will provide "Support" as described in the Support Exhibit attached hereto.

3. **TERMS AND RENTALS:**

A. **Term of Schedule:** 60 months. The term of this Schedule will commence on the Lease Commencement Date specified in the "Lease, Term and Rent Payments" section of the Master Agreement and continue for the term specified immediately above, subject to and in accordance with the terms and conditions of this Schedule.

B. **Advance Charge:** \$0.00. Lessor will apply the Advance Charge to Monthly Charge obligation under this Schedule to Month 0.

C. **Monthly Charge:** 60 Months @ \$15,363.67, plus all applicable taxes. In states assessing sales and use tax, your Monthly Charges will be adjusted to include the applicable sales and use tax at the same rate that was used to calculate your Monthly Charges under this Agreement. Lessee's payment of Monthly Charges to Lessor will be in accordance with the "Lease, Term and Rent Payments" section of the Master Agreement. On the Lease Commencement Date, the Monthly Charge, as it relates to Equipment, will be adjusted based on the number of points, plus or minus, as applicable, that the 5 Year Interest Rate Swaps as of the Lease Commencement Date has changed from 3.63%, which was established based on the 5 Year Interest Rate Swaps as of the week ending 1/9/2004.

4. **SERVICE WARRANTY/DISCLAIMERS/REMEDIES:** GE warrants that it will provide the Support specified in the Support Exhibit in a workmanlike manner. For any claim that Support was not performed in a workmanlike manner in accordance with the

Support limited warranty in this Section 4, Lessee's sole and exclusive remedy is for GE to re-perform that Support. In view of the Support GE provides under this Schedule, and except for any listed diagnostic imaging accessories product warranties provided by GE, no product warranties are offered under the Agreement; all parts and items are provided AS IS. Any applicable additional warranty disclaimers are specified in the Support Exhibit.

5. **END OF SUPPORT ANNOUNCEMENT:** In the event GE makes a general commercial announcement that it will no longer offer Support agreements for an Item of Equipment or Equipment component or provide a particular Support feature or option, then upon no less than 12 months' prior written notice to Lessee, Lessor may, at its option, remove any such item(s) of Equipment, component(s), feature(s), or option(s) from this Schedule, with an appropriate adjustment of charges, without otherwise affecting this Agreement.

6. **RECORD RETENTION AND ACCESS:** If Section 1861(v)(1)(I) of the Social Security Act applies to this Schedule, subsections (i) and (ii) of that Section are made a part of this Schedule. In such an event, GE agrees to retain and make available and to insert the requisite clause to each applicable subcontract requiring GE's subcontractor to retain and make available, the contract(s), book(s), document(s) and record(s) to the person(s), upon the request(s), and for the period(s) of time as required by these subsections.

7. **EXCUSABLE DELAYS AND PERFORMANCE.** Lessor shall not be liable for delays or failures in performance of any obligation under a Schedule or the Agreement due to a cause beyond its reasonable control.

8. AUTODRAFTING

A. Lessee hereby authorizes Lessor to initiate debit entries for Lessee's payment of the charges which are due periodically under this Schedule and the financial institution indicated below to debit with the amounts thereof the account listed below.

Financial Institution Name: _____
Financial Institution
Address: _____
City: _____ State: _____ Zip: _____

B. The following information can be provided from Lessee's check so please attach a copy of a voided check:

Account Name: _____
Nine-digit Financial Institution ID Number: _____
Your Financial Institution Account Number: _____

C. Lessee further authorizes Lessor to adjust the dollar amount transferred from Lessee's account to correspond to periodic changes in the payment due, if any, under the terms of this Schedule.

D. Lessee hereby authorizes Lessor to automatically debit all current or past due property taxes (if applicable).

E. Rules and Regulations

- (i) Lessee understands that due to the difference in timing between the Lease Commencement Date and the booking of this Schedule, the initial debit may be for more than one periodic charge but will not be more than the actual total monthly amounts due at that time.

- (ii) Failure to have adequate funds in Lessee's account shall constitute an event of default under this Schedule.
- (iii) Lessee understands that it will continue to receive an invoice each month as notification of the amount to be debited from its account.
- (iv) Lessee agrees that it will not revoke, terminate or modify this authorization of the information contained herein, without the prior written consent of Lessor. In the event Lessee revokes or terminates this authorization, Lessee must remit its periodic charges directly to Lessor at the address specified in the Agreement. Failure to pay the periodic charges on or before the due date shall constitute an event of default under this Schedule.
- (v) If a deduction is made in error, Lessee has the right to be immediately refunded by Lessor for the amount of the erroneous deduction provided that Lessee provides written notification of the erroneous deduction within 15 days after its account statement is issued or 45 days after the monies are paid to Lessor.

9. Lessee does further certify that as of the date hereof (i) Lessee is not in default under the Agreement; (ii) the representations and warranties made by Lessee pursuant to or under the Agreement are true and correct on the date hereof and (iii) Lessee has reviewed and approves of the purchase documents for the Equipment, if any.

10. Any modified or additional terms and conditions of this Schedule are set forth in the following attachments to this Schedule: _____

11. Except as expressly modified hereby, all terms and provisions of the Agreement shall remain in full force and effect.

LESSOR:

General Electric Capital Corporation

By: Laura L. Zitel
Name: Laura L. Zitel
Title: Duly Authorized Signatory

General Electric Company

By: Laura L. Zitel
Name: Laura L. Zitel
Title: Duly Authorized Signatory

LESSEE:

Norwich Radiology Group, P.C.

By: Daniel Gilmartin
Name: DANIEL GILMARTIN
Title: PRESIDENT



SUPPORT EXHIBIT
TO SCHEDULE DATED AS OF 04/05/2004
TO MASTER LEASE AGREEMENT DATED AS OF 11/15/2001
INTERNAL CONTRACT REFERENCE NUMBER 8533252
INTERNAL ORDER NUMBER 2528972

This Support Exhibit is attached to and made a part of the Schedule identified above. This Support Exhibit sets forth specific terms and conditions in addition to those in the Master Lease Agreement identified above (the "Master Agreement") and the Schedule identified above (the "Schedule"). Unless otherwise indicated explicitly or by context, the terms used in this Support Exhibit and all addenda and attachments hereto shall have the meaning given them in the Master Agreement.

SUPPORT COVERAGE DETAILS

During the period set forth in the Schedule, GE will provide Support as follows:

Quantity	Equipment Description	Service Offering	Start Date
1	GE Healthcare MR System	Quantacare	Lease Commencement Date

Features: 1.0T FIXED MR SERVICE OFFERING

Quantacare Post-Warranty Features:

- Unlimited Parts and Labor
- 2-Hour On-site Response Time
- Contract Hours: Monday – Friday Field Engineer (FE) Service Coverage: 8AM – 5PM
- Next Day Parts Delivery
- GE Recommended PM's during Contract Hours
- 30 minute InSite Phone Response
- InSite 24x5
- iLinQ
- No Education Package
- No Block of OT Hours
- 10% Accessories Discount
- 95% Uptime Guarantee
- Includes any GE Coils
- Client to provide Broadband Connectivity (otherwise \$5,110 price increase)

Includes:

- Market Performance Improvement (MPI) Consulting Engagement designed to include the following:
 - Procedure Volume Analysis
 - Five-Year CT Growth Projections
 - Comprehensive Competitor Analysis
 - "Voice of the Customer" interviews with key referring physicians
 - Comprehensive Demographic Analysis
 - Local Payer Mix Analysis
 - Customer Work-Out to develop CT market growth/outreach strategies

Annual System Price (4-years with 1-year warranty):	\$91,772
<u>Magnet Maintenance and Cryogen</u> (no cryogen warranty)	
• CX Magnet Maintenance, Including Cryogen Coverage	\$32,120
Annual Cryogen Price (5-years service, no warranty):	
Service Payment Schedule - Year 1: \$32,120	
Service Payment Schedule - Years 2-5: \$123,892	

Block of Overtime Hours

GLOSSARY

The attached Glossary is made a part of this Support Exhibit by reference.

OTHER TERMS AND CONDITIONS

1. Additional Support. Subject to the availability of personnel, GE will provide, at your request and additional expense and subject to the Schedule, service or other items not specified in the Schedule. The charge for such service or other items will be GE's prevailing rate then in effect for Support agreement customers with the applicable type of Equipment, including round trip travel time. You will be charged a minimum of 2 hours per call. Other travel expenses and overnight living expenses will be charged at actual cost in accordance with GE's standards for business expense remuneration of employees.

2. Site Policies. GE's and its service contractors' personnel will comply while at the Site with all of your reasonable policies and procedures, not inconsistent with the terms and conditions of the Schedule, provided you have previously given copies of such policies and procedures to GE and its service contractors.

3. Your Responsibilities. During the Term of any Schedule and as long as you possess the Equipment, you agree to do the following:

- (a) Provide a suitable location for the Equipment and maintain the Site and environment (including temperature and humidity control, incoming power quality, and fire protection system) in a condition suitable for operation of and service to the Equipment; provide a secured and protected area for storage of GE tools and equipment near the Equipment location; and keep the Site clean and free of dust, sand and other particles or debris.
- (b) Ensure the Equipment is used solely in accordance with the requirements of the Equipment Operation Manual by properly qualified and licensed personnel.
- (c) Make the Equipment available without restriction for Support in accordance with a mutually acceptable Support appointment schedule.
- (d) Facilitate GE's performance of remote diagnostic and repair Support by providing remote access methods reasonably requested by GE, e.g., modem line, internet connection, broadband internet connection, where available.
- (e) Designate a Site Manager and alternate as GE's Support contact, for all items of Equipment, who each have necessary expertise to reasonably assist GE's technical engineers in diagnosis of service problems.
- (f) Place Support calls and requests to GE in accordance with any protocols that GE provides to you in writing.
- (g) Ensure the security of networked Equipment on your Site by taking appropriate measures to prevent unauthorized access to networked Equipment and the interception of communications between GE's service center and the networked Equipment, including isolating networked Equipment from other networks, setting up firewalls, and taking any other measures that GE reasonably believes are necessary to ensure the security of the networked Equipment and related communications.
- (h) Make Equipment available to GE as needed for the performance of Support.
- (i) Promptly notify GE in writing of any change in the Customer Information specified on the Schedule, location of Equipment, or your ownership or management control.

4. Exclusions. This Support Exhibit does not cover the following:

- (a) The repair, replacement, or disposal of any accessories, power supply equipment, refrigeration equipment, or consumable items, including but not limited to batteries, cassettes, copier drums, electrodes, fiber optics, fiber optic bundles, filters, image intensifiers, laser tubes, film magazines, paddles, patient cables, radiation sources, refrigeration, compressors, styli, software, top assemblies of transducers, bulbs, glassware, mattresses, padding, radiation sources, or dyes, unless explicitly listed on a Schedule.
- (b) The provision, payment, or reimbursement of any rigging or facility cost.
- (c) Consultation or training to assist your development or modification of any software or protocols not provided by GE.
- (d) Material and labor costs associated with reusing existing facilities (wire, termination fields, network facilities, equipment room, peripherals, adjuncts) and temporary installation of Equipment for testing, training, and other purposes.
- (e) Any non-GE hardware or software that was not commercially available from the Original Equipment Manufacturer on the date such hardware or software was installed, including but not limited to experimental and proprietary hardware or software.
- (f) Any service, components or parts replacement, or downtime required as a result of (a) a design, specification, software program, protocol, or instruction provided by you or your representative; (b) your failure to fulfill any of your obligations or responsibilities under the Master Agreement; (c) the failure of anyone other than GE or its contractor to comply with GE's written instructions or recommendations; (d) your combining the Equipment with any item of others or with any incompatible GE item; (e) any alteration or improper storage, handling, use, or maintenance of any part of the Equipment by anyone other than GE or its contractor; (f) design or manufacturing defects, specifications, or functionalities in any item of others; and (g) anything external to the Equipment, including building, van, or trailer structural deficiency, power surge, fluctuation or failure, dust, sand or other particles or debris at the Site, or air conditioning failure.
- (g) Any additional service required due to moves, additions, or changes to the Equipment, unless GE has been notified in writing at least 30 days in advance and concurred with such moves, additions, or changes.

- ✱(h) The cost of factory reconditioning of the Equipment if reasonably necessary because repair or parts replacement by GE at the Site cannot maintain it in satisfactory operating condition. Such factory reconditioning will be done on a mutually agreeable schedule.
- ✱(i) The cost of repair or parts replacement per item of Equipment per occasion in excess of 50 percent of that item of Equipment's then-current value. GE will provide you a written itemized estimate of the cost of repair or parts replacement for any item of Equipment should such cost per occasion exceed this limit.

5. Additional Terms and Conditions:

A. Planned Maintenance Performance Commitment.

GE will provide planned maintenance ("PM") on each item of covered Equipment at GE-recommended intervals and at mutually agreeable times during Coverage Hours, as set forth on the first page of this Support Exhibit. PMs will be scheduled and performed pursuant to applicable GE specifications for such item of Equipment ("Manufacturer-Required PMs"). Such specifications may change during the Term of this Support Exhibit, based upon the recommendations of GE's modality engineers.

GE will use reasonable efforts to ensure timely completion of all Manufacturer-Required PMs, in accordance with this Section and the Schedule. However, the parties acknowledge that this is not always possible. For each Manufacturer-Required PM that GE fails to perform during any contract year during the term of this Support Exhibit, GE will provide an extension of the Term of this Support Exhibit for one week without additional charge to you.

✱ Notwithstanding the above, you will not be entitled to any remedy under this Section if GE's failure to provide timely PMs results from (i) your cancellations, requested rescheduling or other unavailability of the Equipment, or (ii) your default under the Default Section of the Master Agreement or Schedule. The above is your sole and exclusive remedy for GE's failure to meet its PM performance commitment.

B. Uptime Commitment

✱ Should an item of Equipment fail to achieve the uptime commitment set forth on the first page of this Support Exhibit, as calculated by the uptime commitment calculation set forth below, GE will provide an extension of the term of this Support Exhibit with respect to that item of Equipment at no additional charge, as follows:

% less than Uptime Commitment	Extension
0	0 week
0.1 — 3.0	1 week
3.1 — 8.0	2 weeks
8.1 — 13.0	4 weeks
more than 13.0	6 weeks

The above is your sole and exclusive remedy if GE fails to meet any uptime commitment over a 26-week measurement period during the term of this Support Exhibit.

The uptime commitment calculation used to determine GE's achievement of the uptime commitment shall be as follows:

The basis for each measurement period is your elected Coverage Hours of a hours per day, b days per week for 26 weeks, less c hours spent on PMs during that interval:

Hours1 = a hours per day X b days per week X 26 weeks.

Hours2 = Hours1 - c hours for planned maintenance

Required in-service hours at your % guarantee:

Hours3 = Hours2 X your%.

✱ Your Equipment will be considered inoperable and out of service under the uptime commitment if, due to GE's design, manufacturing, material, or Support performance failure, the Equipment is unavailable for scanning patients and diagnosing images on the Equipment display console or operator's console. Peripheral equipment such as remote consoles, magnetic tape drives, hard copy devices, and multi-format and laser cameras are excluded from the terms of the uptime commitment. Repair and adjustments required for anything other than Equipment failure, and damage or inoperability due to any cause other than GE's design, manufacturing, material, or Support performance failure, will be excluded from the uptime commitment calculation, including without limitation damage through misuse, operator error, inadequate environmental or air conditioning protection, power failure, your failure to fulfill your responsibilities, any event or cause excluded under the Master Agreement, the Schedule or Support Exhibit, and acts of God. PM time will not be included in the calculation of downtime. If GE's responding representative agrees the Equipment is inoperable due to GE's design, manufacturing, material or Support performance failure, the Equipment will be considered out of service from the time the request for service was received at GE's designated facility until the Equipment is once again turned over to you for operation. Should you fail to give GE immediate and unencumbered access to the Equipment or continue to obtain scans after notifying GE of any Equipment failure, the Equipment will be considered to be in service.

C. InSite™/Remote Services

✱ GE will provide support directly to your technologist via InSite, if available for your type of equipment, for first pass on all service requests, at the fee set forth on the first page of this Support Exhibit. InSite hours of coverage and response times are specified on the first page of this Support Exhibit. InSite for GE manufactured equipment requires a modem, broadband or other compatible service telecommunications connection to the Equipment. InSite for equipment not manufactured by GE requires broadband connection to the equipment. All connection costs, whether phone line, hardware, network or otherwise, are your responsibility. A modem is included with InSite-capable GE manufactured equipment. A site server is required and included with InSite-capable equipment not manufactured by GE.

Remote Services Broadband Connectivity

For Equipment that is capable of a remote services broadband network connection ("Eligible Equipment"), the following responsibilities will apply:

Your Responsibilities

If your site has not already done so, establishing a broadband network connection at your site that connects to the Eligible Equipment. The broadband connection must be provided via Cisco, Nortel or Checkpoint-compatible VPN, with a minimum of 128k available bandwidth.

Providing GE with access to the Eligible Equipment through your broadband network connection and maintaining security for your broadband network connection in accordance with appropriate industry best practices (e.g. appropriate internal and external firewalls, etc.).

Providing necessary support to maintain the broadband network connection for the Eligible Equipment, including the designation of a primary contact person (typical your Network Manager/Administrator) who will respond to GE's broadband connection requests and inquiries within 24 hours.

Providing GE with at least two (2) business days advance notice of any planned changes to your network that may impact the broadband connection for the Eligible Equipment, and providing GE with notice of any unplanned changes (e.g., power outages, computer viruses, system crashes) to your network that may impact the broadband connection for the Eligible Equipment within two (2) business days after the occurrence of the unplanned changes, and cooperating with GE in maintaining, as reasonable, the broadband connection during all such planned and unplanned changes.

Using all reasonable efforts to ensure that your connection to the Internet and LAN systems operate at a maximum of 75% of capacity and have an uptime rate of at least 98%.

If a suitable broadband connection cannot be reasonably established, you must provide a dedicated analog line accessible to the equipment.

Remote Services Modem Connectivity

For Equipment that cannot be equipped with a broadband network connection:

Your Responsibilities

Provide a dedicated analog phone line accessible to the equipment.

Providing necessary support to maintain the analog phone connection for the Equipment, including the designation of a primary contact person (typically your Telecommunications Administrator) who will respond to GE's support requests and inquiries within 24 hours.

Providing GE with at least two (2) business days advance notice of any planned changes to your telecommunication network that may impact the analog connection for the Equipment, and providing GE with notice of any unplanned changes (e.g., power outages, telecommunication system failure) to your telecommunication network that may impact the analog connection for the Equipment within two (2) business days after the occurrence of the unplanned changes, and cooperating with GE in maintaining, as reasonable, the analog connection during all such planned and unplanned changes.

GE's Remote Service Connectivity Responsibilities

Provide the necessary phone support to configure the remote services broadband network connection of the Eligible Equipment to GE.

Training

You are responsible for ensuring that your service personnel you assign to be responsible for each item of Equipment meet GE's training requirements for performing service on that Equipment. If GE requires training for any personnel, you agree to enroll them in the next available training class for that item of Equipment available through the GE Medical Systems Healthcare Institute. All training courses will be subject to GE's standard training policies and at the standard tuition then in effect, less the following tuition discounts: for the first 5 weeks of training that you purchase, you will receive a discount of 15% off of the standard tuition then in effect; for the sixth through tenth weeks of training that you purchase, you will receive a discount of 20% off of the standard tuition then in effect; for the eleventh through fifteenth weeks of training that you purchase, you will receive a discount of 25% off of the standard tuition then in effect; and in excess of fifteen weeks of training that you purchase, you will receive a discount of 30% off of the standard tuition then in effect. For purposes of determining the applicable discount, your weeks of training will be cumulative for the term of the Agreement, based on the total number of weeks of training that you have purchased for your service personnel in connection with all of your Equipment. Any training programs less than one week in length will be equivalent to one week of training applicable to discount schedule described.

Specification of training requirements will be solely at GE's discretion. GE reserves the right to delay initiation of Support pursuant to this Agreement, or convert this Agreement per the Conversion section of this Agreement, in the event your personnel do not promptly meet GE's training specifications.

In the event any of your service personnel you assign to perform service under this Agreement leave your employ or you assign new service personnel to perform service under this Agreement, you agree to promptly notify GE by placing a call to your local service manager or the GE OnLine Center through the *InHouse Engineer Telephone Support* line if you have selected Remote Services.

D. Replacement Parts

1. SCOPE OF COVERAGE

GE shall provide replacement parts ("Parts") for the repair and maintenance of the Equipment during the coverage term specified above (the "Coverage Term") and any renewal terms.

2. PARTS ORDERS

Parts orders may be placed through www.gemedicalsystems.com twenty-four (24) hours per day, seven (7) days per week, or via telephone by calling 1-800-558-2040 between the hours of 7:00 AM and 3:00 AM (the following morning), US Central Time, Monday through Friday. Parts ordered by any Support Exhibit (Quantacare) to Schedule

other means will not be included in coverage and will be charged separately. For online orders, the then-current general terms and conditions governing use of gemedicalsystems.com (accessible via gemedicalsystems.com) are part of these terms and conditions and shall control in the event of any direct conflict with these terms and conditions. Shipping and handling charges and applicable taxes, if any, are additional, and shall be charged separately to you.

3. NON-INVENTORY PARTS

Parts that are not on GE's inventory list at the time of GE's receipt of your order are not included in coverage. Such Parts are nonrefundable and not returnable and will be sold to you at GE's cost plus a handling fee of 3% or \$200, whichever is greater.

4. SHIPMENT; TITLE AND RISK OF LOSS

Parts shall be shipped C.I.F. GE's shipping dock using "Next Day" standard delivery. If you request faster delivery, then GE shall charge additional shipping fees. Title and risk of ownership pass to you at C.I.F. point.

5. EXCHANGE OF PARTS

GE may use new, used, or exchange parts to supply Parts. Parts identified as "exchange" ("Exchange Parts") are offered conditioned upon the return and transfer of title of a like failed item in usable and repairable condition to GE within fifteen (15) days after the date of GE's shipment of the Exchange Part. Failure to do so will result in additional charge outside of your coverage. If during a rolling one (1) year period you fail on three (3) occasions to return like exchange items in usable condition within ten (10) days after shipment of the Exchange Part, you will be disqualified from ordering further Exchange Parts.

6. PARTS RETURN POLICY

Returns must be approved in advance by GE. Returns of GE Parts are subject to a restocking fee of either 15% (not to exceed \$1500) for unopened Parts or 30% (not to exceed \$3000) for opened-but-unused Parts. Returns of non-GE Parts are subject to a restocking fee of 25% for unopened Parts, and a restocking fee equal to the list price for opened-but-unused Parts, based on GE's price list as of the date on which you ordered the Part. Return packing, shipping, and other applicable charges are at your expense. GE may change the designation of any Part from returnable to non-returnable without notice. Acceptance of a return is conditioned on transfer of title in the returned Part to GE. Returns may be initiated by calling 1-800-558-2040 at any time during the applicable warranty period, provided that GE must receive the returned Part within thirty (30) days after the date of authorization of the return.

7. INCORRECT, "DOA" AND DAMAGED PARTS

GE will reimburse you for return costs, including restocking fees, actually paid by you for any Part shipped to you because of GE's error or if the Part is determined to be non-functional ("DOA") upon installation. DOA Part returns must be accompanied by a replacement order for the same Part. If you receive a Part in damaged condition, you shall immediately notify the common carrier and GE.

8. EXCLUSIONS

The coverage provided hereunder does not cover (a) any inspection, adjustment, repair, maintenance, site preparation, rigging, installation, relocation or related services with respect to any Part, Equipment or component or accessory thereof; (b) the cost of factory reconditioning, when in GE's opinion, it is necessary to have the Equipment rebuilt at the factory because repair or Parts replacement by GE cannot maintain the Equipment in satisfactory operating condition; (c) the inspection, adjustment, maintenance, repair, replacement, or substitution of the Equipment's magnet, and super conductive or resistive shim coils, or any associated magnetic field homogeneity adjustments; (d) supply of cryogenics and cryogenic service including without limitation cryogen recharge and replacement; (e) accessory or supply items; or (f) replacement or substitution of the Equipment or any Part or component of the Equipment required due to loss of, damage to, or a failure of all or any part of the Equipment which results in whole or part, from (i) improper storage or handling of the Equipment by anyone other than GE; (ii) your failure to prepare the site or to provide the requisite power or operating environment in compliance with any applicable instructions per recommendations of GE or the applicable manufacturer; (iii) absence of any products, component or accessory recommended by GE but omitted at your direction; (iv) any alteration of the Part or Equipment by anyone other than GE or the applicable manufacturer; (v) combining the Equipment with any product furnished by others; (vi) interference with the magnetic or radio frequency fields of the Equipment due to a condition or cause outside the Equipment as furnished by GE; (vii) improper or extraordinary use of the Equipment by anyone other than GE, improper maintenance of the Equipment by anyone other than GE, or failure of anyone other than GE to comply with applicable instructions or recommendations of GE; (viii) improper cryogen levels, cryogen material, or Equipment fitting procedures; (ix) fire, lightning, water, tornado, windstorm, hail, earthquake, explosion, smoke, aircraft, motor vehicle, collapse of building, strike, riot, vandalism, power failure or fluctuations, or air conditioning failure; (x) fair wear and tear with respect to consumables such as table pads, covers, etc.; or (xi) the negligence of you or any person under its control.

9. FORCE MAJEURE

GE shall not be liable for any Parts failure or any failure to perform its obligations hereunder to the extent such failure results from a cause beyond its reasonable control, including, but not limited to, damage, delay, or loss of a Part by a common carrier.

10. MODIFICATIONS AND IMPROPER INSTALLATIONS

Modifications to any Part and/or failure to install any Part in accordance with written instructions provided by GE may significantly affect the Part's or the Equipment's performance or conformance to GE's applicable specifications. Any modification, unless performed or expressly authorized in writing by GE, and/or any failure to install any Part in accordance with written instructions provided by GE will void GE's warranty for such Part, effective on the date of such modification and/or failure to install the Part in accordance with GE's written instructions.

11. LIMITED WARRANTIES AND DISCLAIMER

Warranties, if any, for Parts are specified in separate warranty form(s) referenced above. No warranty is furnished for anything excluded from the warranty form(s). Except as set forth in the separate warranty form(s) referenced above, all Parts are provided AS IS. NO IMPLIED WARRANTY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, QUIET ENJOYMENT, SYSTEM INTEGRATION, OR DATA ACCURACY APPLIES TO ANY PART, ITEM OR SERVICE PROVIDED BY GE.

12. LIMITATIONS OF REMEDIES AND DAMAGES

GE'S TOTAL LIABILITY, AND CUSTOMER'S EXCLUSIVE REMEDY IN CONNECTION WITH THE FULL PARTS COVERAGE, IS LIMITED TO THE LIST PRICE OF THE PART GIVING RISE TO THE CLAIM, BASED ON GE'S PRICE LIST AS OF THE DATE ON WHICH CUSTOMER ORDERED THE PART. NEITHER GE NOR CUSTOMER SHALL HAVE ANY LIABILITY TO THE OTHER FOR PUNITIVE, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOST PROFITS OR REVENUE. You will be barred from any remedy unless you give GE prompt written notice of the non-conformity or defect. This is a commercial transaction. Any action related to this Agreement shall be based solely on

commercial law principles. NEITHER PARTY SHALL HAVE ANY NEGLIGENCE OR OTHER TORT LIABILITY TO THE OTHER ARISING FROM THIS AGREEMENT OR THE TRANSACTIONS OCCURRING PURSUANT HERETO. This limitation does not apply to third-party claims for personal injury caused by a party's negligence.

13. RESTRICTIONS ON USE OF PARTS

You shall not resell Parts to any person or entity. In addition, you agree that you shall not purchase Parts hereunder for use in connection with equipment or modalities for which you have not purchased coverage, including, without limitation, any equipment which you acquire after the date of the Schedule which is of the same type or modality as the Equipment. You agree that in the event GE determines, in its reasonable discretion, that your purchases of any Parts under this Agreement significantly exceed the quantities of parts purchased by other GE customers with respect to similar equipment, then GE and you shall meet to discuss in good faith your purchasing patterns to identify any Equipment- or training-related issues causing the excessive purchases. If such issues are not resolved to GE's reasonable satisfaction, then GE may terminate full parts coverage hereunder.

E. Corrective Service

Corrective Service on the Equipment will be provided as follows:

Your Obligations: You will provide initial Corrective Service with trained service personnel you assign, who will attempt to provide all Corrective Service for each item of Equipment. In the event that you cannot provide trained service personnel for a particular item of equipment, the equipment will not be eligible for In-House Choice coverage. In the event an item of Equipment is included in In-House Choice coverage and the trained personnel for that item of Equipment should leave your employment or otherwise lose eligibility, the covered item of Equipment shall be changed to full service coverage and Normal Fixed Charges adjusted accordingly. At your discretion, your trained service personnel may request assistance from GE. For each call you place to GE (whether for parts, service or any other reason), you agree to call the GE OnLine Center to receive technical support from a GE support engineer or GE CARES to initiate a service call.

GE performance of Corrective Service: If the Corrective Service that you initially provide does not correct the problem, upon your request GE will provide Corrective Service during Coverage Hours. Such Corrective Service, including labor and travel time, shall be charged against the Block of Hours if selected and specified on Schedule A, and shall include labor and travel time. In the event GE provides Corrective Service outside of the standard Coverage Hours, defined as Monday through Friday, 8:00 a.m.-5:00p.m. local time, such Corrective Service shall be charged against the Block of Hours at a rate of 1.5 hours per hour of Corrective Service. If Corrective Service is required on a Sunday or GE holiday, Corrective Service shall be charged against the Block of Hours at a rate of 2.0 hours per hour of Corrective Service. You will provide all assistance reasonably requested by GE.

If no Block of Hours is selected and specified on Schedule A, or if the selected Block of Hours has been exhausted, the following charges will apply:

For Corrective Service provided during GE's standard coverage hours (8:00 a.m. to 5:00 p.m., local time, Monday through Friday), you will be charged an hourly rate equal to GE's then-current 1st rate for overtime hourly service for contract customers ("Standard Rate");

For Corrective service provided outside of GE's standard coverage hours, but not on Sunday or a GE holiday, you will be charged an hourly rate equal to 1.5 times GE's then-current Standard Rate; and

For Corrective Service provided at anytime on a Sunday or GE holiday, you will be charged an hourly rate equal to 2 times GE's then-current Standard Rate.

If GE determines that on-site Corrective Service is necessary, GE will arrive on-site within 6 hours of the determination that on-site service is required.

F. iCenter™ SUBSCRIPTION

iCenter™ provides you personalized information and updates via an intranet/internet portal. It keeps you updated on the status of your designated GE diagnostic imaging systems and provides you productivity, utilization, benchmarking and education information designed to enhance your efficiency and competitiveness.

You receive the following information through one single web site, accessible on a PC.

- Regular updates of change in status on your designated GE diagnostic imaging systems ("Your Systems")
- Rolling 3 month service history for Your Systems
- Uptime history for your modality
- Industry news and updates
- Decision support system that helps improve your work flow and competitiveness
- Educational and training information

iCenter™ includes the following 4 types of information for Your Systems

1. Equipment Management

- Availability: View systems that are up, partially, up or down.
- Status: Get details on down systems.
- History: Drilldown to a 3-month rolling dispatch history.

2. Administrative Solutions

- Dashboard: View departmental uptime by modality
- Contact GE: Send tailored applications or service inquiry on-line direct to GE support.
- Service Monitor: Contract Billing Information in terms of OT hours and time and material used, PM Schedules.
- Resources: Upgrade optimizer, industry news and links, on-line ordering for accessories and parts.

3. Learning Solutions

- Online courses as selected per year and tracking of credit hours.
- Application database: Access to the entire database of applications information and problem solutions that is currently available from.

4. Decision Support - ScanPATH

- Reports on Your Systems utilization, scheduling, and study type.

Buy-up options are available for many iCenter™ features.

iCenter™ Specific Terms and Conditions

Subscription

GE will provide you a subscription to the selected iCenter™ offering ("Information"), and such Information will be available to you through your iCenter web site ("iCenter™ Site"). The Information for the Equipment Management includes information derived from GE service records of Your Systems.

The subscription allows you to receive information for Your Systems. You may buy-up the number of GE diagnostic imaging systems at any time, but may not replace the systems except on the annual anniversary of your iCenter™ subscription.

During the term of your subscription, you are granted a limited, non-exclusive, non-transferable right to search, retrieve, display, download, print and use the Information solely at the Site for internal business use only. Access to the iCenter™ Site will be controlled by user ID and password or other security process as defined by GE.

Except as expressly permitted above, you will not (i) de-compile or reverse engineer any of the associated software and other content and materials related to iCenter™ or the Information ("Related Materials"); (ii) sell, sub-license, distribute, or commercially exploit iCenter™, the Information, or the Related Materials; (iii) make the Information, iCenter™ or any of the Related Materials available publicly through any means or media; or (iv) modify, publish, transmit, participate in the license, transfer, or sale of, reproduce, create derivative works from, distribute, perform, display, or in anyway exploit iCenter™, the Information, or any of the Related Materials, in whole or in part, without the prior written consent of GE.

Any special modifications to the Information or iCenter™ you request and which GE agrees to perform may be accompanied by additional fees as determined by GE, and approved in writing by you, prior to initiation of such modification. The charge for such services rendered will be in accordance with GE's standard rates and policies then in effect for such services.

GE reserves the right to upgrade, modify, replace or delete portions of the iCenter™ technology, structure, Information and/or other Related Materials at any time during the Term.

Ownership

The rights granted to you under this subscription will not affect the exclusive ownership by GE of any trademarks, copyrights, patents, or applicable intellectual property law rights that pertain to Information provided to you.

Copyright

The iCenter™, Information, and Related Materials are the property of GE and are protected by the copyright and other intellectual property laws of the United States and by applicable international treaties. No rights are transferred to you by virtue of this subscription except as specifically provided in this subscription. All rights with regard to the Information are reserved to GE. You agree to abide by all copyright notices, information, or restrictions.

Third Party Contents and Links

GE may provide through iCenter™ third party content or links to third party content. GE is not responsible for this content and may remove such content at any time. The terms and conditions for use of such content, including privacy policies applicable to such content, is determined solely by the third party, and not by GE.

Your Additional Responsibilities

You will:

Provide all assistance reasonably requested by GE or its agents to assist in gathering data from Your Systems or other equipment or systems, and use commercially reasonable efforts to provide accurate and complete data where any data is provided by you.

Provide and maintain a dedicated connection to Your Systems to allow GE to access Your Systems remotely through a dedicated telephone line at all times.

Comply with the requirements of any implementation guidelines, security procedures or other instructions provided by GE, including any requirements to have access to any commercially available software, media player or other technology reasonably necessary for access to or use of iCenter™.

Pay a fee to GE based on your selected buy-up options provided by GE, with such fees set in accordance with GE's standard rates and policies then in effect for such services.

Use the iCenter™, Information and Related Materials solely in accordance with this subscription agreement and in accordance with applicable law.

Not rely on the iCenter™, Information or Related Materials in your preparation of any reimbursement claim, cost-report or similar reports.

Recognize that all clinical and medical diagnostic decisions are the responsibility of your professional health care providers. The iCenter™, Information and Related Materials are no substitute for their professional judgment and GE disclaims all responsibility for your clinical and medical diagnostic evaluations and decisions.

Not add or link to the iCenter™ Site any content or links which infringe the trademark, copyright, patent or other rights of any third party.

GE's Additional Responsibilities

GE will:

Provide you access to and use of the iCenter™, Information and Related Materials during the subscription.

Use commercially reasonable efforts to make available during your business hours the iCenter™, Information and Related Materials.

Use commercially reasonable efforts to gather applicable data from Your Systems, equipment or other systems.

Support Exhibit (Quantacare) to Schedule

Provide the iCenter™, Information and Related Materials solely in accordance with this subscription and in accordance with applicable law.

Notify you of new buy-up options available through iCenter™.

Limited Warranties

GE EXPRESSLY DISCLAIMS ALL WARRANTIES AND REPRESENTATIONS OF ANY KIND WITH RESPECT TO THE iCenter™, INFORMATION AND RELATED MATERIALS, WHETHER EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, AND TITLE. DUE TO THE NUMBER OF SOURCES FROM WHICH INFORMATION IS OR WILL BE OBTAINED, AND THE INHERENT HAZARDS OF ELECTRONIC DISTRIBUTION, THERE MAY BE DELAYS, OMISSIONS, OR INACCURACIES. THE iCenter™, INFORMATION AND RELATED MATERIALS COULD INCLUDE TECHNICAL OR OTHER INACCURACIES OR TYPOGRAPHICAL ERRORS, AND MAY NOT BE AVAILABLE WITHOUT INTERRUPTION.

Training

At your request, GE or its agent will provide "train the trainer" sessions to enable your staff to conduct training on the use of the iCenter™, Information and Related Materials. Charges for such training will be in accordance with the prevailing rates then in effect for such services.

G. iLinq

For iLinq-capable Equipment, GEMS will provide Customer with the iLinq on-demand support tool on your iLinq-capable Equipment at no additional charge. iLinq requires a modem, broadband or other compatible service telecommunications connection to the Equipment. All connection costs, whether phone line, hardware, network or otherwise, are your responsibility. A modem is included with iLinq-capable Equipment.

Glossary

"Block of Overtime ("OT") Hours" means labor and travel hours pre-purchased at a discounted rate to be used in the specified contract year for Support incurred outside of Coverage Hours. Unused OT Hours expire at the end of the contract year for which they were purchased.

"Corrective Service" means unscheduled repair service on Covered Components of the Equipment.

"Coverage Hours" means the specific hours and days GE will provide Support under the Support Exhibit.

"Equipment" means the hardware identified in the Schedule and all GE additions, modifications, substitutions, and replacements of the hardware.

"FE Coverage Weekdays" means the Coverage Hours on weekdays (except GE Holidays) during which onsite labor for Corrective Service is included under this Support Exhibit. Corrective Service provided outside Coverage Hours on weekdays is billed at standard contract overtime rates or may be charged against a Block of OT Hours (if applicable).

"FE Coverage Weekends and Holidays" means the Coverage Hours on weekends and GE holidays during which onsite labor for Corrective Service is included under this Support Exhibit. Corrective Service provided outside of Coverage Hours on weekends and holidays is billed at standard contract overtime rates or may be charged against a Block of OT Hours (if applicable).

"FE Onsite Response" means the typical response time from your initial call for Corrective Service to FE arrival at the Site to begin servicing the Equipment. If you request faster response, GE will charge an expediting fee.

"iLinq" means a communication tool that resides on the Equipment operator console. This tool provides the following features: (i) Contact GE, which provides a direct link to GE via an interface on the operator console for you to request Support and for GE to respond; (ii) Messaging, which provides a status report and historic log of your Contact GE requests and allows GE to send information to your operator console; and (iii) The Applications Wizard, which provides the capability to search the GE database for applications information and guidance related to the Equipment.

"InSite" means GE's proprietary remote OnLine Center call support or dial-up remote diagnostic troubleshooting capability available on certain Equipment models.

"InSite Coverage Hours" means the hours and days you select for InSite coverage. InSite Support provided outside Insite Coverage Hours will be billed at applicable contract overtime rates.

"InSite Response Time" means the typical response time from your initial call to phone response by a GE engineer located at the OnLine Center to begin servicing your call. If you request faster response, GE will charge an expediting fee.

"Normal Fixed Charges" means the amount of the periodic payments for Support, as specified in the Schedule. They do not include additional charges for services or other items not covered by the Support Exhibit but requested by you or any variable charges.

"OnLine Center" means GE's central facility from which Support is provided.

"Parts Delivery Time" means the typical time from the part order to delivery of the part to the Site. If you request faster delivery, GE will charge an expediting fee.

"Planned Maintenance Inspection ("PM")" means an inspection of the Equipment performed at a mutually agreeable time during the Coverage Hours in accordance with GE's Equipment specifications at intervals recommended by GE.

"PM Weekday Execution" means Coverage Hours agreed to between you and GE during which PMs will be performed on weekdays (not including GE holidays).

"PM Weekend and Holiday Execution" means Coverage Hours agreed to between you and GE during which PMs will be performed on weekends and holidays.

"Replacement Parts" means replacement parts required to repair or maintain Equipment. Replacement Parts may be provided on a new or exchange (refurbished) basis. Functionally equivalent used parts may also be used when necessary to maintain the operation of the Equipment. Parts that are replaced become GE property and are removed from the Site.

"Site" means the specific geographic location where the Equipment is located for patient care.

"Support" means maintenance, repair, productivity, and other services, as well as software, hardware, and other items, described on the Support Exhibit and Schedule.

"Total Fixed Charges" means the total fixed amount to be paid under this Support Exhibit for Support. It does not include additional charges for services and other items not covered by this Support Exhibit but requested by you or any variable charges.



GE Healthcare Financial Services

AMENDMENT TO MASTER LEASE AGREEMENT

This Amendment is made effective as of the 5th day of April, 2004, by and between General Electric Company, d/b/a GE Healthcare Financial Services (herein "GE"), and Norwich Radiology Group, P.C. (the "Lessee").

WHEREAS, GE and Lessee entered into a Master Lease Agreement dated as of November 15, 2001 (the "Agreement"); and

WHEREAS, GE and Lessee desire to amend the Agreement as provided below.

NOW, THEREFORE, the parties agree as follows:

1. Section 7 of the Agreement is hereby amended and restated in its entirety, as to any and all Schedules entered into on or after the date hereof, as follows:

7. INSURANCE: Lessee agrees at its own expense, to keep the Equipment insured with companies acceptable to Lessor for such amounts and against such hazards as Lessor may require, including, but not limited to, all risk physical damage insurance for the Equipment itself, with losses under the policies payable to Lessor or its assigns, if any, and liability coverage for personal injuries, death and/or property damages on terms satisfactory to Lessor. Lessor and/or its officers, agents, employees and/or successors and/or assigns shall be named as an additional insured under all such insurance policies with loss payable clauses under said policies payable in Lessor's favor, as Lessor's interest may appear. Said Equipment shall be insured for not less than its Stipulated Loss Value (see Schedule) or such other amount as Lessor shall specify. Said liability insurance shall be in an amount of not less than two million dollars (\$2,000,000.00) or such other amount as Lessor shall specify. Lessee hereby appoints Lessor as its attorney-in-fact to make proof of loss and claims for insurance and to make adjustments with insurers and to receive payment of and execute or endorse all documents, checks or drafts in connection with payments made with respect to the insurance policies. Lessee may not make adjustments with insurers except with Lessor's prior written consent. The policies will provide that the insurance may not be altered or canceled by the insurer until after thirty days written notice to Lessor. In the event of damage to or loss, secretion, destruction or theft of the Equipment, or any portion of the Equipment, whether in whole or in part, Lessee will pay to Lessor the Stipulated Loss Value of all Equipment, or of the portion of the

Equipment affected if the value and use of the remainder of the Equipment are not affected at the time of such occurrence (except the extent that Lessor indefeasibly receives proceeds of insurance covering such Equipment). Lessor may, at Lessor's option, apply proceeds of insurance, in whole or in part, (i) to repair or comparably replace the Equipment or any portion of it or, (ii) to satisfy any of Lessee's obligations pursuant to this Agreement or a Schedule.

2. All terms not otherwise defined in this Amendment shall have the meanings given to them in the Agreement.

3. Except as stated above, all other terms of the Agreement remain unchanged.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their authorized representatives.

**GENERAL ELECTRIC COMPANY, d/b/a
GE Healthcare Financial Services**

Norwich Radiology Group, P.C.

By: *[Signature]*

By: *Ajay I. Dalal*

Its: Duly Authorized Signatory

Its: *Owner*

*Norwich Radiology Group P.C.
12/8/04.*



GE Healthcare Financial Services

Landlord's Waiver and Consent

This Landlord's Waiver and Consent (the "Agreement") is entered into among Norwich Radiology Group, P.C. (whether one or more, "Customer") General Electric Capital Corporation with offices at 20225 Watertown Boulevard, Suite 300, Brookfield, Wisconsin 53045 ("GE") and Riverton Milk Partners LLC ("Landlord"). Customer and GE have entered into, or are about to enter into a lease or security agreement (the "Financing Agreement") whereby GE has acquired or will acquire an ownership or security interest in certain equipment or other property (the "Collateral") as further described in the Financing Agreement or in schedules thereto. Some or all of the Collateral may be affixed or otherwise become located on the premises located at 30 Kennedy Drive, Putnam, CT 06260 ("Premises"). To induce GE to enter into the Financing Agreement and extend a loan, lease, or other financial accommodation to Customer against such ownership or security interest in the Collateral and for other valuable consideration, Landlord hereby agrees with GE and Customer as follows:

- 1. Landlord.** The term "Landlord" is used for convenience purposes only. Landlord's interest in the Premises may be that of a fee owner, lessor, sublessor, mortgagee, deed of trust beneficiary, or lienholder, or that of any other holder of an interest in the Premises that may be, or may become, prior to the interest of GE.
- 2. Disclaimer of Interest.** Landlord hereby consents to GE's security or ownership interest in the Collateral and disclaims all interests, liens and claims which Landlord now has or may hereafter acquire in the Collateral and agrees not to distraint or levy upon the Collateral for any reason. Landlord agrees that any lien or claim it may now have or may hereafter have in the Collateral will be subject and subordinate at all times to GE's interest in or to the Collateral and such Collateral will not be deemed a fixture but shall at all times be considered personal property.
- 3. Entry Onto Premises.** Landlord and Customer grant to GE the right to enter upon the Premises and use all of the Premises' facilities for the purpose of removing the Collateral. If GE enters onto the Premises and removes the Collateral, GE will repair any damage to the Premises caused by removal of the Collateral (ordinary wear and tear excluded), and provided that such damages were caused by the negligence or willful misconduct of GE or its representatives. GE shall not be required to restore the Premises to its original condition. Landlord shall seek sole recourse against Customer for such obligation to restore the Premises. To the extent Landlord is exercising rights of eviction against the Customer, Landlord will provide GE prompt notice of such action at the address above and provide GE the opportunity to remove the Collateral.
- 4. Miscellaneous Provisions.** This Agreement shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Agreement. The covenants of Customer and Landlord respecting subordination of the claim or claims of Landlord in favor of GE shall extend to, include, and be enforceable by any transferee or endorsee to whom GE may transfer any interest in the Financing Agreement or any claim or claims to which this Agreement shall apply. GE need not accept this Agreement in writing or otherwise to make it effective. This Agreement shall be governed by and construed in accordance with the laws of the jurisdiction where the Premises are located. If Landlord is other than an individual, any agent or other person executing this Agreement on behalf of Landlord represents and warrants to GE that he or she has full power and authority to execute this Agreement on Landlord's behalf. GE shall not be deemed to have waived any rights under this Agreement unless such waiver is in writing and signed by GE. No delay or omission on the part of GE in exercising any right shall operate as a waiver of such right or any other right. A waiver by GE of a provision of this Agreement shall not constitute a waiver of or prejudice GE's right otherwise to demand strict compliance with that provision or any other provision. Whenever consent by GE is required in this Agreement, the granting of such consent by GE in any one instance shall not constitute continuing consent to subsequent instances where such consent is required.

Dated this 8th day of Dec, 2004.

Customer
By: @jay I Dalal
Its: OWNER

Landlord
By: [Signature]
Its: managing member

General Electric Capital Corporation
By: [Signature]
Its: Duly Authorized Signatory

Norwich Radiology Group P.C.

Tax Responsibility Letter

To: Dr. A. Dalal

Account Number: 8533252-001

From: GE Healthcare Financial Services Tax Department
W-490
P.O. Box 414
Milwaukee, WI 53201

We are writing this letter to reiterate your tax responsibility as contractually provided for in the "Taxes" clause of the lease or sales agreement that you have recently signed. Please be aware that your agreement states that you will be responsible for the payment of all taxes, except for those taxes imposed upon or measured by our net income, that are assessed to GE relating to the equipment. This may or may not include property taxes, sales and use taxes, and sales and use taxes on property taxes. This letter addresses questions and issues often raised concerning these taxes:

Property Tax:

Property taxes are assessed based on the equipment location on the assessment date. Each state determines its own assessment date based on its budget year. It is your responsibility to keep our office informed if the leased equipment is moved. You may contact the Tax Department at 1-800-225-7480 with the date of the move, as well as the complete address location of the equipment. Please take a moment now and review the address below to determine if the equipment location is correct:

35 Kennedy Drive, Putnam, CT 06260

In the event of any discrepancies, please contact the Tax Department at the above phone number.

If you believe that you are exempt from paying property taxes, please provide the Tax Department with a copy of your exemption certificate or statute citation. However, please note that this certificate may or may not exempt you from paying the property tax on the equipment. Some jurisdictions do not accept a "flow through" exemption. This means that the jurisdiction will look to GE for payment regardless of the exemption status of the lessee. However, as indicated previously, taxes are ultimately the responsibility of you, the lessee. Please contact the Tax Department for further information on your specific situation.

Please check here if property tax exemption status is applicable.

Sales & Use Tax on Property Tax:

In some states, Sales & Use Tax is required to be assessed on the property tax billing. This is due to the "gross receipts" factor of the state law. Essentially, it means that property tax is considered part of the gross receipts of the lease and a part of the lease payment.

Sales & Use Tax:

We are also required in various states to collect a Sales or Use tax on our leases and installment sale agreements. If you are exempt from the Sales or Use tax, and have already provided a copy of your exemption certificate to our office, please check the box below, otherwise include a copy of the certificate with this letter.

- Please check here if Sales or Use tax exemption status is applicable.
- If tax exempt please include a copy of the Sales or Use tax exemption certificate.

Please sign the attached acknowledgement indicating that you have read and understand your tax responsibilities. Also, please return a copy of the signed acknowledgement in the enclosed self-addressed stamped envelope to the Tax Department. Note that failure to provide us with requested tax information may jeopardize your ability to dispute any tax assessed relating to the equipment.

We, in the Tax Department, would like to welcome you as a new customer of GE Healthcare Financial Services. We shall be pleased to answer any tax questions regarding your lease or sales agreement. You may reach us by dialing 1-800-225 7480.

Norwich Radiology Group, P.C.

Customer's Signature

Authorized Name (Please Print) Phone Number

Title (Please Print)

Date

General Delivery E-Mail Address for your Facility

Your E-Mail Address

Exhibit B

STATE OF CONNECTICUT

Department of Public Health

LICENSE

License No. 0043

General Hospital

In accordance with the provisions of the General Statutes of Connecticut Section 19a-493:

Day Kimball Hospital of Putnam, CT, d/b/a Day Kimball Hospital is hereby licensed to maintain and operate a General Hospital.

Day Kimball Hospital is located at 320 Pomfret Street, Putnam, CT 06260

The maximum number of beds shall not exceed at any time:

18 Bassinets

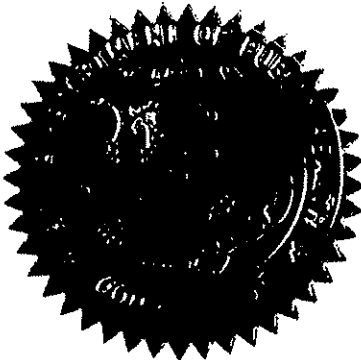
104 General Hospital beds

This license expires **September 30, 2011** and may be revoked for cause at any time.

Dated at Hartford, Connecticut, October 1, 2009. **RENEWAL.**

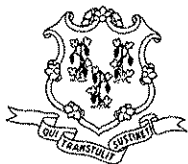
Satellites:

Plainfield Medical Building, 31 Dow Road, Plainfield, CT
Thompson Medical Building, 415 Riverside Drive, Thompson, CT



J. Robert Galvin MD, MPH, MBA

J. Robert Galvin, MD, MPH, MBA,
Commissioner



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

May 12, 2010

Facsimile Only

Robert E. Smanik, FACHE
President & Chief Executive Officer
Day Kimball Hospital
320 Pomfret Avenue
Putnam, CT 06260

Re: Letter of Intent; Docket Number: 10-31602
Day Kimball Hospital
Acquisition of an MRI Scanner from Norwich Radiology Group, P.C.

Dear Mr. Smanik,

On April 23, 2010 the Office of Health Care Access ("OHCA") received the Letter of Intent ("LOI") Form of Day Kimball Hospital ("Applicant") for acquisition of an MRI Scanner from Norwich Radiology Group, P.C., with a total capital expenditure of \$225,000.

A notice to the public regarding OHCA's receipt of a LOI was published in *The Norwich Bulletin* pursuant to Section 19a-639 of the Connecticut General Statutes. Enclosed for your information is a copy of the notice to the public.

Sincerely,

A handwritten signature in black ink that reads "Kimberly R. Martone".

Kimberly R. Martone
Director of Operations

KRM:img



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

May 12, 2010

Requisition # 31366

Norwich Bulletin
66 Franklin Street
Norwich, CT 06360

Gentlemen/Ladies:

Please make an insertion of the attached copy, in a single column space, set solid under legal notices, in the issue of your newspaper by no later than **Friday, May 14, 2010**.

Please provide the following **within 30 days** of publication:

- Proof of publication (copy of legal ad. acceptable) showing published date along with the invoice.

If there are any questions regarding this legal notice, please contact Steven Lazarus or Brian Carney at 418-7001.

KINDLY RENDER BILL IN DUPLICATE ATTACHED TO THE TEAR SHEET.

Sincerely,

A handwritten signature in cursive script that reads "Kim Martone".

Kimberly R. Martone
Director of Operations

Attachment

KRM:SWL:BC:lmg

c: Danielle Pare, DPH

PLEASE INSERT THE FOLLOWING:

Statute Reference:	19a-639
Applicant:	Day Kimball Hospital
Town:	Putnam
Docket Number:	10-31602-LOI
Proposal:	Acquisition of an MRI Scanner from Norwich Radiology Group, P.C.
Capital Expenditure:	\$225,000

The Applicant may file its Certificate of Need application between June 22, 2010 and August 21, 2010. Interested persons are invited to submit written comments to Cristine A. Vogel, Deputy Commissioner Office of Health Care Access, Division of Department of Public Health, 410 Capitol Avenue, MS13HCA, P.O. Box 340308 Hartford, CT 06134-0308.

The Letter of Intent is available at OHCA or on OHCA's website at www.ct.gov/OHCA. A copy of the Letter of Intent or a copy of Certificate of Need Application, when filed, may be obtained from OHCA at the standard charge. The Certificate of Need application will be made available for inspection at OHCA, when it is submitted by the Applicant.

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 1581
RECIPIENT ADDRESS 98609636341
DESTINATION ID
ST. TIME 05/12 16:13
TIME USE 00'31
PAGES SENT 4
RESULT OK



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: ROBERT E. SMANIK

FAX: (860) 963-6341

AGENCY: DAY KIMBALL HOSPITAL

FROM: STEVEN LAZARUS

DATE: 5/12/10 TIME: _____

NUMBER OF PAGES: 4
(including transmittal sheet)



Comments: Docket 10-31602

PLEASE PHONE IF THERE ARE ANY TRANSMISSION PROBLEMS.

Greer, Leslie

From: Ads [ads@graystoneadv.com]
Sent: Wednesday, May 12, 2010 3:54 PM
To: Greer, Leslie
Subject: Re: Legal Ad 10-31602

Good day!

Thanks so much for your ad submission.
We will be in touch shortly and look forward to serving you.

If you have any questions or concerns, please don't hesitate to contact us at the number below.

We sincerely appreciate your business.

Thank you,
Graystone Group Advertising


2710 North Avenue
Bridgeport, CT 06604
Phone: 800-544-0005
Fax: 203-549-0061
E-mail: ads@graystoneadv.com
<http://www.graystoneadv.com/>

On 5/12/10 3:55 PM, "Greer, Leslie" <Leslie.Greer@ct.gov> wrote:

To Whom It May Concern,
Please run the attached Legal Ad in The Norwich Bulletin by 5/14/10. For billing refer to requisition 31366, if you have any questions feel free to call me.

Thank you,

Leslie M. Greer &
Office of Health Care Access
A Division of Department of Public Health
State of Connecticut
410 Capitol Avenue, MS#13HCA
Hartford, CT 06134
Phone: (860) 418-7001
Fax: (860) 418-7053
Website: www.ct.gov/ohca <<http://www.ct.gov/ohca>>

 Please consider the environment before printing this message

Greer, Leslie

From: Laurie [Laurie@graystoneadv.com]
Sent: Thursday, May 13, 2010 1:05 PM
To: Greer, Leslie
Subject: FW: Legal Ad 10-31602
Attachments: 10-31602 Norwich Bulletin.doc

Your legal notice is all set to run as follows:

Norwich Bulletin, 5/14 issue - \$210.55

Thanks,
Laurie Miller

Graystone Group Advertising
2710 North Ave., Ste 200, Bridgeport, CT 06604
Ph: 203-549-0060, Fax: 203-549-0061
email: laurie@graystoneadv.com
www.graystoneadv.com

----- Forwarded Message


From: "Greer, Leslie" <Leslie.Greer@ct.gov>
Date: Wed, 12 May 2010 15:55:08 -0400
To: 'ads' <ads@graystoneadv.com>
Conversation: Legal Ad 10-31602
Subject: Legal Ad 10-31602

To Whom It May Concern,

Please run the attached Legal Ad in The Norwich Bulletin by 5/14/10. For billing refer to requisition 31366, if you have any questions feel free to call me.

Thank you,

Leslie M. Greer &
Office of Health Care Access
A Division of Department of Public Health
State of Connecticut
410 Capitol Avenue, MS#13HCA
Hartford, CT 06134
Phone: (860) 418-7001
Fax: (860) 418-7053
Website: www.ct.gov/ohca <<http://www.ct.gov/ohca>>

 Please consider the environment before printing this message

----- End of Forwarded Message

----- End of Forwarded Message

10-31602

GET EZ!
Call 860-887-9211

LEADS
Starts Here

EPAY

Get your Bulletin on

LEADS
Starts Here

NOTICE TO CREDITORS
ESTATE OF DOUGLAS VAILLE WALLACE, II (10-058)

The Hon. David A. Griffiths, Judge of the Court of Probate, District of Killingly, by decree dated May 13, 2010, ordered that all claims must be presented to the fiduciary at the address below. Failure to promptly present any such claim may result in the loss of rights to recover on such claim.

Janis E. Bellis, Assistant Clerk
The fiduciary is: Adam Irving Wallace, 6 High Rock Road, Stamford, CT 06903

NOTICE TO CREDITORS
ESTATE OF Wilfred Leclair, Late of Montville (10-00053)

The Hon. Ronald K. McDaniel, Jr., Judge of the Court of Probate, District of Montville, by decree dated May 5, 2010, ordered that all claims must be presented to the fiduciary at the address below. Failure to promptly present any such claim may result in the loss of rights to recover on such claim.

Kathryn Crowley, Assistant Clerk
The fiduciary is: Ronald Leclair, c/o Jean Blackburn, 87 Brian Hill Road, Norwich, CT 06360

NOTICE TO CREDITORS
ESTATE OF Jacqueline A. Chartier, AKA Jacqueline A. Chartier, AKA Jacqueline Adrienne Chartier (10-0182)

The Hon. Linda M. Salafia, Judge of the Court of Probate, District of Norwich, by decree dated May 12, 2010, ordered that all claims must be presented to the fiduciary at the address below. Failure to promptly present any such claim may result in the loss of rights to recover on such claim.

Eileen M. Robbins, Clerk
The fiduciary is: John E. Kosay c/o John J. DiFrancesca, Esq., DiFrancesca & Steele, P.C., P.O. Box 548, Norwich, CT 06360

Killingly Planning and Zoning Commission LEGAL NOTICE

Pursuant to the Town of Killingly Zoning Regulations, Section 580.3 - Aquifer Protection Zone and Section 470 - Site Plan Review, the Director of Planning & Development has approved the following with conditions:

1. Special Permit #10-979 of Jolley Concrete, Inc. for 30'x200' addition under original special permit #97-898 for storage and machinery; 42/62 Junior Avenue; 23.32 acres; Light Industrial Zone.

Dated this 13th day of May, 2010
Linda Walden, Director of Planning & Development

CITY OF NORWICH INVITATION TO BID PROPERTY REHABILITATION PROGRAM Bids for: LP0902 66-68 Page Street Norwich CT. LEAD PAINT HAZARD CONTROL

This project is being funded through the Property Rehabilitation Program and or HUD Lead Based Paint Hazard Control in Priority Housing Program. Contractors must be aware that the City of Norwich is an Equal Opportunity Employer. Contract documents including the lead abatement plan and property rehabilitation specifications may be obtained from the Office of Community Development, 23 Union Street, Norwich, Connecticut. Office hours are from 8:30 AM to 4:30 PM, Monday thru Friday. A pre-bid conference will be held on 05-21-10 at 10:00 am, at the project location. Your attendance at that meeting is recommended to bid on this project.

Sealed bids will be received at the Office of Community Development, 23 Union Street, Norwich, Connecticut until 4:00 PM 05-28-10, at which time they will be opened and read aloud. The City of Norwich Reserves the right to reject any and all bids, or any part of any bid where such action is deemed to be in the best interest of the City.

EQUAL EMPLOYMENT / OPPORTUNITY AFFIRMATIVE ACTION FAIR HOUSING AGENCY

CITY OF NORWICH INVITATION TO BID PROPERTY REHABILITATION PROGRAM Bids for: RLP0916 65 Scott Street Norwich CT. Bid 1 Roofing Bid 2 G.C. & Lead Paint Hazard Control Bid 3 Electrical

This project is being funded through the Property Rehabilitation Program and or HUD Lead Based Paint Hazard Control in Priority Housing Program. Contractors must be aware that the City of Norwich is an Equal Opportunity Employer. Contract documents including the lead abatement plan and property rehabilitation specifications may be obtained from the Office of Community Development, 23 Union Street, Norwich, Connecticut. Office hours are from 8:30 AM to 4:30 PM, Monday thru Friday. A pre-bid conference will be held on 05-21-10 at 11:00 am, at the project location. Your attendance at that meeting is recommended to bid on this project.

Sealed bids will be received at the Office of Community Development, 23 Union Street, Norwich, Connecticut until 4:00 PM 05-28-10, at which time they will be opened and read aloud. The City of Norwich Reserves the right to reject any and all bids, or any part of any bid where such action is deemed to be in the best interest of the City.

EQUAL EMPLOYMENT / OPPORTUNITY AFFIRMATIVE ACTION FAIR HOUSING AGENCY

INVITATION TO GENERAL CONTRACTORS TO PRE-QUALIFY TO OFFER PROPOSALS

The University of Connecticut is accepting Pre-Qualification Applications limited to the following project:

West Hartford Campus Renovations/Improvements
Chemistry Lab
PROJECT NUMBER: #901569
For UNIVERSITY OF CONNECTICUT WEST HARTFORD, CONNECTICUT

Completed Applications will be accepted until 2:00 PM, May 26, 2010. Applications received after the time and date specified shall be returned unopened.

Qualifications shall be submitted on forms and in the manner specified. Forms may be obtained from the Office of Capital Project and Contract Administration, 31 LeDoyt Road Unit 3047, Storrs, CT 06269-3047 by personal appearance, or by written, telephoned 860-486-2618, faxed 860-486-1953, or e-mail request uconnprocurement@uconn.edu. Applicants shall provide a copy of their current approved prequalified status by the State of Connecticut, Department of Administrative Services, (DAS), with their Application as a prequalified General Contractor classification "Group B" or "Group C".

Only General Contractors pre-qualified by both the DAS, for the Classification of General Contractor Classification Group "B" and Group "C", and the University of Connecticut, for this specific project, will be invited to submit Proposals for this project, subject to the limitation noted in the preceding paragraph.

The University of Connecticut is an Affirmative Action/Equal Opportunity Employer (A/E/OE). Minorities and women are encouraged to bid/apply.

STATE OF CONNECTICUT SUPERIOR COURT
RETURN DATE: June 22, 2010
CHASE HOME FINANCE LLC JUDICIAL DISTRICT OF NEW LONDON

STATE OF CONNECTICUT SUPERIOR COURT
RETURN DATE: June 22, 2010
CHASE HOME FINANCE LLC JUDICIAL DISTRICT OF NEW LONDON

CITY OF NORWICH

NOTICE IS HEREBY GIVEN that on Tuesday May 18, 2010 at 7:00 p.m. in the lower-level conference room at 23 Union Street Norwich, a regular meeting and public hearing will be held by the Commission on the City Plan to hear the following applications:

SP#10-03 - 110 Broadway - Application of Lal Metzger for Sec. 9.1.5 (j) and Sec. 9.4.1 (A)(2) Multi-family residential in the Chelsea Central and Neighborhood Commercial zoning districts. Site is owned by the applicant.

Interested persons may be heard at these hearings, and written communications on the proposed activities will be received and considered. The plans are available and may be inspected in the Planning Dept., 23 Union St., Norwich, CT, Monday through Friday, between the hours of 8:30 a.m. and 4:30 p.m.

Commission on the City Plan, Ralph Page Chairman

Town of Preston Planning and Zoning Commission Notice of Public Hearing

The Preston Planning and Zoning Commission will hold a public hearing on May 25, 2010 in the Preston Town Hall, 389 Route 2, Preston, CT at 7:30 PM, on the following application:

Zoning Text Change #2-10 - AN AMENDMENT TO SECTION 18.5 OF THE ZONING REGULATIONS NON-RESIDENTIAL DISTRICT SIGNS ADDING SECTION 18.5.7 REGARDING APPLICATIONS FOR SIGNS IN THE THAMES RIVER DESIGN DISTRICT

A copy of this application is on file and available for review in the Preston Town Hall between 9:00 a.m. and 4:30 p.m., Tuesday through Friday in the Planning and Zoning Office, 389 Route 2, Preston, CT 06365.

Arthur Moran, Jr. Chairman

TOWN OF BROOKLYN INLAND WETLANDS COMMISSION NOTICE OF ACTION

Pursuant to Section 22a-42e of the Connecticut State Statute, the Inland Wetlands Commission gives notice that the following action was taken at the regular meeting, Tuesday May 11, 2010:

Application 030910A Howard and Mary Knust, 60 Pomfret Road, Map 25, Lot 57, VCD Zone, Repair and expansion of an existing on-site septic system, installation of an in-ground pool, reconstruction of an existing garage, construction of a 30 x 28 conservatory, front deck, sunroom, wind turbine and planting of fruit and nut trees in the 125 foot upland review area- APPROVED WITH CONDITIONS.

Any appeals are to be filed with the Superior Court within 15 days from the date of the legal notice appearing in the paper.

Dated this 13th day of May 2010
Rea Gallant Chairman

PUBLIC NOTICE

Statute Reference: 19a-639
Applicant: Day Kimball Hospital
Town: Putham
Docket Number: 10-31802-LOJ
Proposal: Acquisition of an MRI Scanner from Norwich Radiology Group, P.C. \$225,000

Capitol Expenditure:
The Applicant may file its Certificate of Need application between June 22, 2010 and August 21, 2010. Interested persons are invited to submit written comments to Catherine Vogel, Deputy Commissioner Office of Health Care Access, Division of Department of Public Health, 410 Capitol Avenue, MS13HCA, P.O. Box 340308 Hartford, CT 06134-0308.

The Letter of Intent is available at OHCA or OHCA's website at www.ct.gov/ohca. A copy of the Letter of Intent or a copy of Certificate of Need Application, when filed, may be obtained from OHCA at the standard charge. The Certificate of Need application will be made available for inspection at OHCA, when it is submitted by the Applicant.

ADVERTISEMENT FOR BIDS TOWN OF WOODSTOCK 415 ROUTE 169 Notice to Contractors Invitation to Bid

Sealed proposals will be received until 6:00 P.M., local time, Wednesday, June 9, 2010, in the Town of Woodstock Selectman's Office located at the Woodstock Town Hall, 415 Route 169, Woodstock, Connecticut 06281. Bids for furnishing of materials, equipment and labor for the TOWN OF WOODSTOCK DEPARTMENT OF PUBLIC WORKS SITE IMPROVEMENT PROJECT (remodeling of existing 3,300 SF DPW garage, construction of 10,900 SF garage addition, construction of a 15,200 SF salt shed, construction of a fuel dispensing island & canopy, remediation of a solid waste disposal area, and associated site work) on Coatney Hill Road in Woodstock, Connecticut will be opened and read at 6:05 P.M., local time, Wednesday, June 9, 2010 in the Selectman's Conference Room within the Town Hall.

Proposals must be executed in accordance with and subject to instructions contained in the Section 00200 of the contract documents "Instructions to Bidders".

Contract Documents and Plans may be obtained for a fee of \$50.00 for each set from the Town of Woodstock Selectman's Office, 415 Route 169, Woodstock, Connecticut 06281. Please make all checks payable to The Town of Woodstock. Call the Selectman's Office at (860) 928-0208 24-hours prior to picking up the documents.

A mandatory pre-bid conference and site walk is scheduled for 10:00 A.M., local time, Monday, May 24, 2010, at the Woodstock DPW, 215 Coatney Hill Road, Woodstock, Connecticut.

The right is reserved to reject any or all bids or to waive defects in same if it is deemed in the best interest of the Town.

Connecticut Department of Labor Prevailing Wage Rates will apply to this project.

Bidders are advised that both the Department of Administration Services (DAS) prequalification certificate and update (bid) statement must accompany the bid proposal. Bidders must be DAS (pre)qualified in General Building Construction Group B. Contractors providing subcontracted work for this project over \$500,000 must be prequalified by DAS in the appropriate category, such as Site Work. Subcontract certificates and update statements must accompany the bid.

All construction personnel who will work directly on remediation of the solid waste disposal area must be fully certified under the 29 CFR 1910.120 Hazwoper Standard.

The Town of Woodstock is an affirmative action/equal opportunity employer. Minority/women's business enterprises are encouraged to apply.

TOWN OF KILLINGLY NOTICE OF ADOPTION OF ORDINANCES

The Killingly Town Council and Town Meeting Adopted the following Ordinances at its meeting held on May 11, 2010:

ORDINANCE AMENDMENTS CONCERNING THE DESIGNATION OF AN AQUIFER PROTECTION AGENCY

ORDINANCE AMENDMENTS TO THE BUILDING PERMIT FEES ORDINANCE

Copies of these ordinances are on file and available for public inspection in the offices of the Town Clerk and Town Manager, Killingly Town Hall, 172 Main Street, Danbury, CT during normal business hours.

fiorevw.com

fiorevw.com


Beat the rising cost of gasoline...
DRIVE A JETTA TDI!

30 MPG CITY/42 MPG HIGHWAY
Expected range for most drivers 24 to 36 MPG.

34 to 50 MPG.
Expected range for most drivers

4 Dr. Jetta Sedan

- Power Windows
- ABS Brakes
- 16" Alloys
- Heated Seats
- Cruise Control
- Power Locks
- Bluetooth
- Touch Screen 6 Disc
- Satellite Radio
- Leatherette





STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

May 28, 2010

via fax and email only

Robert E. Smanik, FACHE
President & Chief Executive Officer
Day Kimball Hospital
320 Pomfret Street
Putnam, CT 06260

RE: Certificate of Need Application Forms; Docket Number: 10-31602-CON
Day Kimball Hospital and Norwich Radiology Group, LLC
Acquisition of an Existing Magnetic Resonance Imaging Scanner from Norwich Radiology
Group, PC. in Putnam

Dear Mr. Smanik:

Enclosed are the application forms for Day Kimball Hospital and Norwich Radiology group Group, P.C.'s Certificate of Need ("CON") proposal to acquire an existing magnetic resonance imaging scanner from Norwich Radiology Group, P.C. in Putnam, with an associated capital expenditure of \$225,000. According to the parameters stated in Section 19a-639 of the Connecticut General Statutes, the CON application may be filed between June 22, 2010 and August 21, 2010.

When submitting your CON application and any subsequent application information to this agency, you are obligated to observe the following procedural requirements. **Failure to observe these requirements will require follow-up work on your part to correct the filing.**

- Number and date each page, including cover letter and all attachments. Information filed after the initial CON application submission (i.e. completeness response letter, prefile testimony, late file submissions and the like) must be numbered sequentially from the Applicant's document immediately preceding it. For example, if the application concludes with page 100, your completeness response letter would begin with page 101.
- Submit one (1) original and six (6) hard copies of each submission in 3-ring binders.
- Submit a scanned copy of each submission in its entirety, including all attachments on CD, preferably in Adobe (.pdf) format.
- Submit an electronic copy of the documents in MS Word format with financial attachments and other data as appropriate in MS Excel format.

The OHCA analysts assigned to the CON application are Brian Carney and Steven W. Lazarus. Please feel free to contact them at (860) 418-7001 if you have questions.

Sincerely,

A handwritten signature in black ink that reads "Kaila Riggott" with a circled initial "SR" to the right.

Kaila Riggott
Planning Specialist

Enclosures

An Equal Opportunity Employer
410 Capitol Ave., MS#13HCA, P.O.Box 340308, Hartford, CT 06134-0308
Telephone: (860) 418-7001 Toll-Free: 1-800-797-9688
Fax: (860) 418-7053



State of Connecticut Office of Health Care Access Certificate of Need Application

Please complete all questions. If any question is not relevant to your project, Not Applicable may be an acceptable response. Your Certificate of Need application will be eligible for submission no earlier than June 22, 2010, and may be submitted no later than August 21, 2010. The Analysts assigned to your application are Brian Carney and Steven W. Lazarus and they may be reached at the Office of Health Care Access at (860) 418-7001.

Note: Please be aware that for the purposes of this proposal, OHCA also considers Norwich Radiology Group, P.C. to be an Applicant.

Docket Number: 10-31602-CON

Applicant Name: Day Kimball Hospital Norwich Radiology Group, Inc.
Contact Person: Robet E. Smanik
Contact Title: President and CEO,
Contact Address: Day Kimball Healthcare, Inc. Norwich Radiology Group, Inc.
320 Pomfret Street 39 Kennedy Drive
Putnam, CT 06260 Putnam, CT 06260

Project Location: Putnam

Project Name: Acquisition Magnetic Resonance Imaging Scanner from
Norwich Radiology Group, Inc.

Type proposal: Section 19a-639, C.G.S.

Est. Capital Cost: \$225,000

HOSPITAL AFFIDAVIT

Applicant: _____

Project Title: _____

I, _____,
(Name) (Position – CEO or CFO)

of _____ being duly sworn, depose and state that the (Hospital Name) information submitted in this Certificate of Need application is accurate and correct to the best of my knowledge. With respect to the financial impact related to this CON application, I hereby affirm that:

1. The proposal will have a capital expenditure in excess of \$15,000,000.

Yes No

2. The combined total expenses for the proposal's first three years of operation will exceed one percent of the actual operating expenses of the Hospital for the most recently completed fiscal year as filed with the Office of Health Care Access.

Yes No

Signature

Date

Subscribed and sworn to before me on _____

Notary Public/Commissioner of Superior Court

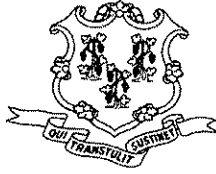
My commission expires: _____

OFFICE OF HEALTH CARE ACCESS
REQUEST FOR NEW CERTIFICATE OF NEED
FILING FEE COMPUTATION SCHEDULE

APPLICANT: _____ PROJECT TITLE: _____ DATE: _____	FOR OHCA USE ONLY: <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;"></th> <th style="width: 15%; text-align: center;">DATE</th> <th style="width: 15%; text-align: center;">INITIAL</th> </tr> </thead> <tbody> <tr> <td>1. Check logged (Front desk)</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>2. Check rec'd (Clerical/Cert.)</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>3. Check correct (Superv.)</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>4. Check logged (Clerical/Cert.)</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> </tbody> </table>		DATE	INITIAL	1. Check logged (Front desk)	_____	_____	2. Check rec'd (Clerical/Cert.)	_____	_____	3. Check correct (Superv.)	_____	_____	4. Check logged (Clerical/Cert.)	_____	_____
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2. Check rec'd (Clerical/Cert.)	_____	_____														
3. Check correct (Superv.)	_____	_____														
4. Check logged (Clerical/Cert.)	_____	_____														

SECTION A – NEW CERTIFICATE OF NEED APPLICATION											
1. Check statute reference as applicable to CON application (see statute for detail): _____ 19a-638. Additional function or service, change of ownership, service termination. No Fee Required. _____ 19a-639 Capital expenditure exceeding \$3,000,000, or capital expenditure exceeding \$3,000,000 for major medical equipment, or CT scanner, PET scanner, PET/CT scanner, MRI scanner, cineangiography equipment or linear accelerator. Fee Required. _____ 19a-638 and 19a-639. Fee Required.											
2. Enter \$0 on "Total Fee Due" line (SECTION B) if application is required pursuant to Section 19a-638 only, otherwise go on to line 3 of this section.											
3. Enter \$400 on "Total Fee Due" line (SECTION B) if application is for capital expenditure for major medical equipment, imaging equipment or linear accelerator less than \$3,000,000											
4. Section 19a-639 fee calculation (applicable if section 19a-639 capital expenditure for major medical equipment, imaging equipment or linear accelerator exceeding \$3,000,000 or other capital expenditure exceeding \$3,000,000 is checked above OR if both 19a-638 and 19a-639 are checked): <table style="width: 100%; margin-top: 10px;"> <tr> <td style="width: 80%;">a. Base fee: _____</td> <td style="width: 20%; text-align: right;">\$ 1,000.00</td> </tr> <tr> <td>b. Additional Fee: (Capital Expenditure Assessment) _____ (To calculate: Total requested Capital Expenditure/Cost excluding capitalized financing costs multiplied times .0005 and round to nearest dollar.) (\$ _____ x .0005)</td> <td style="text-align: right;">\$ _____ .00</td> </tr> <tr> <td>c. Sum of base fee plus additional fee: (Lines A4a + A4b) _____</td> <td style="text-align: right;">\$ _____ .00</td> </tr> <tr> <td>d. Enter the amount shown on line A4c. on "Total Fee Due" line (SECTION B).</td> <td></td> </tr> </table>	a. Base fee: _____	\$ 1,000.00	b. Additional Fee: (Capital Expenditure Assessment) _____ (To calculate: Total requested Capital Expenditure/Cost excluding capitalized financing costs multiplied times .0005 and round to nearest dollar.) (\$ _____ x .0005)	\$ _____ .00	c. Sum of base fee plus additional fee: (Lines A4a + A4b) _____	\$ _____ .00	d. Enter the amount shown on line A4c. on "Total Fee Due" line (SECTION B).		<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="width: 20%; text-align: right;">\$ _____ .00</td> </tr> </table>		\$ _____ .00
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d. Enter the amount shown on line A4c. on "Total Fee Due" line (SECTION B).											
	\$ _____ .00										
SECTION B TOTAL FEE DUE: _____	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="width: 20%; text-align: right;">\$ _____ .00</td> </tr> </table>		\$ _____ .00								
	\$ _____ .00										

ATTACH HERE CERTIFIED OR CASHIER'S CHECK ONLY (Payable to: Treasurer, State of Connecticut)



State of Connecticut Office of Health Care Access Certificate of Need Application

Please complete all questions. If any question is not relevant to your project, Not Applicable may be an acceptable response. Your Certificate of Need application will be eligible for submission no earlier than June 22, 2010, and may be submitted no later than August 21, 2010. The Analysts assigned to your application are Brian Carney and Steven W. Lazarus and they may be reached at the Office of Health Care Access at (860) 418-7001.

Docket Number: 10-31602-CON

Applicant Name: Day Kimball Hospital Norwich Radiology Group, Inc.
Contact Person: Robert E. Smanik
Contact Title: President and CEO,
Contact Address: Day Kimball Healthcare, Inc. Norwich Radiology Group, Inc.
320 Pomfret Street 39 Kennedy Drive
Putnam, CT 06260 Putnam, CT 06260

Project Location: Putnam

Project Name: Acquisition Magnetic Resonance Imaging Scanner from
Norwich Radiology Group, Inc.

Type proposal: Section 19a-639, C.G.S.

Est. Capital Cost: \$225,000

1. Project Description and Need

- A. Provide a narrative detailing the proposal.
- B. Provide the Manufacturer, Model, Number of slices/tesla strength of the proposed scanner (as appropriate to each equipment).
- C. Provide a list of services currently offered at the location where the proposed magnetic resonance imaging (“MRI”) is located?
- D. Complete **Table 1** for each scanner (of the type proposed) currently operated by the Applicant at each of the Applicant’s sites.

Table 1: Existing Scanners Operated by each Applicant

Provider Name Street Address Town, Zip Code	Description of Service *	Hours/Days of Operation **	Utilization ***

* Include equipment strength (e.g. slices, tesla strength), whether scanner is open or closed (for MRI)

** Days of the week scanner is operational, and start and end time for each day; and

*** Number of scans performed on each scanner for the most recent 12-month period (identify period).

- E. Provide the following regarding the proposal’s location:
 - i) The rationale for continue to locate the proposed equipment at the proposed site;
 - ii) The population to be served, including specific evidence such as incidence, prevalence, or other demographic data that demonstrates need;
 - iii) How and where the proposed patient population is currently being served;
 - iv) All existing providers (name, address) of the proposed service in the towns listed above and in nearby towns;
 - v) The effect of the proposal on existing providers; and
 - vi) If the proposal involves a new site of service, identify the service area towns and the basis for their selection.

2. Actual and Projected Volume

A. Complete the following tables for the past three fiscal years (“FY”), current fiscal year (“CFY”), and first three projected FYs of the proposal, for **each** of the Applicant’s existing and proposed scanners (of the type proposed, at the proposed location only). In Table 2a, report the units of service by scanner, and in Table 2b, report the units of service by type of scan (e.g. if specializing in orthopedic, neurosurgery, or if there are scans that can be performed on the proposed scanner that the Applicant is unable to perform on its existing scanners).

Table 2a: Historical, Current, and Projected Volume, by Scanner

	Actual Volume (Last 3 Completed FYs)			CFY Volume*	Projected Volume (First 3 Full Operational FYs)**		
	FY ****	FY ****	FY ****	FY ****	FY ****	FY ****	FY ****
Scanner***							
Total							

* For periods greater than 6 months, report annualized volume, identifying the number of actual months covered and the method of annualizing. For periods less than six months, report actual volume and identify the period covered.

** If the first year of the proposal is only a partial year, provide the first partial year and then the first three full FYs. Add columns as necessary.

*** Identify each scanner separately and add lines as necessary. Also break out inpatient/outpatient/ED volumes if applicable.

**** Fill in years. In a footnote, identify the period covered by the Applicant’s FY (e.g. July 1-June 30, calendar year, etc.).

Table 2b: Historical, Current, and Projected Volume, by Type of Scan

	Actual Volume (Last 3 Completed FYs)			CFY Volume*	Projected Volume (First 3 Full Operational FYs)**		
	FY ****	FY ****	FY ****	FY ****	FY ****	FY ****	FY ****
Service type***							
Total							

* For periods greater than 6 months, report annualized volume, identifying the number of actual months covered and the method of annualizing. For periods less than six months, report actual volume and identify the period covered.

** If the first year of the proposal is only a partial year, provide the first partial year and then the first three full FYs. Add columns as necessary.

*** Identify each type of scan (e.g. orthopedic, neurosurgery or if there are scans that can be performed on the proposed scanner that the Applicant is unable to perform on its existing scanners) and add lines as necessary.

**** Fill in years. In a footnote, identify the period covered by the Applicant's FY (e.g. July 1-June 30, calendar year, etc.).

- B. Provide a breakdown, by town, of the volumes provided in Table 2a for the most recently completed full FY.
- C. Explain any increases and/or decreases in volume seen in the tables above.
- D. Provide a detailed explanation of all assumptions used in the derivation/ calculation of the projected volume by scanner and scan type.
- E. Provide a copy of any articles, studies, or reports that support the need to acquire the proposed scanner, along with a brief explanation regarding the relevance of the selected articles.

3. Quality Measures

- A. Submit a list of all key professional, administrative, clinical, and direct service personnel related to the proposal. Attach a copy of their Curriculum Vitae.
- B. Explain how this proposal contributes to the quality of health care delivery in the region.
- C. Describe the impact of the proposal on the interests of consumers of health care services and the payers of such services

4. Organizational and Financial Information

- A. Identify the Applicant's ownership type(s) (e.g. Corporation, PC, LLC, etc.).
- B. Does the Applicant have non-profit status?
 Yes (Provide documentation) No
- C. Provide a copy of the State of Connecticut, Department of Public Health license(s) currently held by the Applicant and indicate any additional licensure categories being sought in relation to the proposal.
- D. Financial Statements
 - i) If the Applicant is a Connecticut hospital: Pursuant to Section 19a-644, C.G.S., each hospital licensed by the Department of Public Health is required to file with OHCA copies of the hospital's audited financial statements. If the hospital has filed its most recently completed fiscal year audited financial statements, the hospital may reference that filing for this proposal.
 - ii) If the Applicant is not a Connecticut hospital (other health care facilities): Audited financial statements for the most recently completed fiscal year. If

audited financial statements do not exist, in lieu of audited financial statements, provide other financial documentation (e.g. unaudited balance sheet, statement of operations, tax return, or other set of books.)

E. Submit a final version of all capital expenditures/costs as follows:

Table 3: Proposed Capital Expenditures/Costs

Medical Equipment Purchase	\$
Imaging Equipment Purchase	
Non-Medical Equipment Purchase	
Land/Building Purchase *	
Construction/Renovation **	
Other Non-Construction (Specify)	
Total Capital Expenditure	\$
Medical Equipment Lease (Fair Market Value) ***	\$
Imaging Equipment Lease (Fair Market Value) ***	
Non-Medical Equipment Lease (Fair Market Value) ***	
Fair Market Value of Space ***	
Total Capital Cost	\$
Capitalized Financing Costs (Informational Purpose Only)	
Total Capital Expenditure with Cap. Fin. Costs	\$

* If the proposal involves a land/building purchase, attach a real estate property appraisal including the amount; the useful life of the building; and a schedule of depreciation.

** If the proposal involves construction/renovations, attach a description of the proposed building work, including the gross square feet; existing and proposed floor plans; commencement date for the construction/ renovation; completion date of the construction/renovation; and commencement of operations date.

*** If the proposal involves a capital or operating equipment lease and/or purchase, attach a vendor quote or invoice; schedule of depreciation; useful life of the equipment; and anticipated residual value at the end of the lease or loan term.

F. List all funding or financing sources for the proposal and the dollar amount of each. Provide applicable details such as interest rate; term; monthly payment; pledges received to date; letter of interest or approval from a lending institution.

5. Patient Population Projections

- A. Provide the current and projected patient population mix (based on the number of patients, not on revenue) with the CON proposal for the proposed for each Applicant.

Table 4: Patient Population Mix

	Current** FY ***	Year 1 FY ***	Year 2 FY ***	Year 3 FY ***
Medicare*				
Medicaid*				
CHAMPUS & TriCare				
Total Government				
Commercial Insurers*				
Uninsured				
Workers Compensation				
Total Non-Government				
Total Payer Mix				

* Includes managed care activity.

** New programs may leave the “current” column blank.

*** Fill in years. Ensure the period covered by this table corresponds to the period covered in the projections provided.

- B. Provide the basis for/assumptions used to project the patient population mix.

6. Financial Attachments I & II

- A. Provide a summary of revenue, expense, and volume statistics, without the CON project, incremental to the CON project, and with the CON project. **Complete Financial Attachment I for each Applicant.** (Note that the actual results for the fiscal year reported in the first column must agree with the Applicant’s audited financial statements.) The projections must include the first three full fiscal years of the project.
- B. Provide a three year projection of incremental revenue, expense, and volume statistics attributable to the proposal by payer. **Complete Financial Attachment II, for each Applicant.** The projections must include the first three full fiscal years of the project.
- C. Provide the assumptions utilized in developing **both Financial Attachments I and II** (e.g., full-time equivalents, volume statistics, other expenses, revenue and expense % increases, project commencement of operation date, etc.).
- D. Provide documentation or the basis to support the proposed rates for each of the FYs as reported in Financial Attachment II. Provide a copy of the rate schedule for the proposed service(s).

- E. Provide the minimum number of units required to show an incremental gain from operations for each fiscal year.
- F. Explain any projected incremental losses from operations contained in the financial projections that result from the implementation and operation of the CON proposal.
- G. Describe how this proposal is cost effective.

7. Other Review Criteria

- A. Describe the proposal's relationship to the Applicant's long-range plans. Provide supporting documentation.
- B. Specify whether any of the following apply to the proposal. If so, provide an explanation and supporting documentation.
 - i) Voluntary efforts to improve productivity and contain costs;
 - ii) Changes to the Applicant's teaching or research responsibilities; and/or
 - iii) Special characteristics of the Applicant's patient or physician mix.

Day Kimball Hospital

6. C (f). Please provide one year of actual results and three years of projections of Total Facility revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

<u>Total Facility:</u> <u>Description</u>	FY Actual Results	FY Projected		FY Projected		FY Projected		FY Projected	
		W/out CON	Incremental	W/out CON	Incremental	W/out CON	Incremental	W/out CON	Incremental
NET PATIENT REVENUE									
Non-Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Medicare									
Medicaid and Other Medical Assistance									
Other Government									
Total Net Patient Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Operating Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue from Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATING EXPENSES									
Salaries and Fringe Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Professional / Contracted Services									
Supplies and Drugs									
Bad Debts									
Other Operating Expense									
Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation/Amortization									
Interest Expense									
Lease Expense									
Total Operating Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gain/(Loss) from Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus: Non-Operating Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue Over/(Under) Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FTEs									

^{**}Volume Statistics:
Provide projected inpatient and/or outpatient statistics for any new services and provide actual and projected inpatient and/or outpatient statistics for any existing services which will change due to the proposal.

Norwich Radiology Group, PC

6. C (i). Please provide one year of actual results and three years of projections of **Total Facility** revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

<u>Total Facility:</u>	<u>FY Actual Results</u>	<u>FY Projected W/out CON</u>	<u>FY Projected Incremental</u>	<u>FY Projected With CON</u>	<u>FY Projected W/out CON</u>	<u>FY Projected Incremental</u>	<u>FY Projected With CON</u>
<u>Description</u>							
NET PATIENT REVENUE							
Non-Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Medicare	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Medicaid and Other Medical Assistance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Net Patient Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Operating Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue from Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATING EXPENSES							
Salaries and Fringe Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Professional / Contracted Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Drugs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bad Debts	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Operating Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation/Amortization	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lease Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gain/(Loss) from Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus: Non-Operating Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue Over/(Under) Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FTEs	0	0	0	0	0	0	0

***Volume Statistics:**
Provide projected inpatient and/or outpatient statistics for any new services and provide actual and projected inpatient and/or outpatient statistics for any existing services which will change due to the proposal.

Norwich Radiology Group, P.C.										
Please provide three years of projections of incremental revenue, expense and volume statistics attributable to the proposal in the following reporting format:										
Type of Service Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Type of Unit Description:		Rate	Units	Gross Revenue Col. 2 * Col. 3	Allowances/ Deductions	Charity Care	Bad Debt	Net Revenue Col.4 - Col.5 -Col.6 - Col.7	Operating Expenses Col. 1 Total *	Gain/(Loss) from Operations Col. 8 - Col. 9
# of Months in Operation										
FY Projected Incremental										
Total Incremental Expenses:										
Total Facility by Payer Category:										
Medicare				\$0				\$0	\$0	\$0
Medicaid				\$0				\$0	\$0	\$0
CHAMPUS/Tricare				\$0				\$0	\$0	\$0
Total Governmental			0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial Insurers				\$0				\$0	\$0	\$0
Uninsured				\$0				\$0	\$0	\$0
Total NonGovernment			7	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total All Payers			7	\$0	\$0	\$0	\$0	\$0	\$0	\$0

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 1629
RECIPIENT ADDRESS 98609636341 ✓
DESTINATION ID
ST. TIME 05/28 16:03 ✓
TIME USE 02'13
PAGES SENT 15 ✓
RESULT OK ✓



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: Mr. Samanik ✓
FAX: (860) 963-6341
AGENCY: OHCA/DHHA
FROM: Steven Lazarus (460) 418-7012
DATE: 5/28/10 TIME: _____
NUMBER OF PAGES: _____
(including transmittal sheet)



Comments: Cow Application Material Enclosed
for DN: 10-31602-COW

PLEASE PHONE IF THERE ARE ANY TRANSMISSION PROBLEMS.

10-31602

GET EZ! Call 860-887-9211

Legal Starts Here

Killingly Planning and Zoning Commission LEGAL NOTICE

Pursuant to the Town of Killingly Zoning Regulations, Section 860.3 - Aquifer Protection Zone and Section 470 - Site Plan Review, the Director of Planning & Development has approved the following with conditions:

1. Special Permit #10-979 of Jolley Concrete, Inc. for 30'x200' addition under original Special Permit #97-699 for storage and machinery; 42.62 Junior Avenue; 23.32 acres; Light Industrial Zone.

Dated this 13th day of May, 2010
Linda Walden, Director of Planning & Development

CITY OF NORWICH

NOTICE IS HEREBY GIVEN that on Tuesday May 18, 2010 at 7:00 p.m. in the lower-level conference room at 23 Union Street Norwich, a regular meeting and public hearing will be held by the Commission on the City Plan to hear the following applications:

SP#10-03 - 110 Broadway - Application of Lal Metzger for Sec. 9.1.5 (j) and Sec. 9.4.1 (A)(2) Multi-family residential in the Chelsea Central and Neighborhood Commercial zoning districts. Site is owned by the applicant.

Interested persons may be heard at these hearings, and written communications on the proposed activities will be received and considered. The plans are available and may be inspected in the Planning Dept., 23 Union St., Norwich, CT, Monday through Friday, between the hours of 8:30 a.m. and 4:30 p.m.

Commission on the City Plan
Ralph Page Chairman

PUBLIC NOTICE

Statute Reference: 19a-639
Applicant: Day Kimball Hospital
Town: Putnam
Docket Number: 10-31602-LOI
Proposal: Acquisition of an MRI Scanner from Norwich Radiology Group, P.C. \$225,000

Capital Expenditure:
The Applicant may file its Certificate of Need application between June 22, 2010 and August 21, 2010. Interested persons are invited to submit written comments to Christine A. Vogel, Deputy Commissioner Office of Health Care Access, Division of Department of Public Health, 410 Capital Avenue, MS13HCA, P.O. Box 340308 Hartford, CT 06134-0308.

The Letter of Intent is available at OHCA or an OHCA's website at www.ct.gov/OHCA. A copy of the Letter of Intent or a copy of Certificate of Need Application, when filed, may be obtained from OHCA at the standard charge. The Certificate of Need application will be made available for inspection at OHCA, when it is submitted by the Applicant.

CITY OF NORWICH INVITATION TO BID

PROPERTY REHABILITATION PROGRAM

Bids for: LP0902
66-68 Page Street
Norwich CT.
LEAD PAINT HAZARD CONTROL

This project is being funded through the Property Rehabilitation Program and or HUD Lead Based Paint Hazard Control in Priority Housing Program. Contractors must be aware that the City of Norwich is an Equal Opportunity Employer. Contract documents including the lead abatement plan and property rehabilitation specifications may be obtained from the Office of Community Development, 23 Union Street, Norwich, Connecticut. Office hours are from 8:30 AM to 4:30 PM, Monday thru Friday. A pre-bid conference will be held on 05-21-10 at 10:00 am. at the project location. Your attendance at that meeting is recommended to bid on this project.

Sealed bids will be received at the Office of Community Development, 23 Union Street, Norwich, Connecticut until 4:00 PM 05-28-10, at which time they will be opened and read aloud. The City of Norwich Reserves the right to reject any and all bids, or any part of any bid where such action is deemed to be in the best interest of the City.

EQUAL EMPLOYMENT / OPPORTUNITY AFFIRMATIVE ACTION FAIR HOUSING AGENCY

Town of Preston Planning and Zoning Commission

Notice of Public Hearing

The Preston Planning and Zoning Commission will hold a public hearing on May 25, 2010 in the Preston Town Hall, 585 Route 2, Preston, CT at 7:30 P.M. on the following application:

Zoning Text Change #2-10 - AN AMENDMENT TO SECTION 18.6 OF THE ZONING REGULATIONS NON-RESIDENTIAL DISTRICT SIGNS ADDING SECTION 18.5.7 REGARDING APPLICATIONS FOR SIGNS IN THE THAMES RIVER DESIGN DISTRICT

A copy of this application is on file and available for review in the Preston Town Hall between 9:00 a.m. and 4:30 p.m. Tuesday through Friday in the Planning and Zoning Office, 389 Route 2, Preston, CT 06365.

Arthur Moran, Jr.
Chairman

ADVERTISEMENT FOR BIDS TOWN OF WOODSTOCK

415 ROUTE 169

Notice to Contractors Invitation to Bid

Sealed proposals will be received until 6:00 P.M., local time, Wednesday, June 9, 2010, in the Town of Woodstock Selectman's Office located at the Woodstock Town Hall, 415 Route 169, Woodstock, Connecticut 06281. Bids for furnishing of materials, equipment, and labor for the TOWN OF WOODSTOCK DEPARTMENT OF PUBLIC WORKS SITE IMPROVEMENT PROJECT (remodeling of existing 3,000 SF DPW garage, construction of 10,900 SF garage addition, construction of a 15,200 SF salt shed, construction of a fuel dispensing island & canopy, remediation of a solid waste disposal area, and associated site work) on Coatney Hill Road in Woodstock, Connecticut will be opened and read at 6:05 P.M., local time, Wednesday, June 9, 2010 in the Selectman's Conference Room within the Town Hall.

Proposals must be executed in accordance with and subject to instructions contained in the Section 02020 of the contract documents "Instructions to Bidders".

Contract Documents and Plans may be obtained for a fee of \$50.00 for each set from the Town of Woodstock Selectman's Office, 415 Route 169, Woodstock, Connecticut 06281. Please make all checks payable to the Town of Woodstock. Call the Selectman's Office at (860) 928-0208 24-hours prior to picking up the documents.

A mandatory pre-bid conference and site walk is scheduled for 10:00 A.M. local time, Monday, May 24, 2010, at the Woodstock DPW, 215 Coatney Hill Road, Woodstock, Connecticut.

The right is reserved to reject any or all bids or to waive defects in same if it is deemed in the best interest of the Town.

Connecticut Department of Labor Prevailing Wage Rates will apply to this project.

Bidders are advised that both the Department of Administration Services (DAS) prequalification certificate and update (bid) statement must accompany the bid proposal. Bidders must be DAS prequalified in General Building Construction Group B. Contractors providing subcontracted work for this project over \$500,000 must be prequalified by DAS in the appropriate category, such as Site Work. Subcontract certificates and update statements must accompany the bid.

All construction personnel who will work directly on remediation of the solid waste disposal area must be fully certified under the 29 CFR 1910.120 Hazwoper Standard.

The Town of Woodstock is an affirmative action/equal opportunity employer. Minority/women's business enterprises are encouraged to apply.

CITY OF NORWICH INVITATION TO BID

PROPERTY REHABILITATION PROGRAM

Bids for: RLP0916
65 Scott Street
Norwich CT.
Bid 1 Roofing
Bid 2 G.C. & Lead Paint Hazard Control
Bid 3 Electrical

This project is being funded through the Property Rehabilitation Program and or HUD Lead Based Paint Hazard Control in Priority Housing Program. Contractors must be aware that the City of Norwich is an Equal Opportunity Employer. Contract documents including the lead abatement plan and property rehabilitation specifications may be obtained from the Office of Community Development, 23 Union Street, Norwich, Connecticut. Office hours are from 8:30 AM to 4:30 PM, Monday thru Friday. A pre-bid conference will be held on 05-21-10 at 11:00 am. at the project location. Your attendance at that meeting is recommended to bid on this project.

Sealed bids will be received at the Office of Community Development, 23 Union Street, Norwich, Connecticut until 4:00 PM 05-28-10, at which time they will be opened and read aloud. The City of Norwich Reserves the right to reject any and all bids, or any part of any bid where such action is deemed to be in the best interest of the City.

EQUAL EMPLOYMENT / OPPORTUNITY AFFIRMATIVE ACTION FAIR HOUSING AGENCY

TOWN OF BROOKLYN INLAND WETLANDS COMMISSION

NOTICE OF ACTION

Pursuant to Section 22a-42e of the Connecticut State Statute, the Inland Wetlands Commission gives notice that the following action was taken at the regular meeting, Tuesday May 11, 2010:

Application 030910A Howard and Mary Knust, 60 Pomfret Road, Map 25, Lot 57, VCD Zone, Repair and expansion of an existing on-site septic system, installation of an in-ground pool, reconstruction of an existing garage, construction of a 39 x 26 conservatory, front deck, sunroom, wind turbine and planting of fruit and nut trees in the 125 foot upland review area- APPROVED WITH CONDITIONS.

Any appeals are to be filed with the Superior Court within 15 days from the date of the legal notice appearing in the paper.

Dated this 13th day of May 2010
Real Gallant
Chairman

INVITATION TO GENERAL CONTRACTORS TO PRE-QUALIFY TO OFFER PROPOSALS

The University of Connecticut is accepting Pre-Qualification Applications limited to the following project:

West Hartford Campus Renovations/Improvements
Chemistry Lab
PROJECT NUMBER: #901569

For
UNIVERSITY OF CONNECTICUT
WEST HARTFORD, CONNECTICUT

Completed Applications will be accepted until 2:00 PM, May 26, 2010. Applications received after the time and date specified shall be returned unopened.

Qualifications shall be submitted on forms and in the manner specified. Forms may be obtained from the Office of Capital Project and Contract Administration, 31 LeDoyt Road Unit 2047, Storrs, CT 06269-3047 by personal appearance, or by written, telephoned 860-486-2618, faxed 860-486-1953, or e-mail request: uconnprequalifiers@uconn.edu. Applicants shall provide a copy of their current approved prequalified status by the State of Connecticut Department of Administrative Services (DAS) with their Application as a prequalified General Contractor classification "Group B" or "Group C".

Only General Contractors pre-qualified by both the DAS, for the Classification of General Contractor Classification Group "B" and Group "C", and the University of Connecticut, for this specific project, will be invited to submit Proposals for this project, subject to the limitation noted in the preceding paragraph.

The University of Connecticut is an Affirmative Action/Equal Opportunity Employer (AA/EOE). Minorities and women are encouraged to bid/apply.

STATE OF CONNECTICUT
RETURN DATE: June 22, 2010 SUPERIOR COURT
CHASE HOME FINANCE LLC JUDICIAL DISTRICT OF NEW LONDON

EPAY

Get your Bulletin on

TOWN OF KILLINGLY NOTICE OF ADOPTION OF ORDINANCES

The Killingly Town Council and Town Meeting Adopted the following Ordinances at its meeting held on May 11, 2010:

ORDINANCE AMENDMENTS CONCERNING THE DESIGNATION OF AN AQUIFER PROTECTION AGENCY

ORDINANCE AMENDMENTS TO THE BUILDING PERMIT FEES ORDINANCE

Copies of these ordinances are on file and available for public inspection in the offices of the Town Clerk at Town Manager, Killingly Town Hall, 172 Main Street, Killingly, CT during normal

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Expected range for most drivers: 34 to 50 MPG.

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- 16" Alloys
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- Power Locks
- Bluetooth
- Touch Screen 6 Disc
- Satellite Radio
- Leatherette





Robert E. Smanik, FACHE
President and CEO

DAY KIMBALL HOSPITAL

320 Pomfret Street Putnam, Connecticut 06260 860-928-6541 www.daykimball.org

RECEIVED

2010 AUG 15 P 12:11

CONNECTICUT OFFICE OF
HEALTH CARE ACCESS

August 11, 2010

Norma Gyle
Deputy Commissioner
State of Connecticut Office of Health Care Access
410 Capitol Avenue, MS# 13HCA
P.O. Box 340308
Hartford, CT 06134-0308

**RE: Certificate of Need Application, Docket Number 10-31602-CON
Day Kimball Healthcare, Inc. and Norwich Radiology Group, P.C.
Acquisition of an Existing Magnetic Resonance Imaging Scanner from
Norwich Radiology Group, P.C. in Putnam**

Dear Commissioner Gyle:

Please find enclosed the Certificate of Need application for Day Kimball Healthcare, Inc.

Enclosed you will find one (1) original and six (6) hard copies; as well as a scanned copy of the complete Application, including attachments.

Should you have any questions, please feel free to contact Christine Vallee, Vice President of Physician Services at (860) 928-6541 x2428.

Sincerely,

Robert E. Smanik, FACHE
President & Chief Executive Officer

RES/alf

Enclosure

HOSPITAL AFFIDAVIT

Applicant: **Day Kimball Healthcare, Inc.**

Project Title: **Acquisition Existing Magnetic Resonance Imaging Scanner from
Norwich Radiology Group, Inc.**

I, Robert E. Smanik, FACHE, President & Chief Executive Officer
(Name) (Position – CEO or CFO)

of **Day Kimball Healthcare, Inc.** being duly sworn, depose and state that the
(Hospital Name)

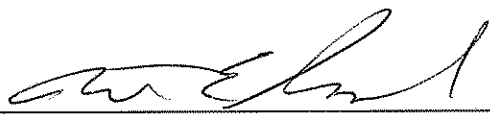
information submitted in this Certificate of Need application is accurate and correct to the best of my knowledge. With respect to the financial impact related to this CON application, I hereby affirm that:

1. The proposal will have a capital expenditure in excess of \$15,000,000.

Yes No

2. The combined total expenses for the proposal's first three years of operation will exceed one percent of the actual operating expenses of the Hospital for the most recently completed fiscal year as filed with the Office of Health Care Access.

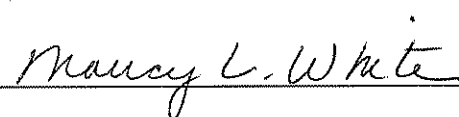
Yes No



Signature

8/11/10
Date

Subscribed and sworn to before me on 8-11-10



Notary Public/Commissioner of Superior Court

My commission expires: 6-30-15

RECEIVED
2010 AUG 16 P 12:11
CONNECTICUT OFFICE OF
HEALTH CARE ACCESS



State of Connecticut Office of Health Care Access Certificate of Need Application

Please complete all questions. If any question is not relevant to your project, Not Applicable may be an acceptable response. Your Certificate of Need application will be eligible for submission no earlier than June 22, 2010, and may be submitted no later than August 21, 2010. The Analysts assigned to your application are Brian Carney and Steven W. Lazarus and they may be reached at the Office of Health Care Access at (860) 418-7001.

Note: Please be aware that for the purposes of this proposal, OHCA also considers Norwich Radiology Group, P.C. to be an Applicant.

Docket No.	10-31602-CON	
	Applicant One	Applicant Two
Applicant Name:	Day Kimball Healthcare, Inc.	Norwich Radiology Group, P.C.
Contact Person:	Robert E. Smanik	Ajay Dalal, M.D.
Contact Title:	President/ Chief Executive Officer	President/Director
Contact Address:	Day Kimball Healthcare, Inc. 320 Pomfret Street Putnam, CT 06260	Norwich Radiology Group, P.C. 39 Kennedy Drive Putnam, CT 06260
Project Location:	Putnam	
Project Name:	Acquisition of Magnetic Resonance Imaging Service from Norwich Radiology Group, Inc.	
Type of Proposal:	Section 19a-639, C.G.S.	
Est. Capital Cost:	\$245,000 Please Note - on the LOI there was a typographical error and the amount read \$225,000 instead of \$245,000.	

1. Project Description and Need

A. Provide a narrative detailing the proposal.

Day Kimball Healthcare, Inc., doing business as Day Kimball Hospital (the "Applicant" or "DKH") is a non-stock, tax-exempt acute care general hospital located at 320 Pomfret Street, Putnam, CT 06260. The proposed project is for the acquisition of a magnetic resonance imaging scanner ("MRI") and MRI services that are currently located at 39 Kennedy Drive, Putnam, CT. The total cost of the acquisition will be \$245,000. Following the acquisition, the existing MRI unit (leased through GE Healthcare Technologies) will remain in its current location and will be operated by DKH, rather than Norwich Radiology Group, P.C. ("NR"). It is anticipated that the existing personnel will be employed by DKH and the days and hours of operation will remain consistent with the current office schedule.

B. Provide the Manufacturer, Model, Number of slices/tesla strength of the proposed scanner (as appropriate to each equipment).

The MRI DKH proposes to acquire is a GE 1.0 Tesla, Short Bore, CX Conquest magnet scanner.

C. Provide a list of services currently offered at the location where the proposed magnetic resonance imaging ("MRI") is located?

In 2004, NR opened the imaging center located at 39 Kennedy Drive in Putnam. The center offers a range of MRI services:

70544 MRA HEAD W/O CONTRAST
72157 MRI DORSAL SPINE W W/O
73223 MRI UPPER EXTREMITY
73714 MRI LOWER EXTREMITY
73723 MRI LOWER EXTREMITY
72195 MRI PELVIS
73216 MRI R UPPER EXREMITY
72156 MRI CERVICAL SPINE W W/O
73217 MRI L UPPER EXTREMITY
73715 MRI LOWER EXTREMITY
73716 MRI LOWER EXTREMITY
70553 MRI BRAIN W/W/O CONTRAST
72146 MRI DORSAL SPINE W/O
73717 MRI LOWER EXTREMITY
72158 MRI LUMBAR SPINE W W/O
70551 MRI BRAIN W/O CONTRAST
72141 MRI CERVICAL SPINE W/O

- 73226 MRI LT UPPER EXTREMITY
- 73224 MRI RT UPPER EXTREMITY
- 72148 MRI LUMBAR SPINE W/O
- 73726 MRI LT LOWER EXTREMITY
- 73724 MRI RT LOWER EXTREMITY
- 70533 MRI NECK W W/O
- 70543 MRI ORBITS W W/O
- 70547 MRA NECK
- 72197 MRI OTHER
- 73220 MRI OTHER

D. Complete Table 1 for each scanner (of the type proposed) currently operated by the Applicant at each of the Applicant's sites.

Table 1: Existing Scanners Operated by Each Applicant

Provider Name Street Address Town, Zip Code	Description of Service *	Hours/Days of Operation **	Utilization ***
Day Kimball Hospital 320 Pomfret Street Putnam, CT 06260	Espree 1.5T – Open Bore	7:00 am – 8:00 pm Sunday - Friday	3,596 FY 7/09-6/10
Norwich Radiology Group 39 Kennedy Drive Putnam, CT 06260	1.0 Tesla - Closed	8:00 am - 4:30 pm Monday - Friday	684 FY 7/09-6/10

* Include equipment strength (e.g. slices, tesla strength), whether scanner is open or closed (for MRI)
** Days of the week scanner is operational, and start and end time for each day; and
*** Number of scans performed on each scanner for the most recent 12-month period (identify period).

E. Provide the following regarding the proposal's location:

- i) The rationale for continue to locate the proposed equipment at the proposed site;**

The MRI service is currently located within a multiple building medical complex with its principle source of referral coming from the orthopedic practice (the four physician, one APRN) next door. As the only option for MRI services outside of DKH in the 13 town service area, it is a convenient alternative to the hospital based service. DKH looks forward to integrating this location into its scheduling options so it may continue to serve the existing patients and so it can facilitate patients' access to services by coordinating availability. The nearby orthopedic practice has continued to grow in volume and their patients have expressed an appreciation for being able to obtain MRI services at the current location. Based upon this growth,

both the MRI at DKH and NR are require to accommodate the need in the entire service area (13 towns).

ii) The population to be served, including specific evidence such as incidence, prevalence, or other demographic data that demonstrates need;

Below is a chart with the annual volume numbers for both DKH and NR. As the sole free standing MRI center in the region, the majority of NR's patients come from DKH's 13 town service area. The population of this region has been stable.

Provider	2008	2009	Through 6/30/2010
Day Kimball	3260	3400	2727
Norwich Radiology	669*	836	496

*9months of data

iii) How and where the proposed patient population is currently being served;

The proposed patient population is currently being served by the Applicants at the two existing sites.

iv) All existing providers (name, address) of the proposed service in the towns listed above and in nearby towns;

There are only two MRI units in the 13 towns of northeast Connecticut – one at DKH and one at NR.

v) The effect of the proposal on existing providers; and

Other than a positive impact on the Applicants, there will be no impact on existing providers because there will not be a change in the number of MRI units in this area.

vi) If the proposal involves a new site of service, identify the service area towns and the basis for their selection.

Not applicable.

2. Actual and Projected Volume

A. Complete the following tables for the past three fiscal years ("FY"), current fiscal year ("CFY"), and first three projected FYs of the

proposal, for each of the Applicant's existing and proposed scanners (of the type proposed, at the proposed location only). In Table 2a, report the units of service by scanner, and in Table 2b, report the units of service by type of scan (e.g. if specializing in orthopedic, neurosurgery, or if there are scans that can be performed on the proposed scanner that the Applicant is unable to perform on its existing scanners).

Table 2a: Historical, Current, and Projected Volume, by Scanner

Provider	Actual Volume (Last 3 Completed FYs)			CFY Volume*	Projected Volume (First 3 Full Operational FYs)**		
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Day Kimball	3,507	3,260	3,400	3,636	3,745	3,857	3,973
Norwich- GE		669 (9mo.)	836	661			
DK - GE					681	702	723
Total	3,507	3,929	4,236	4,297	4,426	4,559	4,696

* For periods greater than 6 months, report annualized volume, identifying the number of actual months covered and the method of annualizing. For periods less than six months, report actual volume and identify the period covered.

** If the first year of the proposal is only a partial year, provide the first partial year and then the first three full FYs. Add columns as necessary.

*** Identify each scanner separately and add lines as necessary. Also break out inpatient/outpatient/ED volumes if applicable.

**** Fill in years. In a footnote, identify the period covered by the Applicant's FY (e.g. July 1-June 30, calendar year, etc.).

Table 2b: Historical, Current, and Projected Volume, by Type of Scan

Provider	Actual Volume (Last 3 Completed FYs)			CFY Volume*	Projected Volume (First 3 Full Operational FYs)**		
	FY ****	FY ****	FY ****	FY ****	FY ****	FY ****	FY ****
Day Kimball	See Attachment 1						
Norwich Radiology	See Attachment 2						
Total							

* For periods greater than 6 months, report annualized volume, identifying the number of actual months covered and the method of annualizing. For periods less than six months, report actual volume and identify the period covered.

** If the first year of the proposal is only a partial year, provide the first partial year and then the first three full FYs. Add columns as necessary.

*** Identify each type of scan (e.g. orthopedic, neurosurgery or if there are scans that can be performed on the proposed scanner that the Applicant is unable to perform on its existing scanners) and add lines as necessary.

**** Fill in years. In a footnote, identify the period covered by the Applicant's FY (e.g. July 1-June 30, calendar year, etc.).

B. Provide a breakdown, by town, of the volumes provided in Table 2a for the most recently completed full FY.

See Attachments 3 and 4.

C. Explain any increases and/or decreases in volume seen in the tables above.

Although the NR volume decreased between FY2009 and FY2010, DKH has seen an increase in volume. Overall, volume in the service area has remained consistent with a shifting patient populations between the Applicants' MRIs.

D. Provide a detailed explanation of all assumptions used in the derivation/ calculation of the projected volume by scanner and scan type.

The projected volume for FY2011, FY2012 and FY2013 are assuming a 3% historical increase in volume year over year.

E. Provide a copy of any articles, studies, or reports that support the need to acquire the proposed scanner, along with a brief explanation regarding the relevance of the selected articles.

Not applicable.

3. Quality Measures

A. Submit a list of all key professional, administrative, clinical, and direct service personnel related to the proposal. Attach a copy of their Curriculum Vitae.

Douglas Waite, MD – See Attachment 5
Craig Korbin, MD – See Attachment 6
Carol Howland, RN MSN CAN BC – See Attachment 7
JoAnn Slota, RTR – See Attachment 8
Sandra J. Blake, RT(R) – See Attachment 9
Denisia M. Veach – See Attachment 10

B. Explain how this proposal contributes to the quality of health care delivery in the region.

This proposal contributes to the quality of health care delivery in the region by providing a coordination of schedules, peer review and results reporting to physicians.

C. Describe the impact of the proposal on the interests of consumers of health care services and the payers of such services

The impact of the proposal on the interests of consumers of health care services and the payers of such services is to provide better access without the addition of new magnets in the area.

4. Organizational and Financial Information

A. Identify the Applicant's ownership type(s) (e.g. Corporation, PC, LLC, etc.).

Day Kimball Hospital – Non-Profit Corporation
Norwich Radiology Group - PC

B. Does the Applicant have non-profit status?

Yes (Provide documentation) No

See Attachment 11.

C. Provide a copy of the State of Connecticut, Department of Public Health license(s) currently held by the Applicant and indicate any additional licensure categories being sought in relation to the proposal.

See Attachment 12.

D. Financial Statements

- i) **If the Applicant is a Connecticut hospital:** Pursuant to Section 19a-644, C.G.S., each hospital licensed by the Department of Public Health is required to file with OHCA copies of the hospital's audited financial statements. If the hospital has filed its most recently completed fiscal year audited financial statements, the hospital may reference that filing for this proposal.

For Day Kimball Hospital see Attachment 13.

- ii) **If the Applicant is not a Connecticut hospital (other health care facilities):** Audited financial statements for the most recently completed fiscal year. If audited financial statements do not exist, in lieu of audited financial statements, provide other financial documentation (e.g. unaudited balance sheet, statement of operations, tax return, or other set of books.)

For Norwich Radiology Group see Attachment 14.

E. Submit a final version of all capital expenditures/costs as follows:

Table 3: Proposed Capital Expenditures/Costs

Medical Equipment Purchase	\$245,000
Imaging Equipment Purchase	
Non-Medical Equipment Purchase	
Land/Building Purchase *	
Construction/Renovation **	
Other Non-Construction (Specify)	
Total Capital Expenditure	\$245,000+
Medical Equipment Lease (Fair Market Value) ***	
Imaging Equipment Lease (Fair Market Value) ***	++
Non-Medical Equipment Lease (Fair Market Value) ***	
Fair Market Value of Space ***	
Total Capital Cost	
Capitalized Financing Costs (Informational Purpose Only)	
Total Capital Expenditure with Cap. Fin. Costs	\$245,000

* If the proposal involves a land/building purchase, attach a real estate property appraisal including the amount; the useful life of the building; and a schedule of depreciation.

** If the proposal involves construction/renovations, attach a description of the proposed building work, including the gross square feet; existing and proposed floor plans; commencement date for the construction/ renovation; completion date of the construction/renovation; and commencement of operations date.

*** If the proposal involves a capital or operating equipment lease and/or purchase, attach a vendor quote or invoice; schedule of depreciation; useful life of the equipment; and anticipated residual value at the end of the lease or loan term.

+See Asset Purchase Agreement – Attachment 15

++See Attachment 16 – Equipment Lease not yet finalized

F. List all funding or financing sources for the proposal and the dollar amount of each. Provide applicable details such as interest rate; term; monthly payment; pledges received to date; letter of interest or approval from a lending institution.

DKH will use its equity to finance the purchase of the MRI center.

5. Patient Population Projections

A. Provide the current and projected patient population mix (based on the number of patients, not on revenue) with the CON proposal for the proposed for each Applicant.

Table 4: Patient Population Mix

	Current** FY ***	Year 1 FY ***	Year 2 FY ***	Year 3 FY ***
Medicare*				
Medicaid*				
CHAMPUS & TriCare				
Total Government				
Commercial Insurers*				
Uninsured				
Workers Compensation				
Total Non-Government				
Total Payer Mix				

* Includes managed care activity.

** New programs may leave the "current" column blank.

*** Fill in years. Ensure the period covered by this table corresponds to the period covered in the projections provided.

See Attachment 17.

B. Provide the basis for/assumptions used to project the patient population mix.

The basis for DKH's assumptions relating to patient population payer mix is derived from DKH's historical payer mix.

6. Financial Attachments I & II

A. Provide a summary of revenue, expense, and volume statistics, without the CON project, incremental to the CON project, and with the CON project. Complete Financial Attachment I for each Applicant. (Note that the actual results for the fiscal year reported in the first column must agree with the Applicant's audited financial statements.) The projections must include the first three full fiscal years of the project.

See Attachment 18.

- B. Provide a three year projection of incremental revenue, expense, and volume statistics attributable to the proposal by payer. Complete Financial Attachment II, for each Applicant. The projections must include the first three full fiscal years of the project.**

See Attachment 18.

- C. Provide the assumptions utilized in developing both Financial Attachments I and II (e.g., full-time equivalents, volume statistics, other expenses, revenue and expense % increases, project commencement of operation date, etc.).**

See Attachment 18.

- D. Provide documentation or the basis to support the proposed rates for each of the FYs as reported in Financial Attachment II. Provide a copy of the rate schedule for the proposed service(s).**

See Attachment 18.

- E. Provide the minimum number of units required to show an incremental gain from operations for each fiscal year.**

See Attachment 18.

- F. Explain any projected incremental losses from operations contained in the financial projections that result from the implementation and operation of the CON proposal.**

See Attachment 18.

- G. Describe how this proposal is cost effective.**

The proposal is cost effective because Norwich's MRI unit will become part of Day Kimball Healthcare and create economies of scale while providing clinical oversight.

7. Other Review Criteria

A. Describe the proposal's relationship to the Applicant's long-range plans. Provide supporting documentation.

This proposal is relevant to DKH's long-range plans in that it provides another convenient, accessible location to serve its demographically diverse patient base while upholding Day Kimball's mission to meet the health needs of the community.

B. Specify whether any of the following apply to the proposal. If so, provide an explanation and supporting documentation.

i) Voluntary efforts to improve productivity and contain costs;

Not applicable.

ii) Changes to the Applicant's teaching or research responsibilities; and/or

Not applicable.

iii) Special characteristics of the Applicant's patient or physician mix.

Not applicable.

ATTACHMENT

#1

MRI Type (ICD9 Product Line)	Actual Volume				FY2010 YTD June	Annualized		
	FY2007	FY2008	FY2009	FY2010		FY2010	FY2011	FY2012
01 Blood and Blood-Forming Orga	0	2	1	1	1	1	1	1
02 Circulatory System	78	58	62	55	73	76	78	80
04 Congenital Anomalies	21	21	11	6	8	8	8	9
06 Digestive System	23	25	22	22	29	30	31	32
07 Endocrine, Nutritional, Metabo	26	19	15	12	16	16	17	17
08 Genitourinary System	81	79	73	39	52	54	55	57
09 Infectious and Parasitic Dis	3	3	4	4	5	5	6	6
0V V Codes	79	47	44	35	47	48	50	51
10 Injury and Poisoning	172	159	131	107	143	147	151	156
11 Mental Disorders	21	26	17	22	29	30	31	32
12 Musculoskeletal System and C	1,960	1,763	1,973	1,520	2,027	2,087	2,150	2,215
13 Neoplasms	149	126	91	74	99	102	105	108
14 Nervous System and Sense Org	182	252	253	231	308	317	327	337
30 Pregnancy, Childbirth, Puerp	1	0	1	1	1	1	1	1
31 Respiratory System	33	17	12	1	1	1	1	1
32 Skin and Subcutaneous Tissue	4	11	6	3	4	4	4	4
33 Symptoms, Signs, and Ill-Def	610	647	670	558	744	766	789	813
All Other	64	5	14	36	48	49	51	52
Total	3,507	3,260	3,400	2,727	3,636	3,745	3,857	3,973

ATTACHMENT

#2

MRI Type (ICD9 Product Line)	Actual Volume				FY2010 YTD June	Annualized FY2010	Projected		
	FY2007	FY2008	FY2009	FY2010			FY2011	FY2012	FY2013
Brain	0	0	25	9	12	0	0	0	
Cervical Spine	0	0	59	29	39	0	0	0	
Lumbar Spine	0	0	122	94	125	0	0	0	
Pelvis	0	0	6	2	3	0	0	0	
Upper Extremity	0	0	151	102	136	0	0	0	
Lower Extremity	0	0	264	254	339	0	0	0	
Orbits	0	0	2	0	0	0	0	0	
Dorsal Spine	0	0	5	5	7	0	0	0	
Head	0	0	2	0	0	0	0	0	
Neck	0	0	2	1	1	0	0	0	
Unknown	0	0	198	0	0	0	0	0	
Total	-	669	836	496	661	-	-	-	

Notes:

- (1) FY2008 volume data includes January through September only.
- (2) FY2009 volume total is 836 - volume by type was available only for January through September, which equals 638.

ATTACHMENT

#3

Town	Volume
ABINGTON	4
ASHFORD	15
AUBURN	1
BALLOUVILLE	8
BALTIC	2
BEDFORD	1
BRISTOL	1
BROOKFIELD	1
BROOKLYN	395
BROOKSVILLE	1
BRUNSWICK	1
CANTERBURY	65
CAPE CORAL	1
CENTRAL VILLAGE	32
CHAPLIN	6
CHARLTON	1
CHEPACHET	7
COLCHESTER	1
COLUMBIA	1
COVENTRY	3
CRANSTON	1
DANIELSON	496
DAYVILLE	310
DOUGLAS	4
DUDLEY	9
E DOUGLAS	1
E WOODSTOCK	5
EAST KILLINGLY	15
EAST PUTNAM	1
EAST WOODSTOCK	1
EASTFORD	46
FABYAN	1
FOSTER	4
GALES FERRY	1
GENEVA	1
GLOCESTER	4
GREENVILLE	1
GRISWOLD	15
GROSVENORDALE	7
GUILFORD	1
HAMPTON	17
HANOVER	1
HOLLAND	2
JEFFERSON	2
JEWETT CITY	11
LEBANON	2
LEEDS	1
LEESBURG	1
LEMINSTER	1

Town	Volume
LEMPSTER	1
LENOX	1
LEOMINSTER	1
LISBON	2
MANSFIELD CENTE	6
MOOSUP	163
N GROSVENORDALE	174
N SCITUATE	1
N SMITHFIELD	1
N WINDHAM	6
NEW HAVEN	1
NO SCITUATE	1
NORWICH	5
OAKLAND	1
ONECO	11
OXFORD	4
PASCOAG	1
PLAINFIELD	188
POMFRET	30
POMFRET CENTER	194
PORT ST LUCIE	1
PROVIDENCE	3
PUTNAM	456
QUAKER HILL	1
QUINEBAUG	19
ROGERS	21
ROUND ROCK	1
SALEM	1
SANDWICH	1
SCOTLAND	3
SO WINDSOR	1
SOUTH ATTLEBORO	1
SOUTH WOODSTOCK	9
SOUTHBRIDGE	1
STAFFORD SPRING	3
STERLING	46
STURBRIDGE	3
TAFTVILLE	1
TECOPA	1
THOMPSON	138
TOLLAND	2
UNION	4
VERNON	2
VOLUNTOWN	14
WARWICK	1
WAUREGAN	24
WEBSTER	21
WEST GLOCESTER	2
WILLIMANTIC	3

Town	Volume
WILLINGTON	5
WINDHAM	1
WOODSTOCK	267
WOODSTOCK VALLE	39
WOONSOCKET	1
WORCESTER	2
Summary	3,400

ATTACHMENT

#4

Town	Volume
BALLOUVILLE	5
BROOKLYN	58
DANIELSON	92
DAYVILLE	57
EASTFORD	10
EAST KILLINGLY	2
EAST WOODSTOCK	3
POMFRET	11
PUTNAM	69
THOMPSON	21
WOODSTOCK	53
CANTERBURY	20
CENTRAL VILLAGE	3
GRISWOLD	16
MOOSUP	27
ONECO	1
PLAINFIELD	39
NOT AVAILABLE	151
Summary	638

ATTACHMENT

#5

Douglas C. Waite, M.D.
dwaite@daykimball.org

LICENSURE State of Connecticut #036071
Commonwealth of Massachusetts #73862

CERTIFICATIONS Board Certified, American Board of Internal Medicine 1991, Recert. 2006
Board Certified, A.B.I.M., Infectious Diseases 1996, Recert. 2006

FACULTY APPOINTMENT

Assistant Professor of Medicine 1995-present
University of Massachusetts Medical School
Worcester, Massachusetts
• Periodic lectures given to the Infectious Disease fellows

EDUCATION

Undergraduate: *Wheaton College* B.S., Biology 1980-1984
Wheaton, Illinois

Medical: *New Jersey Medical School* M.D. 1984-1988
University of Medicine and Dentistry of New Jersey
Newark, New Jersey

POST-GRADUATE

Internship/Residency: *Internal Medicine* July 1988-June 1991
University of Massachusetts Medical Center
Worcester, Massachusetts

Fellowship: *Infectious Diseases* July 1994-June 1997
University of Massachusetts Medical Center
Worcester, Massachusetts

PRESENT POSITIONS

VICE PRESIDENT FOR MEDICAL AFFAIRS AND QUALITY September 2007 – present
DIRECTOR OF MEDICAL AFFAIRS 2002 - 2007
MEDICAL DIRECTOR OF QUALITY IMPROVEMENT 2001 - 2002
DIRECTOR OF INFECTIOUS DISEASES August 1997 - present
HOSPITAL EPIDEMIOLOGIST August 1997 - present
DAY KIMBALL HOSPITAL, Putnam, Connecticut

Chairman: Infection Control Committee
 Biologic Agents Readiness Committee
 Pandemic Influenza Task Force
 Medical Staff Quality Improvement Committee

Committee Membership: Medical Executive, Credentials, Pharmacy and Therapeutics,
 Critical Care, Bylaws, Ethics, Medical Records, Departmental Peer Review,
 Patient Safety/JCAHO Readiness, Core Measures, Corporate Compliance,
 Utilization Review, IT Steering, Blood Bank, Continuous Emergency Management

Board of Directors Strategic Planning Subcommittee Membership: Quality, Medical Services,
 Technology, Communications, Master Facilities

APPOINTED POSITIONS

MEDICAL ADVISOR 1998 – present
 ACTING DIRECTOR OF HEALTH October 15, 2009-present
 NORTHEAST DISTRICT DEPARTMENT OF HEALTH, Brooklyn, CT

- Work closely with the Department on several public health preparedness projects, including:
 - Increasing rates of tick-borne diseases
 - Community fair related diseases
 - Farm animal zoonoses
 - Public vaccination clinics, including 2009 H1N1 vaccine
 - Smallpox
 - SARS
 - Pandemic Influenza planning, most recently the 2009 H1N1 strain
 - Community-wide drills
 - Multiple radio talk show and call-in programs on a wide variety of public health topics
- Work closely with the Director of Health on multiple public health emergencies, including:
 - Echovirus 9 aseptic meningitis outbreak in a local campground
 - Community and school based MRSA clusters
 - Food-borne and water-borne illness outbreaks
 - Town water supply emergencies

HEALTHCARE ASSOCIATED INFECTIONS COMMITTEE 2006-present
 CONNECTICUT DEPARTMENT OF PUBLIC HEALTH, Hartford, CT

- Work to define and systematize the reporting of HAI's in accordance with recently passed legislation

STANDARDS OF CARE COMMITTEE September 2009-present
 CONNECTICUT DEPARTMENT OF PUBLIC HEALTH, Hartford, CT

- Establish altered standards of healthcare in the midst of a prolonged public health emergency

REPORTABLE DISEASES ADVISORY COMMITTEE October 2009-present
 CONNECTICUT DEPARTMENT OF PUBLIC HEALTH, Hartford, CT

- Discuss and approve proposed additions, deletions, and modifications to the list of state-mandated reportable diseases

BOARD OF COUNCILORS 2007-present
 CONNECTICUT INFECTIOUS DISEASE SOCIETY

PREVIOUS POSITIONS

Private (Solo) Consultative Practice of Infectious Diseases August 1999-August 2007
 Day Kimball Hospital, Putnam, Connecticut
 Director of Medical Affairs (2002 - Sept. 2007)

Medical Director 2002 – September 2007
Professional Home Care Services, Inc
 Cromwell, CT

<i>Medical Center of Northeast Connecticut</i> Dayville, Connecticut Internal Medicine and Infectious Diseases Private Practice	August 1997-August 1999
<i>Fallon Clinic, Inc.</i> Worcester, Massachusetts Attending Physician, Department of Internal Medicine	October 1993-June 1994
<i>Crownpoint Indian Health Care Facility</i> <i>Navajo Area Indian Health Service, U.S. Public Health Service</i> Crownpoint, New Mexico Attending Physician, Commissioned Officer, U.S. Public Health Service Responsibilities: Director, Internal Medicine Chairman, Infection Control and Safety Committees Director, Tuberculosis Management Program Director, Diabetes Clinic Medical Director, Inpatient Services	July 1991-September 1993

Unique Experiences:

- Served as the facility's key resource during the initial outbreak of the novel Sin Nombre Virus, the cause of Hantavirus Pulmonary Syndrome, in the spring and summer of 1993
- Served as the facility's liaison with the New Mexico Department of Public Health and the CDC during the investigation of and response to Hantavirus Pulmonary Syndrome
- Served as the Site Coordinator for the open-label compassionate-use protocol for I.V. Ribavirin in Hantavirus Pulmonary Syndrome

HOSPITAL AFFILIATIONS

U Mass Memorial Medical Center Worcester, Massachusetts Status: Courtesy Staff	1995-present
Day Kimball Hospital Putnam, Connecticut Status: Active Staff	August 1997-present
Milford Regional Medical Center Milford, Massachusetts Status: Courtesy Staff	January 1999-present
Hubbard Regional Hospital Webster, Massachusetts	August 1997-2009

INVITED LECTURES

Multiple grand rounds given (approximately 2 per year) on a wide variety of infectious disease and public health topics at Day Kimball Hospital (1997 – present) and Milford Regional Medical Center (1999 – 2002)

RESEARCH	Principal Investigator, Double-Blinded Randomized Trial Evaluating the Safety and Tolerance of Two Different pH Preparations of the Adjuvant Saponin. University of Massachusetts Medical Center Worcester, MA Supported by Aquila Biopharmaceuticals, Worcester, MA	1996-1997
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Human Immune Response to Sin Nombre Virus Infection,
the Causative Agent of Hantavirus Pulmonary Syndrome.
University of Massachusetts Medical Center
Worcester, MA
Principal Investigator: Francis A. Ennis, M.D.

1994-1997

Sandoz Pharmaceuticals Research and Development
East Hanover, NJ
Drug Metabolism/Pharmacokinetics and Histology/Toxicology Lab

Summers, 1982-85

PUBLICATIONS

Waite D, Beckenhaupt P, LoBianco L, Mshar P, Nepaul A, Marshall K, Brennen T, Hadler JL, Nix WA, Pallansch M, Begier EM. Aseptic Meningitis Outbreak Associated With Echovirus 9 Among Recreational Vehicle Campers --- Connecticut, 2003. *Morbidity and Mortality Weekly Report*. 2004 August 13; 53 (31): 710-713.

Waite DC, Jacobson EW, Ennis FA, Edelman R, White B, Kammer R, Anderson C, Kensil CR. Three double blind randomized trials evaluating the safety and tolerance of different formulations of the saponin adjuvant QS-21. *Vaccine*. 2001 July 16; 19 (28-29): 3957-67.

Mori M, Rothman AL, Kurane I, Montoya JM, Nolte KB, Norman JE, Waite DC, Koster FT, Ennis FA. High levels of cytokine-producing cells in the lung tissues of patients with fatal hantavirus pulmonary syndrome. *Journal of Infectious Diseases*. 1999 February; 179 (2): 295-302.

Ennis FA, Cruz J, Spiropoulou CF, Waite DC, Peters CJ, Nichol SJ, Koster FT. Hantavirus pulmonary syndrome: CD8+ and CD4+ cytotoxic T-lymphocytes to epitopes on Sin Nombre virus nucleocapsid protein isolated during acute illness. *Virology*. 1997 November 24; 238 (2): 380-390.

Waite DC, Alper EJ, Mady BJ. Adult group B streptococcal disease. *Annals of Internal Medicine*. 1996 July 15; 125 (2): 152-3.

Foucar K, Scott A, McCabe M, Hennessey T, Waite D, Jenison S, Koster F. A triad of peripheral blood smear (PBS) findings is sensitive for a presumptive diagnosis of hantavirus pulmonary syndrome (HPS). Abstract #452, Infectious Disease Society of America Annual Meeting. Presented Sept. 16, 1995, San Francisco, CA.

AWARDS

Edward H. Kass Award for Clinical Excellence
Massachusetts Infectious Diseases Society, Winter Meeting, February 4, 1997

Maxwell Finland Young Investigator Award
Massachusetts Infectious Diseases Society, Spring Meeting, June 12, 1997

COMMUNITY VOLUNTEERISM

CONSULTANT TO THE WACHUSETT REGIONAL SCHOOL DISTRICT
Holden, MA
May, 2009 - present

- Present CDC guidelines, recommend interventions, and review school policies and parent letters related to 2009 H1N1 pandemic influenza A

WACHUSETT FOOD PANTRY
Holden, MA
2002 – present

- Volunteer as a family at the regional food pantry, assisting with planning, set-up and distribution

PROFESSIONAL SOCIETIES

Infectious Diseases Society of America
Society for Healthcare Epidemiology of America
Connecticut Infectious Diseases Society
Connecticut State Medical Society
Windham County Medical Association

ATTACHMENT

#6

Curriculum Vitae

Legal Name: CRAIG D. KORBIN, MD

UPIN: G41828

Education:

MEDICAL SCHOOL	08/1987 - 05/1991	UNIVERSITY OF SOUTHERN CALIFORNIA, LOS ANGELES SCHOOL OF MEDICINE 1975 ZONAL AVENUE LOS ANGELES, CA 90033	
INTERNSHIP	08/1991 - 08/1992	UNIVERSITY OF CALIFORNIA UCLA SCHOOL OF MEDICINE 10833 LECONTE AVENUE LOS ANGELES, CA 90024	INTERNAL MEDICINE
RESIDENCY	07/1992 - 06/1996	LAC - HARBOR - UCLA MEDICAL CENTER 1000 W CARSON STREET TORRANCE, CA 90509-2059	RADIOLOGY - DIAGNOSTIC
FELLOWSHIP	07/1996 - 06/1997	BRIGHAM AND WOMENS HOSPITAL 75 FRANCIS STREET BOSTON, MA 02115	RADIOLOGY - BODY IMAGING

Licensure:

05/1993 - 05/2002	CA	MD	G076592
02/2002 - 05/2002	CT	MD	036830
02/2000 - 02/2002	CT	CS	26731
01/1998 - 12/2004	MA	DEA	BK4807294
06/1996 - 05/2003	MA	MD	150836
02/2000 - 02/2001	MA	CS	MK0290142AR

Board Certifications:

06/1996 - ABR AMERICAN BOARD OF RADIOLOGY, INC

Affiliations:

QUINCY MEDICAL CENTER, INC.
114 WHITWELL ST
QUINCY, MA 02169-1899
Active
01/2001 - 01/2004

MILTON HOSPITAL
92 HIGHLAND ST
MILTON, MA 02186-3607
ACTIVE
07/1998 -

Curriculum Vitae

NEWTON - WELLESLEY HOSPITAL
2014 WASHINGTON STREET
NEWTON, MA 02162-1699
ACTIVE
07/1997 - 06/1998

Memberships:

ACR - AMERICAN COLLEGE OF RADIOLOGY

CME:

22ND ANNUAL DIAGNOSTIC IMAGING SEMINAR
MARTHA'S VINEYARD, MA
07/2000 - 07/2000

CONTINUOUS PROFESSIONAL IMPROVEMENT
WEB BASED
07/1999 - 05/2000

CONTINUOUS PROFESSIONAL IMPROVEMENT
WEB BASED
07/2000 - 09/2000

SENTINEL LYMPH NODE
WEB BASED
09/2000 -

MRI OF BREAST IMPLANTS
WEB BASED
09/2000 -

MRI OF BREAST CANCER
WEB BASED
09/2000 -

BREAST ULTRASOUND: CURRENT INDICATIONS AND HANDY
WEB BASED
09/2000 -

BREAST CANCER EPIDEMIOLOGY
WEB BASED
09/2000 -

References:

RICHARD RENSLO MD
PEER
1000 W CARSON STREET
TORRANCE, CA 90509-2059

STEVEN RUDD MD
PEER
8700 BEVERLY BLVD
LOS ANGELES, CA 90048-1865
(310) 855-5000

Curriculum Vitae

JOHN HEWETSON MD
PEER
114 WHITWELL ST

QUINCY, MA 02169-1899
(617) 376-4135
(617) 376-1631

DOUGLAS BURD MD
PEER
119 BELMONT ST

WOCHESTER, MA 01605
(508) 334-8131

PETER FERLISI MD
PEER
114 WHITWELL ST

QUINCY, MA 02169-1899
(617) 376-4058
(617) 376-1641

MORTON KAHAN
COLLEAGUE

ATTACHMENT

#7

Carol Lynn Howland RN MSN CNA BCExperience

MetroWest Medical Center, Framingham, Massachusetts *2008-Present*
Associate Chief Nursing Officer

MetroWest Medical Center is a For-profit entity of the Vanguard Health System. A 150 bed tertiary care facility affiliated with both Beth Israel Hospital, Boston, MA and Tufts Floating Hospital for Children. MetroWest Medical Center spans across two campuses in Framingham and Natick, MA.

Responsible for the overall Nursing division and successfully implemented the Patient Flow plan related to No Diversion.

In addition to the Nursing Division hold an interim role overseeing the CardioVascular Service Line which encompasses over 100+ FTEs, with a budget responsibility of over \$30 million dollars. Recently installed a new Phillips Cardiac Cath Lab under budget and earlier than expected.

Memorial Hospital of Rhode Island, Pawtucket, Rhode Island *2005- 2008*
Assistant Vice President Operations

Memorial Hospital of Rhode Island is a 150 bed tertiary care facility affiliated with Brown University Medical School.

Responsible for the overall operations of the Clinical Services Division, Departments including: Department of Diagnostic Imaging, Pharmacy, Physical Medicine, Respiratory Therapy, EEG and EKG as well as the Memorial Hospital of Rhode Island School for Anesthesia and affiliates.

In addition, Clinical Nurse Manager for two clinical units:
 18 Bed Surgical Telemetry Unit and
 18 Bed Rehabilitation Center.

Implemented Special Projects including Digital PACS system, Telemetry installation, Electronic MAR, and Pyxis upgrade implementation housewide.

Successful JCAHO, CARF and Medicare surveys.

Lahey Clinic Medical Center, Burlington, Massachusetts
Associate Chief of Nursing Informatics, Vice President *July 1, 2004-February, 2005*
Director of Nursing Finance and Informatics *April, 2003-July 1, 2004*

Lahey Clinic Inc. is a 267 bed tertiary care facility in the community of Burlington, Massachusetts along with a 10 bed facility in Peabody, Massachusetts.

This tertiary care facility has a Level I trauma center and active community group practice.

As Director of Nursing Finance and Informatics I oversee the capital and operational budget for the Nursing services division of over 40 million dollars.

I work collaboratively with the Nursing leadership and multidisciplinary teams to implement innovative technologies at the bedside.

CoChair Magnet Steering Committee
 Co Chair Policy Coordination and Development Committee
 Member of Pyxis Patient Station Implementation Team-Beta site for 250 Pyxis
 Patient Stations

Bar Code Implementation Champion
 Enterprise Content Management Team Member
 Sentillion Team member
 Co Chair EMAR Clinical User Group

Saint Vincent's at Worcester Medical Center, Worcester, Massachusetts **2000-2003**
Tenet Health Systems

Director of Nursing

Nurse Manager Cardiology/Cardio-Thoracic Surgery

Interim Nurse Manager Critical Care Center

St Vincent's is a For-Profit institution, partner of Tenet Health Systems recently named one of the Top 100 Hospitals by the HCIA-Sachs Institute.

Member of the Management team, responsible for the administration and development of Clinical nursing staff comprising 100+ FTE's and budget of over 26 million dollars.

Created and developed the Bed Management Coordinator role.
 Multi-Disciplinary Bed Management Team: Chair

In collaboration with the Nursing Educator developed the Med-a-Month review to support the education of staff nurses.

In addition, member of:

JCAHO Core Readiness Group
 Cardiology Performance Improvement
 Cardiology Operations
 Critical Care Performance Improvement
 Standard Order Committee
 Restraint Task Force
 PCA Team Development
 Management Development Program Coordinator
 Safety committee
 Nursing Grand Rounds Coordinator
 Extern Program Coordinator
 Mentor Program Coordinator

Nominated for Nurse Manager of the Year within first 6 months of employment.

Completed Dept of Justice Weapons of Mass Destruction Training

Newark Beth Israel Medical Center (NBIMC), Newark, New Jersey **1999-2000**

Saint Barnabas Healthcare System

Administrative Director Nursing Quality, Education, and Performance Improvement

Newark Beth Israel Medical Center is a 700 bed acute care teaching hospital encompassing the Heart Center of New Jersey and Children's Hospital of New Jersey.

As a member of Senior Nursing Management, was responsible for the administration of the Nursing Education department including the management of Clinical Nurse Educators, orientation of all staff and coordination of ongoing educational needs for nursing staff at Newark Beth Israel Medical Center.

Directed the Nursing Quality and Performance Improvement Program at NBIMC including the overall annual plan, and department indicator development. Responsible for the integration of this program throughout the Saint Barnabas Health Care System.

Developed and implemented the Nursing Quality Peer Review Program.

Established a Professional Advancement System to promote the development of Excellence in Nursing Practice.

Created the Nurse Externship program, as a recruitment and retention program, in addition to the Nurse Assistant and Unit Clerk internship program.

Member of:

Sentinel Event Alert Team
 Performance Improvement Accreditation Compliance Team
 JCAHO Team
 HCFA Team
 Lab Task Force
 Educators Forum
 Nursing Leadership
 Senior Nursing Management
 IRB Committee
 Performance Improvement Council
 Administrative Facilitator to the Unit Clerk Committee

Voted Department Head of the month after 8 months of hire.

Newton-Wellesley Hospital, Newton, Massachusetts
Director Critical Care/Medical/Surgical Nursing

1998-1999

Responsible for the administration of clinical practice on five specialty units comprising 106 beds: Oncology, Surgery, Orthopedic, Telemetry, Critical Care; and total budget in excess of 12 million dollars.

Managed the Outpatient Infusion Center, Inpatient Hemodialysis Unit, Cast Clinic and Float Staff.

Developed and implemented a leadership program to enhance manager development.

Streamlined care of the dialysis and cardiac patient.

Robert Wood Johnson University Hospital, New Brunswick, New Jersey
Robert Wood Johnson Health Care System
The Heart Center of New Jersey
Nursing Director - Medical Cardiology

1993-1998

Responsible for the administration and management of clinical practice on four specialty units comprising 80 beds, 150 FTEs and a total annual budget of 10 million dollars.

Developed and implemented an educational program to enhance staff development of 150 FTEs.

Created a program to train staff nurses in the removal of arterial line sheaths. This team currently consists of 6 staff RNs who are specially trained in this skill.

Coordinated and implemented a computerized telemetry screening program to facilitate the management of admissions and discharges through this fast paced cardiac unit.

In addition:

(Chair) Professional Advancement Council-280 RN Staff Participants
 (Co-Chair) Nursing Pharmacy Committee
 Nursing Management Committee (Chair '95-'96)
 Patient Processing Committee
 Informatics Committee
 Medical Technology Committee
 Heart Center Operations Committee
 Professional Practice and Leadership Committee
 Professional Privileges Committee
 OPTImap Task Forces
 Magnet Committee
 Advancement Design Committee

Beth Israel Hospital, Boston, Massachusetts

1987-1993

***Supervisor/Clinical Advisor for Medical/Surgical Nursing
 Clinical Nurse IV***

Responsible for Hospital wide administration and the management of clinical practice, education and professional staff development of the Medical/Surgical department.

Provided leadership and clinical expertise to primary nurses and their patients.

Coordinated and facilitated system wide issues within the institution.

***Educational Resource Nurse
 Clinical Nurse III***

Unit based educational resource nurse on a 30 bed cardiac specialty unit.

Developed and implemented an educational program to introduce a new hospital program for the care of Electrophysiology Patients.

Assessed, planned and coordinated the educational needs for staff through quality leadership, clinical teaching, mentoring and other developmental activities.

Planned and facilitated the competency based orientation program for all newly hired staff to the cardiac specialty unit.

In addition to clinical responsibilities, participated in:

Chairperson, Cardiac Arrest Resource Group
 Coordinator, Clinical Nurse Responder Group
 Infection Control Task Force
 Professional Practice Committee
 Preceptoring
 Member, Resuscitation Committee
 Member, ZOLL Resource Group
 Member, PTCA Pacemaker Group
 Coordinator, Cardiac Arrest Resource Group

Clinical Nurse II

Unit based resource nurse on a 30 bed cardiac specialty unit.

Acted as nurse manager on two separate occasions in the absence of the acting nurse manager.

Responsible for hiring, scheduling, orienting, performance appraisal, and counseling of staff.

Rhode Island Hospital, Providence, Rhode Island
Professional Registered Nurse

1983-1987

Clinical Practitioner for Medical/Surgical and Cardiology patients

Acted as a first level manager.

Also involved in Research Roundtable, mentoring and preceptoring.

Education

University of Pennsylvania, Graduate School of Nursing
Philadelphia, Pennsylvania

December 1992

Master of Science in Nursing, Nursing Administration Program

- Sigma Theta Tau Award Recipient
- Member, Sigma Theta Tau
- Graduate Nursing Association
- Research Assistant for the Stroke Study - an NIH granted study
Member of research team responsible for enrollment, data collection, and follow up of patients for a retrospective study investigating the correlation of stroke and depression.

University of Pennsylvania, Wharton School of Business
Philadelphia, Pennsylvania

December 1992

Concentration in Health Care Management

- Operational Research Project at Presbyterian Medical Center, Philadelphia, PA
Member of consultant team analyzing variable of cost, quality, and productivity in an acute care setting prior to implementing a new patient - centered focus model of care. Data accepted for poster session at the National Nursing Research Conference at the University of North Carolina, Chapel Hill, October, 1993.

University of Rhode Island
Kingston, Rhode Island

1978 - 1984

Bachelor of Science in Nursing
Bachelor of Arts in Biology

Professional Associations

Ambassador to Nursing Spectrum

AONE

MONE Local Chapter, Member of Practice Committee

Alumni Association of the University of Pennsylvania, School of Nursing

AACN - National Chapter - Local Chapter, New Jersey

Adjunct Professor at Seton Hall University School of Nursing

Lecturer at University of Pennsylvania, Graduate School of Nursing

Manuscript Reviewer for Nursing Spectrum

Manuscript Reviewer for Journal of Nursing Administration

International Who's Who of Professionals

Adjunct Professor at Chamberlain University- Leadership Tract

Sigma Theta Tau Member

Chamberlain College of Nursing Honor Society

Certifications

Board Certified in Nursing Administration ANCC

The Advisory Board Nursing Leadership Academy (In progress)

Brandeis University Executive Leadership Program (In progress)

Publications and Presentations

October 1993, poster presentation at National Research Conference, Cost Quality and Productivity Patient Centered model of care

February 1995, " Getting to the Heart of the Matter ", Nursing Spectrum

January 1996 lecture at ONENJ/Annual meeting entitled, Nurse Manager Role Redesign: Two Case Studies

November 1996, presentation at the Nursing Research Conference, RWJUH, entitled, Sleep Patterns in Hospitalized Patients with Coronary Artery Disease

May 1997, Poster presentation at Trends Conference, Sleep Patterns in Hospitalized Patients with Coronary Artery Disease

May 1997, Poster presentation at RWJUH Nurse Day, The Expert Practitioner: A Showcase of the CN III Candidate

November 1997, Poster presentation at Nurse Executive conference, Vasoseal: Changing the Future of Cardiology

November 1997, Poster presentation at Nurse Executive conference, Ensuring both Patient and Staff Satisfaction: A Liaison Relationship

February 1998, Sleep Patterns in Hospitalized Patients with Coronary Artery Disease, *Applied Nursing Research*.

April, 2000, Staffing and Management Methods: Tools and Techniques for Nursing Leaders, chapter 'Nurse Staffing Within an Integrated Delivery System, *AONE Leadership Series*

ATTACHMENT

#8

JoAnn Slota, RTR

PROFESSIONAL EXPERIENCE

Day Kimball Hospital, Putnam, CT

DI Manager: 2009-present

- Supervise a staff of 70 members
- Evaluate and coach employees regarding performance, conduct, attendance and other related matters
- Assure a cost effective quality product that is competitive, accessible and meets our customers' expectations
- Assist with planning, designing and implementing departmental policies, budgets and long range plans
- Submit fiscally viable budgets for all subdivisions of Diagnostic Imaging
- Participate in numerous committees throughout the organization to promote growth, revenue and increase customer satisfaction
- Mediate between sales and administration when considering purchasing new equipment
- Collaborate with DI Medical Director and radiologists to ensure quality imaging

Day Kimball Hospital, Putnam, CT

DI Operations Coordinator: 1979-2009

- Input into decisions pertaining to DI equipment, staffing, scheduling
- Set up schedules for all subdivisions of DI
- Participate in hiring and disciplining staff
- Responsible for all aspects of the department in the absence of the DI Director
- Key player in the development of the Siemens MS4 system order entry for Diagnostic Imaging and the scheduling program
- Assisted with radiology special procedures
- Back up Ultrasonographer and Nuclear Medicine Technologist

Day Kimball Hospital, Putnam, CT

Radiographer: 1978-1979

- Performed all aspects of radiology exams, including assisting with special procedures

Worcester City Hospital, Worcester, MA

Radiographer: 1975-1978

- Performed all aspects of radiology exams on all three shifts

Hubbard Regional Hospital, Webster, MA

Radiographer: 1974-1975

- Performed all aspects of radiology exams

EDUCATION

- Annual continuing education as required by ARRT-1975-present
- Quinsigamond Community College, Worcester, MA
Associate of Science in Radiologic Technology -1975
- Oxford High School, Oxford, MA - 1973

LICENSES

- Registered with the American Registry of Radiologic Technology - 117834
- Licensed in the State of Connecticut for Radiologic Technology - 001731
- CPR Certified

HOSPITAL COMMITTEES

- Radiation Safety
- HEAL
- Safety/Joint Commission Continuous Readiness
- Revenue Cycle Integrity Task Force
- Medical Necessity & Denials Management Team

ATTACHMENT

#9

Sandra J. Blake, RT(R)**Objective:**

- Pursue a rewarding career in the field of Women's Health and to utilize my skills and knowledge in order to ease the anxieties of patients undergoing an MRI exam.

Experience:

- 10/1992-5/1995
Staff Radiographer
Day Kimball Hospital
Putnam, CT
- 5/1995-5/1997
MRI Technologist
Alliance Imaging, Inc.
- 5/1997-12/2008
Manager of Operations
Alliance Imaging, Inc.
- 12/2008 to Present
Senior MRI Technologist
Alliance Imaging, Inc.

Qualifications:

- 14 years experience with Siemens Impact, Symphony, Avanto, Espree and Philips Intera
- Breast MRI, with Cad stream
- Work closely with Radiologists to implement Breast MRI programs for two hospitals.
- Attended several Breast Imaging educational seminars.
- Coordinating service calls and preventative maintenance
- Maintaining ACR and JC Accreditation standards

Interpersonal Skills:

- Able to independently troubleshoot and solve issues that arise
- Work well independently or as part of a team
- Enjoy working with patients and conduct all exams with sensitivity and professionalism.

ATTACHMENT

#10

DENISIA M. VEACH

GOAL:

- Pursue a rewarding career as a MR/CT imaging professional committed to innovative technology.
- Provide quality patient care using high ethical standards.
- Participate as a team player in diverse activities of the work place.

QUALIFICATIONS:

- ARRT certified with additional credentials in CT and MR
- Excellent work history.
- Good understanding of cross sectional anatomy and pathology from years of experience.
- Good communication and problem solving skills.
- Licensed in Connecticut and California.

EXPERIENCE:

2/16/07-Present Norwich Radiology Putnam MR Center,
39 Kennedy Dr., Putnam, CT 06260
860-928-1166

- Operate GE 1.0T MR with 9.1 software.
- Active role in quality control.

2/03-2/07 Norwich Radiology Group, 12 Case St.
12 Case St., Norwich, CT 06360

- Operate GE 1.0T MR with 9.1 software.
- Operate Hitachi 0.3T MRP7000 open MR.
- Operate GE spiral CT scanner as back up tech.
- Instrumental in obtaining ACR (American College of Radiology) accreditation by testing MR images for image quality and spatial/geometric accuracy.

9/85-6/02 Neurology Associates, One Towne Park Plaza
Norwich, CT 06360 860-886-1433

- Operate helical CT scanner (Elscent Helicat II)
- Perform angiographic and routine radiographic exams
- Order medical and radiographic supplies.

1979-85 Santa Monica Hospital Medical Center
1225 15th St. SM, CA.

- Operate Seimens CT scanner and perform ER x-ray exams.

EDUCATION:

- Mercy Hospital School of Radiologic Technology, Wilkes-Barre, PA
- Earned over 90 credits toward a health science degree attending various colleges and universities.
- Continuing education through seminars and publications.

ATTACHMENT

#11

U. S. TREASURY DEPARTMENT
INTERNAL REVENUE SERVICE

DISTRICT DIRECTOR
450 MAIN STREET
HARTFORD, CONNECTICUT ~~06108~~ 06101
P. O. Box 2158

IN REPLY REFER TO
AU:R:FO
Call 244-2433

JUL 11 1968

The Day-Kimball Hospital of Windham County
Putnam, Connecticut 06260

Attention: William J. Derevlany

Gentlemen:

This is in reply to your letter of June 26, 1968 requesting a statement indicating evidence of your tax-exempt status.

In a ruling, dated July 3, 1937, you were held to be exempt from Federal income tax as a charitable organization under the provisions of section 101(6) of the Revenue Act of 1936, which corresponds with section 501(c)(3) of the 1954 Internal Revenue Code now in effect.

You are listed on page 128 of Publication No. 78, "Cumulative List, Organizations Described in Section 170(c) of the Internal Revenue Code of 1954, revised to December 31, 1966." This publication includes the names of organizations contributions to which are deductible under section 170 of the Code.

Very truly yours,

John A. O'Boyle
JOHN A. O'BOYLE
Chief, Audit Division

ATTACHMENT

#12

STATE OF CONNECTICUT

Attachment #11/2012

Department of Public Health

LICENSE

License No. 0043

General Hospital

In accordance with the provisions of the General Statutes of Connecticut Section 19a-493:

Day Kimball Hospital of Putnam, CT, d/b/a Day Kimball Hospital is hereby licensed to maintain and operate a General Hospital.

Day Kimball Hospital is located at 320 Pomfret Street, Putnam, CT 06260

The maximum number of beds shall not exceed at any time:

18 Bassinets

104 General Hospital beds

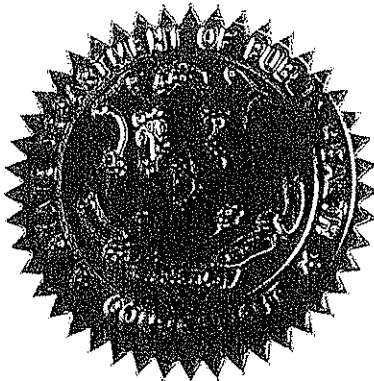
This license expires **September 30, 2011** and may be revoked for cause at any time.

Dated at Hartford, Connecticut, October 1, 2009. RENEWAL.

Satellites

Plainfield Medical Building, 31 Dow Road, Plainfield, CT

Thompson Medical Building, 415 Riverside Drive, Thompson, CT



J Robert Galvin MD, MPH, MBA

J. Robert Galvin, MD, MPH, MBA,
Commissioner

ATTACHMENT

#13

Day Kimball Healthcare, Inc.

**Independent Auditors' Report,
Consolidated Financial Statements, and
Supplemental Information**

**As of and for the Years Ended
September 30, 2009 and 2008**

Day Kimball Healthcare, Inc.
Independent Auditors' Report, Consolidated Financial
Statements, and Supplemental Information
As of and for the Years Ended
September 30, 2009 and 2008

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Saslow Lufkin & Buggy, LLP

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

Independent Auditors' Report

To the Board of Directors of
Day Kimball Healthcare, Inc.:

We have audited the accompanying consolidated balance sheets of Day Kimball Healthcare, Inc. (the Hospital) a Connecticut not-for-profit, non-stock corporation, as of September 30, 2009 and 2008, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Hospital's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Hospital's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Day Kimball Healthcare, Inc. as of September 30, 2009 and 2008, and the results of its consolidated operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The consolidating information listed within the Table of Contents has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies. Accordingly, we do not express an opinion on the financial position, results of operations, and cash flows of the individual companies. However, in our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Saslow Lufkin & Buggy, LLP

December 1, 2009

10 Tower Lane
Avon CT 06001
Telephone (860) 678-9200
FAX (860) 678-9202

30 Main Street
Burlington, VT 05401
Telephone (802) 865-9300
FAX (802) 865-9302

email: information@slbcpa.com

Day Kimball Healthcare, Inc.
Consolidated Balance Sheets
September 30, 2009 and 2008

	2009	2008
Assets		
Current assets:		
Cash and cash equivalents	\$ 9,970,754	\$ 10,775,830
Certificates of deposit	2,541,422	2,500,452
Short-term investments	10,865,968	10,340,434
Accounts receivable (less allowance for doubtful accounts of \$4,130,887 in 2009 and \$4,117,000 in 2008)	11,197,943	10,227,117
Accounts receivable, other	228,139	149,188
Inventories and prepaid expenses	1,482,202	951,421
Assets whose use is limited:		
Funds held under bond indenture agreement	605,899	418,444
Total current assets	36,892,327	35,362,886
Assets whose use is limited:		
Funds held under bond indenture agreement	1,292,324	1,292,324
Funds held under bond reserve fund	453,612	-
Funds restricted for bond reserve fund	-	839,000
Funds held in trust by others	3,734,376	3,756,691
Donor restricted endowment	3,612,175	3,281,562
Board restricted endowment	5,628,100	5,622,461
	14,720,587	14,792,038
Investments in real estate	291,301	305,037
Deferred financing costs, net	773,880	853,575
Property, plant and equipment, net	25,518,179	24,795,695
Total assets	\$ 78,196,274	\$ 76,109,231
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 3,735,626	\$ 1,955,951
Salaries and wages payable	1,617,235	1,557,644
Employee benefits payable	4,093,881	3,812,756
Due to third-party payers	3,205,718	1,916,517
Other liabilities	2,294,479	2,480,707
Current portion of pension liability	761,860	1,500,000
Current portion of long-term debt	530,000	500,000
Total current liabilities	16,238,799	13,723,575
Long-term debt, less current portion	13,620,000	14,150,000
Pension and other liabilities	25,602,222	2,079,231
Total liabilities	55,461,021	29,952,806
Net assets:		
Unrestricted	15,388,702	39,118,172
Temporarily restricted	3,711,784	3,345,100
Permanently restricted	3,634,767	3,693,153
Total net assets	22,735,253	46,156,425
Total liabilities and net assets	\$ 78,196,274	\$ 76,109,231

The accompanying notes are an integral part of these consolidated financial statements.

Day Kimball Healthcare, Inc.
Consolidated Statements of Operations
For the Years Ended September 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Operating revenues:		
Net revenues from services to patients	\$ 99,560,103	\$ 90,296,406
Other operating revenues	1,878,233	2,695,908
Grant income	933,549	762,432
Assets released from restrictions for operations	200,965	130,366
Total operating revenues	<u>102,572,850</u>	<u>93,885,112</u>
Operating expenses:		
Other professional services	27,695,510	23,705,702
Nursing services	22,011,176	22,372,793
Other operating expenses	19,454,572	17,019,073
Fiscal services	7,713,373	8,980,456
General services	6,763,719	6,636,258
Administrative services	4,043,985	4,902,811
Homecare	4,780,044	4,605,018
Depreciation	4,425,527	4,319,724
Bad debts	3,599,872	3,963,022
Interest and amortization	792,499	808,754
Total operating expenses	<u>101,280,277</u>	<u>97,313,611</u>
Gain (loss) from operations	1,292,573	(3,428,499)
Pension curtailment expense	-	(270,279)
Non-operating (losses) gains	<u>(687,680)</u>	<u>763,925</u>
Excess of revenues over (under) expenses	<u>\$ 604,893</u>	<u>\$ (2,934,853)</u>

The accompanying notes are an integral part of these consolidated financial statements.

Day Kimball Healthcare, Inc.
Consolidated Statements of Changes in Net Assets
For the Years Ended September 30, 2009 and 2008

	2009	2008
Unrestricted net assets:		
Excess of revenues over (under) expenses	\$ 604,893	\$ (2,934,853)
Pension related changes other than net periodic pension cost	(25,271,151)	4,610,030
Cumulative effect of adoption of pension measurement date	-	(667,198)
Change in unrealized gains (losses) on investments	924,737	(1,120,052)
Assets released from restrictions for property, plant and equipment	12,051	67,749
Change in unrestricted net assets	(23,729,470)	(44,324)
Temporarily restricted net assets:		
Contributions	500,338	331,210
Net realized and unrealized gains (losses) on investments	43,291	(32,288)
Change in funds held in trust by others	36,071	(233,546)
Assets released from restrictions	(213,016)	(198,115)
Change in temporarily restricted net assets	366,684	(132,739)
Permanently restricted net assets:		
Change in funds held in trust by others	(58,386)	(566,251)
Change in permanently restricted net assets	(58,386)	(566,251)
Change in net assets	(23,421,172)	(743,314)
Net assets at beginning of year	46,156,425	46,899,739
Net assets at end of year	\$ 22,735,253	\$ 46,156,425

The accompanying notes are an integral part of these consolidated financial statements.

Day Kimball Healthcare, Inc.
Consolidated Statements of Cash Flows
For the Years Ended September 30, 2009 and 2008

	2009	2008
Operating activities and non-operating gains and losses:		
Change in net assets	\$ (23,421,172)	\$ (743,314)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities and non-operating gains and losses:		
Depreciation and amortization	4,518,958	4,415,252
Provision for bad debts	3,599,872	3,963,022
Realized losses from sales of investments	1,207,755	710,253
Change in funds held in trust by others	22,315	799,797
Pension related changes other than net periodic pension cost	25,271,151	(4,610,030)
Restricted contributions and other investment earnings	(543,629)	(298,922)
Changes in operating assets and liabilities:		
Accounts receivable	(4,570,698)	(4,623,102)
Accounts receivable - other	(78,951)	(38,516)
Inventories and prepaid expenses	(530,781)	(55,637)
Accounts payable	1,779,675	234,577
Salaries and wages payable	59,591	448,091
Employee benefits payable	281,125	(455,483)
Due to third-party payers	1,289,201	336,160
Other liabilities	(2,672,528)	(2,700,935)
Net cash provided by (used in) operating activities and non-operating gains and losses	6,211,884	(2,618,787)
Investing activities:		
Additions to property, plant and equipment	(5,148,011)	(3,251,390)
Sales of investments, net	(1,684,153)	(473,666)
(Purchases) sales of certificates of deposit, net	(40,970)	4,093,507
Change in funds held under bond indenture agreement	(187,455)	(840,590)
Net cash used in investing activities	(7,060,589)	(472,139)
Financing activities:		
Proceeds from restricted contributions and restricted investment income	543,629	298,922
Principal payments on long-term debt	(500,000)	(475,000)
Net cash provided by (used in) financing activities	43,629	(176,078)
Change in cash and cash equivalents	(805,076)	(3,267,004)
Cash and cash equivalents at beginning of year	10,775,830	14,042,834
Cash and cash equivalents at end of year	\$ 9,970,754	\$ 10,775,830

The accompanying notes are an integral part of these consolidated financial statements.

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 1 - General

Organization - Day Kimball Healthcare, Inc., (d/b/a Day Kimball Hospital) (the Hospital) is a voluntary, tax-exempt association incorporated under the General Statutes of the State of Connecticut. The Hospital has two subsidiaries, Day Kimball Homemakers, Inc. (Homemakers) and Physician Services of Northeast Connecticut, LLC (Physician Services). Physician Services began operations on July 13, 2008.

The Hospital provides inpatient, outpatient and emergency care services for residents of northeastern Connecticut. Homemakers provides homemaker and chore companion services to residents of northeastern Connecticut. Physician Services provides primary care services in the towns of Danielson, Brooklyn, Woodstock, and Putnam, Connecticut.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation - The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America. The consolidated financial statements include the accounts of the Hospital and its wholly owned subsidiaries. All significant inter-company balances and transactions have been eliminated in consolidation.

Use of Estimates - The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and related footnotes. Actual results could differ from those estimates.

Cash and Cash Equivalents - The Hospital considers all highly liquid investments with original maturities of three months or less at date of purchase to be cash equivalents. At times, the Hospital maintains cash balances that are in excess of the \$250,000 Federal Depository Insurance Corporation (FDIC) insured limits. In addition, FDIC coverage for balances in non-interest bearing transaction deposit accounts is unlimited if the bank elects to participate. The Hospital maintains its cash at four banks, and it is the Hospital's policy to monitor the banks' financial strength on an ongoing basis.

Inventories - Inventories, used in general operations of the Hospital, are stated using the first-in first-out method.

Deferred Financing Costs - Deferred financing costs have been recorded as an asset and are being amortized using the effective interest method over the term of the related financing agreement. Amortization expense on deferred financing costs was \$79,695 and \$81,792 for the years ended September 30, 2009 and 2008, respectively.

Property, Plant and Equipment - Property, plant and equipment is recorded on the basis of cost or, if received as a donation or bequest, at the fair market value on the date received. The Hospital provides for depreciation of property, plant and equipment using the straight-line method in amounts sufficient to amortize the cost of the assets over their estimated useful lives.

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 2 - Summary of Significant Accounting Policies (continued)

Investments - Investments, which consist principally of marketable equity securities and fixed income maturities, are measured at fair value in the consolidated balance sheet. Investment income (including realized gains and losses on investments, interest and dividends) is included in excess of revenues over (under) expenses unless restricted by donor or law. Unrealized gains and losses on investments, if any, are excluded from excess of revenues over (under) expenses.

The investment return is comprised of operating interest, dividends and realized gains and losses on unrestricted investments, which are included within other operating revenues and non-operating income on the consolidated statements of operations. Investment income generated by funds held in trust by others is included within non-operating (losses) gains in the consolidated statements of operations. In addition, in 2008 the Hospital received a \$1,158,104 cash insurance settlement, which is included within non-operating (losses) gains during 2008, see Note 10 for further discussion of this settlement.

Effective October 1, 2008, the Hospital adopted provisions of Accounting Standards Codification 820-10, "*Fair Value Measurements and Disclosures*" (ASC 820-10). For financial statement elements currently required to be measured at fair value, ASC 820-10 redefines fair value, establishes a framework for measuring fair value under accounting principles generally accepted in the United States of America, and enhances disclosures about fair value measurements. The new definition of fair value focuses on the price that would be received to sell the asset or paid to transfer the liability, which is referred to as the exit price. ASC 820-10 provides guidance on how to measure fair value, when required, under existing accounting standards. ASC 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels (Level 1, 2 and 3).

Level 1 - Observable inputs that reflect quoted prices for identical assets or liabilities in active markets that the Hospital has the ability to access at the measurement date.

Level 2 - Observable inputs, other than quoted prices included in Level 1, for the asset or liability or prices for similar assets and liabilities.

Level 3 - Unobservable inputs reflecting the Hospital's estimates of the assumptions that market participants could use in pricing the asset or liability (including assumptions about risk).

Other Than Temporary Impairments on Investments - When a decline in fair market value is deemed to be other than temporary, a provision for impairment is charged to earnings, included in net realized gains (losses) on investments, and the cost basis of that investment is reduced. For equity securities, the Hospital's management reviews several factors to determine whether a loss is other than temporary, such as the length of time a security is in a unrealized loss position, extent to which the fair value is less than cost, the financial condition and near term prospects of the issuer and the Hospital's intent and ability to hold the security for a period of time sufficient to allow for any anticipated recovery in fair value.

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 2 - Summary of Significant Accounting Policies (continued)

The Hospital adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification 320-10, *"Investments - Debt and Equity Securities"* (which encompassed FASB Staff Position Financial Accounting Standard 115-2 and Financial Accounting Standard 124-2), *"Recognition and Presentation of Other-Than-Temporary Impairments"* (FSP FAS 115-2/124-2), which relates to fixed income securities.

This guidance requires the Hospital to evaluate whether it intends to sell an impaired fixed income security or whether it is more likely than not that it will be required to sell an impaired fixed income security before recovery of the amortized cost basis. If either of these criteria are met, an impairment equal to the difference between the fixed income security's amortized cost and its fair value is recognized in earnings. For impaired fixed income securities that do not meet these criteria, the Hospital determines if a credit loss exists with respect to the impaired security. If a credit loss exists, the credit loss component of the impairment (i.e., the difference between the security's amortized cost and its projected net present value) is recognized in earnings and the remaining portion of the impairment is recognized outside of excess of revenues over expenses. No impairment losses were recognized during 2009. An impairment loss was recognized during 2008, which is further described in Note 4.

Temporarily and Permanently Restricted Net Assets - Temporarily restricted net assets are those whose use by the Hospital has been limited by donors to a specific time frame or purpose and are included within assets whose use is limited. Temporarily restricted net assets are available primarily for health care services, including cancer and pediatric programs, and capital replacement.

Permanently restricted net assets consist of the Hospital's permanently restricted endowments, which are included in donor restricted endowment and in funds held in trusts by others. Permanently restricted net assets are restricted primarily for investments to be held in perpetuity, the income from which is expendable to support health care services and restricted funds held in trust by others, the income from which is expendable to support health care services.

Donor Restricted Gifts - Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statements of operations or changes in net assets, as net assets released from restrictions.

Excess of Revenues Over (Under) Expenses - The consolidated statements of operations includes excess of revenues over (under) expenses. Changes in unrestricted net assets, which are excluded from excess of revenues over (under) expenses, consistent with industry practice, include unrealized gains and losses on investments other than trading securities, assets released from restrictions for purchase of property, plant and equipment and certain changes in pension liabilities.

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 2 - Summary of Significant Accounting Policies (continued)

Estimated Malpractice Costs - The Hospital maintains a claims-made medical malpractice policy. The Hospital has recorded a reserve for estimated medical malpractice claims incurred but not reported. The Hospital utilizes the services of an independent consulting actuary to estimate the reserve for estimated incurred but not reported medical malpractice claims.

Charity Care - The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

Non-Operating (Losses) Gains - Activities, other than in connection with providing health care services, are considered to be non-operating. Non-operating gains and losses consist primarily of income on board restricted endowment funds, income from funds held in trust by others and the insurance settlement of \$1,158,104 in 2008.

Income Taxes - The Hospital and Homemakers are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and are exempt from federal and state income taxes on related income pursuant to Section 501(a) of the Code. Physician Services is a limited liability company and the effect of its tax activities accrue to its sole member, which is the Hospital.

Effective October 1, 2007, the Hospital adopted certain provisions of Accounting Standards Codification 740-10, "Income Taxes" (ASC 740-10), which clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements. ASC 740-10 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a company's tax position taken or expected to be taken in a tax return. ASC 740-10 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. The adoption of ASC 740-10 did not have any impact on the accompanying financial statements, as the Hospital does not believe that it has any uncertain tax positions.

Reclassifications - Certain 2008 amounts have been reclassified to conform with the 2009 financial statement presentation. Such reclassifications consisted of certain board and donor restricted endowment assets now being reported within assets whose use is limited and the income and losses on the board restricted endowments being reclassified to non-operating (losses) gains. Such reclassifications did not have a material effect on the consolidated financial statements.

Recent Accounting Pronouncement - In June 2009, the FASB issued Statement of Financial Accounting Standards No. 168, "FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles - A Replacement of FASB Statement No. 162". This guidance establishes the FASB Accounting Standards Codification (the Codification) as the source of authoritative GAAP for nongovernmental entities. The Codification supersedes all existing non-SEC accounting and reporting standards. Rules and interpretive releases of the SEC under authority of federal securities laws will remain authoritative GAAP for SEC registrants.

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 2 - Summary of Significant Accounting Policies (continued)

This guidance is effective for financial statements issued for interim and annual periods ending after September 15, 2009. As the Codification will not change existing GAAP, the adoption of this guidance did not have an impact on the consolidated financial condition or results of consolidated operations of the Hospital.

Subsequent Events - Subsequent events have been evaluated through November 19, 2009, the date through which procedures were performed to prepare the financial statements for issuance.

Note 3 - Revenues from Services to Patients and Charity Care

The following summarizes net patient service revenues for the year ended September 30, 2009:

	<u>Day Kimball Hospital</u>	<u>Day Kimball Homemakers, Inc.</u>	<u>Physician Services of NE CT, LLC</u>	<u>Total</u>
Gross revenues from services to patients	\$ 165,561,002	\$ 1,275,127	\$ 3,172,532	\$ 170,008,661
Deductions:				
Allowances	68,355,481	-	882,840	69,238,321
Charity care	1,210,237	-	-	1,210,237
	<u>69,565,718</u>	<u>-</u>	<u>882,840</u>	<u>70,448,558</u>
Net revenues from services to patients	<u>\$ 95,995,284</u>	<u>\$ 1,275,127</u>	<u>\$ 2,289,692</u>	<u>\$ 99,560,103</u>

The following summarizes net patient service revenues for the year ended September 30, 2008:

	<u>Day Kimball Hospital</u>	<u>Day Kimball Homemakers, Inc.</u>	<u>Physician Services of NE CT, LLC</u>	<u>Total</u>
Gross revenues from services to patients	\$ 154,041,672	\$ 1,077,163	\$ 366,469	\$ 155,485,304
Deductions:				
Allowances	64,337,750	-	130,446	64,468,196
Charity care	720,702	-	-	720,702
	<u>65,058,452</u>	<u>-</u>	<u>130,446</u>	<u>65,188,898</u>
Net revenues from services to patients	<u>\$ 88,983,220</u>	<u>\$ 1,077,163</u>	<u>\$ 236,023</u>	<u>\$ 90,296,406</u>

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 3 - Revenues from Services to Patients and Charity Care (continued)

Patient accounts receivable and revenues are recorded when patient services are performed. Amounts received from most third-party payers are different from established billing rates of the Hospital, and these differences are accounted for as contractual allowances.

Net revenues from services to patients are reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated retroactive adjustments from cost reports with third-party payers. Cost report adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. During 2009, approximately 31% of net revenues from services to patients were received under the Medicare program, 13% under the Medicaid and town programs, and 22% from Blue Cross. During 2008, approximately 35% of net revenues from services to patients were received under the Medicare program, 9% under the Medicaid and town programs, and 25% from Blue Cross.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. The Hospital believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. While no such regulatory inquiries are outstanding, compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs.

The Hospital has agreements with various health maintenance organizations (HMOs) to provide medical services to subscribing participants. Under these agreements, the HMOs make fee-for-service and contractual payments to the Hospital for certain covered services based upon discounted fee schedules.

The Hospital accepts all patients regardless of their ability to pay. A patient is classified as a charity patient by reference to the established policies of the Hospital. Essentially, these policies define charity services as those services for which no payment is anticipated. In assessing a patient's inability to pay, the Hospital utilizes the generally recognized poverty income levels for the State, but also includes certain cases where incurred charges are significant when compared to incomes. These charges are not included in net revenues from services to patients for financial reporting purposes.

Note 4 - Investments

The Hospital has investments whose use is limited, which are carried on the consolidated balance sheets within funds held in trust by others, funds held under a bond indenture agreement, funds held under a bond reserve fund, donor restricted endowment and board restricted endowment. The composition of these assets consists primarily of cash, fixed income and equity investments. The funds held in trust by others were \$3,734,376 and \$3,756,691 as of September 30, 2009 and 2008, respectively.

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 4 - Investments (continued)

The \$453,612 of funds held under the bond reserve fund as of September 30, 2009 and the \$839,000 of funds that were restricted for the bond reserve fund as of September 30, 2008, were established due to the fact that the Hospital did not meet certain 2008 debt covenants of the bond insurer, see Note 6. The funds held under a bond indenture agreement whose use is limited are \$1,898,223 and \$1,710,768 as of September 30, 2009 and 2008, respectively.

Short-term investments, donor restricted endowment and board restricted endowment as of September 30, 2009 and 2008 consist of the following:

	<u>2009</u>	<u>2008</u>
Money market funds	\$ 8,764,138	\$ 7,382,872
Equities	5,134,640	4,467,910
Mutual funds	3,955,227	2,378,762
Government securities	1,309,545	3,440,773
Corporate bonds	<u>942,693</u>	<u>1,574,140</u>
	20,106,243	19,244,457
Less: donor restricted endowment	3,612,175	3,281,562
Less: board restricted endowment	<u>5,628,100</u>	<u>5,622,461</u>
Short-term investments	<u>\$ 10,865,968</u>	<u>\$ 10,340,434</u>

Investment income, which is included within other operating revenues and non-operating (losses) gains, is comprised of the following for the years ended September 30, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Income:		
Realized losses on sales of investments	\$ (1,207,755)	\$ (710,253)
Interest income	762,627	1,011,386
Non-operating interest and dividend income	<u>93,880</u>	<u>113,826</u>
Total investment return	<u>\$ (351,248)</u>	<u>\$ 414,959</u>
Other changes in net assets:		
Unrealized gains (losses) on investments	<u>\$ 924,737</u>	<u>\$ (1,120,052)</u>

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 4 - Investments (continued)

The following table shows the investments' gross unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at September 30, 2009:

	Less than 12 months		Greater than 12 months		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Equities	\$ 817,827	\$ (86,704)	\$ 1,076,480	\$ (261,887)	\$ 1,894,307	\$ (348,591)
Mutual funds	178,844	(17,452)	763,979	(172,872)	942,823	(190,324)
Government securities	351,562	(352)	-	-	351,562	(352)
Corporate bonds	392,681	(3,803)	-	-	392,681	(3,803)
	<u>\$ 1,740,914</u>	<u>\$ (108,311)</u>	<u>\$ 1,840,459</u>	<u>\$ (434,759)</u>	<u>\$ 3,581,373</u>	<u>\$ (543,070)</u>

In 2009, none of the investments that were in an unrealized loss position were considered to be other than temporarily impaired.

The following table shows the investments' gross unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at September 30, 2008:

	Less than 12 months		Greater than 12 months		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Equities	\$ 2,760,892	\$ (548,370)	\$ 196,687	\$ (9,124)	\$ 2,957,579	\$ (557,494)
Mutual funds	1,179,767	(179,280)	545,130	(19,826)	1,724,897	(199,106)
Government securities	2,148,391	(11,914)	-	-	2,148,391	(11,914)
Corporate bonds	1,413,119	(77,454)	87,714	(485)	1,500,833	(77,939)
	<u>\$ 7,502,169</u>	<u>\$ (817,018)</u>	<u>\$ 829,531</u>	<u>\$ (29,435)</u>	<u>\$ 8,331,700</u>	<u>\$ (846,453)</u>

During 2008, the Hospital recognized an impairment loss of \$484,000 resulting from certain unrealized losses, which were deemed to be other than temporary. The investments that were deemed to be other than temporarily impaired had a market value of \$1,137,471 as of September 30, 2008. This impairment loss is included within other operating revenues on the consolidated statement of operations and has reduced the Hospital's cost basis for these investments to their market values as of September 30, 2008.

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 5 - Endowment and Restricted Funds

The Hospital's endowment consists of multiple funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds, funds designated by the Board of Directors to function as endowments and funds held in trust by others. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor restrictions.

The Hospital has interpreted the relevant laws as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Hospital during its annual budgeting process.

The Hospital considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund; (2) the purposes of the Hospital and the donor-restricted endowment fund; (3) general economic conditions; (4) the possible effect of inflation and deflation; (5) the expected total return from income and the appreciation of investments; (6) other resources of the Hospital; and (7) the investment policies of the Hospital.

The net asset composition of the Hospital's endowment and other donor restricted funds as of September 30, 2009 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Board restricted	\$ 5,628,100	\$ -	\$ -	\$ 5,628,100
Beneficial trusts	-	1,283,957	2,450,419	3,734,376
Donor restricted	-	2,427,827	1,184,348	3,612,175
Total	<u>\$ 5,628,100</u>	<u>\$ 3,711,784</u>	<u>\$ 3,634,767</u>	<u>\$ 12,974,651</u>

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 5 - Endowment and Restricted Funds (continued)

The net asset composition of the Hospital's endowment and other donor restricted funds as of September 30, 2008 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Board restricted	\$ 5,622,461	\$ -	\$ -	\$ 5,622,461
Beneficial trusts	-	1,247,886	2,508,805	3,756,691
Donor restricted	-	2,097,214	1,184,348	3,281,562
Total	<u>\$ 5,622,461</u>	<u>\$ 3,345,100</u>	<u>\$ 3,693,153</u>	<u>\$ 12,660,714</u>

Changes in endowment and other donor restricted net assets for the year ended September 30, 2009 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Balance at October 1, 2008	\$ 5,622,461	\$ 3,345,100	\$ 3,693,153	\$ 12,660,714
Investment return:				
Investment income	397,926	34,110	-	432,036
Net change in market value	(305,638)	45,252	(58,386)	(318,772)
Contributions	-	500,338	-	500,338
Expenditures	(86,649)	(213,016)	-	(299,665)
Balance at September 30, 2009	<u>\$ 5,628,100</u>	<u>\$ 3,711,784</u>	<u>\$ 3,634,767</u>	<u>\$ 12,974,651</u>

Net asset funds that are temporarily restricted are available for the following purposes as of September 30, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Beneficial trusts	\$ 1,283,957	\$ 1,247,886
Health care services	2,427,827	2,097,214
	<u>\$ 3,711,784</u>	<u>\$ 3,345,100</u>

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 5 - Endowment and Restricted Funds (continued)

Net asset funds that are permanently restricted as of September 30, 2009 and 2008 consist of the following:

	2009	2008
Beneficial trusts	\$ 2,450,419	\$ 2,508,805
Held in perpetuity with income restricted for operations	1,184,348	1,184,348
	\$ 3,634,767	\$ 3,693,153

Funds with Deficiencies - From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or relevant law requires the Hospital to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in unrestricted net assets. As of September 30, 2009 and 2008, there were no funds that were below the level required by donor or law.

Return Objectives and Risk Parameters - The Hospital's investment and spending policies for endowment assets attempts to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk.

Strategies Employed for Achieving Objectives - To satisfy its long-term rate-of-return objectives, the Hospital relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Hospital targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy - During its annual budgeting process, the Hospital appropriates donor restricted endowment funds for expenditure in accordance with donor purpose and time restrictions. The Hospital appropriated \$86,649 in funds for expenditure from its board restricted endowment for the year ending September 30, 2009. The board restricted endowment funds are being held for long-term growth and to maintain capital reserves for the Hospital.

Note 6 - Long-Term Debt

The Hospital has entered into a financing arrangement with the State of Connecticut Health and Educational Facilities Authority (the Authority) under a Trust Indenture for the financing of a facility renovation project. The Authority sold \$19,150,000 of Series A, fixed rate, insured revenue bonds, maturing serially from 1996 through 2026 with an average annual interest rate of approximately 5.2%. The balance of this debt as of September 30, 2009 and 2008 was \$14,150,000 and \$14,650,000, respectively. Under the terms of the financing arrangement, the proceeds of the Series A revenue bonds were loaned to the Hospital by the Authority.

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 6 - Long-Term Debt (continued)

Pursuant to the loan agreements, the Hospital is required to provide amounts sufficient to enable the Authority to pay the principal and interest on the bonds. The borrowings under the Series A revenue bonds are secured by the pledge of gross receipts of the Hospital, as defined.

The debt is insured by a municipal bond insurance policy. Included within the debt agreements are financial covenants for the benefit of the bond insurer. These covenants include a minimum operating margin requirement of 1.0% and a minimum debt service coverage ratio of 2.0 to 1.0. For the year ending September 30, 2009, the Hospital was in compliance with these requirements. For the year ending September 30, 2008, the Hospital was not in compliance with these requirements. This violation required the Hospital to deposit funds into a special reserve fund in accordance with the calculation included within the master trust indenture agreement. The funds will be released to the Hospital in three equal annual installments after the Hospital has satisfied the covenants for a period of three consecutive years. The special reserve fund of \$453,612 as of September 30, 2009 has been included within the assets whose use is limited on the accompanying consolidated balance sheet. In 2008, the Hospital had estimated the amount which was to be restricted as a result of this non-compliance as \$839,000. The Hospital has other covenants related to the Authority loan and trust indenture documents, including limitations on new indebtedness and a minimum debt service coverage ratio requirement of 1.35 to 1.0. The Hospital was in compliance with these covenants for 2009 and 2008.

Maturities of long-term debt for the five years subsequent to September 30, 2009 are as follows:

2010	\$ 530,000
2011	560,000
2012	590,000
2013	620,000
2014	655,000
Thereafter	<u>11,195,000</u>
	<u>\$ 14,150,000</u>

Interest paid during fiscal year 2009 and 2008 amounted to \$799,218 and \$812,138, respectively.

The Hospital has a line of credit agreement with Citizens National Bank for \$2.5 million. The line matures on November 1, 2011, and bears interest at the prime rate minus one half a percentage point (2.75% and 4.50% as of September 30, 2009 and 2008, respectively). There were no borrowings against the line as of September 30, 2009 and 2008.

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 7 - Pension Plan

The Hospital has a defined benefit pension plan (the Plan) covering all employees who have worked at least 1,000 hours during the year. Effective January 1, 2006, the Hospital amended the Plan to exclude all new hires after December 31, 2005. Effective September 30, 2008, the Plan was frozen and the participants are no longer accruing additional benefits. The impact of freezing the Plan required the Hospital to recognize a curtailment expense of \$270,279 during the fiscal year ended September 30, 2008. The benefits were based on years of service and the employee's compensation. The Hospital's funding policy is to contribute amounts sufficient to cover benefits to be paid as required by Employee Retirement Income Security Act funding standards.

Accounting Standards Codification 715-60, "Defined Benefit Plans - Other Postretirement" (ASC 715-60) required the Hospital to begin measuring the funded status of the Plan as of the date of its year end consolidated balance sheets. Prior to the adoption of the measurement provision during the fiscal year ending September 30, 2008, the Hospital had measured its year end liability as of June 30. The adoption of the measurement provision caused the Hospital to recognize an increase to the pension liability of \$667,198 and a corresponding decrease to unrestricted net assets of \$667,198, which represented the three-month adjustment to bring the valuation date to September 30, 2008.

Significant disclosures relating to the Plan as of the related valuation dates are as follows:

	<u>2009</u>	<u>2008</u>
Change in benefit obligations:		
Benefit obligations at beginning of year	\$ 61,816,102	\$ 72,982,495
Service cost	-	2,890,476
Interest cost	4,573,185	4,598,091
Curtailment and plan amendments	-	(7,481,832)
Actuarial loss (gain)	19,966,480	(8,653,938)
Benefits paid	(2,937,467)	(3,186,388)
Impact of measurement date adoption	-	667,198
Benefit obligations at end of year	<u>\$ 83,418,300</u>	<u>\$ 61,816,102</u>
Change in plan assets:		
Fair value of plan assets at beginning of year	\$ 58,236,871	\$ 56,410,736
Actual return on plan assets	104,814	(7,562,452)
Employer contributions	1,750,000	12,574,975
Benefits paid	(2,937,467)	(3,186,388)
Fair value of plan assets at end of year	<u>\$ 57,154,218</u>	<u>\$ 58,236,871</u>
Accrued pension liability:		
Unfunded status	<u>\$ (26,264,082)</u>	<u>\$ (3,579,231)</u>

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 7 - Pension Plan (continued)

	<u>2009</u>	<u>2008</u>
Components of net periodic benefit (income) cost:		
Service cost	\$ -	\$ 2,890,476
Interest cost	4,573,185	4,598,091
Expected return on plan assets	(5,409,485)	(4,888,667)
Net amortization and deferral	-	33,898
Recognized net loss	-	620,169
Curtailement expense	-	270,279
Net periodic benefit (income) cost	<u>\$ (836,300)</u>	<u>\$ 3,524,246</u>

Assumptions:

Weighted-average assumptions used to determine benefit obligations:

Discount rate	5.55%	7.55%
Rate of compensation increase	N/A	N/A

Weighted-average assumptions used to determine net periodic benefit (income) cost:

Discount rate	7.55%	6.41%
Expected long-term return on plan assets	8.00%	8.25%

Amounts recorded in unrestricted net assets as of September 30, 2009 and 2008, not yet amortized as components of net periodic benefit (income) costs are as follows:

	<u>2009</u>	<u>2008</u>
Unamortized actuarial loss	<u>\$ 33,764,041</u>	<u>\$ 8,592,890</u>
Amount recognized as a reduction in unrestricted net assets	<u>\$ 33,764,041</u>	<u>\$ 8,592,890</u>

The amortization of the above items expected to be recognized in net periodic benefit (income) costs are approximately \$1,600,000 and \$0 for the years ending September 30, 2010 and 2009, respectively.

Plan assets are invested in an insurance contract with Prudential and other investments with Merrill Lynch.

The expected long-term rate of return assumption is determined by adding expected inflation to expected long-term real returns of various asset classes, taking into account expected volatility and the correlation between the returns of various asset classes.

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 7 - Pension Plan (continued)

The asset mix was determined by evaluating the expected return against the Plan's long-term objectives. Performance is monitored on a monthly basis and the portfolio is rebalanced back to target levels to ensure the targets are within range. The investment policy describes which securities are allowed in the portfolios and the financial objectives of the Plan with which the Investment Committee of the Board of Directors oversees. The Investment Committee monitors the investment performance quarterly to determine the continued feasibility of achieving the investment objectives and the appropriateness of the investment policy.

The fair values of the Hospital's pension plan assets by asset category are as follows for the year ending September 30, 2009, are as follows:

	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market securities	\$ 2,098,639	\$ -	\$ -
Fixed income	-	8,784,428	-
Equity securities	34,616,163	-	-
Guaranteed investment contract	-	-	11,654,988
	<u>\$ 36,714,802</u>	<u>\$ 8,784,428</u>	<u>\$ 11,654,988</u>

As of October 1, 2008, the value of the guaranteed investment contract was \$13,887,310. During the year ending September 30, 2009, the value decreased for disbursements of \$2,998,907 and increased for income of \$766,585.

Contributions - The Hospital expects to contribute \$761,870 to its pension plan during the fiscal year beginning October 1, 2009.

Estimated future benefit payments - The following benefit payments, which reflect expected future services, as appropriate, are expected to be paid as follows:

2010	\$ 3,333,000
2011	\$ 3,586,000
2012	\$ 3,861,000
2013	\$ 4,159,000
2014	\$ 4,427,000
Years 2015-2019	\$ 25,888,000

The Hospital also has established a defined contribution benefit plan, which became effective January 1, 2006. Substantially all full-time employees are eligible to participate in the new plan.

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 7 - Pension Plan (continued)

Employees may contribute up to 50% of their compensation into the defined contribution plan subject to Internal Revenue Service limitations and the Hospital contributes 3% of each eligible participant's gross earnings. In addition, the Hospital will contribute an additional 3% for participants that are fifty-five or fifty years of age with 10 years of vesting service. The Hospital made employer contributions to the defined contribution plan totaling \$1,599,418 in 2009 and \$160,054 in 2008. Employees become vested in the Hospital's contributions over three years. The portion of the employer contributions unvested upon termination of an employee are forfeited and used to reduce future contributions made by the Hospital on a dollar-for-dollar basis.

Note 8 - Property, Plant and Equipment

Property, plant and equipment consist of the following at September 30, 2009:

	<u>Day Kimball Hospital</u>	<u>Day Kimball Homemakers, Inc.</u>	<u>Physician Services of NE CT, LLC</u>	<u>Total</u>
Land and land improvements	\$ 3,526,800	\$ -	\$ -	\$ 3,526,800
Buildings and improvements	49,951,086	-	-	49,951,086
Fixed equipment	812,679	-	-	812,679
Movable equipment	25,541,292	63,027	12,684	25,617,003
Construction in progress (estimated cost to complete - \$987,493)	1,220,368	-	-	1,220,368
	<u>81,052,225</u>	<u>63,027</u>	<u>12,684</u>	<u>81,127,936</u>
Less: accumulated depreciation	<u>(55,565,960)</u>	<u>(41,575)</u>	<u>(2,222)</u>	<u>(55,609,757)</u>
	<u>\$ 25,486,265</u>	<u>\$ 21,452</u>	<u>\$ 10,462</u>	<u>\$ 25,518,179</u>

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 8 - Property, Plant and Equipment (continued)

Property, plant and equipment consist of the following at September 30, 2008:

	<u>Day Kimball Hospital</u>	<u>Day Kimball Homemakers, Inc.</u>	<u>Total</u>
Land and land improvements	\$ 2,877,284	\$ -	\$ 2,877,284
Buildings and improvements	47,852,530	-	47,852,530
Fixed equipment	812,679	-	812,679
Movable equipment	24,323,797	57,729	24,381,526
Construction in progress (estimated cost to complete - \$309,239)	455,330	-	455,330
	<u>76,321,620</u>	<u>57,729</u>	<u>76,379,349</u>
Less: accumulated depreciation	<u>(51,554,467)</u>	<u>(29,187)</u>	<u>(51,583,654)</u>
	<u>\$ 24,767,153</u>	<u>\$ 28,542</u>	<u>\$ 24,795,695</u>

Note 9 - Operating Leases

The Hospital is party to various operating lease agreements and subleases space to various tenants. Future minimum lease payments are \$424,288 (2010), \$209,039 (2011), \$40,191 (2012), \$11,204 (2013) and \$0 (2014).

Note 10 - Medical Malpractice

The Hospital maintains claims made professional and general liability insurance to cover malpractice and general liability exposures. The current insurance coverage does not have a deductible amount. There are known claims and incidents that may result in the assertion of additional claims, as well as claims from unknown incidents that may be asserted arising from services provided to patients. The Hospital believes that it has the ability and intent to continue purchasing such claims-made policies. In addition, the Hospital has estimated and recorded the ultimate costs, if any, of the settlement of all incurred but not reported claims.

During the year ending September 30, 2008, the Hospital received a \$1,158,104 insurance settlement from an insurance company that underwrote the Hospital's older malpractice insurance policies which was placed into run-off. The settlement is included within non-operating (losses) gains on the consolidated statement of operations during 2008.

Note 11 - Contingencies

The Hospital is a party to various claims and lawsuits incidental to its business. Management believes that these matters will not have a material adverse effect on its consolidated financial position.

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 11 - Contingencies (continued)

The Hospital and the Hospital's defined benefit pension plan invest in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term.

Note 12 - Functional Expenses

The Hospital, Homemakers, and Physician Services provide general health care services to residents within their geographic location. General and administrative expenses were approximately 19% of total expenses in 2009 and 2008.

Note 13 - Concentration of Credit Risk

The Hospital grants credit without collateral to its patients, most of whom are local residents and are insured under third party payer agreements. The mix of receivables from patients and third party payers at September 30, 2009 and 2008, was as follows:

	<u>2009</u>	<u>2008</u>
Medicare	31%	31%
Medicaid	17%	11%
Blue Cross	11%	15%
Self pay	21%	21%
HMO and commercial	17%	17%
Other	3%	5%
	<u>100%</u>	<u>100%</u>

Note 14 - Related Party Transactions

During the year ending September 30, 2009, the Hospital recorded an investment in Physician Services of \$1,050,000, which represents the cumulative amount of capital that the Hospital has invested in Physician Services. In addition, as of September 30, 2009 and 2008, Physician Services owes the Hospital \$261,865 and \$45,302, respectively, of costs associated with the management, accounting and oversight services.

As of September 30, 2009 and 2008, Homemakers owes the Hospital \$4,437 and \$5,255, respectively.

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 15 - Fair Value of Financial Instruments

The Hospital's short term investments, donor restricted endowment and board restricted endowment consist of money market funds, equity securities, mutual funds, governmental securities and corporate bonds as of September 30, 2009 and are recorded at fair value in accordance with ASC 820-10 as further described in Note 2.

The Hospital measures the fair value of these securities at September 30, 2009 as follows:

	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market funds	\$ 8,764,138	\$ -	\$ -
Equities	5,134,640	-	-
Mutual funds	3,955,227	-	-
Government securities	-	1,309,545	-
Corporate bonds	-	942,693	-
	<u>\$ 17,854,005</u>	<u>\$ 2,252,238</u>	<u>\$ -</u>

The following methods and assumptions were used by the Hospital in estimating the fair value of its other financial instruments:

Cash and cash equivalents: The carrying amounts reported in the consolidated balance sheets approximate the fair value.

Certificates of deposit: The carrying amounts reported in the consolidated balance sheets approximate the fair value.

Funds held under bond indenture agreement: The carrying amounts reported in the consolidated balance sheets approximate the fair value.

Funds held in trust by others: These assets consist primarily of cash, short and long-term investments. The carrying amounts reported in the consolidated balance sheets are fair value based on quoted active market prices (level 1).

Accounts payable and salaries and wages payable: The carrying amounts reported in the consolidated balance sheets approximate the fair value.

Due to third-party payers: The carrying amounts reported in the consolidated balance sheets approximate the fair value.

Day Kimball Healthcare, Inc.
Notes to the Consolidated Financial Statements
For the Years Ended September 30, 2009 and 2008

Note 15 - Fair Value of Financial Instruments (continued)

Long-term debt: The carrying amounts reported in the consolidated balance sheets approximate the fair values. The fair value of the Hospital's long-term debt is estimated using a discounted cash flow analysis, based on the Hospital's current incremental borrowing rates for similar types of borrowing arrangements (Level 3).

Day Kimball Healthcare, Inc.
Consolidating Balance Sheet
September 30, 2009

Assets	Day Kimball Hospital	Day Kimball Homemakers, Inc.	Physician Services of NE CT, LLC	Eliminations	Day Kimball Healthcare, Inc.
Current assets:					
Cash and cash equivalents	\$ 9,595,927	\$ 360,884	\$ 13,943	\$ -	\$ 9,970,754
Certificates of deposit	2,541,422	-	-	-	2,541,422
Short-term investments	10,865,968	-	-	-	10,865,968
Accounts receivable (less allowance for doubtful accounts of \$4,130,887)	10,764,165	219,057	214,721	-	11,197,943
Due from affiliates	266,302	-	-	(266,302)	-
Accounts receivable, other	228,139	-	-	-	228,139
Inventories and prepaid expenses	1,478,957	3,245	-	-	1,482,202
Assets whose use is limited:					
Funds held under bond indenture agreement	605,899	-	-	-	605,899
Total current assets	<u>36,346,779</u>	<u>583,186</u>	<u>228,664</u>	<u>(266,302)</u>	<u>36,892,327</u>
Assets whose use is limited:					
Funds held under bond indenture agreement	1,292,324	-	-	-	1,292,324
Funds held under bond reserve fund	453,612	-	-	-	453,612
Funds held in trust by others	3,734,376	-	-	-	3,734,376
Donor restricted endowment	3,605,872	6,303	-	-	3,612,175
Board restricted endowment	5,539,186	88,914	-	-	5,628,100
	<u>14,625,370</u>	<u>95,217</u>	<u>-</u>	<u>-</u>	<u>14,720,587</u>
Investments in real estate	291,301	-	-	-	291,301
Investment in Physician Services of Northeast Connecticut, LLC	1,050,000	-	-	(1,050,000)	-
Deferred financing costs, net	773,880	-	-	-	773,880
Property, plant and equipment, net	25,486,265	21,452	10,462	-	25,518,179
Total assets	<u>\$ 78,573,595</u>	<u>\$ 699,855</u>	<u>\$ 239,126</u>	<u>\$ (1,316,302)</u>	<u>\$ 78,196,274</u>
Liabilities and Net Assets					
Current liabilities:					
Accounts payable	\$ 3,594,514	\$ 70,778	\$ 70,334	\$ -	\$ 3,735,626
Salaries and wages payable	1,564,816	-	52,419	-	1,617,235
Employee benefits payable	4,093,881	-	-	-	4,093,881
Due to third-party payers	3,205,718	-	-	-	3,205,718
Other liabilities	2,294,479	-	-	-	2,294,479
Due to affiliates	-	4,437	261,865	(266,302)	-
Current portion of pension liability	761,860	-	-	-	761,860
Current portion of long-term debt	530,000	-	-	-	530,000
Total current liabilities	<u>16,045,268</u>	<u>75,215</u>	<u>384,618</u>	<u>(266,302)</u>	<u>16,238,799</u>
Long-term debt, less current portion	13,620,000	-	-	-	13,620,000
Pension and other liabilities	25,602,222	-	-	-	25,602,222
Total liabilities	<u>55,267,490</u>	<u>75,215</u>	<u>384,618</u>	<u>(266,302)</u>	<u>55,461,021</u>
Net assets:					
Unrestricted	15,965,857	618,337	(145,492)	(1,050,000)	15,388,702
Temporarily restricted	3,705,481	6,303	-	-	3,711,784
Permanently restricted	3,634,767	-	-	-	3,634,767
Total net assets	<u>23,306,105</u>	<u>624,640</u>	<u>(145,492)</u>	<u>(1,050,000)</u>	<u>22,735,253</u>
Total liabilities and net assets	<u>\$ 78,573,595</u>	<u>\$ 699,855</u>	<u>\$ 239,126</u>	<u>\$ (1,316,302)</u>	<u>\$ 78,196,274</u>

See accompanying Independent Auditors' Report.

Day Kimball Healthcare, Inc.
Consolidating Statement of Operations
For the Year Ended September 30, 2009

	<u>Day Kimball Hospital</u>	<u>Day Kimball Homemakers, Inc.</u>	<u>Physician Services of NE CT, LLC</u>	<u>Eliminations</u>	<u>Day Kimball Healthcare, Inc.</u>
Operating revenues:					
Net revenues from services to patients	\$ 95,995,284	\$ 1,275,127	\$ 2,289,692	\$ -	\$ 99,560,103
Other operating revenues	2,088,115	1,983	1,476	(213,341)	1,878,233
Grant income	700,644	232,905	-	-	933,549
Assets released from restrictions for operations	197,268	3,697	-	-	200,965
Total operating revenues	<u>98,981,311</u>	<u>1,513,712</u>	<u>2,291,168</u>	<u>(213,341)</u>	<u>102,572,850</u>
Operating expenses:					
Other professional services	27,695,510	-	-	-	27,695,510
Nursing services	22,011,176	-	-	-	22,011,176
Other operating expenses	15,013,826	1,407,840	3,246,247	(213,341)	19,454,572
Fiscal services	7,713,373	-	-	-	7,713,373
General services	6,763,719	-	-	-	6,763,719
Administrative services	4,043,985	-	-	-	4,043,985
Homecare	4,780,044	-	-	-	4,780,044
Depreciation	4,411,120	12,185	2,222	-	4,425,527
Bad debts	3,538,352	17,705	43,815	-	3,599,872
Interest and amortization	792,499	-	-	-	792,499
Total operating expenses	<u>96,763,604</u>	<u>1,437,730</u>	<u>3,292,284</u>	<u>(213,341)</u>	<u>101,280,277</u>
Gain (loss) from operations	2,217,707	75,982	(1,001,116)	-	1,292,573
Non-operating losses	<u>(657,705)</u>	<u>(29,975)</u>	<u>-</u>	<u>-</u>	<u>(687,680)</u>
Excess of revenues over (under) expenses	<u>\$ 1,560,002</u>	<u>\$ 46,007</u>	<u>\$ (1,001,116)</u>	<u>\$ -</u>	<u>\$ 604,893</u>

See accompanying Independent Auditors' Report.

Day Kimball Healthcare, Inc.
Consolidating Balance Sheet
September 30, 2008

Assets	Day Kimball Hospital	Day Kimball Homemakers, Inc.	Physician Services of NE CT, LLC	Eliminations	Day Kimball Healthcare, Inc.
Current assets:					
Cash and cash equivalents	\$ 10,171,320	\$ 359,021	\$ 245,489	\$ -	\$ 10,775,830
Certificates of deposit	2,500,452	-	-	-	2,500,452
Short-term investments	10,340,434	-	-	-	10,340,434
Accounts receivable (less allowance for doubtful accounts of \$4,117,000)	9,875,269	173,153	178,695	-	10,227,117
Due from affiliates	550,557	-	-	(550,557)	-
Accounts receivable, other	149,188	-	-	-	149,188
Inventories and prepaid expenses	946,761	2,090	2,570	-	951,421
Assets whose use is limited:					
Funds held under bond indenture agreement	418,444	-	-	-	418,444
Total current assets	34,952,425	534,264	426,754	(550,557)	35,362,886
Assets whose use is limited:					
Funds held under bond indenture agreement	1,292,324	-	-	-	1,292,324
Funds restricted for bond reserve fund	839,000	-	-	-	839,000
Funds held in trust by others	3,756,691	-	-	-	3,756,691
Donor restricted endowment	3,281,562	-	-	-	3,281,562
Board restricted endowment	5,534,647	87,814	-	-	5,622,461
	14,704,224	87,814	-	-	14,792,038
Investments in real estate	305,037	-	-	-	305,037
Deferred financing costs, net	853,575	-	-	-	853,575
Property, plant and equipment, net	24,767,153	28,542	-	-	24,795,695
Total assets	\$ 75,582,414	\$ 650,620	\$ 426,754	\$ (550,557)	\$ 76,109,231
Liabilities and Net Assets					
Current liabilities:					
Accounts payable	\$ 1,846,682	\$ 78,290	\$ 36,234	\$ (5,255)	\$ 1,955,951
Salaries and wages payable	1,518,050	-	39,594	-	1,557,644
Employee benefits payable	3,812,756	-	-	-	3,812,756
Due to third-party payers	1,916,517	-	-	-	1,916,517
Other liabilities	2,480,707	-	-	-	2,480,707
Due to affiliates	-	-	545,302	(545,302)	-
Current portion of pension liability	1,500,000	-	-	-	1,500,000
Current portion of long-term debt	500,000	-	-	-	500,000
Total current liabilities	13,574,712	78,290	621,130	(550,557)	13,723,575
Long-term debt, less current portion	14,150,000	-	-	-	14,150,000
Pension and other liabilities	2,079,231	-	-	-	2,079,231
Total liabilities	29,803,943	78,290	621,130	(550,557)	29,952,806
Net assets:					
Unrestricted	38,740,218	572,330	(194,376)	-	39,118,172
Temporarily restricted	3,345,100	-	-	-	3,345,100
Permanently restricted	3,693,153	-	-	-	3,693,153
Total net assets	45,778,471	572,330	(194,376)	-	46,156,425
Total liabilities and net assets	\$ 75,582,414	\$ 650,620	\$ 426,754	\$ (550,557)	\$ 76,109,231

See accompanying Independent Auditors' Report.

Day Kimball Healthcare, Inc.
Consolidating Statement of Operations
For the Year Ended September 30, 2008

	<u>Day Kimball Hospital</u>	<u>Day Kimball Homemakers, Inc.</u>	<u>Physician Services of NE CT, LLC</u>	<u>Eliminations</u>	<u>Day Kimball Healthcare, Inc.</u>
Operating revenues:					
Net revenues from services to patients	\$ 88,983,220	\$ 1,077,163	\$ 236,023	\$ -	\$ 90,296,406
Other operating revenues	2,735,924	4,008	1,278	(45,302)	2,695,908
Grant income	571,081	191,351	-	-	762,432
Assets released from restrictions for operations	130,366	-	-	-	130,366
Total operating revenues	<u>92,420,591</u>	<u>1,272,522</u>	<u>237,301</u>	<u>(45,302)</u>	<u>93,885,112</u>
Operating expenses:					
Nursing services	22,372,793	-	-	-	22,372,793
Other professional services	23,705,702	-	-	-	23,705,702
Other operating expenses	15,443,343	1,207,691	413,341	(45,302)	17,019,073
General services	6,636,258	-	-	-	6,636,258
Homecare	4,605,018	-	-	-	4,605,018
Fiscal services	8,980,456	-	-	-	8,980,456
Administrative services	4,902,811	-	-	-	4,902,811
Bad debts	3,944,217	469	18,336	-	3,963,022
Depreciation	4,315,141	4,583	-	-	4,319,724
Interest and amortization	808,754	-	-	-	808,754
Total operating expenses	<u>95,714,493</u>	<u>1,212,743</u>	<u>431,677</u>	<u>(45,302)</u>	<u>97,313,611</u>
(Loss) gain from operations	(3,293,902)	59,779	(194,376)	-	(3,428,499)
Pension curtailment expense	(270,279)	-	-	-	(270,279)
Non-operating income	752,308	11,617	-	-	763,925
Excess of revenues (under) over expenses	<u>\$ (2,811,873)</u>	<u>\$ 71,396</u>	<u>\$ (194,376)</u>	<u>\$ -</u>	<u>\$ (2,934,853)</u>

See accompanying Independent Auditors' Report.

ATTACHMENT

#14

Norwich Radiology Group PC and Radiology Realty Co.
Exhibit 3
2009 Income Statement Adjustments

	Historic Year Ending December 31, 2009	Normalize /Adjust	Normalized /Adjusted December 31, 2009
Revenues			
Sales	460,501		460,501
Rental Income	0		0
Total Revenues	460,501	0	460,501
Cost of Goods Sold			
Gross Profit	460,501	-	460,501
Operating Expenses			
Outside Services	5,245		5,245
Bank Charges	113		113
Telephone	12,573		12,573
Insurance	3,593		3,593
Professional Fees	5,450		5,450
Office & Supplies	13,193		13,193
Equipment Leasing	203,986		203,986
Cleaning	3,077		3,077
Depreciation	9,532		9,532
Profit Sharing / Empl. Benefits	-		-
Condo Fees	-		-
Taxes & Licenses	18,093		18,093
Rent	28,005		28,005
Repairs & Maintenance	22,929		22,929
Officers' Compensation	-		-
Salaries	117,593	56,000	117,593
Utilities	33,249		33,249
Miscellaneous	5,707		5,707
Total Operating Expenses	482,338	56,000	538,338
Operating Profit	(21,837)	(56,000)	(77,837)
Other Income/(Expense)			
Interest Expense	(770)		(770)
Other Income	235		235
LT Capital Gain on Sale	-		-
Total Other Income/(Expense)	(535)	-	(535)
Income Before Taxes	(22,372)	(56,000)	(78,372)
Income Taxes			
Net Income/(Loss)	(22,372)	(56,000)	(78,372)

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Notes

- (1) - Salary expense for Dr. Dalal & Dr. Gilmartin (800 scans x \$70 per scan)
- (Tax) - As per tax table

Norwich Radiology Group PC and Radiology Realty Co.
Exhibit 1
Historic Balance Sheets

	Year Ended December 31, 2009	Year Ended December 31, 2008	Year Ended December 31, 2007	Year Ended December 31, 2006	Year Ended December 31, 2005	Year Ended December 31, 2004
Assets:						
Current Assets						
Cash	84,640	197,762	116,964	5,680	17,924	64,632
Accounts Receivable	-	-	-	-	-	-
Loan To Shareholder	-	-	2,198	479,602	272,371	132,466
Total Current Assets	84,640	197,762	119,162	485,282	290,295	197,098
Fixed Assets - Net						
Fixed Assets - Cost	506,067	506,067	756,067	1,500,655	2,252,706	2,774,152
Accumulated Depreciation	(214,313)	(204,781)	(229,414)	(1,302,128)	(1,459,758)	(1,826,638)
Total Fixed Assets - Net	291,754	301,286	526,653	198,527	792,948	947,514
Total Assets	376,394	499,048	645,815	683,809	1,083,243	1,144,612
Liabilities and Equity:						
Liabilities						
Current Liabilities						
Current Portion - LTD	-	-	-	300,000	459,836	398,450
Accrued Profit Sharing	-	-	718,666	-	168,497	119,634
Total Current Liabilities	-	-	718,666	300,000	628,333	518,084
Long-Term Debt						
Loan From Shareholder	44,902	44,902	-	-	112,719	18,464
Mortgage Payable	-	-	122,015	459,089	468,021	826,829
Total Long-Term Debt	44,902	44,902	122,015	459,089	580,740	845,293
Total Liabilities	44,902	44,902	193,881	759,089	1,209,073	1,363,377
Equity						
Common Stock	6,000	6,000	6,000	6,000	6,000	6,000
Treasury Stock	(950)	(950)	(950)	(950)	(950)	(950)
Retained Earnings	326,442	449,096	446,884	(80,330)	(130,880)	(223,815)
Total Equity	331,492	454,146	451,934	(75,280)	(125,830)	(218,765)
Total Liabilities and Equity	376,394	499,048	645,815	683,809	1,083,243	1,144,612

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ATTACHMENT

#15

ASSET PURCHASE AGREEMENT

This **ASSET PURCHASE AGREEMENT** (the "Agreement") is made as of the 16th day of April, 2010 (the "Effective Date"), by and between **DAY KIMBALL HOSPITAL** ("Day Kimball"), a tax-exempt, Connecticut not-for-profit corporation with its principal place of business at 320 Pomfret Street, Putnam, Connecticut, 06260 and **NORWICH RADIOLOGY GROUP, P.C.**, a Connecticut stock corporation with a principal place of business at 39 Kennedy Drive, Putnam, Connecticut 06260 and **RADIOLOGY REALTY GROUP PARTNERSHIP**, a Connecticut partnership at the same address as Norwich Radiology Group, P.C. (collectively "Norwich Radiology" and each of Day Kimball and Norwich Radiology a "Party" and together the "Parties").

RECITALS:

WHEREAS, Day Kimball operates an acute care hospital in Putnam, Connecticut.

WHEREAS, Norwich Radiology operates an magnetic resonance imaging ("MRI") center in Putnam, Connecticut (the "Premises").

WHEREAS, Day Kimball and Norwich Radiology wish to pursue an arrangement whereby Day Kimball will purchase leasehold improvements and related pieces of equipment and furniture (the "Assets") from Norwich Radiology, which Assets are more fully described on "Schedule 2," attached hereto and made a part hereof.

WHEREAS, Day Kimball will use the Premises to perform radiology/diagnostic services using certain MRI equipment on the Premises that is leased from General Electric ("GE").

WHEREAS, subject to this Agreement's terms and conditions, Norwich Radiology shall transfer, and Day Kimball shall acquire, the Assets.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein, and for other good and valuable consideration, Day Kimball and Norwich Radiology agree as follows:

ARTICLE 1 TRANSFER OF ASSETS

On the Closing Date, Norwich Radiology shall transfer, assign, convey, endorse and deliver to Day Kimball, for the consideration and subject to the terms herein, all of Norwich Radiology's right, title and interest in and to the Assets (the "Transferred Assets") free and clear of all claims, liens, litigation, encumbrances, mortgages, security interests and/or liabilities of any nature whatsoever, whether against the Transferred Assets or against Norwich Radiology (the "Transaction"). Norwich Radiology shall execute and deliver to Day Kimball all instruments and other documents that Day Kimball reasonably requests to effect Norwich Radiology's transfer of the Transferred Assets and to vest their title in Day Kimball. Day

Kimball assumes no liability whatsoever in any manner, for any reason, related to, arising from or involved with Norwich Radiology or with any other party's use of the Transferred Assets or Norwich Radiology's provision of any radiology/diagnostic services at any time, before or following the Closing, for any other reason at any location.

ARTICLE 2 NO ASSUMPTION OF LIABILITIES

The transaction contemplated hereunder is a transfer of assets for predetermined consideration as set forth in Article 3. Day Kimball neither assumes nor is nor shall be obligated for any of Norwich Radiology's liabilities, obligations, costs, claims or commitments, direct or indirect, known or unknown, tangible or intangible, absolute or contingent, including, without limitation, the Retained Liabilities, unless Day Kimball expressly agrees otherwise in a written agreement subsequent hereto. Norwich Radiology shall indemnify and hold Day Kimball, its directors, officers, agents, advisors, representatives, contractors, consultants and employees harmless from and against any liabilities, obligations, costs, damages, claims, or commitments, direct or indirect, known or unknown, tangible or intangible, absolute or contingent with respect to the Transferred Assets, regardless of whenever arising and of what time period involved.

Without limiting the foregoing, Day Kimball specifically rejects, does not agree to and shall not under any circumstances accept the transfer or resulting possible ownership, or any indicia thereof, of: (i) any Norwich Radiology liabilities, obligations, damages, expenses or commitments to Norwich Radiology creditors or to any other party, whether arising out of or related in any way to contract or to tort or from any party holding a lien on any Norwich Radiology assets; (ii) any liability to any Norwich Radiology patient, invitee or any other party arising from or related in any way to any action or inaction of or by Norwich Radiology or of or by its employees, trustees, agents, representatives, contractors or advisors (collectively, Norwich Radiology's "Agents") including, without limitation, (a) any such liability caused by and/or relating to Norwich Radiology's provision of professional medical and of any other healthcare services and/or (b) any obligation owed by Norwich Radiology to any of its Agents or to any other Person including, without limitation, any obligation for wages, commissions, vacation, holiday pay, sick pay, bonuses, incentive compensation, deferred compensation, severance pay, employee plans, employment agreements and/or any other indicia of an employment relationship. Day Kimball further and specifically rejects assignment of, and is not and shall not become a party to, any Norwich Radiology (i) Payor Contracts, (ii) provider numbers and/or (iii) vendor and/or service Contracts. Day Kimball assumes no Norwich Radiology liability (iv) to any third party government or commercial healthcare payer, (v) to any third party Norwich Radiology vendor or (vi) under any Norwich Radiology service Contract, as recipient or vendor, for anything including, concerning or related in any way to Norwich Radiology.

ARTICLE 3 CONSIDERATION

The consideration to be received by Norwich Radiology from Day Kimball for the Transferred Assets shall be Two Hundred and Forty Five Thousand Dollars (\$245,000), of which

eighty percent (80%) is allocated to the leasehold improvements made by Radiology Realty Group Partnership and twenty percent (20%) by Norwich Radiology Group, PC.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES

4.1 Norwich Radiology's Representations and Warranties.

(i) All of Norwich Radiology's Representations and Warranties contain an express materiality qualification and shall (unless otherwise provided below) be accurate as of the Effective Date and on the Closing Date. Norwich Radiology hereby represents, warrants and covenants as follows:

(a) Norwich Radiology is a qualified Connecticut professional corporation, in good standing, and has all requisite power and authority to consummate the Transaction contemplated hereunder;

(b) Norwich Radiology has taken or will take all necessary actions, corporate, government and otherwise, to duly and validly authorize this Agreement's execution, delivery and performance;

(c) Norwich Radiology is not a party to any action, proceeding and/or administrative hearing or involved in any investigation that materially or adversely affects or may affect the Transaction hereunder or that impairs or may impair the Transferred Assets or Norwich Radiology's ability to perform its obligations hereunder;

(d) No Norwich Radiology representation or warranty in this Agreement or in any document furnished pursuant hereto contains or shall contain any untrue statement or omits or shall omit any fact required to be stated;

(e) This Agreement's execution, delivery and performance neither shall violate nor conflict with any term or provision of any Legal Requirement or of any judgment, decree, agreement or instrument applicable to Norwich Radiology or that adversely affects Norwich Radiology's ability to consummate the Transaction contemplated hereunder;

(f) This Agreement has been duly executed and delivered by Norwich Radiology which, subject to any Government Authorization and any other required authorization from any authority, has the absolute unrestricted right, power and authority to so execute and deliver it and subject to the aforesaid authorization, it is a legal, valid and binding Norwich Radiology obligation, enforceable against Norwich Radiology in accordance with its terms.

(g) Norwich Radiology owns and shall deliver at the Closing its right, titles and interest in the Transferred Assets, free and clear of any and all claims, liens, litigation, encumbrances, mortgages, security interests and/or liabilities (collectively, "Liabilities"). Execution and delivery of this Agreement shall not: cause Norwich Radiology to breach its governing documents nor to provide any Person the right to challenge (or provide him/her/it

access to any remedy or release) this Agreement; contravene, conflict with, violate or breach any arrangement with any Government Body or provide it authority to revoke, withdraw, suspend, cancel, terminate or modify any Government Authorization; breach or cause a default in any lawful Day Kimball use of the Transferred Assets; cause any encumbrance to be created and/or imposed on the Transferred Assets; and/or create or provide any party other than Day Kimball any other rights to or in the Transferred Assets; and

(h) No action, proceeding, litigation, other action, administrative hearing or investigation has been instituted or threatened against Norwich Radiology seeking injunctive relief in anticipation of the consummation of the Transaction contemplated herein (the "Consummation"), that reasonably could be expected to prohibit its Consummation or that seeks damages because of its Consummation.

(ii) NORWICH RADIOLOGY POSSESSES TITLE AND THE RIGHT TO TRANSFER THE TRANSFERRED ASSETS TO DAY KIMBALL AS DESCRIBED HEREIN.

4.2 Day Kimball's Representations and Warranties.

(i) All of Day Kimball's Representations and Warranties contain an express materiality qualification and (unless otherwise provided below) shall be accurate as of the Effective Date and on the Closing Date. Day Kimball hereby represents, warrants and covenants as follows:

(a) Day Kimball has all requisite power and authority to consummate the Transaction contemplated hereunder;

(b) Day Kimball has taken all necessary corporate action to validly authorize this Agreement's execution, delivery and performance;

(c) Day Kimball is not involved in any action, proceeding or investigation that materially or adversely affects or may affect the Transaction contemplated hereunder or that impairs or might impair Day Kimball's ability to perform its obligations hereunder;

(d) No Day Kimball representation or warranty in this Agreement or in any document furnished pursuant hereto contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact required to be stated;

(e) This Agreement's execution, delivery and performance neither shall violate nor conflict with any term or provision of any legal requirement or of any judgment, decree, agreement or instrument applicable to Day Kimball or that adversely affects Day Kimball's ability to consummate the Transaction contemplated hereunder; and

(f) No action, proceeding, litigation, other action, administrative hearing or investigation has been instituted or threatened against Day Kimball seeking injunctive relief in anticipation of the Consummation, that reasonably could be expected to prohibit its Consummation or that seeks damages because of its Consummation.

**ARTICLE 5
CLOSING**

5.1 The Closing. Day Kimball shall acquire the Transferred Assets at a "Closing" held on the "Closing Date" at such location as the Parties mutually agree within ninety (90) days after execution of this Agreement, provided that all of the conditions in Article 6 have been fully satisfied. At the Closing, each Party shall deliver to the other Party the following documents, and such other documents and instruments as may be reasonably necessary to effect the transactions contemplated hereby.

- (i) Norwich Radiology shall deliver a statement certifying that all of the representations and warranties contained in this Agreement are true and correct as of the Closing Date.
- (ii) Norwich Radiology shall deliver a statement certifying that all of the closing conditions contained in this Agreement have been met.
- (iii) Norwich Radiology shall receive the consideration for the Transferred Assets as set forth at Article 3.

5.2 Proration of Prepaid Items. Day Kimball and Norwich Radiology hereby agree that any taxes and assessments, if any, and any other prepaid items shall be prorated as of the Closing Date, with Norwich Radiology receiving a credit at Closing for any amounts paid that relate to a period of time after the Closing Date.

**ARTICLE 6
CONDITIONS PRECEDENT TO CLOSING**

Day Kimball's obligation to acquire the Transferred Assets and to take other actions required of it hereunder is subject to each of the following conditions being satisfied to Day Kimball's sole satisfaction (or waived) on or prior to Closing:

- (i) Day Kimball shall have received a Certificate of Need from the Connecticut Department of Public Health, Office of Healthcare Access.
- (ii) Day Kimball shall have negotiated an acceptable arrangement with Norwich Radiology's landlord regarding the Premises.
- (iii) Day Kimball shall have negotiated an acceptable arrangement with GE for the use of the MRI machine on the Premises.
- (iv) Norwich Radiology shall have taken all actions necessary to transfer all of the Transferred Assets to Day Kimball at the Closing in accordance with the terms of this Agreement.

(v) Norwich Radiology's representations and warranties contained in this Agreement shall be true and correct as of the Effective Date and as of the Closing Date.

(vi) Norwich Radiology shall provide Day Kimball evidence reasonably acceptable to Day Kimball in its sole discretion that all outstanding debts, liens and other Liabilities on, or in any way related to, the Transferred Assets as of the Closing Date have been satisfied.

ARTICLE 7 TERMINATION

Notwithstanding anything herein to the contrary, if the Closing does not occur within ninety (90) days from the Effective Date, either Party may terminate this Agreement at any time thereafter by providing the other Party ten (10) business days' prior written notice of termination; provided, however, that neither Party may terminate this Agreement if it has materially breached this Agreement's terms or conditions, including, without limitation, the Party's purposeful failure to satisfy the conditions in Article 6 and neither Party may terminate this Agreement if the delay is caused by the failure of the Connecticut Department of Public Health or a related authority to process the Certificate of Need application or any application required for approval of the transaction unless such failure is caused by a Party's actions.

ARTICLE 8 GENERAL PROVISIONS

8.1 Binding Effect. This Agreement shall inure to the benefit of and be binding upon the Parties hereto and upon their respective successors and permitted assigns.

8.2 Interpretation. Article and Section headings are for reference purposes only, refer only to the Sections in this Agreement and are not intended to be a part of or to affect the meaning or interpretation of anything in this Agreement. "Schedules" and/or "Exhibits" herein immediately follow the signature page hereto and are a part hereof. All references to the words "include" or "including" mean "including without limitation." There will be no presumption against either Party because that Party prepared any part of this Agreement. All pronouns and any variations thereof to refer to the masculine, feminine, neuter, singular or plural as the context requires.

8.3 Assignment. Neither Party hereto shall assign this Agreement, in whole or in part, without the other Party's prior written consent.

8.4 Entire Agreement. This Agreement and the Schedules hereto and any related documents constitute the Parties' complete understanding and shall supersede all other oral or written agreements, arrangements, representations and/or communications between them related to the subject hereunder. This Agreement neither shall be modified nor terminated orally and no modification, termination or attempted waiver shall be valid unless in writing and signed by the Party against whom the same is sought to be enforced.

8.5 Waivers. Any delay by either Party hereto enforcing any right hereunder, including any breach of any provision, neither shall waive nor be construed to waive any such right. Any

waiver of a right hereunder must be in writing, and be prior approved in writing by the Party waiving the right and waiving any subsequent breach.

8.6 Third Party Beneficiaries. This Agreement is not intended to and does not confer any rights or remedies, or impose any obligations, on any person or entity other than the Parties hereto.

8.7 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. For the purposes of the Closing, signatures transmitted by facsimile shall be deemed to be original signatures pending receipt of the original documents.

8.8 Governing Law. This Agreement shall be governed and interpreted in accordance with the laws of the State of Connecticut. Any suits, actions, proceedings or any judgment entered by any court with respect to this Agreement shall be brought in Connecticut state courts at law or equity in Windham County, Connecticut ("Connecticut Courts") and each Party hereto accepts the Connecticut Courts' exclusive personal jurisdiction. Either Party shall be entitled, if it so elects, to institute and to prosecute proceedings in any Connecticut Courts, either at law or at equity, to obtain damages for any breach of this Agreement, enforce the specific performance thereof and/or enjoin the other Party from activities that violate this Agreement. All such proceedings may be pursued and such remedies sought and obtained concurrently or consecutively. Each Party knowingly, intentionally and irrevocably waives, to the fullest extent permitted by law, any objection that it now or later may have to the venue in Connecticut Courts of any suit, action or proceeding arising out of or relating to this Agreement or of any judgment entered by any court, except in no way limiting a Party's right to appeal such a judgment and, further, knowingly, intentionally and irrevocably waives any claim that any suit, action or proceeding brought in the Connecticut Courts has been brought in an inconvenient forum.

Norwich Radiology understands and acknowledges that Articles 2, 4 and/or 6 herein are designed to preserve Day Kimball's goodwill and that any breach of them by Norwich Radiology would cause Day Kimball irreparable harm that monetary damages would not adequately remedy. Accordingly, if Norwich Radiology breaches or threatens to breach, or otherwise violates or threatens to violate, Articles 2, 4 and/or 6, or causes them to be breached or violated, or to be threatened to be breached or violated in any manner, or participates in their breach or violation, in addition to any other remedies available under this Agreement, at law or at equity, Day Kimball may seek relief from such breach or violation or threatened breach or violation and may enforce this Agreement by injunctive relief and by specific performance, such relief to be without the necessity of posting a bond, cash or any other security. Additionally, nothing in Articles 2, 4 and/or 6 shall limit Day Kimball's right to recover any other damages to which it is entitled as a result of Norwich Radiology's breach or other violation of Articles 2, 4 and/or 6 as described herein and to be indemnified by Norwich Radiology for all claims, damages, losses, liabilities, costs and/or expenses whatsoever related to Norwich Radiology's breach or violation or threatened breach or violation of Articles 2, 4 and/or 6. Norwich Radiology acknowledges and agrees that this Section 8.8 constitutes Day Kimball consideration for entering into this Agreement, is necessary to protect Day Kimball's legitimate business obligations and interests and is reasonable in scope, time and geography. If a court of competent jurisdiction holds any


provision in Articles 2, 4 and/or 6 to be unenforceable due to an excessive time period, geographic area or restricted activity, such provision shall be reformed to comply with such time period, geographic area or restricted activity that would be held and/or is enforceable.

IN WITNESS WHEREOF, the undersigned, duly-authorized Parties' representatives have executed this Agreement as of the date first set forth above.

DAY KIMBALL HOSPITAL

NORWICH RADIOLOGY GROUP, P.C.

By: 

By: 

Print Name: Robert E. Smanik

Print Name: Ajay Dalal, MD


Title: President/Chief Executive Officer

Title: Its Vice President

Date: 4-16-10

Date: 4/16/10

RADIOLOGY GROUP PARTNERSHIP

By: 

Print Name: Ajay Dalal, MD

Title: Partner

Date:

SCHEDULE 1

DEFINITIONS

Agreement is defined in this Agreement's first paragraph.

Agents is defined in Article 2.

Assets is defined in this Agreement's Recitals.

Closing is defined in Article 5.1.

Closing Date is the date of the Closing.

Connecticut Courts is defined in Article 8.8.

Contract means any agreement, contract, lease, consensual obligation, promise or undertaking (whether written or oral and whether express or implied), whether legally binding.

Consummation is defined in Section 4.1(i).

Day Kimball is defined in this Agreement's first paragraph.

Effective Date is defined in this Agreement's first paragraph.

GE is defined in this Agreement's Recitals.

Government Authorization means any Consent, license, registration or permit issued, granted, given or otherwise made available by or under any Governmental Body's authority or pursuant to any Legal Requirement.

Government Body means any:

- (a) nation, state, county, city, town, borough, village, district or other jurisdiction;
- (b) federal, state, local, municipal, foreign or other government;
- (c) governmental or quasi-governmental authority of any nature (including any agency, branch, department, board, commission, court, tribunal or other entity exercising governmental or quasi-governmental powers);
- (d) multinational organization or body;
- (e) body exercising or entitled or purporting to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; or

(f) any official of any of the foregoing.

Legal Requirement means any federal, state, local, municipal, foreign, international, multinational or other constitution, law, ordinance, principle of common law, code, regulation, statute, treaty, rule or charter.

Liability means with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise and whether the same is required to be accrued on such Person's financial statements.

MRI is defined in this Agreement's Recitals.

Norwich Radiology is defined in this Agreement's first paragraph.

Party is defined in this Agreement's first paragraph.

Parties is defined in this Agreement's first paragraph.

Payor means commercial or government third party healthcare payor.

Person means an individual or group of individuals, partnership, corporation, business trust, limited liability company, limited liability partnership, joint stock company, trust, unincorporated association, joint venture, Government Body or other entity.

Premises is defined in this Agreement's Recitals.

Retained Liabilities shall mean every Liability of Norwich Radiology, including, without limitation:

- (a) any Liability arising out of or relating to any equipment used by and/or services performed by Norwich Radiology; and
- (b) any Liability under any Contract of Norwich Radiology's.

Transaction is defined in Article 1.

Transferred Assets is defined in Article 1.

SCHEDULE 2

TRANSFERRED ASSETS

NORWICH RADIOLOGY GROUP P.C. / RADIOLOGY REALTY ;

- ✓1) KODAK LASER PRINTER -MRI
- ✓2) RADIO/CD EQ. FOR MRI
- ✓3) AUTOMATIC INJECTOR FOR MRI
- 4) TECHNOLOGIST CHAIR
- ✓5) RADIOLOGIST OFFICE FURNITUER
- ✓6) RECEPTION AREA CHAIR
- ✓7) WAITING ROOM FURNITUER
- ✓8) OFFICE DESK /CHAIR
- 9) LOUNGE AREA EQ.
- 10) FILE CABINETS—X-RAY FILES
- ✓11) COMPUTER S -- 4
- 12) PRINTER ~~AD.~~ , (CD) AD.
- 13) All leasehold improvements at leased premises known as 39 Kennedy Drive, Bldg. #2, Putnam, CT.
- 14) Lease between Riverwalk Partners LLC and Norwich Radiology Group for premises at 39 Kennedy Drive, Bldg. #2, Putnam, CT.
- 15) All service contracts, to the extent assignable for laser printer, air conditioning equipment.

EXCLUDED from the sale are all treatise – books on radiology.

SCHEDULE 2

TRANSFERRED ASSETS

Technology Survey Report – MRI Center

Estimated Value Hardware

Description	Year purchased	Approx Cost to Replace with similar
PC01 w/15" LCD	2004	\$150.00
PC02 w/15" LCD	2002	\$150.00
PC03 w/15" LCD	2004	\$150.00
PC04 w/15" LCD	2002	\$150.00
		\$- 0
Okidata ML591	2004	\$300.00
HP LJ 4350n	2004	\$450.00
HP LJ 3030	2004	\$250.00
Zebra LP2844	2004	\$250.00
HP LJ 5100tn	2004	\$300.00
Brother DCP 1000	2004	\$150.00
		\$- 0
Cisco 2950		\$150.00
Cisco 1841		\$1,200.00
MS Office PRO 2000 (2)		\$150.00
		\$- 0
Lanier tape dictation	2004	\$500.00
		\$- 0
Newmatic Sound System	2004	\$300.00
TOTAL		\$4,600.00

6 printers
should this be listed out?



Note: For use with Athena Collector and/or Athena Clinicals, all four PC's will need to be replaced. Existing Printers are acceptable for use with Athena software.

**NORWICH RADIOLOGY
FURNITURE EVALUATION**

QTY	DESCRIPTION	ESTIMATED MRKT VALUE USED	REPLACEMENT COST ESTIMATE
WAITING ROOM			
6	Guest Chairs, Wood Frame, Green Fabric, Lesro	50/each = \$300	\$200/each = 1200
1	2 Seater Guest Chair, Wood Frame, Green Fabric, Lesro	\$75	\$400/each
2	Table, 24x24, Black top, wood legs	\$40 = \$80	\$175/each - 350
Doctor's Office			
1	Exec. Black Vinyl chair w/arms	\$60	\$299/each
1	Guest Chair, Wood Frame, Black Fabric	\$50	\$200/each
SCAN ROOM			
1	Chair, Stool, w/foot ring, adj. arms, Black	\$50	\$250/each
1	Chair, Gray Fabric, w/fixed arms	\$25	\$250/each
1	Table, 54W x 42D x 31H	\$100	\$500/each
FILE ROOM			
1	Desk, Sauder computer desk w/hutch	\$50	\$400/each
1	Task Chair, Black, No arms	\$10	\$100/each
1	Medical/Dental Step w/rail	\$25	\$75/each
3	File, 5 shelf, w/sliding doors, 29"W x 82"H x 18"D	\$100 = \$300	N/A
1	Hon Mobile Ped (Media/Media/F)	\$25	\$275/each
1	Open File, 5 Shelf, 43.5"W x 84"H x 18"D, w/5 Dividers per shelf	\$125	\$800/each
2nd FILE ROOM			
1	Table, Folding, 48x24, Brown Laminate Top	\$5	\$75/each
2	Chairs, Folding, Cosco Padded Green	\$5 = \$10	\$40/each - 80
2	Open File, 5 shelf, 28.75"W x 82"H x 19.5"D, 3 Dividers per shelf	\$75 = \$150	\$600/each - 1,200
RECEPTION OFFICE AREA			
1	Task Chair, Black, No arms	\$10	\$100/each
1	Black Upholstered chair	\$25	\$199/each
		\$1475	\$6753

Submitted by: Sue Peterson, WB Mason, 888-926-2766, x8711.

Description	Manufacturer	Model	Comments	Estimate
MRI	GE Medical Systems	Signa LX		
Laser Imager	Kodak	Dryview 8150		
Injector	Medrad	Solaris	Only used 5-6 times	\$ 15,000.00
Densitometer	Victoreen Nuc Associates	07-424	End of life	\$ 150.00
X-Ray Viewer	Wolf	Trimline III		\$ 1,200.00
X-Ray Viewer	Wolf	Trimline III		\$ 1,200.00

SCHEDULE 2
TRANSFERRED ASSETS

AMENDMENT TO AGREEMENT

THIS AMENDMENT by and between DAY KIMBALL HEALTHCARE ("Day Kimball") and NORWICH RADIOLOGY GROUP, PC and NORWICH REALTY GROUP PARTNERSHIP (the two Norwich entities hereinafter collectively "Norwich Radiology") is entered into July 16 2010.

WHEREAS, the parties are parties to an Asset Purchase Agreement dated April 16, 2010 (the "Agreement"); and

WHEREAS, the parties wish to amend the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties agree to amend the Agreement as follows:

1. The first sentence of the Agreement's Section 5.1 shall be deleted and replaced with the following:

Day Kimball shall acquire the Transferred Assets at a "Closing" held on the "Closing Date" at such location as the Parties mutually agree within ninety (90) days after all of the conditions in Article 6 has been fully satisfied.

2. Except as expressly provided herein, the Agreement's terms, covenants and conditions hereby are ratified.

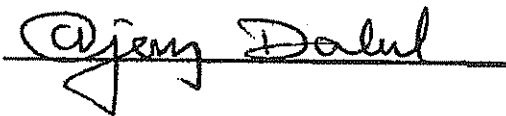
IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the date set forth above.

DAY KIMBALL HEALTHCARE

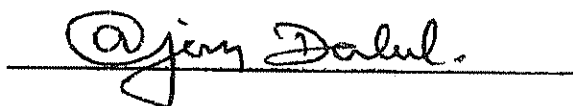


Its: President/CEO

NORWICH RADIOLOGY GROUP, PC



NORWICH REALTY GROUP PARTNERSHIP



ATTACHMENT

#16

Smanik, Robert

From: Janelidze, Marika M (GE Capital) [marika.janelidze@ge.com]
Sent: Friday, June 04, 2010 3:23 PM
To: Smanik, Robert; +COMFIN HFS Customer Service
Cc: ajay dalal
Subject: RE: equipment lease Putnam CT 8533252-001

Bob,

Wanted to follow up on our conversation.

As we discussed, if your party decides to take over the existing lease 8533252-001 (currently under Norwich Radiology Group), we will need to complete Assignment and Assumption process.

I'll have our customer service team send you the appropriate forms to initiate the process.

We can also offer a shorter lease term with reduced monthly pmts as outlined below:

_____ 12 months at \$4,875.00 per month, plus applicable taxes, not including service
_____ 24 months at \$2,500.00 per month, plus applicable taxes, not including service

I'll request from our service team to provide the new service quotes as well.

Customer service,

Please provide the forms and the list of the info that will be needed to initiate Assignment and Assumption process. Please email them to Bob Smanik at RSmanik@DayKimball.org and cc me.

Thanks!
Marika

From: Smanik, Robert [mailto:RSmanik@DayKimball.org]
Sent: Thursday, June 03, 2010 12:12 PM
To: Janelidze, Marika M (GE Capital)
Cc: ajay dalal
Subject: equipment lease Putnam CT

Marika

I am writing to request a meeting to review the pending purchase of the MRI service own by Norwich Radiology and located on Kennedy Drive in Putnam Ct. I have worked directly with Dr. Ajay Dalal and we have reached agreement pending several steps, including the successful receipt of State of Ct certificate on need approval and the successful negotiation between Day Kimball Healthcare and GE on the leasing of the existing MRI unit. Our letter of intent is submitted to the state and our earliest available submission of the CON application is June 22. If you and I could begin our discussions soon I will be in a position to address this question from the state when it is asked. I look forward to working with you.

Bob

Robert E. Smanik, FACHE
President & Chief Executive Officer
Day Kimball Hospital
320 Pomfret Street
Putnam, CT 06260
Phone: 860-928-6541 x2211
Fax: 860-963-6341
rsmanik@daykimball.org

ATTACHMENT

#17

Day Kimball Hospital				
Payer	FY2010	FY2011	FY2012	FY2013
Medicare	19.84%	19.84%	19.84%	19.84%
Medicaid	17.49%	17.49%	17.49%	17.49%
CHAMPUS & TriCare	0.92%	0.92%	0.92%	0.92%
Total Government	38.25%	38.25%	38.25%	38.25%
Commerical Insurers	59.66%	59.66%	59.66%	59.66%
Uninsured	0.59%	0.59%	0.59%	0.59%
Workers Compensation	1.50%	1.50%	1.50%	1.50%
Total Non-Government	61.75%	61.75%	61.75%	61.75%
Total Payer Mix	100.00%	100.00%	100.00%	100.00%

Norwich Radiology Group				
Payer	FY2010	FY2011	FY2012	FY2013
Medicare	11.80%	11.80%	11.80%	11.80%
Medicaid	-	-	-	-
CHAMPUS & TriCare	-	-	-	-
Total Government	11.80%	11.80%	11.80%	11.80%
Commerical Insurers	79.30%	79.30%	79.30%	79.30%
Uninsured	4.90%	4.90%	4.90%	4.90%
Workers Compensation	4.00%	4.00%	4.00%	4.00%
Total Non-Government	88.20%	88.20%	88.20%	88.20%
Total Payer Mix	100.00%	100.00%	100.00%	100.00%

ATTACHMENT

#18

Day Kimball Healthcare

6. Provide one year of actual results and three years of projections for Day Kimball Hospital's revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

Description	FY2009 Actual Results		FY2010 Projected		FY2011 Projected		FY2012 Projected		FY2013 Projected		
	Without CON	With CON	Without CON	With CON	Without CON	With CON	Without CON	With CON	Without CON	With CON	
NET PATIENT REVENUE											
Non-Government	\$56,842,670	\$0	\$59,951,989	\$62,262,507	\$61,750,548	\$511,959	\$537,566	\$64,140,621	\$65,511,157	\$64,434	\$66,075,591
Medicare	\$27,584,796	\$0	\$29,093,697	\$30,214,953	\$29,966,508	\$246,445	\$260,667	\$31,126,370	\$31,791,468	\$273,911	\$32,065,378
Medicaid and Other Medical Assistance	\$11,567,618	\$0	\$12,200,583	\$12,670,787	\$12,566,600	\$104,187	\$109,396	\$13,052,994	\$13,331,906	\$114,866	\$13,446,772
Other Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Net Patient Patient Revenue	\$95,995,284	\$0	\$101,246,268	\$105,148,246	\$104,283,656	\$864,590	\$907,620	\$108,319,965	\$110,634,531	\$953,210	\$111,567,741
Other Operating Revenue	\$2,956,027	\$0	\$2,886,607	\$2,973,205	\$2,973,205	\$0	\$3,062,401	\$3,062,401	\$3,154,273	\$0	\$3,154,273
Revenue from Operations	\$98,951,311	\$0	\$104,132,875	\$108,121,451	\$107,256,861	\$864,590	\$910,620	\$111,382,367	\$113,788,804	\$953,210	\$114,722,015
OPERATING EXPENSES											
Salaries and Fringe Benefits	\$55,315,280	\$0	\$58,904,576	\$60,833,279	\$60,671,713	\$161,566	\$169,644	\$62,661,509	\$64,366,621	\$178,127	\$64,544,747
Professional / Contracted Services	\$8,685,297	\$0	\$9,709,170	\$9,987,445	\$6,970,445	\$17,000	\$17,860	\$9,257,408	\$9,516,745	\$18,743	\$9,535,488
Supplies and Drugs	\$3,883,156	\$0	\$4,098,640	\$4,536,615	\$4,521,599	\$16,016	\$15,767	\$14,973,014	\$15,405,965	\$16,555	\$15,422,520
Bad Debts	\$3,598,352	\$0	\$3,575,000	\$3,682,250	\$3,682,250	\$0	\$0	\$3,792,718	\$3,906,499	\$0	\$3,906,499
Other Operating Expense	\$9,897,900	\$0	\$10,904,131	\$11,428,555	\$11,231,295	\$197,300	\$207,165	\$11,775,358	\$11,915,238	\$217,523	\$12,132,762
Subtotal	\$81,559,985	\$0	\$86,191,517	\$90,468,145	\$89,077,263	\$350,882	\$410,426	\$102,460,306	\$105,111,068	\$430,947	\$105,542,015
Depreciation/Amortization	\$4,411,420	\$0	\$4,508,000	\$4,643,240	\$4,643,240	\$0	\$4,782,537	\$4,782,537	\$4,926,013	\$0	\$4,926,013
Interest Expense	\$792,499	\$0	\$810,000	\$834,300	\$834,300	\$0	\$859,329	\$859,329	\$885,109	\$0	\$885,109
Lease Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expense	\$96,763,604	\$0	\$101,509,517	\$104,945,685	\$104,554,803	\$380,882	\$410,426	\$108,101,875	\$110,922,190	\$430,947	\$111,363,137
Gain/(Loss) from Operations	\$2,217,707	\$0	\$2,623,358	\$3,175,767	\$2,702,059	\$473,708	\$497,393	\$3,280,514	\$2,866,614	\$522,263	\$3,368,877
Plus: Non-Operating Revenue	(\$657,705)	\$0	\$125,000	\$125,000	\$125,000	\$0	\$125,000	\$125,000	\$125,000	\$0	\$125,000
Revenue Over/(Under) Expense	\$1,560,002	\$0	\$2,748,358	\$3,300,767	\$2,827,059	\$473,708	\$497,393	\$3,405,514	\$2,991,614	\$522,263	\$3,513,877
FTEs	737.79	759.88	759.88	759.88	759.88	759.88	759.88	759.88	759.88	759.88	759.88

*Volume Statistics: Provide projected inpatient and/or outpatient statistics for any new services and provide actual and projected inpatient and/or outpatient statistics for any existing services which will change due to the proposal.

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Day Kimball Healthcare

Please provide three years of projections of incremental revenue, expense and volume statistics attributable to the proposal in the following reporting format:

Type of Service Description	MRI	FY2011									
Type of Unit Description:	Exams	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
# of Months in Operation			Rate	Units	Gross Revenue	Allowances/ Deductions	Charity Care	Bad Debt	Net Revenue	Operating Expenses	Gain/(Loss) from Operations
				Col. 2 * Col. 3					Col.4 - Col.5 -Col.6 - Col.7	Col. 1 Total * Col. 4 / Col. 4 Total	Col. 8 - Col. 9
FY 2011 (Year 1)											
FY Projected Incremental											
Total Incremental Expenses:											
Total Facility by Payer Category:											
Medicare			\$1,677	244	\$409,668	\$150,981	\$2,048	\$8,193	\$248,445	\$112,322	\$136,123
Medicaid			\$1,677	102	\$171,796	\$63,315	\$859	\$3,436	\$104,187	\$47,103	\$57,084
CHAMPUS/Tricare				0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Governmental				347	\$581,464	\$214,296	\$2,907	\$11,629	\$352,631	\$159,425	\$193,206
Commercial Insurers			\$1,677	503	\$844,182	\$311,119	\$4,221	\$16,884	\$511,959	\$231,457	\$280,502
Uninsured			\$1,677	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total NonGovernment				503	\$844,182	\$311,119	\$4,221	\$16,884	\$511,959	\$231,457	\$280,502
Total All Payers				850	\$1,425,646	\$525,415	\$7,128	\$28,513	\$864,590	\$390,882	\$473,708

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Day Kimball Healthcare

Please provide three years of projections of incremental revenue, expense and volume statistics **attributable to the proposal** in the following reporting format:

Type of Service Description	MRI	FY2012									
Type of Unit Description:	Exams	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
# of Months in Operation			Rate	Units	Gross Revenue Col. 2 * Col. 3	Allowances/Deductions	Charity Care	Bad Debt	Net Revenue Col. 4 - Col. 5 - Col. 6 - Col. 7	Operating Expenses Col. 1 Total * Col. 4 / Col. 4 Total	Gain/(Loss) from Operations Col. 8 - Col. 9
FY 2012 (Year 2)											
FY Projected Incremental Total Incremental Expenses:											
Total Facility by Payer Category:											
Medicare			\$1,677	252	\$421,958	\$150,542	\$2,110	\$8,439	\$260,867	\$117,938	\$142,929
Medicaid			\$1,677	106	\$176,950	\$63,130	\$885	\$3,539	\$109,396	\$49,458	\$59,938
CHAMPUS/Tricare				0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Governmental				357	\$598,908	\$213,672	\$2,995	\$11,978	\$370,263	\$167,396	\$202,867
Commercial Insurers			\$1,677	518	\$869,508	\$310,214	\$4,348	\$17,390	\$537,556	\$243,030	\$294,527
Uninsured			\$1,677	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total NonGovernment				518	\$869,508	\$310,214	\$4,348	\$17,390	\$537,556	\$243,030	\$294,527
Total All Payers			\$1,677	876	\$1,468,415	\$523,885	\$7,342	\$29,368	\$907,820	\$410,426	\$497,393

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Day Kimball Healthcare

Please provide three years of projections of incremental revenue, expense and volume statistics attributable to the proposal in the following reporting format:

Type of Service Description	MRI	FY2013									
Type of Unit Description:	Exams	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
# of Months in Operation			Rate	Units	Gross Revenue Col. 2 * Col. 3	Allowances/Deductions	Charity Care	Bad Debt	Net Revenue Col.4 - Col.5 - Col.6 - Col.7	Operating Expenses Col. 1 Total * Col. 4 / Col. 4 Total	Gain/(Loss) from Operations Col. 8 - Col. 9
FY 2013 (Year 3)											
FY Projected Incremental Total Incremental Expenses:		\$430,947									
Total Facility by Payer Category:											
Medicare			\$1,677	259	\$434,616	\$149,840	\$2,173	\$8,692	\$273,911	\$123,835	\$150,075
Medicaid			\$1,677	109	\$182,258	\$62,836	\$911	\$3,645	\$114,866	\$51,931	\$62,935
CHAMPUS/TriCare				0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Governmental				368	\$616,875	\$212,677	\$3,084	\$12,337	\$388,776	\$175,766	\$213,010
Commercial Insurers			\$1,677	534	\$895,593	\$308,769	\$4,478	\$17,912	\$564,434	\$255,181	\$309,253
Uninsured			\$1,677	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total NonGovernment				534	\$895,593	\$308,769	\$4,478	\$17,912	\$564,434	\$255,181	\$309,253
Total All Payers			\$1,677	902	\$1,512,468	\$521,446	\$7,562	\$30,249	\$953,210	\$430,947	\$522,263

Nonwch Radiology Group, PC

6. Provide one year of actual results and three years of projections for Day Kimball Hospitals revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

Description	FY2009 Draft Results		FY2010 Projected		FY2011 Projected		FY2012 Projected		FY2012 Projected	
	W/out CON	Incremental	W/out CON	Incremental	W/out CON	Incremental	W/out CON	Incremental	W/out CON	Incremental
NET PATIENT REVENUE										
Non-Government	\$344,653	\$0	\$344,653	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!
Medicare	\$115,855	\$0	\$115,855	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!
Medicaid and Other Medical Assistance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!
Other Government	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Net Patient Revenue	\$460,508	\$0	\$460,508	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!
Other Operating Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue from Operations	\$460,508	\$0	\$460,508	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!
OPERATING EXPENSES										
Salaries and Fringe Benefits	\$69,500	\$0	\$117,593	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Professional / Contracted Services	\$5,450	\$0	\$5,450	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Drugs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bad Debts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Operating Expense	\$407,836	\$0	\$407,836	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	\$472,786	\$0	\$530,879	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation/Amortization	\$3,734	\$0	\$3,734	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lease Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expense	\$476,520	\$0	\$534,613	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gain/(Loss) from Operations	(\$16,012)	\$0	(\$74,105)	\$0	(\$74,105)	\$0	\$0	\$0	\$0	#DIV/0!
Plus: Non-Operating Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Revenue Over/(Under) Expense	(\$16,012)	\$0	(\$74,105)	\$0	(\$74,105)	\$0	\$0	\$0	\$0	#DIV/0!
FTEs					0	0	0	0	0	0

*Volume Statistics:
Provide projected inpatient and/or outpatient statistics for any new services and provide actual and projected inpatient and/or outpatient statistics for any existing services which will change due to the proposal.

Norwich Radiology Group, PC

Please provide three years of projections of incremental revenue, expense and volume statistics attributable to the proposal in the following reporting format:

Type of Service Description	MRI	FY2011									
Type of Unit Description:	Exams	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
# of Months in Operation		Rate	Units	Gross Revenue Col. 2 * Col. 3	Allowances/ Deductions	Charity Care	Bad Debt	Net Revenue Col.4 - Col.5 -Col.6 - Col.7	Operating Expenses Col. 1 Total *	Gain/(Loss) from Operations Col. 8 - Col. 9	
FY 2011 (Year 1)											
FY Projected Incremental											
Total Incremental Expenses:		\$0									
Total Facility by Payer Category:											
Medicare		\$1,677	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Medicaid		\$1,677	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
CHAMPUS/TriCare			0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Governmental			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Commercial Insurers		\$1,677	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Uninsured		\$1,677	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total NonGovernment			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Total All Payers		\$1,677	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	

96

Norwich Radiology Group, PC

Please provide three years of projections of incremental revenue, expense and volume statistics attributable to the proposal in the following reporting format:

Type of Service Description	MRI	FY2012	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Type of Unit Description:	Exams		Rate	Units	Gross Revenue	Allowances/ Deductions	Charity Care	Bad Debt	Net Revenue	Operating Expenses	Gain/(Loss) from Operations	
# of Months in Operation				Col. 2 * Col. 3	Col. 4 - Col. 5	Col. 6 - Col. 7	Col. 1 Total *	Col. 4 / Col. 4 Total	Col. 8 - Col. 9			
FY 2012 (Year 2)												
FY Projected Incremental Total Incremental Expenses:			\$0									
Total Facility by Payer Category:												
Medicare		\$1,677	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Medicaid		\$1,677	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CHAMPUS/TriCare												
Total Governmental					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial Insurers		\$1,677	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Uninsured		\$1,677	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Total NonGovernmental					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total All Payers					\$1,677	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

97

Norwich Radiology Group, PC

Please provide three years of projections of incremental revenue, expense and volume statistics attributable to the proposal in the following reporting format:

Type of Service Description	MRI	FY2013									
Type of Unit Description:	Exams										
# of Months in Operation	0										
FY 2013 (Year 3)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Total Incremental Expenses:		Rate	Units	Gross Revenue Col. 2 * Col. 3	Allowances/ Deductions	Charity Care	Bad Debt	Net Revenue Col.4 - Col.5 -Col.6 - Col.7	Operating Expenses Col. 1 Total *	Gain/(Loss) from Operations Col. 8 - Col. 9	
Total Facility by Payer Category:											
Medicare		\$1,677	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Medicaid		\$1,677	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
CHAMPUS/Tricare			0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Governmental			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Commercial Insurers		\$1,677	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Uninsured		\$1,677	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Total NonGovernment			#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	
Total All Payers		\$1,677	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	

98



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

August 16, 2010

Robert E. Smanik, FACHE
President & Chief Executive Officer
Day Kimball Hospital
320 Pomfret Street
Putnam, CT 06260

Certified Mail: 7005 0001 3506 9983

RE: Certificate of Need Application Forms; Docket Number: 10-31602-CON
Day Kimball Hospital and Norwich Radiology Group, LLC
Acquisition of an Existing Magnetic Resonance Imaging Scanner from Norwich
Radiology Group, P.C. in Putnam
Filing Fee

Dear Mr. Smanik:

On August 16, 2010, the Office of Health Care Access ("OHCA") received the initial filing of the above Certificate of Need ("CON") application along with your filing fee of \$1,000.00. The CON Application is required under Section 19a-639 of the Connecticut General Statutes ("C.G.S.") for the acquisition of an existing Magnet Resonance Imaging Scanner from Norwich Radiology Group, P.C. Also, Section 19a-639, C.G.S. requires a filing fee of \$400 for the purchase of imaging equipment where the cost of the equipment is under \$3,000,000.

In order for OHCA to consider the above CON application as filed, please send a certified or cashier's check payable to the "Treasurer, State of Connecticut," in the amount of \$400.00. Your check in the amount of \$1,000.00 is being returned to you.

Please feel free to contact me at (860) 418-7001 if you have any questions.

Sincerely,

Kaila Riggott
Certificate of Need Supervisor

KR:bko


Enc. check #0511437

- Check needs to be returned
 - correct amount should be \$400.
 (SL)
 8/16/10

<p>APPLICANT: Day Kimball Healthcare, Inc. and Norwich Radiology Group, Inc.</p> <p>PROJECT TITLE: Acquisition Magnetic Resonance Imaging Scanner from Norwich Radiology Group, Inc.</p> <p>DATE: July 30, 2010</p>	<p>FOR OHCA USE ONLY:</p> <table border="0"> <tr> <td>1. Check logged (Front desk)</td> <td>DATE</td> <td>INITIAL</td> </tr> <tr> <td>2. Check rec'd (Clerical/Cert.)</td> <td>8-16-10</td> <td>emg</td> </tr> <tr> <td>3. Check correct (Superv.)</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>4. Check logged (Clerical/Cert.)</td> <td>_____</td> <td>_____</td> </tr> </table>	1. Check logged (Front desk)	DATE	INITIAL	2. Check rec'd (Clerical/Cert.)	8-16-10	emg	3. Check correct (Superv.)	_____	_____	4. Check logged (Clerical/Cert.)	_____	_____
1. Check logged (Front desk)	DATE	INITIAL											
2. Check rec'd (Clerical/Cert.)	8-16-10	emg											
3. Check correct (Superv.)	_____	_____											
4. Check logged (Clerical/Cert.)	_____	_____											

SECTION A - NEW CERTIFICATE OF NEED APPLICATION	
<p>1. Check statute reference as applicable to CON application (see statute for detail):</p> <p><input checked="" type="checkbox"/> 19a-638. Additional function or service, change of ownership, service termination. No Fee Required.</p> <p>_____ 19a-639 Capital expenditure exceeding \$3,000,000, or capital expenditure exceeding \$3,000,000 for major medical equipment, or CT scanner, PET scanner, PET/CT scanner, MRI scanner, cineangiography equipment or linear accelerator. Fee Required.</p> <p>_____ 19a-638 and 19a-639. Fee Required.</p> <p>2. Enter \$0 on "Total Fee Due" line (SECTION B) if application is required pursuant to Section 19a-638 only, otherwise go on to line 3 of this section.</p> <p>3. Enter \$400 on "Total Fee Due" line (SECTION B) if application is for capital expenditure for major medical equipment, imaging equipment or linear accelerator less than \$3,000,000</p> <p>4. Section 19a-639 fee calculation (applicable if section 19a-639 capital expenditure for major medical equipment, imaging equipment or linear accelerator exceeding \$3,000,000 or other capital expenditure exceeding \$3,000,000 is checked above <u>OR</u> if both 19a-638 and 19a-639 are checked):</p> <p>a. Base fee: _____ \$ 1,000.00</p> <p>b. Additional Fee: (Capital Expenditure Assessment) _____ \$ _____</p> <p>(To calculate: Total requested Capital Expenditure/Cost excluding capitalized financing costs multiplied times .0005 and round to nearest dollar.) (\$ _____ x .0005) \$ _____</p> <p>c. Sum of base fee plus additional fee: (Lines A4a + A4b) _____ \$ _____</p> <p>d. Enter the amount shown on line A4c. on "Total Fee Due" line (SECTION B).</p>	<p style="text-align: center; font-size: 2em; font-weight: bold;">RECEIVED</p> <p style="text-align: center;">2010 AUG 16 12:11</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">DIRECTOR OF SERVICES HEALTH CARE ACCESS</p> <p style="text-align: right; font-size: 1.5em; font-weight: bold;">\$400</p>
SECTION B TOTAL FEE DUE:	\$1,000.00

THE ORIGINAL DOCUMENT HAS A WHITE REFLECTIVE WATERMARK ON THE BACK. HOLD AT AN ANGLE TO VIEW. DO NOT CASH IF NOT PRESENT.

<p>THE CITIZENS NATIONAL BANK PUTNAM, CT 06260</p>	 <p>Day Kimball Hospital PO Box 6001 / Putnam, Connecticut 06260 (860) 928-6541 X2224</p>	<p>51-213 511</p> <p>Check Number 0511437</p>				
<p>*****1,000 DOLLARS 00 CENTS</p>						
		<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Date</th> <th style="width: 50%;">AMOUNT</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">8/03/2010</td> <td style="text-align: center;">*****1,000.00</td> </tr> </tbody> </table>	Date	AMOUNT	8/03/2010	*****1,000.00
Date	AMOUNT					
8/03/2010	*****1,000.00					
<p>PAY TO THE ORDER OF</p> <p>TREASURER STATE OF CT</p>						

OFFICE OF HEALTH CARE ACCESS
REQUEST FOR NEW CERTIFICATE OF NEED
FILING FEE COMPUTATION SCHEDULE

<p>APPLICANT: Day Kimball Healthcare, Inc. and Norwich Radiology Group, Inc. 31602</p> <p>PROJECT TITLE: Acquisition Magnetic Resonance Imaging Scanner from Norwich Radiology Group, Inc.</p> <p>DATE: July 30, 2010</p>	<p>FOR OHCA USE ONLY:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 10%;">DATE</th> <th style="width: 10%;">INITIAL</th> </tr> </thead> <tbody> <tr> <td>1. Check logged (Front desk)</td> <td>8-16-10</td> <td>emg</td> </tr> <tr> <td>2. Check rec'd (Clerical/Cert.)</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>3. Check correct (Superv.)</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>4. Check logged (Clerical/Cert.)</td> <td>_____</td> <td>_____</td> </tr> </tbody> </table>		DATE	INITIAL	1. Check logged (Front desk)	8-16-10	emg	2. Check rec'd (Clerical/Cert.)	_____	_____	3. Check correct (Superv.)	_____	_____	4. Check logged (Clerical/Cert.)	_____	_____
	DATE	INITIAL														
1. Check logged (Front desk)	8-16-10	emg														
2. Check rec'd (Clerical/Cert.)	_____	_____														
3. Check correct (Superv.)	_____	_____														
4. Check logged (Clerical/Cert.)	_____	_____														

SECTION A – NEW CERTIFICATE OF NEED APPLICATION	
<p>1. Check statute reference as applicable to CON application (see statute for detail):</p> <p><input checked="" type="checkbox"/> 19a-638. Additional function or service, change of ownership, service termination. No Fee Required.</p> <p>_____ 19a-639 Capital expenditure exceeding \$3,000,000, or capital expenditure exceeding \$3,000,000 for major medical equipment, or CT scanner, PET scanner, PET/CT scanner, MRI scanner, cineangiography equipment or linear accelerator. Fee Required.</p> <p>_____ 19a-638 and 19a-639. Fee Required.</p> <p>2. Enter \$0 on "Total Fee Due" line (SECTION B) if application is required pursuant to Section 19a-638 only, otherwise go on to line 3 of this section.</p> <p>3. Enter \$400 on "Total Fee Due" line (SECTION B) if application is for capital expenditure for major medical equipment, imaging equipment or linear accelerator less than \$3,000,000</p> <p>4. Section 19a-639 fee calculation (applicable if section 19a-639 capital expenditure for major medical equipment, imaging equipment or linear accelerator exceeding \$3,000,000 or other capital expenditure exceeding \$3,000,000 is checked above <u>OR</u> if both 19a-638 and 19a-639 are checked):</p> <p style="margin-left: 20px;">a. Base fee: _____ \$ 1,000.00</p> <p style="margin-left: 20px;">b. Additional Fee: (Capital Expenditure Assessment) _____ \$ _____ .00</p> <p style="margin-left: 40px;">(To calculate: Total requested Capital Expenditure/Cost excluding capitalized financing costs multiplied times .0005 and round to nearest dollar.) (\$ _____ x .0005) \$ _____ .00</p> <p style="margin-left: 20px;">c. Sum of base fee plus additional fee: (Lines A4a + A4b) _____</p> <p style="margin-left: 20px;">d. Enter the amount shown on line A4c. on "Total Fee Due" line (SECTION B).</p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);">RECEIVED</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">2010 AUG 16 P 12:11</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">CONNECTICUT OFFICE OF HEALTH CARE ACCESS</p>
SECTION B TOTAL FEE DUE:	\$1,000.00

ATTACH HERE CERTIFIED OR CASHIER'S CHECK ONLY (Payable to: Treasurer, State of Connecticut)



DAY KIMBALL HOSPITAL

RECEIVED

320 Pomfret Street Putnam, Connecticut 06260 860-928-6541 / 860-963-6310 www.daykimball.org

2010 AUG 24 A 9:55
CONNECTICUT OFFICE OF
HEALTH CARE ACCESS

August 19, 2010

State of Connecticut
Dept. of Public Health
Office of Health Care Access
Kaila Riggott
Certificate of Need Supervisor
410 Capitol Avenue, MS#13HCA
PO Box 340308
Hartford, CT 06134-0308

**RE: Certificate of Need Application Forms; Docket Number: 10-31602-CON
Day Kimball Hospital and Norwich Radiology Group, LLC
Acquisition of an Existing Magnetic Resonance Imaging Scanner from
Norwich Radiology Group, PC in Putnam
Filing Fee**

Dear Ms. Riggott:

Please find enclosed a check in the amount of \$400.00 for Docket Number: 10-31602-CON.

If there are any further questions, please feel free to contact me at 860-963-6310.

Sincerely,


Amy Franklin
Executive Assistant to the President & CEO

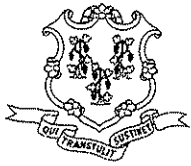
alf

OFFICE OF HEALTH CARE ACCESS
REQUEST FOR NEW CERTIFICATE OF NEED
FILING FEE COMPUTATION SCHEDULE

APPLICANT: <u>Day Kimball Hospital</u> PROJECT TITLE: _____ DATE: _____	FOR OHCA USE ONLY: <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:80%;"></th> <th style="width:10%;">DATE</th> <th style="width:10%;">INITIAL</th> </tr> </thead> <tbody> <tr> <td>1. Check logged (Front desk)</td> <td align="center">8/24/10</td> <td align="center">emg</td> </tr> <tr> <td>2. Check rec'd (Clerical/Cert.)</td> <td align="center">8/24/10</td> <td align="center">emg</td> </tr> <tr> <td>3. Check correct (Superv.)</td> <td align="center">8/24</td> <td align="center">Siv</td> </tr> <tr> <td>4. Check logged (Clerical/Cert.)</td> <td align="center">8/24/10</td> <td align="center">emg</td> </tr> </tbody> </table>		DATE	INITIAL	1. Check logged (Front desk)	8/24/10	emg	2. Check rec'd (Clerical/Cert.)	8/24/10	emg	3. Check correct (Superv.)	8/24	Siv	4. Check logged (Clerical/Cert.)	8/24/10	emg
	DATE	INITIAL														
1. Check logged (Front desk)	8/24/10	emg														
2. Check rec'd (Clerical/Cert.)	8/24/10	emg														
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SECTION A – NEW CERTIFICATE OF NEED APPLICATION	
<p>1. Check statute reference as applicable to CON application (see statute for detail):</p> <p>_____ 19a-638. Additional function or service, change of ownership, service termination. No Fee Required.</p> <p>_____ 19a-639 Capital expenditure exceeding \$3,000,000, or capital expenditure exceeding \$3,000,000 for major medical equipment, or CT scanner, PET scanner, PET/CT scanner, MRI scanner, cineangiography equipment or linear accelerator. Fee Required.</p> <p>_____ 19a-638 and 19a-639. Fee Required.</p> <p>2. Enter \$0 on "Total Fee Due" line (SECTION B) if application is required pursuant to Section 19a-638 only, otherwise go on to line 3 of this section.</p> <p>3. Enter \$400 on "Total Fee Due" line (SECTION B) if application is for capital expenditure for major medical equipment, imaging equipment or linear accelerator less than \$3,000,000</p> <p>4. Section 19a-639 fee calculation (applicable if section 19a-639 capital expenditure for major medical equipment, imaging equipment or linear accelerator exceeding \$3,000,000 or other capital expenditure exceeding \$3,000,000 is checked above <u>OR</u> if both 19a-638 and 19a-639 are checked):</p> <p>a. Base fee: _____</p> <p>b. Additional Fee: (Capital Expenditure Assessment) _____ (To calculate: Total requested Capital Expenditure/Cost excluding capitalized financing costs multiplied times .0005 and round to nearest dollar.) (\$ _____ x .0005)</p> <p>c. Sum of base fee plus additional fee: (Lines A4a + A4b) _____</p> <p>d. Enter the amount shown on line A4c. on "Total Fee Due" line (SECTION B).</p>	<p>\$ 1,000.00</p> <p>\$ _____ .00</p> <p>\$ _____ .00</p>
SECTION B TOTAL FEE DUE: _____	
	\$400 .00

 The Citizens National Bank <small>PUTNAM, CONNECTICUT 06260</small>		069842 51-213/111
PAY TO THE ORDER OF	TREASURER, STATE OF CT	DATE 8/19/10
	\$	\$400.00
EXACTLY **400 AND 00/100 DOLLARS		
MEMO: MRI CON		



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

August 30, 2010

Via Fax Only

Christine Vallee
VP of Physician Services
Day Kimball Hospital
320 Pomfret Street
Putnam, CT 06260

Ajay I. Dalal, M.D.
Vice President/Director
Norwich Radiology Group, P.C.
39 Kenendy Drive
Putnam, CT 06260

RE: Certificate of Need Completeness Letter; Docket Number: 10-31602-CON
Day Kimball Healthcare, Inc. d/b/a Day Kimball Hospital and Norwich Radiology Group, P.C.
Acquisition of an MRI Service with Scanner Located at 39 Kennedy Drive in Putnam by Day
Kimball Healthcare, Inc. d/b/a Day Kimball Hospital from Norwich Radiology Group, P.C.

Dear Ms. Vallee and Dr. Dalal:

On August 16, 2010, the Office of Health Care Access ("OHCA") received the initial Certificate of Need ("CON") submission of Day Kimball Healthcare, Inc. d/b/a Day Kimball Hospital ("Hospital") and Norwich Radiology Group, P.C. ("NRG"), collectively identified as the "Applicants", proposing the purchase of a MRI service with MRI scanner by the Hospital from NRG. The capital expenditure associated with the proposal is \$245,000. The MRI service is located at 39 Kennedy Drive in Putnam, Connecticut.

OHCA has reviewed the CON application pursuant to Section 19a-643-74 of OHCA's Regulations and finds that the information submitted is deficient, and that additional information and/or clarification is required as outlined below:

Question 1.A. response: page 2 of the CON application

1. Why does NRG wish to sell its MRI service in Putnam to the Hospital?
2. Does NRG provide other imaging services at its Putnam office location? Identify any other imaging services provided at this location and the disposition of each of these services within the context of the CON proposal.
3. Does NRG continue to operate a full service diagnostic imaging center in Norwich? Please describe this or any other imaging sites that NRG may operate. If MRI services are offered at any of the other sites, please revise Table 1 in response to CON question 1.D. that includes the requested information.
4. Explain why the Hospital seeks to acquire the existing MRI service. Identify the benefits that will be derived from the service acquisition for the Hospital and its patients.

Question 1.B. response: page 2 of the CON application

5. NRG received a CON determination on March 18, 2004, from OHCA under Report Number: 04-30267-DTR. The determination indicated that CON approval was not required for NRG to expand its MR imaging practice to 39 Kennedy Drive in Putnam, CT, at a cost of \$398,766. Please address the following:
 - a. Is the GE 1.0 tesla-strength, short bore CX Conquest MRI scanner earmarked for purchase in this CON proposal, the MRI unit that was acquired by NRG after it secured the CON determination under Report Number 04-30267-DTR? If not, describe how CX Conquest MRI scanner became the current unit at the Putnam office.
 - b. Describe the age, relative condition and operating efficiency of the GE CX Conquest MRI scanner, describing the occasions when the unit was refurbished/upgraded.

Question 1.E. response: page 3 of the CON application

6. What percentage of the MRI scans performed at the Putnam MRI office are attributable to patients seen by the orthopedic practice located within the medical building?
7. Identify the towns that comprise the 13 town service area for Day Kimball Hospital.
8. Explain how the Hospital will integrate and coordinate the MRI scanning service offered at the Kennedy Drive office with its on-campus MRI services.
9. Explain why the orthopedic practice within the medical building continues to grow volume.
10. Explain why scanning volumes appear to be decreasing between FY 2009 (836 actual scans) and FY 2010 (661 annualized scans).

Question 5.A. response: page 9 of the CON application

11. Why would the projected patient population mix for the Kennedy Drive MRI office continue to reflect a private practice radiology group mix after having been purchased by a non-profit acute care hospital? If necessary, please provide a revised estimate of the projected patient population mix for the Kennedy Drive MRI office for FYs 2011 through 2013 as presented in Attachment 17, page 90.

Questions 6.C. - 6.E. responses: page 10 of the CON application, plus Attachment 18, pages 91-98

12. With the understanding that current office staff will become employees of the Hospital, identify the number of full time equivalent personnel by position category that will be required to continue MRI office operations.
13. Will the MRI rates charged at the Kennedy Drive office be the same as the MRI rates charged at the Hospital? If not, explain why this would be the case.
14. Provide the minimum number of scans required to show an incremental gain from operations for the combined MRI service for FYs 2011 through 2013.

In responding to the questions contained in this letter, please repeat each question before providing your response. Paginate and date your response, i.e., each page in its entirety. Information filed must be numbered sequentially from the Applicants' document preceding it. For example, if the application concludes with page 100, your completeness response letter would begin with page 101. Please reference "Docket Number: 09-31602-CON" and submit one (1) original and four (4) hard copies of your response. In addition, please submit a scanned copy of your response, including all attachments, on CD using MS Word format and Adobe Acrobat. If you have any questions concerning this letter, please feel free to contact me at (860) 418-7069.

Sincerely,

A handwritten signature in black ink that reads "Jack A. Huber". The signature is written in a cursive style with a large initial "J" and "H".

Jack A. Huber
Health Care Analyst

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 1917
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ST. TIME 08/30 14:03
TIME USE 01'19
PAGES SENT 4
RESULT OK

**STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS**

FAX SHEET

TO: CHRISTINE VALLEE
FAX: (860)-963-6341
AGENCY: DAY KIMBALL HOSPITAL
FROM: JACK HUBER
DATE: 8-30-2010 **Time:** ~ 2:00 pm
NUMBER OF PAGES: 4
(including transmittal sheet)



Comments: Transmitted:
Completeness Letter: Day Kimball Hospital's Proposal to
Acquire a MRI Scanning Service from Norwich Radiology Group, PC,
located in Putnam, CT
Docket Number: 10-31602-CON

**PLEASE PHONE Jack A. Huber at (860) 418-7034
IF THERE ARE ANY TRANSMISSION PROBLEMS.**



Robert E. Smanik, FACHE
President and CEO

DAY KIMBALL HOSPITAL

320 Pomfret Street Putnam, Connecticut 06260 860-928-6541 www.daykimball.org

RECEIVED

2010 SEP 22 A 11:47
CONNECTICUT OFFICE OF
HEALTH CARE ACCESS

September 21, 2010

Jack Huber
Health Care Analyst
State of Connecticut
Dept. of Public Health
Office of Health Care Access
410 Capitol Avenue, MS# 13HCA
PO Box 340308
Hartford, CT 06134

RECEIVED
2010 SEP 22 A 11:47
CONNECTICUT OFFICE OF
HEALTH CARE ACCESS

**RE: Certificate of Need Completeness Letter; Docket Number: 10-31602-CON
Day Kimball Healthcare, Inc. d/b/a Day Kimball Hospital and Norwich
Radiology Group, P.C. Acquisition of an MRI Service with Scanner Located
at 39 Kennedy Drive in Putnam by Day Kimball Healthcare, Inc. d/b/a Day
Kimball Hospital from Norwich Radiology Group, P.C.**


Dear Mr. Huber:


Please find enclosed the completeness questions in response to the August 30, 2010
Completeness Letter.

Enclosed you will find one (1) original and four (4) hard copies; as well as a scanned
copy of our response, including attachments.

Should you have any questions, please feel free to contact Christine Vallee, Vice
President of Physician Services at (860) 928-6541 x2428.

Sincerely,


Robert E. Smanik, FACHE
President & Chief Executive Officer
Day Kimball Healthcare, Inc.


Ajay I. Dalal, MD
Vice President/Director
Norwich Radiology Group, P.C.

Question 1.A. response: page 2 of the CON application

1. Why does NRG wish to sell its MRI service in Putnam to the Hospital?

Norwich Radiology Group (NRG) wishes to sell its MRI service due to the retirement of Dr. Ajay Dalal's business partner, thus making it more difficult to run the practice effectively.

2. Does NRG provide other imaging services at its Putnam office location? Identify any other imaging services provided at this location and the disposition of each service within the context of the CON proposal.

NRG only provides MRI imaging services at its Putnam office.

3. Does NRG continue to operate a full service diagnostic imaging center in Norwich? Please describe this or any other imaging sites that NRG may operate. If MRI services are offered at any other site, please revise Table 1 in response to CON question 1.D. that includes the requested information.

NRG does not operate an imaging center in Norwich. The Diagnostic Imaging Center was sold to W.W. Backus Hospital after obtaining CON permission on December 14, 2006 under docket number 06-30766-CON and finalized the selling of the imaging center on February 17, 2007.

Additionally, OPEN MRI of Norwich was sold to a third party vendor in February, 2007.

4. Explain why the Hospital seeks to acquire the existing MRI service? Identify the benefits that will be derived from the service acquisition for the Hospital and its patients.

The Hospital seeks to acquire the existing service to preserve access to MRI services in our service area in a timely fashion.

Question 1.B. response: page 2 of the CON application

5. NRG received a CON determination on March 18, 2004 from OHCA under Report Number: 04-30267-DTR. The determination indicated that CON approval was not required for NRG to expand its MR imaging practice to 39 Kennedy Drive in Putnam, CT, at the cost of \$398,766. Please address the following:

- a. Is the GE 1.0 tesla-strength short bore CX Conquest MRI scanner earmarked for the purchase in this proposal, the MRI unit that was acquired by NRG after it secured the CON determination under Report Number 04-30267-DTR? If not, describe how CX Conquest MRI scanner became the current unit at the Putnam office.

Yes, it was acquired under the CON determination.

- b. Describe the age, relative condition and operating efficiency of the GE CX Conquest MRI scanner, describing the occasions when the unit was refurbished/upgraded.

MRI scanner GE 1.0 tesla was manufactured in 1998, is in excellent condition with an uptime of more then 99%. In addition, the unit was refurbished prior to purchase along with new software. The unit provides excellent quality scans and the technical parameters are within the guidelines of ACR.

Question 1.E. response: page 3 of the CON application

6. What percentage of the MRI scans preformed at the Putnam MRI office are attributable to patients seen by the orthopedic practice located within the medical building?

Approximately 60% to 70% of the scans performed at the Putnam MRI office are from the patients seen by the orthopedic practice located within the building on Kennedy Drive.

7. Identify the towns that comprise the 13 town service area for Day Kimball Hospital.

Day Kimball's service area includes the following 13 towns: Ashford, Brooklyn, Canterbury, Chaplin, Eastford, Hampton, Killingly, Plainfield, Pomfret, Putnam, Sterling, Thompson, and Woodstock.

8. Explain how the Hospital will integrate and coordinate the MRI scanning service offered at the Kennedy Drive office with its on-campus MRI services.

The hospital will integrate the Kennedy Drive office staff into the hospital's overall diagnostic services department. In addition, the hospital's radiology group, Jefferson Radiology, will read all scans. The hospital will also provide IT connectivity including PACS. The hospital's central scheduling

office will be able to coordinate scans for patients at the Kennedy Drive location as the scheduling office currently provides at its hospital campus.

9. Explain why the orthopedic practice within the medical building continues to grow volume.

The orthopedic practice continues to grow volume due to the addition of a fourth physician in 2003 and a Nurse Practitioner in 2007.

10. Explain why scanning volumes appear to be decreasing between 2009 (836 actual scans) and FY2010 (661 annualized scans).

Diagnostic Services have seen reductions tied to the economic recession of 2009-2010. In addition, there has been an increased requirement for pre-authorization of high end imaging services which impacts volume.

Question 5.A. response: page 9 of the CON application

11. Why would the projected patient population mix for the Kennedy Drive MRI office continue to reflect a private practice radiology group mix after having been purchased by a non-profit acute care hospital? If necessary, please provide a revised estimate of the projected patient population mix for the Kennedy Drive MRI office for FYs 2011 through 2013 as presented in attachment 17, page 90.

Day Kimball Hospital				
Payer	FY2010	FY2011	FY2012	FY2013
Medicare	19.84%	19.84%	19.84%	19.84%
Medicaid	17.49%	17.49%	17.49%	17.49%
CHAMPUS & TriCare	0.92%	0.92%	0.92%	0.92%
Total Government	38.25%	38.25%	38.25%	38.25%
Commerical Insurers	59.66%	59.66%	59.66%	59.66%
Uninsured	0.59%	0.59%	0.59%	0.59%
Workers Compensation	1.50%	1.50%	1.50%	1.50%
Total Non-Government	61.75%	61.75%	61.75%	61.75%
Total Payer Mix	100.00%	100.00%	100.00%	100.00%

Norwich Radiology Group				
Payer	FY2010	FY2011	FY2012	FY2013
Medicare	11.80%	0.00%	0.00%	0.00%
Medicaid	-	-	-	-
CHAMPUS & TriCare	-	-	-	-
Total Government	11.80%	0.00%	0.00%	0.00%
Commerical Insurers	79.30%	0.00%	0.00%	0.00%
Uninsured	4.90%	0.00%	0.00%	0.00%
Workers Compensation	4.00%	0.00%	0.00%	0.00%
Total Non-Government	88.20%	0.00%	0.00%	0.00%
Total Payer Mix	100.00%	0.00%	0.00%	0.00%

* The Norwich Radiology Group located at Kennedy Drive will no longer exist after FY2010 pending CON approval to transfer to Day Kimball Hospital

Questions 6. C. - 6.E. responses: page 10 of the CON application, plus Attachment 18, pages 91-98

12. With the understanding that current office staff will become employees of the Hospital, identify the number of full time equivalent personnel by position category that will be required to continue MRI operations.

Full-time - Registered MRI Technologist – One
Full-time – Front desk secretary/typist/billing clerk – One

13. Will the MRI rates charged at the Kennedy Drive office be the same as the rates charged at the Hospital? If not, please explain why this would be the case.

Rates will be consistent with hospital MRI rates

14. Provide the minimum number of scans required to show an incremental gain form operations for the combined MRI service for FY2011 through 2013.

Day Kimball Healthcare Incremental Gain
--

FY2011	
Scans	850
Gain	\$ 473,708
Average Gain/Scan	\$ 557
Expenses	\$ 390,882
# of Scans for incremental Gain	702

FY2011	
Scans	893
Gain	\$ 497,393
Average Gain/Scan	\$ 557
Expenses	\$ 410,426
# of Scans for incremental Gain	737

FY2011	
Scans	937
Gain	\$ 522,263
Average Gain/Scan	\$ 557
Expenses	\$ 430,947
# of Scans for incremental Gain	774



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

October 6, 2010

Via Fax Only

Christine Vallee
VP of Physician Services
Day Kimball Hospital
320 Pomfret Street
Putnam, CT 06260

Ajay I. Dalal, M.D.
Vice President/Director
Norwich Radiology Group, P.C.
39 Kenendy Drive
Putnam, CT 06260

RE: Certificate of Need Completeness Letter; Docket Number: 10-31602-CON
Day Kimball Healthcare, Inc. d/b/a Day Kimball Hospital and Norwich Radiology Group, P.C.
Acquisition of an MRI Service with Scanner Located at 39 Kennedy Drive in Putnam by Day
Kimball Healthcare, Inc. d/b/a Day Kimball Hospital from Norwich Radiology Group, P.C.

Dear Ms. Vallee and Dr. Dalal:

On September 22, 2010, the Office of Health Care Access ("OHCA") received the completeness responses regarding the Certificate of Need ("CON") filing on behalf of Day Kimball Healthcare, Inc. d/b/a Day Kimball Hospital ("Hospital") and Norwich Radiology Group, P.C. ("NRG"), collectively identified as the "Applicants", proposing the purchase of a MRI service with MRI scanner by the Hospital from NRG. The capital expenditure associated with the proposal is \$245,000. The MRI service is located at 39 Kennedy Drive in Putnam, Connecticut.

OHCA has reviewed the CON application pursuant to Section 19a-634-74 of OHCA's regulations and finds that additional information and/or clarification is required as outlined below:

1. On June 23, 2010, Day Kimball Hospital ("Hospital") received authorization from OHCA to replace its existing mobile 1.5 tesla-strength MRI scanner with a new mobile MRI scanner to be located on the Hospital's main campus, 320 Pomfret Street in Putnam CT at a replacement equipment cost of \$1,278,424. At the time of its request the Hospital proposed to replace the existing mobile 1.5 tesla-strength Siemens Symphony MRI scanner with a mobile 1.5 tesla-strength Siemens Espree MRI scanner. Please address the following:
 - a. Identify or provide the following with regard to the MRI scanner the Hospital has or will be acquiring to replace the mobile scanner in use prior to the aforementioned request:
 1. Name of the Manufacturer;
 2. Name of Model and Make;
 3. Tesla-Strength of the Scanner;
 4. Mobile-based or Fixed-based Scanner
 5. Open or Closed Scanner;
 6. Location of the Scanner;
 7. Date Scanner has been or will be Installed;

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Telephone: (860) 418-7001 Toll-Free: 1-800-797-9688
Fax: (860) 418-7053

8. Enhancements added to the new scanner to perform specific types of MRI imaging that the earlier scanner could not perform; and
9. Provide a copy of the vendor proposal or price quotation reflective of the scanner acquired or anticipated to be acquired.

b. Please complete the following table to illustrate the capacity of the Hospital's replacement MRI scanner:

Projected Capacity of the Replacement MRI Scanner Based on Hours of Operation

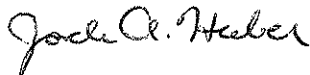
	Replacement MRI Scanner FY _____ <i>(First full fiscal year of operation)</i>
Average Number of Hours per Day the Scanner is Operational	
Number of Days per Week the Scanner is Operational	
Number of Weeks per Year the Scanner is Operational	
Targeted Utilization as a Percentage of the Scanner's Capacity	
Annual Total Capacity for Scans in Hours	
Average Scan Time in Hours	
Annual Capacity- Number of Scans per Scanner	
Projected Actual Number of Scans	
Percentage Total Capacity	

2. Explain the Hospital's need to acquire a second MRI scanner.
3. Describe the ability of the Hospital to absorb the existing MRI patient base from Norwich Radiology Group's Putnam office.

In responding to the questions contained in this letter, please repeat each question before providing your response. **Paginate and date** your response, i.e., each page in its entirety. Submit one (1) original and four (4) hard copies; as well as a scanned copy of the complete response, including all attachments, on CD or Diskette. OHCA requests a copy of the submission be in MS Word format and the scanned copy be in Adobe format. Please reference "Docket Number: 09-31602-CON" in your response submission.

If you have any questions concerning this letter, please feel free to contact me at (860) 418-7069.

Sincerely,



Jack A. Huber
Health Care Analyst

*** TX REPORT ***

TRANSMISSION OK

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PAGES SENT 3
RESULT OK

**STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS**

FAX SHEET

TO: CHRISTINE VALLEE
FAX: (860)-963-6341
AGENCY: DAY KIMBALL HOSPITAL
FROM: JACK HUBER
DATE: 10-6-2010 **Time:** ~ 3:20 pm
NUMBER OF PAGES: 3
(including transmittal sheet)



Comments: Transmitted:
Completeness Letter: Day Kimball Hospital's Proposal to
Acquire a MRI Scanner from Norwich Radiology Group, PC
Docket Number: 10-31602-CON

**PLEASE PHONE Jack A. Huber at (860) 418-7069
IF THERE ARE ANY TRANSMISSION PROBLEMS.**

*** TX REPORT ***

TRANSMISSION OK

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TIME USE 01'24
PAGES SENT 3
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STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: JOHN D. BLAIR

FAX: (860) 509-6501

AGENCY: BROWN RUDNICK, LLC

FROM: JACK HUBER

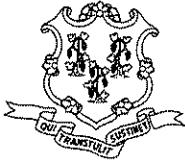
DATE: 10/6/2010 Time: ~3:20 pm

NUMBER OF PAGES: 3
(including transmittal sheet)



Comments: Transmitted: Completeness Letter; Docket Number: 10-31602-CON
Day Kimball Hospital's Proposal to Acquire an MRI
Scanner from Norwich Radiology Group

**PLEASE PHONE Jack A. Huber at (860) 418-7069
IF THERE ARE ANY TRANSMISSION PROBLEMS**



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

**Revision to the Letter of
October 6, 2010**

Via Fax Only

Christine Vallee
VP of Physician Services
Day Kimball Hospital
320 Pomfret Street
Putnam, CT 06260

Ajay I. Dalal, M.D.
Vice President/Director
Norwich Radiology Group, P.C.
39 Kenendy Drive
Putnam, CT 06260

RE: Certificate of Need Completeness Letter; Docket Number: 10-31602-CON
Day Kimball Healthcare, Inc. d/b/a Day Kimball Hospital and Norwich Radiology Group, P.C.
Acquisition of an MRI Service with Scanner Located at 39 Kennedy Drive in Putnam by Day
Kimball Healthcare, Inc. d/b/a Day Kimball Hospital from Norwich Radiology Group, P.C.

Dear Ms. Vallee and Dr. Dalal:

On September 22, 2010, the Office of Health Care Access ("OHCA") received the completeness responses regarding the Certificate of Need ("CON") filing on behalf of Day Kimball Healthcare, Inc. d/b/a Day Kimball Hospital ("Hospital") and Norwich Radiology Group, P.C. ("NRG"), collectively identified as the "Applicants", proposing the purchase of a MRI service with MRI scanner by the Hospital from NRG. The capital expenditure associated with the proposal is \$245,000. The MRI service is located at 39 Kennedy Drive in Putnam, Connecticut.

OHCA has reviewed the CON application pursuant to Section 19a-634-74 of OHCA's regulations and finds that additional information and/or clarification is required as outlined below:

1. On June 23, 2010, Day Kimball Hospital ("Hospital") received authorization from OHCA to replace its existing mobile 1.5 tesla-strength MRI scanner with a new mobile MRI scanner to be located on the Hospital's main campus, 320 Pomfret Street in Putnam CT at a replacement equipment cost of \$1,278,424. At the time of its request the Hospital proposed to replace the existing mobile 1.5 tesla-strength Siemens Symphony MRI scanner with a mobile 1.5 tesla-strength Siemens Espree MRI scanner. Please address the following:
 - a. Identify or provide the following with regard to the MRI scanner the Hospital has or will be acquiring to replace the mobile scanner in use prior to the aforementioned request:
 1. Name of the Manufacturer;
 2. Name of Model and Make;
 3. Tesla-Strength of the Scanner;
 4. Mobile-based or Fixed-based Scanner
 5. Open or Closed Scanner;
 6. Location of the Scanner;

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Fax: (860) 418-7053

7. Date Scanner has been or will be Installed;
8. Enhancements added to the new scanner to perform specific types of MRI imaging that the earlier scanner could not perform; and
9. Provide a copy of the vendor proposal or price quotation reflective of the scanner acquired or anticipated to be acquired.

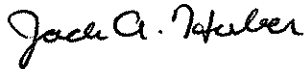
Question 1. b. is revised to reflect the following Questions 1. b. and 1. c.:

- b. Provide the annual capacity of the approved replacement scanner to perform MRI scans, showing the calculations used to arrive at the annual service volume estimate.
 - c. Provide the operating schedule for the approved replacement scanner (i.e. the number of hours each day of the week the scanner is/will be operational).
2. Explain the Hospital's need to acquire a second MRI scanner.
 3. Describe the ability of the Hospital to absorb the existing MRI patient base from Norwich Radiology Group's Putnam office.

In responding to the questions contained in this letter, please repeat each question before providing your response. **Paginate and date** your response, i.e., each page in its entirety. Submit one (1) original and four (4) hard copies; as well as a scanned copy of the complete response, including all attachments, on CD or Diskette. OHCA requests a copy of the submission be in MS Word format and the scanned copy be in Adobe format. Please reference "Docket Number: 09-31602-CON" in your response submission.

If you have any questions concerning this letter, please feel free to contact me at (860) 418-7069.

Sincerely,



Jack A. Huber
Health Care Analyst

*** TX REPORT ***

TRANSMISSION OK

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TIME USE 01'05
PAGES SENT 3
RESULT OK

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: CHRISTINE VALLEE

FAX: (860)-963-6341

AGENCY: DAY KIMBALL HOSPITAL

FROM: JACK HUBER

DATE: 10-8-2010 **Time:** ~ 3:30 pm

NUMBER OF PAGES: 3
(including transmittal sheet)

Comments: **Transmitted:**
Completeness Letter Revision Concerning DN: 10-31602-CON
Question 1.b of the October 6, 2010 letter has been recast.

Instructions:
Please address revised Questions 1.b. and 1.c. instead of the previously
received Question 1.b.

Please contact me at (860) 418-7069 with questions you may have
regarding this matter. Thank you.



Robert E. Smanik, FACHE
President and CEO

DAY KIMBALL HOSPITAL

320 Pomfret Street Putnam, Connecticut 06260 860-928-6541 www.daykimball.org

RECEIVED

2010 OCT 28 P 1:50

CONNECTICUT OFFICE OF
HEALTH CARE ACCESS

October 27, 2010

Jack Huber
Health Care Analyst
State of Connecticut
Dept. of Public Health
Office of Health Care Access
410 Capitol Avenue, MS# 13HCA
PO Box 340308
Hartford, CT 06134

**RE: Certificate of Need Completeness Letter; Docket Number: 09-31602-CON
Day Kimball Healthcare, Inc. d/b/a Day Kimball Hospital and Norwich
Radiology Group, P.C.
Acquisition of an MRI Service with Scanner Located at 39 Kennedy Drive in
Putnam by Day Kimball Healthcare, Inc. d/b/a Day Kimball Hospital from
Norwich Radiology Group P.C.**

Dear Mr. Huber:

Please find enclosed the completeness questions in response to the revised letter of October 8, 2010.

Enclosed you will find one (1) original and four (4) hard copies, including attachments.

Should you have any questions, please feel free to contact Christine Vallee, VP of Physician Services at (860) 928-6541 x2428.

Sincerely,

Robert E. Smanik, FACHE
President & Chief Executive Officer
Day Kimball Healthcare, Inc.

Ajay Dalal, MD
Vice President/Director
Norwich Radiology Group, P.C.

1. On June 23, 2010, Day Kimball Hospital ("Hospital") received authorization from OHCA to replace its existing mobile 1.5 tesla-strength MRI scanner with a new mobile MRI scanner to be located on the Hospital's main campus, 320 Pomfret Street in Putnam CT at a replacement equipment cost of \$1,278,424. At the time of its request the Hospital proposed to replace the existing mobile 1.5 tesla-strength Siemens Symphony MRI scanner with a mobile 1.5 tesla-strength Siemens Espree MRI scanner. Please address the following:
 - a. **Identify or provide the following with regard to the MRI scanner the Hospital has or will be acquiring to replace the mobile scanner in use prior to the aforementioned request:**
 1. Name of the Manufacturer: **Siemens**
 2. Name of Model and Make: **MAGNETOM Espree**
 3. Tesla-Strength of the Scanner: **1.5 Tesla**
 4. Mobile-based or Fixed-based Scanner: **Mobile**
 5. Open or Closed Scanner: **Open Bore**
 6. Location of the Scanner: **Hospital's Main Campus – 320 Pomfret Street Putnam, CT 06260**
 7. Date Scanner has been or will be Installed: **July 15, 2010**
 8. Enhancements added to the new scanner to perform specific types of MRI imaging that the earlier scanner could not perform:
 - A) **Option BLADE**- A software technique for imaging uncooperative patients which eliminates motion in images
 - B) **Option TWIST**- Time resolved angiography improves image timing of contrast in blood vessels.
 - C) **In-line Composing** - An option that allows images to be stitched together. For example, 2 studies such as cervical and thoracic spines may be composed into one study for improved visualization
 - D) **Coil Improvements:**
Breast Coil - Improved from 7 channels to 16 channels
Foot/ankle coil - Formerly performed on a knee coil. This coil has an improvement in receiving channels from 4 channels to 8 channels and minimizes motion with a tighter fit. Improved fat suppression techniques at the toes.
 - E) **Overall System Upgrade:**
Gradient Strength was 30mT/m, increased to 33 mT/m
Overall system upgraded from 8 channels to 32 channels
 9. Provide a copy of the vendor proposal or price quotation reflective of the scanner acquired or anticipated to be acquired: **Attachment A**

- b. **Provide the annual capacity of the approved replacement scanner to perform MRI scans, showing the calculations used to arrive at the volume estimate.**

Number of Days per Week the Scanner is Operational	6
Number of Weeks per Year the Scanner is Operational	52
Average Number of Hours per Day the Scanner is Operational	14.25 (6:30am-8:45pm)
Daily Scheduled slots (every 45 minutes)	19*
Average Appointment time	45 minutes
Projected Total Annual Capacity of Available Service	19 slots/day x 6 days/week x 52 weeks/year= 5928** appointments available

*Of the 19 slots, three are dedicated for inpatient and urgent cases.

**Based on Attachment B, the percentage of utilization decreases for every appointment slot where an MRI is scheduled but not completed due to the following: patient cancellations, claustrophobia, contraindications, machine/technical problems, and patient no-shows. The current DKH utilization averages 85.7%.

- c. **Provide the operating schedule for the approved replacement scanner (i.e. the number of hours each day of the week the scanner is/will be operational).**

	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Start	6:30 AM	6:30 AM	6:30 AM	6:30 AM	6:30 AM	No Service	6:30 AM
Finish	8:45 PM	8:45 PM	8:45 PM	8:45 PM	8:45 PM	PET/CT on pad	8:45 PM
Hours of MRI Service	14.25	14.25	14.25	14.25	14.25	0	14.25

2. **Explain the Hospital's need to acquire a second MRI scanner**

A second MRI scanner will aid the Hospital in preserving access to MRI services in our service area for the following reasons:

- Access to Services/Wait times for Scheduled Appointments: MRI services provided at Day Kimball Hospital have developed access limitations due to gradually increasing patient volume at the Hospital campus as represented on page 4 of the application. Currently our wait time from request of MRI services to delivery of services at the Hospital campus is up to 10 operational days. Our community and the patients we serve deserve more immediate access to this vital technology pursuant to an injury or other diagnostic need. As expected, the demand for MRI services occurs between the hours of 6:30am and 8:45pm as previously stated.
- Lack of Ability to Expand Hospital Based Services: Our MRI team at Day Kimball Hospital currently offers services 6 days per week from 6:30am to 8:45pm. We are limited to 6 days/week because mobile PET/CT, an essential diagnostic oncology tool, services our community on Saturdays in the same physical location that our mobile MRI resides. Therefore, expanding daily hours of operation in our current location would be poorly utilized by our patient base if appointments were offered before 6:30am or after 8:45pm.

The addition of the Kennedy Drive MRI would allow increased access to available appointments on Saturdays which are currently not available at the Hospital.

3. Describe the ability of the Hospital to absorb the existing MRI patient base from Norwich Radiology Group's Putnam Office.

The Hospital will not be able to absorb the current Kennedy Drive MRI volume at the Hospital location because current utilization averages approximately 85.7%. Absorbing additional patients from Kennedy Drive would create inefficiencies such as:

- Longer wait times for appointments
- Lack of continued availability for inpatient/urgent MRI needs

On average, the Hospital is completing between 16 and 17 out of 19 scans per day (85.7%), as indicated on Attachment B. The percentage of utilization decreases for every appointment slot where an MRI is scheduled but not completed due to

Day Kimball Healthcare, Inc.
Docket Number: 10-31602-CON
October 27, 2010

the following: patient cancellations, claustrophobia, contraindications, machine/technical problems, and patient no-shows. Based on these figures, we would not be able to absorb the patient volume from the Kennedy Drive location.

SIEMENS

Siemens Medical Solutions USA, Inc.
51 Valley Stream Parkway, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Rebecca Chimarys - (940) 383-2113

Customer Number: 0000004355

Date: 3/31/2010

ALLIANCE HEALTHCARE SERVICES INC
100 BAYVIEW CIRCLE STE 400
NEWPORT BEACH, CA 92660

Siemens Medical Solutions USA, Inc. is pleased to submit the following quotation for the products and services described herein at the stated prices and terms, subject to your acceptance of the terms and conditions on the face and back hereof, and on any attachment hereto.

<u>Table of Contents</u>	<u>Page</u>
MAGNETOM Espree.....	2
General Terms and Conditions.....	5
Warranty Information.....	11
Cut Sheets.....	following page 11

Proposal valid for 45 days

This quotation is for the Boston Region

The pricing contained within is strictly confidential and can not be shared with anyone that is not a direct employee of Alliance Healthcare Services, Inc. This special proposal is based upon the 10 system MR Bulk Buy executed on September 28, 2009

Accepted and Agreed to by:

Siemens Medical Solutions USA, Inc.
 By (sign): *Rebecca Chimarys*
 Name: Rebecca Chimarys
 Title: Director
 Date: 6-1-10

ALLIANCE HEALTHCARE SERVICES INC
 By (sign): *Matthew A. Zito*
 Name: Matthew Zito
 Title: Director of Ops.
 Date: 6/1/10

All pages of the signed proposal must be returned to Siemens to process the order - Thank you.

SIEMENS

Siemens Medical Solutions USA, Inc.
51 Valley Stream Parkway, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Rebecca Chimarys - (940) 383-2113

Quote Nr:	1-1FLVBS Rev. 0
Terms of Payment:	10% Down, 80% Delivery, 10% Installation Free On Board: Shipping Point
Purchasing Agreement:	Not Applicable

MAGNETOM Espree

All items listed below are included for this system:

Qty	Part No.	Item Description
1	14405343	I-class #Tim I-class is the new generation of Tim-based MRI scanners, which enables innovative applications and workflow efficiency. The I-class package comprises: - 3D Distortion Correction - MPPS - ImageFilter SW - PhoenixZIP - DICOM Study Split
1	08464872	PC Keyboard US english #Tim Standard PC keyboard with 101 keys.
1	07820074	Inline Diffusion #Tim Automatic real-time calculation of trace-weighted images and ADC maps with inline technology. Compatible to single-shot diffusion-weighted EPI.
1	14401443	Cable Set syngo 11/9 #Es Cable length inside the cabin 11 m, cable length outside the cabin 9 m. Inclusive Ethernet Twisted Pair Adapter and 10 m cable.
1	14401493	Venting Kit #Av,Es Overpressure valve as a transport safety device for cold delivery of the magnet by air and sea freight. Designed for: - atmospheric pressure conditions at sea level during land and sea transport, as well as - low pressure during air transport.
1	05672105	Hellum Fill 30/60 #S,Tim
1	08465242	Separator #Av The SEP (Separation cabinet) has to be used if a central hospital chilled water supply is available or if a chiller of any brand/type is already available. In these cases, the primary water specifications must fulfill the requirements (e.g. 60 kW heat dissipation; 90l/min flow; 6 to 12°C water temperature; pH value 6 to 8). Dimensions: 1800mm x 850mm x 650mm (height x width x depth) Weight: 400kg
1	MR_CRYO	Standard Cryogens
1	4MR5142869	Armrest #MR
1	MR_PM	MR Project Management
1	MR_FOLLOWU P_24	Follow-up training 24 hrs
1	MR_INITIAL_32	Initial onsite training 32 hrs
1	MR_INT_SYN_ BCLS	Basic syngo MR Class
1	PWR9390PC16 0	Powerware Power Conditioner 9390
1	MR_MOB_RIG _INST	MR Mobile Rigging and Installation
1	PWR9390ISO9 0	Isolation Transformer 90KVA
1	PWR9390MMO BKIT	Mounting kit f.Pwrwre9390 mobile MR

Created: 3/31/2010 12:30:00 PM
PRO 1-1FS5TH

Siemens Medical Solutions USA, Inc. Confidential

SIEMENS

Siemens Medical Solutions USA, Inc.
51 Valley Stream Parkway, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Rebecca Chimarys - (940) 383-2113

Qty	Part No.	Item Description
1	14405328	TWIST syngo #Tim This package contains a Siemens unique sequence and protocols for time-resolved (4D) MR angiographic and dynamic imaging in general with high spatial and temporal resolution. syngo TWIST supports comprehensive dynamic MR angio exams in all body regions. It offers temporal information of vessel filling in addition to conventional static MR angiography, which can be beneficial in detecting or evaluating malformations such as shunts. In case of general dynamic imaging, for example an increase in spatial resolution by a factor of up to 2 at 60 seconds temporal resolution (compared to conventional dynamic imaging) is possible due to intelligent k-space sampling strategies. Alternatively, increased temporal resolution at constant spatial resolution is possible.
1	14405244	Shoulder Array Coil #Es This IPAT compatible coil for examinations of the left or right shoulder consists of a base plate and two receive array coil attachments available in different sizes, these will be attached and can be relocated on the basis plate.
1	08464948	CP Extremity Coil #Tim Circularly Polarized no-tune transmit/receive coil for joint examinations in the region of the lower extremities.
1	08857828	UPS Cable #Tim Power cable for the UPS-system UPS Powerware PW 9125-3000i (8857810) at the ACC of the MAGNETOM Tim and MAGNETOM Tim+Dot systems for backing up the computer. Standard cable length 9 m.
1	14413662	UPS Powerware PW9130G-3000T-XLEU UPS system Eaton PW9130-3000G-3000T-XLEU for MAGNETOM Tim, MAGNETOM Tim+Dot and MAGNETOM Symphony systems for safeguarding computers. Power output: 3.0 kVA / 2.7 kW Bridge time: 5 min full load / 14 min half load Input voltage: 230 VAC
1	14418555	MAGNETOM Espree - System The Siemens 1.5T MAGNETOM Espree, a Tim system, is the first Open Bore MR scanner. It uniquely supports revolutionary patient care through: - Revolutionary, CT-like bore design 70 cm patient diameter, 125 cm long system (cover to cover) for head out of the magnet in 60% of the anatomy scanned. - Tim (Total imaging matrix) technology, the tremendous innovative RF system and matrix coil technology, which provides up to 100% more SNR, streamlines positioning and opens the door to whole body imaging. - syngo(r), the Siemens unique multi modality software providing innovative applications and workflow automation features. The system including magnet, electronics and control room can be installed in 30 sqm (325 sq. ft). The basic system includes: - Unique ultra-short 120 cm long, whole-body superconductive 1.5T magnet with Zero Helium Boil-Off technology - Siemens exclusive Actively Shielded water-cooled gradient system - Digital RF Transmit and Receive System - RF Coils (Head, Neck, Spine and Body Matrix Coil, 4-channel Flex Coils large/ small) - Wireless physiological measuring unit (PMU) - High performance new host computer and image processor - syngo(r) MR SW incl. Inline technology, 1D/2D PACE, IPAT, IPAT Extensions, syngo BLADE, CISS/DESS and Phoenix - Tim Application Suite including nine dedicated Suites: Neuro Suite, Angio Suite, Cardiac Suite, Body Suite, Onco Suite, Breast Suite, Ortho Suite, Pediatric Suite and Scientific Suite. For system cooling either the predefined chiller option or the Separator is required.
1	14401446	Tim [76x18] Z-engine #Es Tim [76x18] Z-engine performance level Tim [76x18] is Total imaging matrix with 76 seamlessly integrated coil elements, combinable to 18 RF channels. It is for demanding high-end applications and optimized throughput. Tim [76x18] has flexibility in Parallel imaging. PAT factors up to 4 (one direction) or 12 (in two directions, optional) help speed acquisitions. Maximum SNR is ensured through the new matrix coil technology. Z-engine Gradient System The Z-engine is designed combining high performance while minimizing acoustic noise.
1	14401447	Label Tim [76x18] #Es Label on the front cover displaying the Tim level of the system.
1	14401479	Mobile Configurator #Es
1	14405224	Composing syngo #Tim This application provides dedicated evaluation software for creation of full-format images from overlapping MR volume data sets and MIPs (starting from syngo MR B13) acquired at multiple stages.
1	14402592	Inline Composing syngo #Tim Automatic anatomical or angiographic composing of multiple adjacent coronal or sagittal images for presentation and further evaluation. Composed images can be automatically loaded into Graphical Slice Positioning for scan planning purposes.

SIEMENS

Siemens Medical Solutions USA, Inc.
51 Valley Stream Parkway, Malvern, PA 19355

SIEMENS REPRESENTATIVE
Rebecca Chimarys - (940) 383-2113

Qty	Part No.	Item Description
1	14413663	UPS Battery module UPS battery module Eaton PW 9130N-3000T-EBM for all MAGNETOM Tim, MAGNETOM Tim+Dot and MAGNETOM Symphony systems for safeguarding computers. Extension for: PW9130I-3000T Battery type: Closed, maintenance-free Extension of the bridge time to: 24 minutes with a module Dimensions (H x W x D): Battery module: 348 x 214 x 412 mm incl. bracket set Weight: approx. 50 kg

System Total: \$1,278,424

OPTIONS:

Qty	Part No.	Item Description	Extended Price	Initial to Accept
1	MR_ADD_24	Additional onsite training 24 hours	+ \$5,700	X _____

FINANCING: The equipment listed above may be financed through Siemens. Ask us about our full range of financial products that can be tailored to meet your business and cash flow requirements. For further information, please contact your local Sales Representative.

ACCESSORIES: Don't forget to ask us about our line of OEM imaging accessories to complete your purchase. All accessories can be purchased or financed as part of this order. To purchase accessories directly or to receive our accessories catalog, please call us directly at 1-888-222-9944 ext. 7 or contact your local Sales Representative.

COMPLIANCE: Compliance with legal and internal regulations is an integral part of all business processes at Siemens. Possible infringements can be reported to our Helpdesk "Tell us" function at www.siemens.com/tell-us.

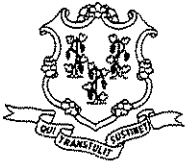
ATTACHMENT B

Daily MRI Schedule

Appointment Type

Inpatient/Urgent	19	100%	¹ Unfilled				
Inpatient/Urgent	18		95%	² Unfilled			
Inpatient/Urgent	17			89%	³ Unfilled		
Outpatient	16				84%	⁴ Unfilled	
Outpatient	15					79%	⁵ Unfilled
Outpatient	14						74%
Outpatient	13						⁶ 68%
Outpatient	12						
Outpatient	11						
Outpatient	10						
Outpatient	9						
Outpatient	8						
Outpatient	7						
Outpatient	6						
Outpatient	5						
Outpatient	4						
Outpatient	3						
Outpatient	2						
Outpatient	1						

Slots 17-19 are necessary for DKH to afford appointment times for unplanned emergent MRI's referred from the ED, inpatient or acute outpatient setting.



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

November 16, 2010

Christine Vallee
Vice President of Physician Services
Day Kimball Hospital
320 Pomfret Street
Putnam, CT 06260

Re: Certificate of Need Application; Docket Number: 10-31602-CON
Acquisition of a MRI Scanner
Notice of Public Hearing

Dear Ms. Vallee:

With the receipt of the completed Certificate of Need ("CON") application information submitted by Day Kimball Hospital ("Applicant") on October 28, 2010 the Office of Health Care Access ("OHCA") has initiated its review of the CON application identified above.

Pursuant to Section 19a-639 of the Connecticut General Statutes ("C.G.S."), OHCA may hold a hearing whenever a health care facility or institution proposes to introduce a new or additional function or service, or terminate a service.

This hearing notice is being issued pursuant to Section 19a-639, C.G.S.

Applicant: Day Kimball Hospital

Docket Number: 10-31602-CON

Proposal: Acquisition of a MRI Scanner with no capital expenditure

Notice is hereby given of a public hearing to be held in this matter to commence on:

Date: December 6, 2010

Time: 10:00 a.m.

Place: Office of Health Care Access, Third Floor Hearing Room,
410 Capitol Avenue, Hartford, Connecticut

The Applicant is designated as party in this proceeding. Enclosed for your information is a copy of the hearing notice for the public hearing that will be published in the *Norwich Bulletin* pursuant to Section 19a-643-85(c) of OHCA's Regulations.

Sincerely,

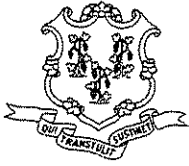


Kimberly R. Martone
Director of Operations

Enclosure

cc: Henry Salton, Esq., Office of the Attorney General
Wendy Furniss, Department of Public Health
Irving Moy, Department of Public Health
Marielle Daniels, Connecticut Hospital Association

KRM:JAH:lmg



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

November 16, 2010

Requisition # 33200

Norwich Bulletin
66 Franklin Street
Norwich, CT 06360

Gentlemen/Ladies:

Please make an insertion of the attached copy, in a single column space, set solid under legal notices, in the issue of your newspaper by no later than **Saturday, November 20, 2010**. Please provide the following **within 30 days** of publication:

- Proof of publication (copy of legal ad. acceptable) showing published date along with the invoice.

If there are any questions regarding this legal notice, please contact Jack Huber at (860) 418-7001.

KINDLY RENDER BILL IN DUPLICATE ATTACHED TO THE TEAR SHEET.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kimberly R. Martone".

Kimberly R. Martone
Director of Operations

Attachment

cc: Danielle Pare, DPH
Marielle Daniels, Connecticut Hospital Association

KRM:JAH:lmg

PLEASE INSERT THE FOLLOWING:

Office of Health Care Access Public Hearing

Statute Reference: 19a-639
Applicant: Day Kimball Hospital
Town: Putnam
Docket Number: 10-31602-CON
Proposal: Acquisition of a MRI Scanner with no capital expenditure
Date: December 6, 2010
Time: 10:00 a.m.
Place: Office of Health Care Access, Third Floor Hearing Room,
410 Capitol Avenue, Hartford, Connecticut

Any person who wishes to request status in the above listed public hearing may file a written petition no later than December 1, 2010 (5 calendar days before the date of the hearing) pursuant to Sections 19a-643-37/38/39 of OHCA's Regulation. If the request for status is granted, such person shall be designated as a Party, an Intervenor or an Informal Participant in the above proceeding. Please check OHCA's website at www.ct.gov/ohca for more information or call OHCA directly at (860) 418-7001.

Greer, Leslie

From: Laurie <Laurie@graystoneadv.com>
Sent: Thursday, November 18, 2010 11:17 AM
To: Greer, Leslie
Subject: FW: Newspaper Notice 10-31602-CON
Attachments: 10-31602np Norwich Bulletin.doc

Your legal notice is all set to run as follows:

Norwich Bulletin, 11/20 issue - \$236.87

Thanks,
Laurie Miller

Graystone Group Advertising
2710 North Ave., Ste 200, Bridgeport, CT 06604
Ph: 203-549-0060, Fax: 203-549-0061
email: laurie@graystoneadv.com
www.graystoneadv.com


----- Forwarded Message

From: "Greer, Leslie" <Leslie.Greer@ct.gov>
Date: Wed, 17 Nov 2010 08:25:53 -0500
To: "ads@graystoneadv.com" <ads@graystoneadv.com>
Conversation: Newspaper Notice 10-31602-CON
Subject: Newspaper Notice 10-31602-CON

To Whom It May Concern,
Please run the attached hearing notice in the Norwich Bulletin by November 20, 2010. For billing refer to requisition 33200, if you have any questions feel free to call.

Thank you,

Leslie M. Greer ✉
Office of Health Care Access
A Division of Department of Public Health
State of Connecticut
410 Capitol Avenue, MS#13HCA
Hartford, CT 06134
Phone: (860) 418-7013
Fax: (860) 418-7053
Website: www.ct.gov/ohca <<http://www.ct.gov/ohca>>

 Please consider the environment before printing this message



STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

November 19, 2010

VIA FAX AND EMAIL ONLY

Christine Vallee
Vice President of Physician Services
Day Kimball Hospital
320 Pomfret Street
Putnam, CT 06260

RE: Certificate of Need Application; Docket Number: 10-31602-CON
Acquisition of a Magnetic Resonance Imaging Scanner in Putnam
Request for Prefiled Testimony and a Response to the Interrogatories

Dear Ms. Vallee:

The Office of Health Care Access ("OHCA") will hold a public hearing on Monday, December 6, 2010, at 10:00 a.m. in OHCA's third floor hearing room, 410 Capitol Avenue, Hartford, regarding the Certificate of Need ("CON") application identified above. OHCA requests that Day Kimball Hospital ("Applicant") prefile in written form all substantive, technical, or expert testimony that it proposes to offer at the hearing. It is the responsibility of the Applicant to present its "Case in Chief" in the CON application and provide prefiled testimony prior to the hearing, and it is the Applicant's burden to justify its request.

Attached are OHCA's interrogatories that must be addressed by the Applicant in addition to providing its prefiled testimony. Please submit an original and six (6) copies of your paginated response to these interrogatories to OHCA. In responding to an interrogatory, please repeat each question prior to providing a response. If a response is continued in an attachment or an appendix, the response must clearly list the page number of the attachment or appendix in which the response is continued. Conversely, the attachment or appendix should contain a page number reference to the original question.

The Applicant's prefiled testimony must be submitted to OHCA no later than 4:30 p.m. on Monday, November 29, 2010. The Applicant's response to OHCA's interrogatories must be submitted upon arrival at the public hearing on December 6, 2010. All persons responsible for providing prefiled evidence must be present at the public hearing to adopt their written testimony under oath, and such persons must be available for cross-examination for the entire duration of the hearing.

If the Applicant is unable to meet the specified time for filing the prefiled testimony, the Applicant must request a time extension in writing detailing the reasons for not being able to meet the specified deadline.

Please contact Steven W. Lazarus at (860) 418-7012, if you have any questions concerning this request.

Sincerely,



Kimberly R. Martone
Director of Operations

KRM:jah

INTERROGATORIES

for Public Hearing:

Certificate of Need Application, Docket Number: 10-31602-CON

Day Kimball Hospital

Acquisition of a Magnetic Resonance Imaging Scanner in Putnam

1. Please come prepared to discuss the following at the public hearing:
 - a. The need for Day Kimball Hospital (“Hospital”) to acquire a second Magnetic Resonance Imaging (“MRI”) Scanner.
 - b. The ability for the Hospital to absorb the existing MRI patient base of Norwich Radiology Group.

*** TX REPORT ***

TRANSMISSION OK

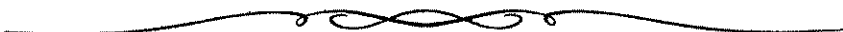
TX/RX NO 2132
RECIPIENT ADDRESS 918609636341
DESTINATION ID
ST. TIME 11/19 16:15
TIME USE 01'02
PAGES SENT 4
RESULT OK



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

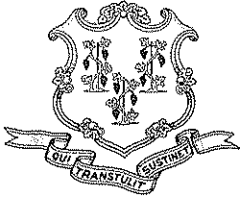
FAX SHEET

TO: Mr. Robert Smanik
FAX: (860) 963-6341
AGENCY: OHCA/DPH
FROM: Steven Lazarus (behalf of Jack Huber)
DATE: 11/19/10 TIME: _____
NUMBER OF PAGES: _____
(including transmittal sheet)



Comments:
Correspondence related to DW: 10-31602
Enclosed.

PLEASE PHONE IF THERE ARE ANY TRANSMISSION PROBLEMS.



STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

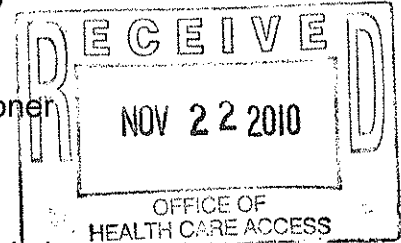
OFFICE OF COMMISSIONER

TO: Melanie Dillon, Staff Attorney

FROM: J. Robert Galvin, M.D. M.P.H., M.B.A., Commissioner

DATE: November 19, 2010

RE: *Acquisition of a MRI Scanner by Day Kimball Hospital*
CON # 10-31602



I hereby designate you to sit as a hearing officer in the above-captioned matter to rule on all motions and recommend findings of fact and conclusions of law upon completion of the hearing.



Hartford Courier Service, Inc.

57 Pratt St.
Suite 809
Hartford, CT 06103 (860) 724-5121



All Packages Insured Up to \$100

No 359834

DATE 11-21-10
COURIER [Signature]

FROM

Brown Richard

P/UP Time

Shipper's Signature _____

Billing Info/Ref # _____

TO

410 Capitol

Floor #

Special Instructions

I accept package for
Dr Gyle
11/29/10 @ 4:30

Rush

Add'l Floor

Round Trip

Wait Time

Received in good condition

Del. Time

X

X

RECEIVED

2010 NOV 30 A 8:14

CONNECTICUT OFFICE OF
HEALTH CARE ACCESS, 2010
November 29, 2010

JOHN D. BLAIR
direct dial: 860-509-6567
e-mail: jblair@brownrudnick.com
<http://www.brownrudnick.com>

The Honorable Norma Gyle
Deputy Commissioner
Office of Health Care Access
Division of the Department of Public Health
410 Capitol Avenue, MS#13HCA
Hartford, CT 06134

RE: Acquisition of MRI, Docket # 10-31602-CON, Pre-Filed Testimony and Appearance for Public Hearing, December 6, 2010

Dear Commissioner Gyle:

On behalf of Day Kimball Healthcare, Inc. ("DKH"), enclosed are an original and six (6) copies of DKH's Pre-Filed testimony for the following witnesses:

- Robert Smanik, President/CEO, DKH
- Joseph Phillips, Director of Laboratory and Diagnostic Imaging Services, DKH
- Nancy Rivera, Director of Budget and Decision Support, DKH

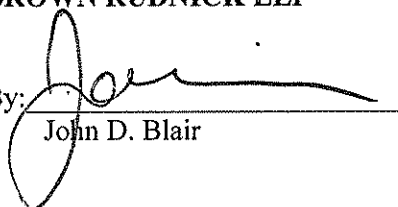
In addition, pursuant to Conn. Agencies Regs. § 19a-643-1, please enter my appearance on behalf of DKH:

John D. Blair, Esq.
Brown Rudnick LLP
CityPlace I, 185 Asylum Street
Hartford, CT 06103
Tel. (860) 509-6500
Fax (860) 509-6501
jblair@brownrudnick.com

Please contact me with any concerns regarding this filing.

Very Truly Yours,

BROWN RUDNICK LLP

By: 
John D. Blair

Enclosures
cc: Robert Smanik, President/CEO

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IN RE THE DAY KIMBALL : DOCKET NO. 10-31602-CON
HOSPITAL PROPOSAL FOR A :
ACQUISITION OF A MRI SCANNER :
:
:
:
:
:
NOVEMBER 29, 2010

**Robert Smanik, President/CEO
Day Kimball Hospital**

Pre-filed Testimony

Good morning Hearing Officer Melanie Dillon and OHCA staff. I am Robert Smanik, and serve as Day Kimball Healthcare's ("DKH") President and Chief Executive Officer. I would like to share with you several specific reasons why I urge this office to approve DKH's acquisition of the Norwich Radiology Group (NRG) MRI scanner within the DKH community.

As you are aware, radiologist Dr. Ajay Dalal's partner Dr. Daniel Gilmartin has retired, and Dr. Dalal wishes to transfer the MRI in use in his practice to another provider in the Day Kimball area. When we reviewed the situation we elected to seek OHCA approval to acquire the service for the following reasons:

- Presently, DKH has only one MRI scanner and in the 13 town service area for DKH, there is only one other MRI scanner which is operated by NRG. Our 13-town area is comprised of 450 square miles with limited public transportation. The location of the NRG MRI service offers patients the convenience of not having to enter the hospital campus as well as having easy access to the regions only orthopedic group (heavy users of MRI services). Other than the DKH and NRG MRI units the nearest MRI units are located in Willimantic and Norwich CT or over the Massachusetts border.

- Due to our current volume of MRI scans and the capacity limitation of our service (see calculation presented in Ms. Rivera's and Mr. Phillips' testimony), it is not possible for us to absorb the NRG MRI volume. In addition this opportunity would provide the hospital with the ability to integrate this MRI service into the Hospital's existing radiology program benefiting patients through coordinated scheduling, results reporting and use of technical staff.
- In the last three years (FYs 2008, 2009 and 2010), the DKH MRI volume has been increasing by approximately 200 scans per year and we are projecting the volume to increase 3% per year over the next three years.
- DKH expects the volume of MRI scanning to increase due to the arrival of new providers, such as Jeffery Manning MD, Family Medicine and specialty trained in Sports Medicine and Grazyna Pomorska MD, UMass Neurologist contracted to work in the Putnam area expanding our Neurology coverage. Sports Medicine and Neurology will continue to advance clinical utilization of studies. In one month, Dr. Manning of Sports Medicine, increased total studies by approximately 10%.
- Effective September 1, 2010 DKH ended its contractual relationship with TeamHealth for the provision of Radiologist services and contracted with Jefferson Radiology, Harford, CT. By integrating the NRG MRI service into the Hospital system, patients in the community will enjoy a higher quality diagnostic process by aligning subspecialty interpretations by the Jefferson Radiology Group here at DKH.
- As DKH MRI service currently experiences wait time of 8.5 days for outpatient scheduled appointments, if the existing Kennedy Drive location closes, our wait times for appointments would increase.

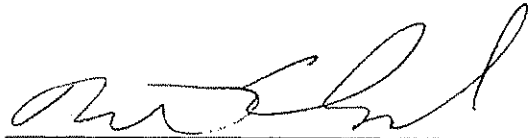
Approving the Hospital's acquisition of the MRI now owned by NRG will not be adding an MRI unit into the health care system in Connecticut. It will realign this existing piece of equipment to a hospital system where the volume of MRI scans has shown steady increases in volume over the last three years.

I would now like to turn this presentation over to Ms. Nancy Rivera, (Director of Budget and Decision Support) who will be followed by Mr. Joseph Phillips (Director of Diagnostic Services).

Closing Argument – Robert Smanik

Based on the information you've heard today and in our previously submitted documents, it is my opinion that the residents of Northeast Connecticut would benefit from the Hospital's acquisition of the NRG MRI unit.

In conclusion, DKH can best meet patients' MRI needs with your approval of this application. I respectfully request that you approve this acquisition. Thank you for your time and consideration of this matter.



**Robert Smanik, President & CEO
Day Kimball Healthcare, Inc.**

IN RE THE DAY KIMBALL : DOCKET NO. 10-31602-CON
HOSPITAL PROPOSAL FOR A :
ACQUISITION OF A MRI SCANNER :
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:
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:
: NOVEMBER 29, 2010

**Nancy Rivera, Director of Budget and Decision Support
Day Kimball Hospital**

Pre-filed Testimony

Good morning Hearing Officer Melanie Dillon and OHCA staff. I am Nancy Rivera, and serve as Day Kimball Healthcare's ("DKH") Director of Budget and Decision Support. As the Director of Budget and Decision Support, I am responsible for the daily financial operations of the Hospital. In this role, I complete the annual budgeting, monthly financials, review of the annual OHCA filings and various analyses for Hospital service lines utilizing CHIME data. I would like to share with you several specific reasons why I support DKH's acquisition of a MRI scanner within the DKH community. The Hospital currently completes nearly 5,000 scans per year. This volume continues to grow with the addition of physicians in the area. The Hospital is unable to absorb the scan volume from new physicians as well as the 600+ scans per year currently being completed by Dr. Dalal's closing site without delaying patient care.

I would like the opportunity to clarify some information that was submitted to OHCA by Day Kimball Hospital in this CON application process. The August 11, 2010 submission, page 5, Table 2a included outpatient and emergency patient visits only (not inpatients) as the scanner on Kennedy Drive is anticipated for outpatients only. When reviewing capacity at the existing Hospital scanner, the total inpatient, emergency and outpatient scans (a visit may incur multiple scans) must be compared.

Please see the August 11, 2010 Table 2a which shows the original submission of outpatient/emergency visits with the FY2010 Hospital visit volume annualized from Oct - June as 3,636 visits. The actual FY2010 (Oct - Sept) outpatient/emergency visit volume was 3,677 with FY11 - FY13

projected at a growth rate of 3% as shown in Updated Table 2a. The expanded Table 2a shows the scan volume for both Day Kimball and Norwich. The volume is for inpatients, outpatients and emergency scans.

August 11, 2010 Table 2a: Original submission for FY2010 was annualized from June and included Outpatient/Emergency Visits (not scans).

Table 2a: Historical, Current, and Projected Volume, by Scanner

Provider	Actual Volume (Last 3 Completed FYs)			CFY Volume*	Projected Volume (First 3 Full Operational FYs)**		
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Day Kimball	3,507	3,260	3,400	3,636	3,745	3,857	3,973
Norwich- GE		669 (9mo.)	836	661			
DK - GE					681	702	723
Total	3,507	3,929	4,236	4,297	4,426	4,559	4,696

Updated Table 2a: FY2010 outpatient & emergency patient visit volume is actual (not annualized) for Day Kimball.

Updated Table 2a: Historical, Current and Projected Visit Volume by Scanner (ER & OP Only)

Scanner	FY2007	FY2008	FY2009	FY2010*	Projected FY2011	Projected FY2012	Projected FY2013
Day Kimball - Alliance	3,507	3,260	3,400	3,677	3,787	3,901	4,018
Norwich - GE	-	669	836	661	-	-	-
Day Kimball - GE	-	-	-	-	681	702	723
Total	3,507	3,929	4,236	4,338	4,468	4,603	4,741

* FY2010 is actual for Day Kimball and Annualized for Norwich

Expanded Table 2a: All volume statistics are for Inpatient, Emergency and Outpatient Scans (previously reported only outpatient/emergency visits stats)

Updated Table 2a: Historical, Current and Projected Scan Volume by Scanner (IP, ER, OP)

Scanner	FY2007	FY2008	FY2009	FY2010*	Projected FY2011	Projected FY2012	Projected FY2013
Day Kimball - Alliance	4,474	4,073	4,278	4,647	4,786	4,930	5,078
Norwich - GE	-	669	836	661	-	-	-
Day Kimball - GE	-	-	-	-	681	702	723
Total	4,474	4,742	5,114	5,308	5,468	5,632	5,801

* FY2010 is actual for Day Kimball and Annualized for Norwich

The table below shows Inpatient, Outpatient and Emergency # of patient visits and # of scans for Day Kimball Hospital. Patients may incur more than one scan per patient visit.

MRI Charges by Fiscal Year ~ Outpatient and Emergency Only

Discharge Fiscal Year	# of Patient Visits	# of Scans
2007	3,507	3,984
2008	3,260	3,689
2009	3,400	3,851
2010	3,677	4,163

MRI Charges by Fiscal Year ~ Inpatient Only

Discharge Fiscal Year	# of Patient Visits	# of Scans
2007	316	490
2008	273	384
2009	295	427
2010	285	484

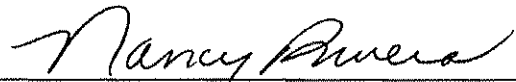
MRI Charges by Fiscal Year ~ Inpatient, Outpatient and Emergency

Discharge Fiscal Year	# of Patient Visits	# of Scans
2007	3,823	4,474
2008	3,533	4,073
2009	3,695	4,278
2010	3,962	4,647

Day Kimball Hospital has experienced a steady increase in the number of MRI scans over the last three fiscal years. FY2008 to FY2009, the increase was 5.0%. FY2009 to FY2010 the increase was 8.6%. With the projected increases over the next three fiscal years for the combined scanner volumes, Day Kimball risk delaying care without the addition of a second scanner.

Conclusion:

In conclusion, the calculations included show that DKH can best meet patients' MRI needs with your approval of this application. I respectfully request that you approve this acquisition. Thank you for your time and consideration of this matter.



Nancy Rivera, Director of Budget
and Decision Support
Day Kimball Healthcare, Inc.

IN RE THE DAY KIMBALL : DOCKET NO. 10-31602-CON
HOSPITAL PROPOSAL FOR A :
ACQUISITION OF A MRI SCANNER :
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: NOVEMBER 29, 2010

**Joseph Phillips, (Director of Diagnostic Services)
Day Kimball Hospital**

Pre-filed Testimony

Good morning Hearing Officer Melanie Dillon and OHCA staff. I, Joseph Phillips, serve as Day Kimball Healthcare's ("DKH") Director of Diagnostic Services. Two months ago I joined Day Kimball Healthcare and I am responsible for administrative oversight of Laboratory and Diagnostic Imaging. My experience prior to employment at DKH included functioning in a similar administrative role as the Director over Diagnostic Imaging, Lab, Respiratory Therapy, Sleep Lab and EKG for the past 5 years at Southwestern Vermont Medical Center in Bennington, VT. I have also held positions over my career including functioning as a PACS administrator (DI Image storage software administrator), nuclear medicine technologist, and MRI technologist. I would also like to share with you several specific reasons why I support DKH's acquisition of a MRI scanner within the DKH community.

The MRI at DKH has reached capacity with existing volume and planned growth and cannot realistically absorb the existing MRI patient base of Norwich Radiology Group.

- In the October 27, 2010 submission, DKH projected the annual scan capacity to be 5,928. However, this did not include an adjustment for 6 holidays. Outpatient scans are not scheduled on these days and would account for 114 appointments. Therefore, the total annual capacity is 5,814.

A few statistics, as set forth below, will assist in defining our capacity:

Number of Days per Week the Scanner is Operational	6
Number of Weeks per Year the Scanner is Operational	52
Average Number of Hours per Day the Scanner is Operational	14.25 (6:30am-8:45pm)
Daily Scheduled slots (every 45 minutes)	19
Average Appointment time	45 minutes
Total Annual Capacity of Available Service	19 slots/day X 6 days/week X 52 weeks/year= 5,928 appointments available
less volume when closed on 6 holidays per year	-114
Actual Total Annual Capacity	5,814
less 15% (3 patients/day) for emergent access	-872
Actual Total DKH Outpatient Annual Capacity	4942

- Day Kimball Hospital currently supports a schedule with a planned efficiency of 85% to accommodate 3 unfilled appointments out of 19 possible appointments, for emergent scans. Our actual volume for 2010 (4647 scans) combined with the actual 2010 NRG volume (661) totals 5308, **exceeding our Total DKH Outpatient Capacity of 4942**. Our patients are currently experiencing a wait time of 8.5 days for an MRI scan. The hospital is using its MRI scanner every available hour of every day it is in operation and the backlog continues.

- Our daily unmet “total” capacity is near exhaustion with our own growth. Absorbing the patient services from the NRG MRI unit will further delay patient care by increasing the current wait time of 8.5 days. DKH’s outpatient schedule is filled at 100% each day. DKH cannot control how many inpatient/urgent appointments are filled as well as the cancellation rate due to claustrophobia, no-shows and contraindications. These unplanned cancellations are not easily filled due to pre-authorization requirements by third party payers.
- The addition of the Norwich Radiology Group MRI will significantly benefit our patients by improving access by adding an additional 1840 outpatient scheduled appointments annually and reducing our wait time for an appointment from 8.5 days to 5.6 days. If the NRG unit on Kennedy Drive were to close, the combined volume including our own volume growth would extend mean wait times from 8.5 days to above 9.8 days at DKH. The addition of the Kennedy Drive MRI will improve access and reduce the average wait time for an appointment to approximately 6 days. This translates into improved patient care and reduced time to treatment and a more rapid resolution of pain.

A patient with a wait time of 8.5 Days at DKH represents 136 appointments before the patient can be booked for an appointment

Scheduled Wait Time in Days	# MRI Appointments	
	DKH Only	DKH & NRG
1	16	24
2	32	48
3	48	72
4	64	96
5	80	120
6	96	144
7	112	168
8	128	192
9	144	216
10	160	240

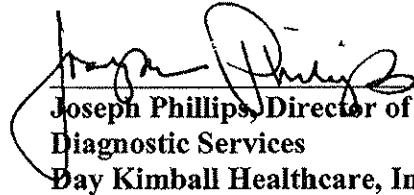
The same wait time is reduced to 5.6 days with NRG and DKH both having appointments available

- Integrating the Kennedy Drive MRI to DKH will afford our patients and clinicians improved delivery of information in a digital media, which directly reduces time to treatment and therapy. Image review is optimized for our referring clinicians through PACS, and high quality interpretations are delivered by board certified, sub-specialty trained Radiologists from the Jefferson Radiology group (our current interpreting Radiologist group).

Conclusion:

In conclusion, DKH has, and will continue to consistently and professionally respond to our community's MRI needs. DKH's current ongoing growth in a wide array of health services requires us to remain ready to provide patients with radiological services on and off our main campus. The inefficiencies that would result from DKH not having a MRI in the community warrant approval of this application.

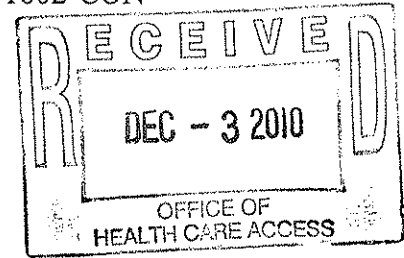
I respectfully request that you approve this acquisition. Thank you for your time and consideration of this matter.


Joseph Phillips, Director of
Diagnostic Services
Day Kimball Healthcare, Inc.

IN RE THE DAY KIMBALL
HOSPITAL PROPOSAL FOR AN
ACQUISITION OF AN MRI
SCANNER

: DOCKET NO. 10-31602-CON

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: December 3, 2010



RESPONSE TO INTERROGATORIES

Public Hearing

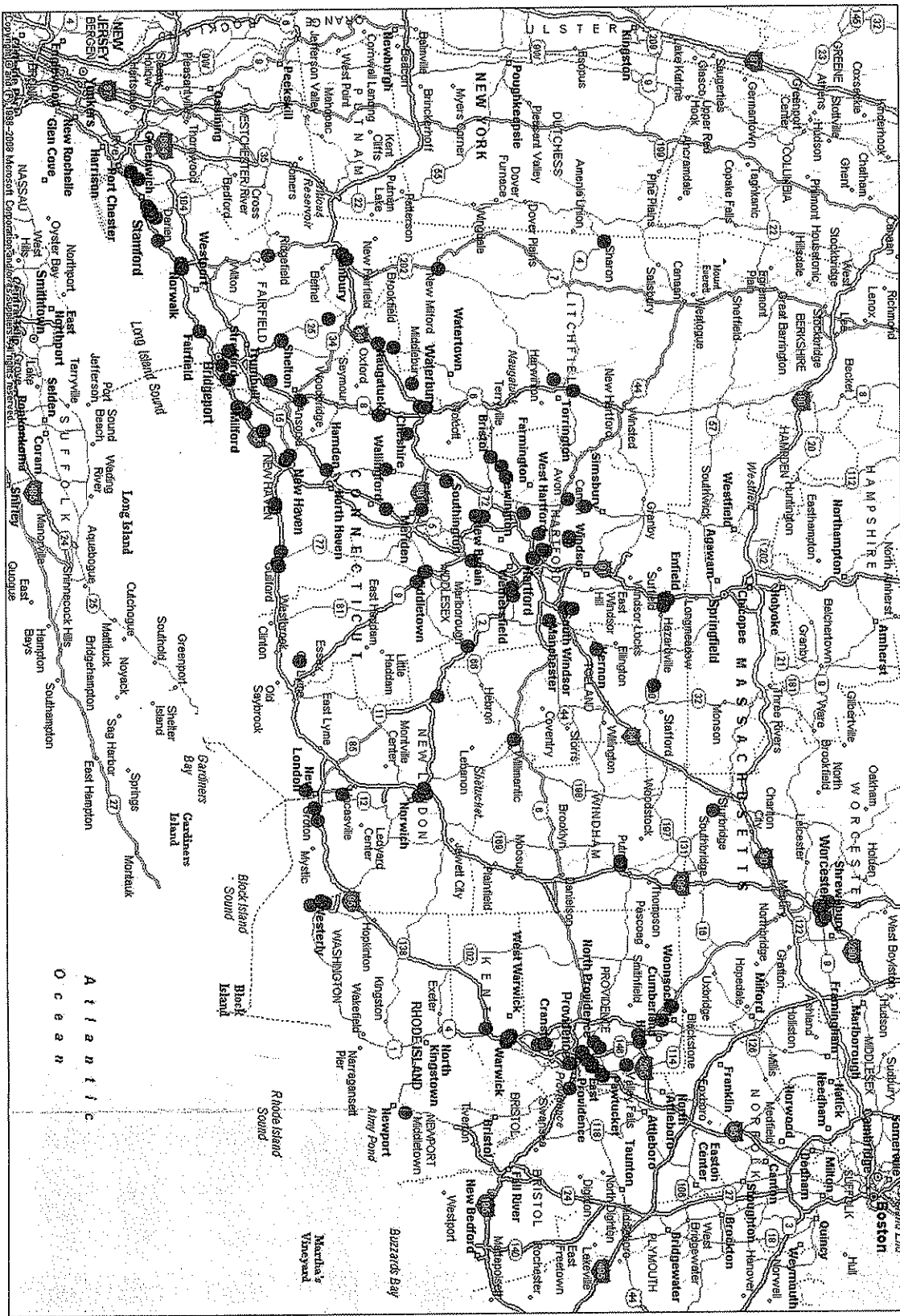
December 6, 2010

- A. The need for Day Kimball Hospital ("Hospital") to acquire a second Magnetic Resonance Imaging ("MRI") Scanner.

The need for Hospital to acquire a second MRI is fully explained in our pre-filed testimony and will be presented orally. In addition, a map depicting MRI locations in Connecticut is attached. This map visually provides the Agency a better understanding of the sparse nature of MRI services in northeastern Connecticut, specifically, the DKH proposed service area. The ability for DKH to properly provide radiological services rests in the approval of the proposal before you today.

- B. The ability for the Hospital to absorb the existing MRI patient base in Norwich Radiology Group ("NRG").

DKH does not have the ability to absorb the existing MRI patient base from NRG. Our pre-filed testimony and oral testimony will more fully explain the existing barriers to take on any additional MRI patient volume at the main campus.





STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

AGENDA

PUBLIC HEARING

Certificate of Need Application; Docket Number: 10-31602

Day Kimball Hospital

Acquisition of a Second MRI Scanner

December 6, 2010 at 10:00 a.m.

- I. Convening of the Public Hearing**
- II. Applicant's Direct Testimony (10 minutes)**
- III. OHCA Questions**
- IV. Public Hearing Recessed/Closed**



STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

Office of Health Care Access

TABLE OF THE RECORD

APPLICANT: Day Kimball Hospital

DOCKET NUMBER: 10-31602-CON

PUBLIC HEARING: December 6, 2010 at 10:00 a.m.

PLACE: 410 Capitol Avenue, Third Floor Hearing Room
Hartford, Connecticut

EXHIBIT	DESCRIPTION
A	Letter from Day Kimball Hospital ("Applicant") dated April 20, 2010, enclosing Letter of Intent forms for the Acquisition of a second MRI Scanner in Putnam through an Asset Purchase Agreement from Norwich Radiology Group, P.C., to the Applicant, at a Capital Expenditure of \$245,000, received by the Office of Health Care Access ("OHCA") on April 23, 2010.
B	OHCA's request for legal notification in <i>The Norwich Bulletin</i> and notification to Applicant of receipt of the Letter of Intent in the matter of the CON application under Docket Number: 10-31602, dated May 12, 2010.
C	OHCA's letter to the Applicant dated May 28, 2010, enclosing the Certificate of Need ("CON") application forms under Docket Number: 10-31602.
D	Letter from the Applicant dated August 11, 2010, enclosing the CON application under Docket Number: 10-31602, received by OHCA on August 16, 2010.
E	Applicant's letter to OHCA dated August 19, 2010, enclosing the filing fee in the matter of the CON application under Docket Number: 10-31602, received by OHCA on August 24, 2010.
F	OHCA's letter to the Applicant dated August 30, 2010, requesting additional information and/or clarification in the matter of the CON application under Docket Number: 10-31602.
G	Applicant's responses to OHCA's letter of August 30, 2010, dated September 21, 2010, in the matter of the CON application under Docket Number: 10-31602, received by OHCA on September 22, 2010.
H	OHCA's letter to the Applicant dated October 6, 2010, requesting additional information and/or clarification in the matter of the CON application under Docket Number: 10-31602.

An Equal Opportunity Employer

410 Capitol Ave., MS#13HCA, P.O.Box 340308, Hartford, CT 06134-0308

Telephone: (860) 418-7001 Toll-Free: 1-800-797-9688

Fax: (860) 418-7053

I	OHCA's letter to the Applicant dated October 8, 2010, revising the letter of October 6, 2010 in the matter of the CON application under Docket Number: 10-31602.
J	Applicant's responses to OHCA's letter of October 6 and 8, 2010, dated October 27, 2010, in the matter of the CON application under Docket Number: 10-31602, received by OHCA on October 28, 2010.
K	OHCA's request dated November 16, 2010, for legal notification in <i>The Norwich Bulletin</i> and OHCA's Notice to the Applicant of the public hearing scheduled for December 6, 2010, in the matter of the CON application under Docket Number: 10-31602.
L	OHCA's letter to the Applicant dated November 19, 2010, requesting prefile testimony in the matter of the CON application under Docket Number: 10-31602.
M	Designation letter dated November 19, 2010, designating Melanie Dillon as hearing officer in the matter of the CON application under Docket Number: 10-31602.
N	Letter from the Applicant enclosing prefile testimony dated November 29, 2010, in the matter of the CON application under Docket Number: 10-31602, received by OHCA on November 30, 2010.

**PUBLIC HEARING
INFORMAL PARTICIPANT
SIGN UP SHEET**

December 6, 2010
10:00 a.m.

Applicant: Docket Number: 10-31602-CON
Day Kimball Hospital
Acquisition of a MRI Scanner

Name	Phone	Fax	Representing Organization/Self
Nancy R. Wene	860 928 6541 x2174	860 963 6099	DKH
CAROL HOWLAND	508 846 9961	860 928 6541	DKH
CHRISTINE VALLEE	860-928-6541 x2218		DKH

**PUBLIC HEARING
APPLICANT
SIGN UP SHEET**

**December 6, 2010
10:00 a.m.**

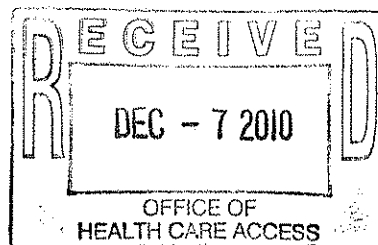
Applicant: Docket Number: 10-31602-CON
Day Kimball Hospital
Acquisition of a MRI Scanner

XXXXXXXXXX Name	Phone	Fax	Representing Organization/Self
Joseph Primpz	8609286541		DKH
Bob Smarik	8609286541		DKH
Ajmer Daul	860-938-1177		DRROT.

Huber, Jack

From: Dillon, Melanie
Sent: Tuesday, December 07, 2010 11:13 AM
To: Huber, Jack
Subject: FW: Late Filed Information for MRI Kennedy Drive Public Hearing, December 6, 2010

Melanie A. Dillon
Staff Attorney
Office of Health Care Access
410 Capitol Avenue
Hartford, CT 06134
Tel: (860) 418-7060
Fax: (860) 418-7053



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From: Blair, John D. [mailto:JBlair@brownrudnick.com]
Sent: Monday, December 06, 2010 9:40 PM
To: Dillon, Melanie
Cc: kimberly.martone@cga.ct.gov
Subject: FW: Late Filed Information for MRI Kennedy Drive Public Hearing, December 6, 2010

Hearing Officer Dillon,

The first attempt did not go through to you.

Please confirm receipt.

Regards, John

John D. Blair
Brown Rudnick LLP
City Place I
185 Asylum Street
Hartford, CT 06103
860.509.6567
860.509.6501 (fax)
jblair@brownrudnick.com

From: Blair, John D.
Sent: Monday, December 06, 2010 9:36 PM

12/7/2010

To: 'melanie.dillon@cga.ct.gov'
Cc: 'kimberly.martone@cga.ct.gov'; 'Smanik, Robert'
Subject: Late Filed Information for MRI Kennedy Drive Public Hearing, December 6, 2010

Hearing Office Dillon,

The fair market value of Norwich Radiology Group's MRI is approximately \$20,000. The value is not indicative of the MRI's functionality.

We appreciated the opportunity to appear before you today. If there is any other information you need please feel free to contact Bob Smanik or me.

Also, will you please confirm when the hearing is closed.

Regards, John

John D. Blair
Brown Rudnick LLP
City Place I
185 Asylum Street
Hartford, CT 06103
860.509.6567
860.509.6501 (fax)
jblair@brownrudnick.com

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Huber, Jack

From: Blair, John D. [JBlair@brownrudnick.com]
Sent: Friday, December 10, 2010 10:45 AM
To: Lazarus, Steven; Huber, Jack
Subject: Norwalk Hospital and NRC Termination and Business Acquisition Agreement
Attachments: DOCS2H-#40279827-v1-Nonbillable(000546-12-10-2010-9-47-44 AM).PDF

RECEIVED

2010 DEC 10 A 11:42

DEPARTMENT OFFICE OF HEALTH CARE ACCESS

Steve and Jack,

Attached is the Norwalk Hospital and NRC, Associates Acquisition Agreement.

If you have any questions, please call me at the number below.

Regards, John

John D. Blair
 Brown Rudnick LLP
 City Place I
 185 Asylum Street
 Hartford, CT 06103
 860.509.6567
 860.509.6501 (fax)
jblair@brownrudnick.com

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DRAFT 11/30/10

**JOINT VENTURE TERMINATION AND
BUSINESS ACQUISITION AGREEMENT**

by and among

NORWALK RADIOLOGY CONSULTANTS, PC,

NRC EQUIPMENT ASSOCIATES, LLC,

NORWALK REALTY ASSOCIATES, LLC,

THE NORWALK HOSPITAL ASSOCIATION

and

S.W.C. CORPORATION

Dated as of November [], 2010

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Exhibit C:	Form of Administrative Services Agreement	
Exhibit D:	Form of Professional Services Agreement	
Exhibit E:	Form of Management Services Agreement	
Exhibit F:	Form of Lease	
Exhibit G:	Form of Noncompete Agreement	
Exhibit H:	Form of Escrow Agreement	
Schedule 1.01(a):	Imaging Equipment	
Schedule 1.01(b):	Contracts	
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Schedule 1.01(e):	Intellectual Property	
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Schedule 1.02(c)	Vein Therapy Assets	
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Schedule 1.06	Allocation of Transaction Consideration	
Schedule 3.04:	Consents and Approvals	
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JOINT VENTURE TERMINATION AND BUSINESS ACQUISITION AGREEMENT

This **JOINT VENTURE TERMINATION AND BUSINESS ACQUISITION AGREEMENT** (this "Agreement") is made and entered into this ____ day of November, 2010 by and among **NORWALK RADIOLOGY CONSULTANTS, P.C.**, a Connecticut professional corporation ("NRC"), **NRC EQUIPMENT ASSOCIATES, LLC**, a Connecticut limited liability company ("NRCEA"), **NORWALK REALTY ASSOCIATES, LLC**, a Connecticut limited liability company ("NRA"), **THE NORWALK HOSPITAL ASSOCIATION**, a Connecticut not-for-profit corporation that operates a 328-bed acute care community hospital located in Norwalk, Connecticut (the "Hospital") and **S.W.C. CORPORATION**, a Connecticut corporation which is wholly owned by the Hospital ("SWC"). NRC, NRCEA and NRA together are sometimes referred to herein as the "NRC Entities" and the NRC Entities, the Hospital and SWC together are sometimes referred to herein as the "Parties."

WITNESSETH:

WHEREAS, effective August 1, 1985, the NRC Entities and SWC formed a Connecticut general partnership known as Norwalk Radiology & Mammography Center (the "Joint Venture") to provide the space, equipment, personnel, supplies and other services necessary to operate a medical imaging center in Norwalk, Connecticut (the "Center") that provides or has provided CT services, routine diagnostic radiology services, mammography, ultrasound services, stereotactic biopsy services, MRI and nuclear medicine imaging services (the "Medical Imaging Business"); and

WHEREAS, the NRC Entities and SWC memorialized their arrangement through a Joint Venture Agreement, dated September 11, 1986 (the "Joint Venture Agreement"). Historically, NRC has provided overall management of the Joint Venture and the Center and, through its physician owners and employees, has provided professional radiology interpretations at the Center. NRA is the owner of the building in which the Center is located and leases the Center facility to the Joint Venture. SWC and the NRC Entities have historically shared in the cost of leasehold improvements, equipment and other capital and operating expenses of the Joint Venture; and

WHEREAS, since the formation of the Joint Venture, the Parties hereto have entered into various agreements relating to the Joint Venture and the Center as well as to the provision of professional radiology services at the Hospital, as described elsewhere in this Agreement; and

WHEREAS, the Parties desire to terminate the Joint Venture and, in connection therewith, to terminate all current agreements among themselves (whether relating to the Center or the Hospital) and to have the Hospital acquire the Medical Imaging Business conducted at the Center (which the Parties agree does not include vein therapy services performed at the Center) and certain of the assets and liabilities associated therewith, all on the terms and conditions as more specifically set forth herein (the "Imaging Business Acquisition"); and

WHEREAS, in connection with the consummation of the Imaging Business Acquisition, the Parties desire that (i) NRC and the Hospital enter into certain agreements relating to (a) the provision of professional radiology services at the Hospital, (b) the provision of administrative, various medical director and tracking services for the Hospital, (c) the provision of professional services at the Center and (d) the provision of management services at the Center, (ii) the Hospital and NRA enter into a new real estate lease for the Center and (iii) the NRC Entities and the physician owners of NRC each enter into a non-compete agreement with the Hospital, all on terms and conditions as more specifically set forth herein;

NOW, THEREFORE, in consideration of the premises and the mutual representations, promises and covenants herein contained and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I

THE IMAGING BUSINESS ACQUISITION

Section 1.01. Purchase and Sale of Joint Venture Assets. Subject to the terms and conditions of this Agreement, and as a component of the Imaging Business Acquisition, the Parties other than the Hospital shall, and shall cause the Joint Venture to (as the case may be with respect to any particular asset), sell, convey, assign, transfer and deliver to the Hospital as of the Effective Time, free and clear of any and all liabilities, claims, liens, restrictions on transfer and encumbrances (except for Forward Looking Obligations and Permitted Liens, if any) and the Hospital agrees to purchase from the Joint Venture and such other Parties (as the case may be) all of the assets used by or on behalf of the Joint Venture with respect to, or that otherwise relate to the ongoing conduct of, the Medical Imaging Business, whether tangible or intangible, and wherever located (except those assets that are specifically treated as Excluded Assets hereunder), all of which are sometimes collectively referred to in this Agreement as the "Purchased Assets." Without limiting the foregoing, the Purchased Assets shall include:

(a) All medical imaging and related equipment identified on Schedule 1.01(a) hereto (the "Imaging Equipment") plus any and all other equipment, furnishings, improvements, fixtures, supplies, inventory, material and parts used by or on behalf of the Joint Venture with respect to, or with otherwise relate to the ongoing conduct of, the Medical Imaging Business (the "Tangible Assets");

(b) All contracts, commitments, leases, and other agreements, whether written or oral, identified on Schedule 1.01(b) hereto (the "Contracts") and all rights of any nature whatsoever arising out of such Contracts;

(c) All licenses, permits, franchises, consents or authorizations issued or required by, and all registrations and filings with, any Governmental Authority that are held by the Joint Venture or which otherwise relate to the Medical Imaging Business as it is currently being conducted by the Joint Venture and that may be transferred to the Hospital pursuant to applicable Law, identified on Schedule 1.01(c) hereto (the "Assignable Government Licenses");

(d) All computer programs, software and all licenses, manuals, disks, instructions, flowcharts, schematics and other items relating thereto, used by or on behalf of the Joint Venture with respect to, or which otherwise relate to the ongoing conduct of, the Medical Imaging Business including but not limited to those identified on Schedule 1.01(d) hereto (collectively referred to as the "Software");

(e) All intellectual property rights (e.g., trade names, trademarks, service marks, copyrights, patents, website addresses, website content, domain names, e-mail addresses, all telephone numbers and telephone directory listings; patent rights, licenses, brand names, trade secrets and trade dress) used by or on behalf of the Joint Venture with respect to, or with otherwise relate to the ongoing conduct of, the Medical Imaging Business, including but not limited to those identified on Schedule 1.01(e) hereto (collectively referred to as the "Intellectual Property");

(f) All prepaid items, including all utility and security deposits, all of which are identified on Schedule 1.01(f) (the "Prepaid Expenses");

(g) All warranties and guarantees of manufacturers, contractors or suppliers which pertain to any of the Purchased Assets;

(h) All claims of the Joint Venture against any third parties related to the Purchased Assets, whether known or unknown, fixed or contingent;

(i) All documents, databases, files and records used by or on behalf of the Joint Venture with respect to, or with otherwise relate to the ongoing conduct of, the Medical Imaging Business, whether in paper or electronic form and whether in the custody or control of the Joint Venture or of any other Party hereto; and

(j) All goodwill and other intangible assets used by or on behalf of the Joint Venture with respect to, or with otherwise relate to the ongoing conduct of, the Medical Imaging Business in the manner in which it is currently conducted that are not described above.

Section 1.02. Excluded Assets. Notwithstanding Section 1.01 hereof, the Joint Venture and/or the other Parties (as the case may be) shall retain and not sell, convey, assign or deliver to the Hospital, and the Hospital shall not purchase or obtain any rights hereunder with respect to the following assets (the "Excluded Assets") in connection with the Imaging Business Acquisition:

(a) All cash or cash equivalents of the Joint Venture;

(b) Accounts receivable of the Joint Venture relating to services performed at any time either prior to, or after, the Closing Date and any balances otherwise due to the Joint Venture by any third-party as of the Effective Time;

(c) The assets of the Joint Venture specifically identified on Schedule 1.02(c) hereof that relate to the vein therapy services conducted at the Center (the "Vein Therapy");

Assets") which the Parties intend to be separately conveyed to one or more of the NRC Entities or their Affiliates;

(d) Any contracts with third party payors identified on Schedule 1.02(d) (the "Excluded Contracts"), and all rights of any nature whatsoever arising out of such Excluded Contracts;

(e) Any government payor agreement or Permit that is not transferable under applicable Law;

(f) Minute books, organizational documents, arrangements with registered agents, taxpayer and other identification numbers, seals, partner records, and other records relating to the governance of the Joint Venture or any other Party hereto;

(g) All personnel records and other records that the Joint Venture or an NRC Entity is required by Law to retain in its possession;

(h) All rights and interests under any Benefit Plan maintained by the Joint Venture or any ERISA Affiliate thereof or to which the Joint Venture or any ERISA Affiliate is required to contribute, if any;

(i) Tax Returns of the Joint Venture or any other Party hereto;

(j) [All insurance policies maintained by or on behalf of the Joint Venture;]

(k) All refunds with respect to any payments made by the Joint Venture prior to the Effective Time;

(l) All rights of the Joint Venture under this Agreement; and

(m) Any assets owned wholly in the name of one or more of the NRC Entities that are not primarily used by the Joint for the conduct of the Medical Imaging Business.

Section 1.03. Assumption of Forward Looking Obligations. The Hospital agrees to assume from the Joint Venture (and/or the other Parties hereto to the extent applicable) those Liabilities incurred, accruing or arising after the Effective Time under any Contract or otherwise in connection with the Purchased Assets and which relate solely to the Hospital's ownership of the Purchased Assets or operation or conduct of the Medical Imaging Business after the Effective Time (the "Forward Looking Obligations").

Section 1.04. Excluded Liabilities. Except for the Forward Looking Obligations, the Hospital shall not, as a result of the Imaging Business Acquisition, assume any debts, Liabilities, obligations, contracts and/or commitments of the Joint Venture or of any other Party hereto of any nature whatsoever, known or unknown, fixed or contingent, whether incurred prior to, as of or after the Effective Time (collectively, the "Excluded Liabilities"), and nothing contained or described in this Agreement shall obligate the Hospital to assume any such Excluded Liabilities. Without limiting the foregoing, the Parties agree that the Excluded Liabilities include, and the

NRC Entities, jointly and severally, shall be solely responsible and liable for, among other things:

(a) any Liability arising out of, related to or otherwise associated with the conduct of the Medical Imaging Business and/or the ownership of the Purchased Assets by the Joint Venture prior to the Effective Time;

(b) any Liability arising out of, related to or otherwise associated with the conduct of any businesses and/or the ownership of any assets of the Joint Venture, (including the vein therapy business and the assets associated therewith) whether incurred prior to, as of or after the Effective Time, other than the Medical Imaging Business or the Purchased Assets as operated by the Hospital after the Effective Time;

(c) any Liabilities arising out of, related to or otherwise associated with any Excluded Asset, whether incurred prior to, as of or after the Effective Time;

(d) any Liability arising from the employment of any person by the Joint Venture or any Party other than the Hospital (including any independent contractor arrangement between any person and the Joint Venture or any Party other than the Hospital) or otherwise associated with the employment policies and practices of the Joint Venture or any Party other than the Hospital, whether incurred prior to, as of or after the Effective Time, including any Liability arising out of any individual's employment or independent contractor agreement or arrangement or the termination of such employment or independent contractor including, without limitation, any Liability for accrued wages, sick time and vacation and for any severance or retention payments, whether or not an employee or independent contractor of the Joint Venture or any other Party hereto is hired by the Hospital in connection with the Imaging Business Acquisition;

(e) any Liability arising out of, related to or otherwise associated with any Benefit Plan maintained or sponsored by the Joint Venture, any Party hereto other than the Hospital, or any of their respective ERISA Affiliates or to which the Joint Venture, any such other Party or any such ERISA Affiliate is required to contribute, whether incurred prior to, as of or after the Effective Time;

(f) any Liability arising out of, related to or otherwise associated with a violation by the Joint Venture or any Party hereto other than the Hospital of any confidentiality or privacy obligations to any Person, whether arising out of contract, statute, regulation or otherwise, whether incurred prior to, as of or after the Effective Time;

(g) any Liability associated with any unreconciled payments, overpayments, duplicate payments, refunds, discounts or adjustments due to Medicare, Medicaid, or any other reimbursement program, third-party payor or other Person in connection with services rendered at the Center prior to the Effective Time;

(h) any Liability arising from a violation of Environmental Law or Environmental Permits or related to the generation, transportation, treatment, storage,

handling or disposal or arrangement for transportation, treatment, storage, handling or disposal of any Hazardous Materials or Medical Waste (whether or not lawful) at the Center (including such Liabilities arising from the use of the Purchased Assets or conduct of the Medical Imaging Business) prior to or as of the Effective Time;

(i) any Liability for Taxes incurred or arising prior to or as of the Effective Time, or incurred or accrued after the Effective Time in connection with or relating to any business (including the Medical Imaging Business) conducted by the Joint Venture or any other Party hereto or levied on the Purchased Assets prior to the Effective Time; and

(j) any Liability of any other Party hereto incurred or arising in connection with this Agreement, including any fees or expenses incurred by the other Parties hereto in connection with the Imaging Business Acquisition.

Section 1.05. Transaction Consideration.

(a) The Hospital shall pay NRC, on behalf of the NRC Entities, [REDACTED] in connection with the transactions contemplated by the Agreement (the "Transaction Consideration") in the manner set forth in Article II hereof, subject to the potential adjustments set forth in paragraph (b) this Section 1.05.

(b) In addition to the Transaction Consideration, in the event the aggregate number of relative value units generated by the Medical Imaging Business acquired by the Hospital under this Agreement ("Non-MRI RVUs") performed at the Center during the calendar year ending December 31, 2012 equal or exceed the aggregate Non-MRI RVUs performed at the Center during the calendar year ending December 31, 2009 as set forth in Schedule 1.05(b) hereto, the Hospital will pay to NRC [REDACTED] within ten (10) Business Days after final determination of the number of Non-MRI RVUs performed at the Center in 2012. Subject only to the Hospital's right of setoff described in Section 8.XX hereof, payment of such additional amount will be made to NRC in cash in immediately available funds via federal wire transfer pursuant to wiring instructions provided by NRC to the Hospital at least three Business Days prior to the payment date.

Section 1.06. Allocation of Transaction Consideration. The allocation of the Transaction Consideration among the Purchased Assets shall be as set forth in Schedule 1.06 hereto. Each Party agrees to use such allocation for all tax and reporting purposes, including but not limited to Internal Revenue Service Form 8594, and shall not take any contrary position with respect thereto. Each Party shall take all actions and file all Tax Returns (including but not limited to Internal Revenue Service Form 8594) consistent with the agreed-to allocation of the Transaction Consideration unless required to do otherwise by Law.

ARTICLE II

CLOSING

Section 2.01. Closing. Subject to the satisfaction or waiver of the conditions set forth in Article VII hereof, the closing with respect to the Imaging Business Acquisition contemplated herein (the "Closing") shall take place via electronic exchange of documents on such date as the Hospital and NRC may mutually agree in writing (the "Closing Date") and the conveyance of the Purchased Assets to the Hospital, and the assumption by the Hospital of the Forward Looking Obligations, shall be deemed effective as of 12:01 a.m. Eastern Time on the Closing Date or at such other time as the Hospital and NRC may mutually agree in writing (the "Effective Time").

Section 2.02. Actions at the Closing.

(a) In addition to the satisfaction of the closing conditions described in Article VII hereof, at Closing, the Parties shall cause to be executed and delivered the following documents:

(i) one or more general assignment, assumption, conveyance and bill of sale, each in a form acceptable to the Hospital, conveying to the Hospital all right, title and interest in the Purchased Assets and pursuant to which the Hospital shall assume all Forward Looking Obligations (each a "Bill of Sale");

(ii) a Release and Termination Agreement, in a form substantially as set forth in Exhibit A hereto (the "Release"), pursuant which each the NRC Entities shall terminate and release any obligation of the Hospital, SWC and their respective Affiliates with respect to all agreements between the NRC Entities and the Hospital, SWC or their respective Affiliates, including, but not limited to:

(A) the Joint Venture Agreement in a manner reflecting the withdrawal of SWC from the Joint Venture as of the Closing Date;

(B) that certain MRI Services Agreement, March 17, 1998, by and among NRCEA, NRC, NRA, the Hospital and SWC (the "MRI Agreement");

(C) that certain Amended and Restated Contract for Services by Independent Contractor, August 1, 2008, by and between the Hospital and NRC (the "Professional Services Agreement");

(D) that certain Purchased Services Agreement, dated December 1, 2006, by and between the Hospital and the Joint Venture (the "Purchased Services Agreement");

(E) that certain Buyers' Agreement, [date], 2008, by and among NRCEA, NRC, NRA, the Hospital and SWC (the "Buyers' Agreement");

(F) that certain [Commercial Real Estate Lease], dated [date], by and between NRA and the Joint Venture (the "Lease");

(G) those certain [Equipment Lease Agreements], dated [insert dates], by and between the Hospital and the Joint Venture (the "MRI Equipment Leases"); and

(H) all other agreements, whether oral or written, by and among Hospital and/or SWC and any or all of the NRC Entities in effect as of the Closing.

(iii) a Professional Services Agreement, in substantially the form set forth in Exhibit B hereto (the "Hospital PSA"), under which NRC shall provide professional radiology services at Hospital, including supervising non-physician clinical personnel, providing full-time call coverage for angio and interventional procedures and providing the services of a physician approved by Hospital as the Chairman of Hospital's Radiology Departments;

(iv) an Administrative Services Agreement, in substantially the form set forth in Exhibit C hereto ("Hospital ASA"), under which NRC will provide certain administrative, medical director and tracking services for the Hospital;

(v) a Professional Services Agreement, in substantially the form set forth in Exhibit D hereto ("Center PSA"), pursuant to which NRC will provide professional radiology services at the Center;

(vi) a Management Services Agreement, in substantially the form set forth in Exhibit E hereto ("Center MSA"), pursuant to which NRC will provide certain management and administrative services to Hospital with respect to its operation of the Center (including MRI services at the imaging center);

(vii) a new real estate lease by and between NRA and the Hospital with respect to the real estate currently used by the Joint Venture for the Center, in substantially the form set forth in Exhibit F hereto (the "Center Lease"); and

(viii) a ten-year non-compete agreement by and between each NRC Entity and each physician owner of the NRC Entities and the Hospital, in substantially the form set forth in Exhibit G hereto (the "Noncompete Agreements").

(b) On or before the Effective Time, the Hospital and NRC shall cause all principal, interest and other amounts payable with respect to [describe JV's bank debt/line of credit] (the "Bank Loan") to be paid in full and will take all other steps necessary to cause [name of bank or other lender] to fully release any lien or other security interest against the Purchase Assets delivered as collateral for the Bank Loan, including delivery of all termination statements under the UCC with respect thereto, on or before of the Closing Date. The Hospital and NRC agree that NRC shall contribute 60% of the total dollar amount necessary to repay the Bank Loan in full as contemplated by

this Section 2.02(b) and the Hospital (either itself or through an Affiliate) shall contribute remaining 40% of such dollar amount and that the payment thereof by either such Party does not affect the amount or allocation of the Transaction Consideration described in Section 1.05 hereof.

Section 2.03. Payment of Transaction Consideration. At Closing, the Hospital shall pay [REDACTED] to [NRC on behalf of the NRC Entities] in cash in immediately available funds via federal wire transfer pursuant to wiring instructions provided by NRC to the Hospital at least three Business Days prior to Closing. The [REDACTED] shall be deposited by the Hospital at Closing into a segregated, interest-bearing escrow account (the "Escrow Account") which shall be maintained with [Name of escrow agent] pursuant to the terms of an escrow agreement in substantially the form set forth as Exhibit H hereto (the "Escrow Agreement"). All amounts held in the Escrow Account shall be available for distribution to the Hospital in the event it shall be entitled to indemnification by any of the NRC Entities pursuant to Article VIII hereof. The remaining balance of the Escrow Account, less the amount of any then unresolved claims for indemnity made by the Hospital pursuant to Article VIII hereof, will be released from the Escrow Account and distributed to [NRC on behalf of the NRC Entities] on the second anniversary of the Closing Date.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE NRC ENTITIES

Each NRC Entity hereby represents and warrants to the Hospital that each of the statements contained in this Article III, as modified by the information set forth in the Disclosure Schedules, are true, accurate and complete in all respects as of the date of this Agreement.

Section 3.01. Organization.

(a) NRC is a duly organized and validly existing professional corporation in good standing under the Laws of Connecticut and has all corporate power required to carry on the Medical Imaging Business through the Joint Venture in the manner in which its is now being conducted, to hold the interests it currently holds in the Purchased Assets and to sell, transfer and assign such interests in the Purchased Assets to the Hospital.

(b) Each of NRCEA and NRA is a duly organized and validly existing limited liability company in good standing under the Laws of Connecticut and has all limited liability company power required to carry on the Medical Imaging Business through the Joint Venture in the manner in which its is now being conducted, to hold the interests it currently holds in the Purchased Assets and to sell, transfer and assign such interests in the Purchased Assets to the Hospital.

Section 3.02. Authorization.

(a) The execution, delivery and performance of this Agreement by NRC are within the corporate power of NRC and have been duly authorized by all necessary

corporate action on the part of NRC. This Agreement has been duly executed and delivered by NRC and constitutes a valid and legally binding obligation of NRC, enforceable against NRC in accordance with its terms.

(b) The execution, delivery and performance of this Agreement by NRCEA and NRA is within their respective limited liability company power and has been duly authorized by all necessary limited liability company action on the parts of NRCEA and NRA, respectively. This Agreement has been duly executed and delivered by NRCEA and NRA and constitutes a valid and legally binding obligation of NRCEA and NRA, enforceable against NRCEA and NRA in accordance with its terms.

Section 3.03. Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the Imaging Business Acquisition, will (a) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency or court to which a NRC Entity is subject or any provision of the articles of incorporation, bylaws, articles of organization, operating agreement or other charter documents of such NRC Entity, or (b) conflict with, result in a breach of, constitute a default under, result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel (except as specifically contemplated by this Agreement) any agreement, contract, lease, license, instrument or other arrangement to which a NRC Entity is a party or by which a NRC Entity is bound or to which any of the Purchased Assets are subject (subject to the notices, filings, consents, approvals required thereunder) or result in the imposition of any Security Interest upon any of the Purchased Assets.

Section 3.04. Consents and Approvals. Schedule 3.04 hereto contains a list and description of all notices or filings to and consents or approvals of any third parties, including but not limited to any Governmental Authority, customers, suppliers or lenders, which may be necessary in order to effectively and legally transfer all of the Purchased Assets to the Hospital or to otherwise complete the Imaging Business Acquisition.

Section 3.05. Purchased Assets.

(a) The Purchased Assets constitute, in the aggregate, substantially all the assets and property used by the Joint Venture to conduct the Medical Imaging Business as currently conducted, other than the Excluded Assets associated therewith.

(b) The Purchased Assets are sufficient and adequate to conduct the Medical Imaging Business as presently being conducted by the Joint Venture.

(c) The Joint Venture, either itself, or through one or more of the Parties, [Due diligence item] is the owner of good and valid title to all of the Purchased Assets, free and clear of all liabilities, liens, leases, charges, claims, licenses, rights, encumbrances and restrictions on transfers other than Permitted Liens or Encumbrances that will be released on or prior to the Effective Time, and no financing statement, charges or similar document covering all or any portion of the Purchased Assets and naming the Joint Venture or any of the NRC Entities as debtor (other than any financing statement, charges or similar document pertaining to any Permitted Lien or an

Encumbrances that will be released on or prior to the Effective Time) has been filed with any Governmental Authority which has not been released, and neither the Joint Venture nor any NRC Entity has signed or authorized any financing statement, charges or similar document or any security agreement as debtor or borrower which financing statement, charges, similar document or security agreement covers all or any portion of the Purchased Assets which has not been released. As of the Effective Time, the Hospital will acquire the Purchased Assets for its exclusive use free and clear of all liabilities, liens, leases, charges, claims, licenses, rights, encumbrances and restrictions on transfers, except those that may arise from acts of the Hospital or any Permitted Liens.

Section 3.06. Tangible Assets

(a) All Imaging Equipment is identified on Schedule 1.01(a) hereto. All Imaging Equipment is fully functional and in good operating condition and repair (normal wear and tear excepted).

(b) All Tangible Assets are physically located at the Center and are in the exclusive possession and control of the Joint Venture and are in good condition (normal wear and tear excepted).

Section 3.07. Contracts.

(a) All Contracts, other than those Contracts which will be terminated by the Parties at Closing pursuant to the Release, are identified on Schedule 1.01(b) hereto.

(b) Each Contract was duly executed and delivered by, and constitutes a valid and binding obligation of, the Joint Venture, enforceable against the Joint Venture in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(c) To the Knowledge of the NRC Entities, each Contract was duly executed and delivered by, and constitutes a valid and binding obligation of, the other party to such Contract, enforceable against the other party to such Contract in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(d) There has been no breach of the terms of any Contract by the Joint Venture, the NRC Entities or, to the Knowledge of the NRC Entities, by any other party to such Contract.

(e) Except as set forth on Schedule 3.07, each Contract is assignable to the Hospital without any consent or approval of or notice to any Person. As of the Effective Time, each Contract will be legal, valid, binding, enforceable by the Hospital, and in full force and effect on terms identical to those in effect immediately prior to the Effective Time.

Section 3.08. Government Licenses.

(a) All Assignable Government Licenses are identified on Schedule 1.01(c) hereto.

(b) The Joint Venture has all governmental licenses, authorizations and permits required to carry on the Medical Imaging Business as it is currently being conducted, whether or not assignable ("Government Licenses"). All Government Licenses are in full force and effect and the Joint Venture is, and at all times has been, in full compliance with all of the terms and requirements of each of such Government License, including but not limited to the Assignable Government Licenses.

(c) No event has occurred or circumstance exists that may (with or without notice or lapse of time): (a) constitute or result directly or indirectly in a violation of, or a failure to comply with, any term or requirement of any Government License or (b) result directly or indirectly in the revocation, withdrawal, suspension, cancellation or termination of, or any modification to, any Government License.

Section 3.09. Software.

(a) Schedule 1.01(d) sets forth a list of all computer software programs, computer databases and related documentation and materials which are used by the Joint Venture in connection with the Medical Imaging Business, other than any computer software programs, computer databases and related documentation and materials subject only to "shrink wrap" and/or "click wrap" licenses.

(b) The Software (which includes, but is not limited to, the items listed on Schedule 1.01(d)) is all of the software and related documentation that is required to operate the Medical Imaging Business by the Joint Venture in the manner currently conducted. The Joint Venture either owns all right, title and interest in the Software and the media included in the Purchased Assets on which such Software owned by it is contained, or has a valid license to use such Software contained on such media included in the Purchased Assets and licensed or otherwise made available for use to it. The use by the Joint Venture of any Software that is proprietary to the Joint Venture does not conflict with, misappropriate or infringe upon the rights or ownership interests of any other Person and, to the Knowledge of the NRC Entities, the use by the Joint Venture of any third-party Software does not conflict with, misappropriate or infringe upon the rights or ownership interests of any other Person.

(c) No claims (i) challenging the validity, effectiveness or, other than with respect to any licensed Software, ownership by the Joint Venture of any of the Software or (ii) to the effect that the use, distribution, licensing, sublicensing, sale or any other exercise of rights in the Software by the Joint Venture or its agents infringes or will infringe on any rights or interests of any Person, have been asserted or, to the Knowledge of the NRC Entities, are threatened by any Person, and none of the NRC Entities has any Knowledge of the existence of any facts which could reasonably support such a claim.

(d) The transfer of any Software to the Hospital as part of the Purchased Assets will not result in any additional license fees or charges after the Effective Time with respect thereto.

Section 3.10. Intellectual Property.

(a) All Intellectual Property is identified in Schedule L.01(e) hereto.

(b) All Intellectual Property that is proprietary to the Joint Venture and the use thereof by the Joint Venture does not conflict with, misappropriate or infringe upon the rights and ownership interests of any other Person and, to the Knowledge of the NRC Entities, the Intellectual Property that is licensed by the Joint Venture from any third-party and the use thereof by the Joint Venture does not conflict with, misappropriate or infringe upon the rights or ownership interests of any other Person.

(c) No claims (i) challenging the validity, effectiveness or, other than with respect to any licensed Intellectual Property, ownership by the Joint Venture of any Intellectual Property or (ii) to the effect that the use, distribution, licensing, sublicensing, sale or any other exercise of rights in such Intellectual Property by the Joint Venture or its agents infringes or will infringe on any rights or interests of any Person, have been asserted or, to the Knowledge of the NRC Entities, are threatened by any Person, and no NRC Entity has any Knowledge of the existence of any facts which could reasonably support such a claim.

(d) The transfer of any Intellectual Property to the Hospital as part of the Purchased Assets will not result in any additional license fees or charges after the Effective Time with respect thereto.

Section 3.11. Intangible Assets. The Prepaid Expenses have been validly paid by or on behalf of the Joint Venture and the Joint Venture is duly entitled to the delivery of the goods and/or services to which such Prepaid Expenses relate and, to the Knowledge of the NRC Entities, the party to which any such Prepaid Expense has been paid remains willing and able to deliver such goods or perform such services, as the case may be, and has not notified the Joint Venture or any NRC Entity to the contrary.

Section 3.12. Litigation. There is no action, order, writ, judgment or decree outstanding or suit, litigation or proceeding pending or, to the Knowledge of any of the NRC Entities, threatened, against the Joint Venture or any of the NRC Entities with respect to the Medical Imaging Business, the Purchased Assets or the execution of this Agreement or the consummation of the Imaging Business Acquisition.

Section 3.13. Compliance With Laws.

(a) The Medical Imaging Business has been conducted by the Joint Venture in compliance with applicable Laws.

(b) The Joint Venture has not been charged with or given notice of, or to the Knowledge of the NRC Entities, is under investigation with respect to, any violation of,

or any obligation to take remedial action under, any applicable Laws in connection with the Medical Imaging Business.

(c) The Center is certified for participation or enrollment in the Medicare and Medicaid programs, has a current and valid provider contract with the Medicare or Medicaid programs and is in compliance with the conditions of participation of such programs and has received all approvals or qualifications necessary for reimbursement. Neither the Joint Venture nor any of the NRC Entities has received a written notice from any Governmental Authority which enforces the statutory or regulatory provisions in respect to either the Medicare or Medicaid program of any pending or threatened investigations. Neither the U.S. Department of Health and Human Services nor any state agency has conducted or given the Joint Venture or any of the NRC Entities written notice that it intends to conduct any audit or other review of the Joint Venture's participation in the Medicare or Medicaid programs.

(d) Neither the Joint Venture nor any of the NRC Entities, nor any officer, director, managing employee or agent (as those terms are defined in 42 C.F.R. § 1001.1001) thereof as applicable to the Center and the Joint Venture, is a party to, or bound by, any order, individual integrity agreement, corporate integrity agreement or other formal or informal agreement with any Governmental Authority concerning compliance with Laws.

(e) No Person has filed, nor to the Knowledge of the NRC Entities, has threatened to file, an action against the Joint Venture, the Center or any of the NRC Entities as may be applicable to the Joint Venture or the Center under any Federal or State whistleblower Laws, including without limitation, under the False Claims Act of 1863 (31 U.S.C. § 3729 et seq.).

(f) Except as otherwise permitted by Laws, neither the Joint Venture nor any of the NRC Entities as may be applicable to the Joint Venture or the Center, nor any member, manager, director, owner, officer, employee or agent thereof, nor any agent acting on behalf of or for the benefit of any thereof, has directly or indirectly (i) offered or paid any remuneration, in cash or in kind, to, or made any financial arrangements with, any past, present or potential patient, with a physician in a position to refer patients or other health care business to the Joint Venture or the Center, or with any supplier or potential supplier, contractors, third-party payor or with any other Person in a position to refer, recommend or arrange for the referral of patients or other health care business to the Joint Venture or the Center (each a "Referral Source") to obtain any patient referrals or other business or payments from any such Person; (ii) given or agreed to give, or is aware that there has been made or that there is any agreement to make, any gift or gratuitous payment of any kind, nature or description (whether in money, property or services) to any Referral Source; (iii) made or agreed to make, or is aware that there has been made or that there is any agreement to make, any contribution, payment or gift of funds or property to, or for the private use of, any Governmental Authority official, employee or agent, where the contribution, payment or gift is or was illegal under any Law; (iv) established or maintained any unrecorded fund or asset for any purpose, or made any false or artificial entries on any of its books or records for any reason; or

(v) made, or agreed to make, or is aware that there has been made or that there is any agreement to make, any payment to any Person with the intention or understanding that any part of such payment would be used for any purpose other than that described in the documents supporting such payment. Neither the Joint Venture nor any of the NRC Entities is a party to any ownership, compensation arrangement, or financial arrangement, written or oral, with any Referral Source with respect to the Joint Venture or the Center.

(g) All billing, coding and collection practices of the Joint Venture and the NRC Entities related to the Center have been in compliance with all Laws and the policies and procedures of all non-governmental third-party payors, and the neither the Joint Venture nor any of the NRC Entities on behalf of the Joint Venture has billed for or received any payment or reimbursement in excess of amounts allowed by Laws. The Joint Venture and each of the NRC Entities as applicable to the Joint Venture have timely filed, or have caused to be the timely filed, all requisite claims and other reports required to be filed in connection with Medicare and Medicaid on or a before the applicable due date, which claims and reports are complete and correct in all material respects.

Section 3.14. Information Privacy and Security Compliance. The Joint Venture and each of the NRC Entities as applicable to the Joint Venture (i) is in compliance in all material respects with the administrative simplification provisions of HIPAA and implementing regulations; and (ii) is in compliance in all material respects with all other applicable Information Privacy or Security Laws. The Joint Venture has entered into business associate contracts in each case in which it is acting as a business associate or as a covered entity as defined in 45 C.F.R. 160.103. Neither the Joint Venture nor any of the NRC Entities as applicable to the Joint Venture (i) is under investigation by any Governmental Authority for a violation or potential violation of any Information Privacy or Security Laws, including, without limitation, receiving any notices from the United States Department of Health and Human Services Office of Civil Rights, Department of Justice or a State Attorney General relating to any such violations or (ii) has had an incident or breach that would trigger a notification or reporting requirement under any contract or laws related to the collection, use, disclosure or security of Personal Information.

Section 3.15. Tax Matters. All Tax Returns for all periods (or portions thereof) ending on or before the Effective Time that are, were or may in the future be required to be filed by the Joint Venture, either separately or as a member of an affiliated group of entities, have been filed or will be filed on a timely basis, and in accordance in all material respects with the Laws and administrative requirements of any applicable Taxing Authority. All such Tax Returns that have been filed on or before the Effective Time or will be filed after the Effective Time relating to the Business or the Purchased Assets prior to the Effective Time, were and continue to be or, when filed, will be true, correct and complete in all material respects; and, the Joint Venture has paid, or will pay when due, all Taxes relating to the Medical Imaging Business or the Purchased Assets; including personal property taxes and payroll taxes, that have or may become due for all periods (or portions thereof) ending on or before the Effective Time. There are no liens with respect to Taxes upon any of the Purchased Assets (except for Taxes not yet due). There is no action or audit currently proposed, pending or, to the Knowledge of the NRC Entities, threatened against, or with respect to, the Joint Venture in respect of any Taxes.

Section 3.16. Environment Matters.

(a) The Joint Venture and the Center are in compliance with all Environmental Laws and possess all permits and other governmental authorizations required under applicable Environmental Laws to operate the Center as it is currently operated and are in compliance with the terms and conditions thereof. There are no actual or, to the Knowledge of the NRC Entities, potential investigatory, remedial or corrective obligations under any Environmental Law relating to the operation of the Center.

(b) The Joint Venture has not treated, stored, disposed of, arranged for or permitted the disposal of, transported, handled or released any Hazardous Materials in a manner that has given rise to or, to the Knowledge of the NRC Entities, will give rise to a claim or Liability pursuant to any Environmental Law.

(c) The Joint Venture and the Center have operated in material compliance with all Medical Waste Laws in connection with to the generation, transportation, treatment, storage, disposal or other handling of Medical Waste.

Section 3.17. Employment and Labor Matters. Except as set forth on Schedule 3.17:

(a) No employee of, or other individual providing services to, the Joint Venture, is a party to a written employment agreement, consulting agreement, independent contractor agreement, severance agreement or change of control agreement;

(b) There are no unions representing the interests of any of the employees of or persons providing services to the Joint Venture and, to the Knowledge of the NRC Entities, there are no active union organizing activities or other requests or attempts to organize the employees of or persons providing services to the Joint Venture.

(c) The relationship between the Joint Venture and its employees is good and during the past three years there have been no labor disputes, strikes, work stoppages, work disruptions or employment disruptions by the employees of the Joint Venture and, to the Knowledge of the NRC Entities, no such actions have been threatened or are otherwise impending;

(d) During the past three years, there have been no suits, actions, administrative proceedings, hearings, arbitrations or other proceedings between the Joint Venture and any of its employees or filed by any Joint Venture employee with any Governmental Authority and, to the Knowledge of the NRC Entities, no such actions have been threatened or are otherwise impending; and

(e) The Joint Venture has complied in all material respects with all Laws relating to the employment of labor, including any provisions thereof relating to wages, hours, I-9 compliance, collective bargaining, misclassification of employees and the payment of social security and similar taxes, (B) is not and has not been liable for any arrearages of wages or any taxes or penalties for failure to comply with any of the foregoing, (C) has not committed any unfair labor practices, and (D) has complied in all material respects with all applicable provisions of the Occupational Safety and Health Act of 1970 and regulations promulgated pursuant thereto.

Section 3.18. Benefit Plans.

(a) Schedule 3.18 lists each Benefit Plan which the Joint Venture or any of its ERISA Affiliates maintains or to which the Joint Venture or any of its ERISA Affiliates contributes or has any obligation to contribute with respect to any employee, former employee or retiree ("Personnel"). Except as set forth in Schedule 3.18, with respect to the Personnel, neither the Joint Venture nor any of its ERISA Affiliates currently sponsors or maintains, or has sponsored or maintained, an Employee Pension Benefit Plan subject to Title IV of ERISA.

(b) Each such Benefit Plan (and each related trust, insurance contract, or fund) complies in form and in operation in all material respects with the applicable requirements of ERISA, the Code, and other applicable Laws. In that regard:

(i) All required reports and descriptions (including Form 5500 Annual Reports, summary annual reports, and summary plan descriptions) have been timely filed and distributed appropriately with respect to each such Benefit Plan that covers Personnel. The requirements of COBRA have been met with respect to each such Benefit Plan that covers Personnel which is an Employee Welfare Benefit Plan;

(ii) All contributions (including all employer contributions and employee salary reduction contributions) which are due have been paid to each such Benefit Plan that is an Employee Pension Benefit Plan and all contributions for any period ending on or before the Effective Time which are not yet due have been paid to each such Employee Pension Benefit Plan or accrued in accordance with the past custom and practice of the Joint Venture. All premiums or other payments for all periods ending on or before the Effective Time have been paid with respect to each such Benefit Plan that is an Employee Welfare Benefit Plan, except those that are not yet due;

(iii) Each such Benefit Plan that is intended to be a "qualified plan" under Code § 401(a) has received a favorable determination letter from the Internal Revenue Service that it is a "qualified plan" and the related trusts are exempt from Taxes under Section 501(a) of the Code and no event has occurred or action has been taken or, to the Knowledge of the NRC Entities, threatened that could adversely affect each such qualification or exemption;

(c) Neither the Joint Venture nor any of its ERISA Affiliates has ever contributed to or been required to contribute to any Multiemployer Plan, or has any Liability (including withdrawal liability as defined in ERISA § 4201) under any Multiemployer Plan.

Section 3.19. Insurance. Schedule 3.19 sets forth an accurate and complete list of all insurance policies, self-insurance arrangements and surety bonds currently in effect that insure the Joint Venture, the Medical Imaging Business or the Purchased Assets (collectively, the "Insurance Policies"). With respect to each such Insurance Policy: (a) such policy is legal,

valid, binding, enforceable, and in full force and effect in all respects and the Joint Venture is a beneficiary of such policy; (b) neither the Joint Venture nor any of the NRC Entities is in breach or default (including with respect to the payment of premiums or the giving of notices), and no event has occurred which, with notice or the lapse of time, would constitute such a breach or default, or permit termination, modification, or acceleration, under such policy; (c) no party to such policy has repudiated any provision thereof and neither the Joint Venture nor any of the NRC Entities has received any notice of cancellation or non-renewal of such policy or arrangement nor has termination of such policy or arrangement been threatened; (d) neither the policy, nor the future proceeds thereof, have been assigned to any other Person; (e) all premiums and other payments due under or on account of such policy have been paid; (f) such policy is adequate to insure against risks to which the Joint Venture and its property and assets are normally exposed in the operation of the Medical Imaging Business.

Section 3.20. Certain Payments. Neither the Joint Venture, nor any Person acting on its behalf, including, without limitation, the NRC Entities, has directly or indirectly (a) made any contribution, gift, bribe, payoff, influence payment, kickback, or other similar payment on behalf of the Joint Venture to any Person, private or public, regardless of form, whether in money, property, or services (i) to obtain favorable treatment in securing business, (ii) to pay for favorable treatment for business secured, (iii) to obtain special concessions or for special concessions already obtained, for or in respect of the Joint Venture, or (iv) in violation of any Law, or (b) established or maintained any fund or asset for the benefit of the Joint Venture that has not been recorded in the books and records of Joint Venture.

Section 3.21. Joint Venture Solvency. Immediately after giving effect to the Imaging Business Acquisition, the Joint Venture (i) will be able to pay its liabilities as they become due in the usual course of its business; (ii) will not have unreasonably small capital with which to conduct its present or future business; (iii) will have assets (calculated at fair market value) that exceed its liabilities; and (iv) taking into account all pending and threatened litigation, final judgments against the Joint Venture in actions for money damages are not reasonably anticipated to be rendered at a time when, or in amounts such that, the Joint Venture will be unable to satisfy any such judgments promptly in accordance with their terms (taking into account the maximum probable amount of such judgments in any such actions and the earliest reasonable time at which such judgments might be rendered) as well as all other obligations of the Joint Venture. The cash available to the Joint Venture, after taking into account all other anticipated uses of the cash, will be sufficient to pay all such debts and judgments promptly in accordance with their terms.

Section 3.22. Broker or Finders' Fees. There is no third-party investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of the NRC Entities who would be entitled to any fee or commission in connection with this Agreement or the Imaging Business Acquisition.

Section 3.23. Effect of Due Diligence. The NRC Entities have provided the Hospital and its agents and representatives all information and documents regarding the Medical Imaging Business and the Purchased Assets that have been requested by the Hospital. In that regard, the NCR Entities acknowledge and agree that the representations and warranties set forth in this

Article III apply with full force and effect regardless of any due diligence investigation conducted by the Hospital, or its representatives and agents, prior to the Closing Date.

Section 3.24. No Misstatement or Omission. No representation or warranty made by the NRC Entities in this Agreement or in any written statement, certificate, Schedule or Exhibit delivered by the NRC Entities pursuant hereto, contains, or will contain, any untrue statement of a material fact, or omits or will omit a material fact required to be stated therein in order to make the statements contained therein not misleading.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE HOSPITAL AND SWC

The Hospital and SWC represents and warrants to each of the NRC Entities that each of the statements contained in this Article IV are true, accurate and complete in all respects as of the date of this Agreement.

Section 4.01. Organization.

(a) The Hospital is a duly organized and is a validly existing nonprofit corporation in good standing under the Laws of the State of Connecticut and has all corporate power required to consummate the Imaging Center Acquisition.

(b) SWC is a duly organized and validly existing corporation in good standing under the Laws of Connecticut and has all corporate power required to carry on the Medical Imaging Business through the Joint Venture in the manner in which it is now being conducted, to hold the interests it currently holds in the Purchased Assets and to sell, transfer and assign such interests in the Purchased Assets to the Hospital.

Section 4.02. Authorization.

(a) The execution, delivery and performance of this Agreement by the Hospital are within the corporate power of the Hospital and have been duly authorized by all necessary corporate action on the part of the Hospital. This Agreement has been duly executed and delivered by the Hospital and constitutes a valid and legally binding obligation of the Hospital, enforceable against the Hospital in accordance with its terms.

(b) The execution, delivery and performance of this Agreement by SWC are within the corporate power of SWC and have been duly authorized by all necessary corporate action on the part of SWC. This Agreement has been duly executed and delivered by SWC and constitutes a valid and legally binding obligation of SWC, enforceable against SWC in accordance with its terms.

Section 4.03. Noncontravention. Neither the execution and the delivery of this Agreement, nor the consummation of the Imaging Business Acquisition, will (a) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency or court to which either the Hospital or SEC

is subject or any provision of the articles of incorporation, bylaws, or other charter documents of either the Hospital or SWC, or (b) conflict with, result in a breach of, constitute a default under, result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel (except as specifically contemplated by this Agreement) any agreement, contract, lease, license, instrument or other arrangement to which the Hospital or SWC is a party or by which either of them is bound or to which any of the Purchased Assets are subject (subject to the notices, filings, consents, approvals required thereunder) or result in the imposition of any Security Interest upon any of the Purchased Assets.

Section 4.04. Litigation. There is no action, order, writ, judgment or decree outstanding or suit, litigation or proceeding pending or, to the Knowledge of the Hospital or SWC, threatened, against either the Hospital or SWC with respect to the execution of this Agreement or the consummation of the Imaging Business Acquisition.

Section 4.05. Broker or Finders' Fees. There is no third party investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of either the Hospital or SWC who would be entitled to any fee or commission in connection with this Agreement or the Imaging Business Acquisition.

ARTICLE V

ADDITIONAL AGREEMENTS

Section 5.01. Conduct of Business. During the period from the date of this Agreement to the Effective Time, the Parties shall cause the Joint Venture to carry on the Medical Imaging Business at the Center in the Ordinary Course of Business and in the same manner as conducted prior to the date of this Agreement. To the extent consistent therewith, the Parties shall use their commercially reasonable efforts to preserve intact the current business organization of the Joint Venture, keep available the services of the current employees of the Joint Venture and preserve the relationships and goodwill of the Joint Venture with its employees, agents, providers, payors, patients, customers, suppliers, vendors and others having business relationships with the Joint Venture or interests in the Medical Imaging Business.

Section 5.02. Efforts to Consummate. Subject to the terms and conditions of this Agreement, each Party shall (and shall cause its respective Affiliates to) use commercially reasonable efforts to take all actions and to do all things necessary, proper or advisable to consummate the Imaging Business Acquisition as promptly as practicable, including using commercially reasonable efforts to (i) provide all required notices to third parties, (ii) make any filing with and obtain any consent, authorization, order or approval of, or any exemption by, any Governmental Authority that is required to be made or obtained in connection with the Imaging Business Acquisition, including, but not limited to, obtaining a CON necessary for the Hospital to own and operate the Center, (iii) obtain any consent, waiver, approval or authorization from any third party required in order to maintain in full force and effect any of the Contracts, Assignable Government Licenses or other Purchased Assets following the Imaging Business Acquisition and (v) cause the conditions in Article VII applicable to it to be satisfied at or prior to the Closing Date.

Section 5.03. Consultation. The Parties shall consult with each other prior to making any filings with, or having any communications with, any Governmental Authority with respect to the Joint Venture, the Medical Imaging Business or the Imaging Business Acquisition prior to the Effective Time and will provide the other Parties with copies of all filings made by such Party with any Governmental Authority or any other information supplied by such Party to a Governmental Authority in connection with the Joint Venture, the Medical Imaging Business or the Imaging Business Acquisition. Each Party shall promptly inform the other Parties of any communication from any Governmental Authority regarding the Joint Venture, the Medical Imaging Business or the Imaging Business Acquisition.

Section 5.04. Access to Information. Subject to the confidentiality obligations set forth in Section 5.09 hereof, during the period prior to the Effective Time or the earlier termination of this Agreement, the NRC Entities shall afford the officers, employees, accountants, legal counsel and other representatives of the Hospital reasonable access, during normal business hours, to all properties, documents, agreements, books, records, financial statements and other information of the Joint Venture related to the Purchased Assets and the Medical Imaging Business and shall furnish promptly to the Hospital or such representatives all information concerning the Joint Venture, the Purchased Assets and the Medical Imaging Business as may be reasonably requested by them. Representatives of the NRC Entities (including attorneys, accountants and other professionals) shall be available for discussion of the Purchased Assets and the Medical Imaging Business with the Hospital as reasonably requested by it.

Section 5.05. Public Announcements. The existence and contents of this Agreement and all Exhibits and Schedules attached hereto and the nature and status of the Imaging Business Acquisition are confidential. Each Party hereto agrees that it shall not issue any press release or make any public announcement, and shall direct and cause its respective Affiliates, officers, directors, employees, consultants, independent contractors and advisors not to issue any press release or make any public announcement, relating to the subject matter of this Agreement without the prior written approval of the other Parties; provided, however, that a Party may make a public disclosure to the extent it is advised by legal counsel that such disclosure is required by applicable legal requirements, in which case such Party will use its commercially reasonable efforts to allow the other Parties to review such disclosure a reasonable time in advance of the time it is made public and incorporate the other Parties' comments into any disclosure that is made. The Parties will consult with each other concerning the means by which the employees, customers, and suppliers and others having dealings with the Joint Venture will be informed of the Imaging Business Acquisition, and the Hospital will have the right to be present for any such communication.

Section 5.06. Joint Venture Employees.

(a) Within five Business Days of the date hereof, the NRC Entities will cause to be delivered to the Hospital a complete list of the employees of the Joint Venture indicating the name and position of each such employee and their status as a full-time or part-time employee. The NRC Entities will provide such additional information regarding the employees of the Joint Venture as the Hospital may reasonable request, subject to any restrictions on the disclosure of such information under Law.

(b) The Hospital may, in its sole and absolute discretion, offer to hire any of the employees of the Joint Venture as of the Effective Time, but nothing in this Agreement or otherwise shall in any manner obligate or require the Hospital to hire any employee of the Joint Venture. In the event that the Hospital makes any offer of employment to any employee of the Joint Venture, such offer of employment shall be subject to the Hospital's standard hiring practices and policies, including but not limited to I-9 compliance, drug testing and background checks.

(c) Any employee of the Joint Venture who accepts an offer of employment from the Hospital (a "Retained Employee") shall be an "at will" employee of the Hospital unless otherwise specifically agreed between the Hospital and a particular Retained Employee.

(d) The Joint Venture shall under all circumstances remain responsible and the NRC Entities shall indemnify and hold the Hospital harmless from (i) any and all wages, commissions, fees and other remuneration due to any and all of persons employed by the Joint Venture (including persons acting as independent contractors) at any time prior to the Effective Time with respect to their services to the Joint Venture through the Effective Time; (ii) employee termination and severance costs and expenses, including, but not limited to, unused vacation and accrued benefits of all employees whether hired by the Hospital or not; (iii) the requirement to provide health plan continuation coverage in accordance with the requirements of COBRA and ERISA, any and all payments to employees of the Joint Venture required under the WARN Act and any applicable state equivalent; and (iv) claims made or incurred through the Effective Time under any Benefit Plan. Without limiting the foregoing, the NRC Entities shall cause the Joint Venture to pay to all Retained Employees, at or prior to the Closing, all unused and unpaid vacation time, bonuses and commissions that accrued while the Retained Employees were employed by the Joint Venture. The NRC Entities further agree that all Retained Employees shall remain covered by the Joint Venture's insurance plans through the end of the month in which the Effective Time occurs.

Section 5.07. Update Representations and Warranties. The NRC Entities shall promptly notify the Hospital of any events or occurrences after the date hereof which cause or result, or may cause or result, in any of the representations or warranties set forth in Article III hereof, including the Schedules associated therewith, ceasing to be true and accurate in any material respect (or, in the case of any representations or warranties set forth in Article III hereof which are qualified by terms such as "material" or "Material Adverse Effect," ceasing to be true and accurate in any respect). The NRC Entities may amend, update or supplement the representations or warranties set forth in Article III hereof, including the Schedules associated therewith, but no such amendment, update or supplement will be deemed to cure any breach for purposes of Section 7.01(a) hereof.

Section 5.08. Confidentiality. Before and after the Effective Time, each Party agrees to treat and hold as confidential all Confidential Information regarding any other Party and, in that regard, shall not disclose any of such Confidential Information to any third parties or use such Confidential Information except in connection with its bona fide evaluation of the Imaging Business Acquisition or the conduct of the Medical Imaging Business after the Effective Time.

Each Party agrees that it will promptly deliver or destroy any writings or other tangible embodiments of another Party's Confidential Information which are in such Party's possession upon the request of such other Party. In the event a Party is requested or legally compelled to disclose any Confidential Information of another Party (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand or similar process), the Party receiving such request or legal order will promptly notify such other Party of the request or order and shall cooperate with such other Party with any efforts by such other Party to obtain an order or other assurance that confidential treatment will be accorded to the Confidential Information required to be so disclosed.

ARTICLE VI

POST-CLOSING COVENANTS

Section 6.01. Further Action. The Parties agree that with respect to the period following the Closing, in case at any time after the Closing any further action is necessary or desirable to carry out the purposes of this Agreement, each of the Parties will take such further action (including the execution and delivery of such further instruments and documents) as the other Party reasonably may request, and all at the sole cost and expense of the requesting Party (unless the requesting Party is entitled to indemnification therefor under Section 8.02 hereof).

Section 6.02. Consents and Authorizations. To the extent waived or otherwise not required as a condition of Closing, within thirty (30) days following the Closing, the NRC Entities shall cause to be delivered to the Hospital a written confirmation and copies of all consents, approvals, authorizations or orders of and all registrations, declarations or filings with third parties, including creditors, contract parties or public or Governmental Authorities, necessary for the authorization, execution and delivery of this Agreement by the NRC Entities or the consummation by the NRC Entities of the Imaging Business Acquisition, including but not limited to those referred to in Section 3.04. Between the Effective Time and the date any consent, approval, authorization or order is obtained, subject to the terms of the applicable agreement and to the extent permitted by Law, the Parties will use their commercially reasonable efforts to (i) provide the benefits of the applicable agreement to the Hospital, (ii) relieve the NRC Entities or the Joint Venture of the performance obligations of the applicable agreement, to the extent possible, (iii) cooperate in any reasonable and lawful arrangement designed to do the foregoing, including entering into subcontracts for performance, and (iv) enforce at the request and sole expense of the Hospital and for the account of the Hospital any rights of the Joint Venture or the NRC Entities arising from any such agreement (including the right to elect to terminate such agreement in accordance with the terms thereof upon the request of the Hospital).

Section 6.03. Dissolution of the Joint Venture. The Parties also agree that the Joint Venture shall be dissolved under Connecticut law as of the Effective Time and that they shall each take such steps as are necessary under the Joint Venture Agreement or Connecticut law to cause the business and affairs of the Joint Venture to be wound up in a reasonably expeditious manner and upon the conclusion thereof, or at such earlier time as they shall agree, to cancel and terminate the Joint Venture Agreement.

Section 6.04. Litigation Support and Tax Audit and Compliance Cooperation. In the event, and for so long as, any Party actively is contesting or defending against any action, suit, proceeding, hearing, investigation, charge, complaint, claim or demand (other than against the other Party) in connection with (i) the Imaging Business Acquisition or other transaction contemplated under this Agreement or (ii) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act or transaction on, prior to or after the Effective Time involving the Medical Imaging Business or any of the Purchased Assets, the other Parties will cooperate with the contesting or defending Party and its counsel in the contest or defense thereof, make available its personnel and provide such testimony and access to its books and records as shall be reasonably necessary in connection with the contest or defense thereof, all at the sole cost and expense of the contesting or defending Party (unless the contesting or defending Party is entitled to indemnification therefor under Section 8.02 hereof); provided, however, that a Party shall not be obligated to take any such action if, in such Party's reasonable judgment, such action would materially jeopardize the Party's business or its relationship with its customers, employees, vendors or prospects. Before and after the Effective Time, the Parties shall reasonably cooperate, and shall cause their respective Affiliates, officers, employees and agents to reasonably cooperate, in preparing and filing all Tax Returns, in resolving any audits or other controversies relating to Taxes and in connection with any other matters relating to Taxes.

Section 6.05. Maintenance of Relationships. None of the NCR Entities will take any action that is designed or intended to have the effect of discouraging any lessor, licensor, customer, supplier or other business associate from maintaining the same business relationships with the Hospital after the Effective Time as such party maintained with the Joint Venture and/or NCR Entities prior to the Effective Time. From and after the Effective Time, the NCR Entities will refer all inquiries relating to the Medical Imaging Business (other those that specifically relate to an Excluded Asset or an Excluded Liability) to the Hospital.

Section 6.06. Data Transfer. As soon as practicable after the Closing, the NCR Entities shall transfer or shall cause the Joint Venture to transfer all imaging and patient information relating to the Center from systems maintained on behalf of the Joint Venture to the Hospital's corresponding systems, with such reasonable assistance as may be required from the Hospital. [Is this necessary?]

Section 6.07. Payment of Accounts Payable. The Parties acknowledge and agree that the Hospital is not acquiring or assuming the accounts payable of the Joint Venture. With respect to any accounts payable arising or incurred prior to the Effective Time, the NRC Entities agree to cause the Joint Venture to promptly pay such accounts payable when due except to the extent that any of the NRC Entities or the Joint Venture is diligently contesting or disputing such payable in good faith and by commercially reasonable actions. In the event of any dispute with respect to any accounts payable of the Joint Venture, the NRC Entities agree to use its commercially reasonable efforts to promptly resolve such dispute in good faith.

Section 6.08. Accounts Receivable. The Parties acknowledge and agree that the Hospital is not purchasing the Joint Venture's accounts receivable. Notwithstanding the foregoing, effective upon the Effective Time, in the event that any payments are received by the Hospital with respect to the Joint Venture's accounts receivable, the Hospital shall promptly

forward such payments (or the proceeds thereof) to [the Joint Venture or the NRC Entities]. In the event that any payments are received by [the Joint Venture or the NRC Entities] regarding any services performed by the Hospital after the Effective Time, or otherwise relating to any accounts receivable of the Hospital, [the Joint Venture or the NRC Entities] shall promptly forward such payments (or the proceeds thereof) to the Hospital.

Section 6.09. Access to Records After the Closing. At any time after the Effective time, and upon reasonable prior notice:

(a) the Hospital and its representatives shall be permitted reasonable access, during normal business hours, to and to make inspection of the books and records maintained by the Joint Venture or any of the NRC Entities regarding the Medical Imaging Business, so long as such records are maintained by the Joint Venture or any of the NRC Entities in accordance with its customary records retention policies, and to make copies thereof as reasonably necessary to allow the Hospital to obtain information in its possession regarding the Medical Imaging Business (but excluding attorney work product or other privileged communications). The Hospital shall pay the reasonable out-of-pocket costs and expenses incurred by the Joint Venture or any of the NRC Entities (excluding any attorneys' fees or accounting expenses) in connection with satisfying such requests. The Joint Venture or any of the NRC Entities shall provide the Hospital with at least thirty (30) days' written notice prior to the destruction of any books and records pertaining to the Medical Imaging Business, and the Hospital shall have the option of taking possession of any such books and records, at its sole expense, prior to the expiration of such thirty (30) day period;

(b) NRC and its representatives shall be permitted reasonable access, during normal business hours, to and to make inspection of the books and records regarding the Medical Imaging Business, so long as such records are maintained by the Hospital in accordance with its customary records retention policy, and to make copies thereof as reasonably necessary to allow NRC to obtain information in the Hospital's possession regarding the Medical Imaging Business (but excluding attorney work product or other privileged communications) for the limited purposes of preparing its tax returns and satisfying any reporting requirements to any Governmental Authority (or other requirement of Law) relating to the Medical Imaging Business conducted by the Joint Venture prior to the Effective Time. NRC shall pay the reasonable out-of-pocket costs and expenses incurred by the Hospital in connection with satisfying any such request.

Section 6.10. Insurance. From and after the date hereof through: (a) the date which is six (6) years following the Effective Time for claims made policies and (b) the Effective Time for occurrence-based policies, the NRC Entities on behalf of the Joint Venture, shall maintain in effect without material modification all existing policies or binders of insurance in effect as of the date hereof which insure the Joint Venture's potential liability respecting the Medical Imaging Business and/or the Purchased Assets for any acts, omissions, events, claims or occurrences arising out of or otherwise related to the Medical Imaging Business or the Purchased Assets prior to the Effective Time, including, without limitation, any general liability insurance policies. In the event such policies are cancelled or otherwise become unavailable through the carriers presently providing such coverage, the NRC Entities shall obtain and maintain

substantially equivalent coverage through other carriers and will promptly notify the Hospital and provide details of policy terms and copies of policies with such other carriers. In the event that the NRC Members do not replace a policy that is a "claims-made" policy, the NRC Entities will negotiate an extended reporting period for a period of not less than six (6) years after the Effective Time. The NRC Entities shall, as promptly as possible, notify such carriers of any claims affecting such policies.

Section 6.11. Joint Venture Mail. Effective upon the Effective Time, the Hospital shall have the right to receive and open all mail, packages and other communications addressed to the Joint Venture, and the NRC Entities agree to deliver promptly to the Hospital any such mail, packages or other communications received directly or indirectly by any of them that relate to the Purchased Assets or the conduct of the Medical Imaging Business after the Effective Time. The Hospital shall promptly deliver to NRC all mail, packages and other communications received by it that relate to the Joint Venture but do not relate to the Purchased Assets or the conduct of the Medical Imaging Business after the Effective Time.

ARTICLE VII

CONDITIONS TO CLOSING

Section 7.01. Conditions to the Obligation of the Hospital. The obligation of the Hospital to consummate the Closing under this Agreement is subject to the satisfaction of all of the following conditions, compliance with which, or the occurrence of which, may be waived in writing by the Hospital in its sole discretion.

(a) ***Accuracy of Representations.*** All of the representations and warranties of the NRC Entities in this Agreement shall have been accurate in all material respects as of the date of this Agreement, and shall be accurate in all material respects as of the time of the Closing as if then made, except that those representations and warranties that are qualified by terms such as "material" or "Material Adverse Effect" shall be true and correct in all respects.

(b) ***Performance by the NRC Entities.*** All of the covenants and obligations which the NRC Entities required to perform or to comply with pursuant to this Agreement at or prior to the Closing shall have been duly performed and complied with in all material respects.

(c) ***Officers' Certificate.*** Each of the NRC Entities shall have delivered to the Hospital a certificate, dated as of the Closing Date and signed by an officer thereof to whom Knowledge regarding such Party is attributable hereunder, certifying (i) the incumbency of each Party executing this Agreement and any other agreements, documents or instruments to be delivered by each of the NRC Entities pursuant to this Agreement at or prior to the Closing and (ii) confirming the matters set forth in paragraph (a) and (b) of this Section 7.01 with respect to each of the NRC Entities.

(d) **Consents and Authorizations.** The NRC Entities shall have delivered to the Hospital each of the consents, approvals and authorizations identified on Schedule 3.04 hereof.

(f) **Issuance of CON.** The State of Connecticut Office of Health Care Access shall have issued a CON necessary for the Hospital to own and operate the Center.

(e) **Due Diligence: No Material Adverse Changes.** The Hospital shall have completed its due diligence review of the Medical Imaging Business and the Purchased Assets and shall have been satisfied with the results thereof in its sole discretion. There shall not have been adverse changes in the operations, financial position, prospects, properties or other assets of the Medical Imaging Business since the date of this Agreement that would have, individually or in the aggregate, a Material Adverse Effect.

(f) **Litigation.** No action, suit or proceeding shall be pending before any court or quasi-judicial or administrative agency of any federal, state, local or foreign jurisdiction or before any arbitrator wherein an unfavorable injunction, judgment, order, decree, ruling or charge would (i) prevent consummation of any aspect of the Imaging Business Acquisition or other matters contemplated by this Agreement, (ii) cause any aspect of the Imaging Business Acquisition or other matters contemplated by this Agreement to be rescinded following consummation thereof or (iii) have a Material Adverse Effect on the right of the Hospital to own the Purchased Assets, operate the Medical Imaging Business or assume the Contracts as contemplated herein (and no such injunction, judgment, order, decree, ruling, or charge shall be in effect). No aspect of the Imaging Business Acquisition, including but not limited to the purchase and sale of the Purchased Assets, shall be prohibited by any applicable Law.

(g) **Payment of the Bank Loan.** All principal, interest and other amounts payable with respect to the Bank Loan shall have been paid in full in accordance with the provisions of Section 2.02(b) hereof and [name of bank or other lender] shall have fully released any lien or other security interest held by it against the Purchase Assets delivered as collateral for the Bank Loan and delivered to the Hospital all termination statements under the UCC with respect thereto.

(h) **Bill of Sale; Release of Liens.** The NCR Entities shall have executed and delivered to the Hospital one or more Bills of Sale referred to in Section 2.02(a)(i) hereof as shall be necessary to assign and transfer to and vest in the Hospital, effective as of the Effective Time, good and valid title to all of the Purchased Assets, free and clear of any and all liabilities, liens, claims, rights, restrictions on transfer and encumbrances, except any Permitted Liens, and shall have delivered to the Hospital a release of any liens or other encumbrances on the Purchased Assets other than Permitted Liens, effective as of the Effective Time, along with termination statements under the UCC with respect thereto.

(i) **Release.** Each of the NRC Entities shall have executed and delivered to the Hospital the Release referred to in Section 2.02(a)(ii) hereof.

(j) **Hospital PSA.** NRC shall have executed and delivered to the Hospital the Hospital PSA referred to in Section 2.02(a)(iii) hereof.

(k) **Hospital ASA.** NRC shall have executed and delivered to the Hospital the Hospital ASA referred to in Section 2.02(a)(iv) hereof.

(l) **Center PSA.** NRC shall have executed and delivered to the Hospital the Center PSA referred to in Section 2.02(a)(v) hereof.

(m) **Center MSA.** NRC shall have executed and delivered to the Hospital the Center MSA referred to in Section 2.02(a)(vi) hereof.

(n) **Center Lease.** NRA shall have executed and delivered to the Hospital the Center Lease referred to in Section 2.02(a)(vii) hereof.

(o) **Noncompete Agreements.** Each NRC Entity and each physician owner of the NRC Entities shall have executed and delivered to the Hospital a Noncompete Agreement referred to in Section 2.02(a)(viii) hereof.

(p) **Escrow Agreement.** Each NRC Entity and the Escrow Agent shall have executed and delivered to the Hospital the Escrow Agreement referred to in Section 2.03 hereof.

(q) **Other Documents.** The NRC Entities shall have executed and delivered to the Hospital all other documents reasonably requested by the Hospital and contemplated by this Agreement or required to be delivered by the NRC Entities to the Hospital pursuant to this Agreement and not previously delivered.

Section 7.02. Conditions to the Obligation of the NRC Entities. The obligations of the NRC Entities to consummate the Closing under this Agreement are subject to the satisfaction of all of the following conditions, compliance with which, or the occurrence of which, may be waived in writing by the NRC Entities in their sole discretion.

(a) **Accuracy of Representations.** All of the representations and warranties of the Hospital and SWC in this Agreement shall have been accurate in all material respects as of the date of this Agreement, and shall be accurate in all material respects as of the time of the Closing as if then made, except that those representations and warranties that are qualified by terms such as "material" or "Material Adverse Effect" shall be true and correct in all respects.

(b) **Performance by the Hospital and SWC.** All of the covenants and obligations the Hospital or SWC is required to perform or to comply with pursuant to this Agreement at or prior to the Closing shall have been duly performed and complied with in all material respects.

(c) **Officers' Certificate.** The Hospital and SWC shall each have delivered to the NRC Entities a certificate, dated as of the Closing Date and signed by an officer of the Hospital or SWC, as the case may be, to whom Knowledge is attributable hereunder,

certifying (i) the incumbency of each party executing this Agreement and any other agreements, documents or instruments to be delivered by the Hospital or SWC, as the case may be, pursuant to this Agreement at or prior to the Closing and (ii) confirming the matters set forth in paragraph (a) and (b) of this Section 7.02 with respect to the Hospital or SWC, as the case may be.

(d) **Litigation.** No action, suit or proceeding shall be pending before any court or quasi-judicial or administrative agency of any federal, state, local or foreign jurisdiction or before any arbitrator wherein an unfavorable injunction, judgment, order, decree, ruling or charge would (i) prevent consummation of any aspect of the Imaging Business Acquisition or other matters contemplated by this Agreement or (ii) cause any aspect of the Imaging Business Acquisition or other matters contemplated by this Agreement to be rescinded following consummation thereof (and no such injunction, judgment, order, decree, ruling, or charge shall be in effect). No aspect of the Imaging Business Acquisition, including but not limited to the purchase and sale of the Purchased Assets, shall be prohibited by any applicable Law.

(e) **Payment of the Bank Loan.** All principal, interest and other amounts payable with respect to the Bank Loan shall have been paid in full in accordance with the provisions of Section 2.02(b) hereof.

(f) **Bills of Sale.** The Hospital and SWC (to the extent applicable) shall have executed and delivered to the Hospital each Bill of Sale referred to in Section 7.01(i) hereof.

(g) **Release.** The Hospital shall have executed and delivered to the NRC Entities the Release referred to in Section 2.02(a)(ii) hereof.

(h) **Hospital PSA.** The Hospital shall have executed and delivered to NRC the Hospital PSA referred to in Section 2.02(a)(iii) hereof.

(i) **Hospital ASA.** The Hospital shall have executed and delivered to NRC the Hospital ASA referred to in Section 2.02(a)(iv) hereof.

(j) **Center PSA.** The Hospital shall have executed and delivered to NRC the Center PSA referred to in Section 2.02(a)(v) hereof.

(k) **Center MSA.** The Hospital shall have executed and delivered to NRC the Center MSA referred to in Section 2.02(a)(vi) hereof.

(l) **Center Lease.** The Hospital shall have executed and delivered to NRA the Center Lease referred to in Section 2.02(a)(vii) hereof.

(m) **Escrow Agreement.** The Hospital and the Escrow Agent shall have executed and delivered to NRA the Escrow Agreement referred to in Section 2.03 hereof.

(n) **Closing Payment.** The Hospital shall have delivered payment of the Transaction Consideration in the manner provided in Section 2.03 hereof.

(o) *Other Documents.* The Hospital and SWC shall have delivered to the NRC Entities all other documents reasonably requested by the NRC Entities and contemplated by this Agreement or required to be delivered by the Hospital or SWC to the NRC Entities pursuant to this Agreement and not previously delivered.

ARTICLE VIII

SURVIVAL AND INDEMNIFICATION

Section 8.01. Survival; Right to Indemnification Affected by Knowledge. The representations and warranties of the Parties contained in this Agreement or in any document or certificate delivered pursuant hereto, and any covenants and obligations of the Parties contained in this Agreement or in any document or certificate delivered pursuant hereto which are to be performed prior to the Closing, shall survive for a period of twenty-four (24) months following the Effective Time, except for those relating to Sections 3.13, 3.14, 3.15, 3.16 and 3.21 hereof which will survive until the expiration of the applicable statute of limitations, and those relating to Sections 3.01, 3.02, 3.05(c), 4.01 and 4.02 hereof which shall survive indefinitely. The covenants and obligations of the Parties contained in this Agreement or in any document or certificate delivered pursuant hereto which are to be performed after the Closing shall survive the Closing and the Effective Time indefinitely.

Section 8.02. Indemnification.

(a) Subject to the limitations set forth herein, the NRC Entities hereby, jointly and severally, agree to indemnify the Hospital, SWC and their respective members, shareholders, officers, directors, employees, representatives, controlling persons, counsel, agents, successors and assigns (collectively, the "Hospital Indemnified Parties"), against, and agree to hold the Hospital Indemnified Parties harmless from, any Loss incurred or suffered by such the Hospital Indemnified Parties arising out of:

(i) any misrepresentation or breach of warranty by the NRC Entities in this Agreement or in any document or certificate delivered hereunder;

(ii) any breach of any covenant or agreement made or to be performed by the NRC Entities pursuant to this Agreement;

(iii) any Excluded Liability;

(iv) any matter described in Section 5.06(d) hereof; and

(v) the failure to file any Tax Returns and/or the failure to pay any Taxes incurred or arising prior to or as of the Effective Time or incurred or accrued after the Effective Time in connection with or relating to the Medical Imaging Business and/or the Purchased Assets prior to the Effective Time.

(b) Subject to the limitations set forth herein, the Hospital hereby agrees to indemnify the NRC Entities and their respective members, shareholders, managers, officers, directors, employees, representatives, controlling persons, counsel, agents,

successors and assigns (collectively, the "NRC Indemnified Parties") against, and agrees to hold the NRC Indemnified Parties harmless from, any Loss incurred or suffered by such NRC Indemnified Parties arising out of:

(i) any misrepresentation or breach of warranty by the Hospital or SEC in this Agreement or in any document or certificate delivered hereunder;

(ii) any breach of covenant or agreement made or to be performed by the Hospital or SWC pursuant to this Agreement;

(iii) the failure of the Hospital to satisfy or discharge any Forward Looking Obligation, and the failure of the Hospital to satisfy, discharge or pay any Liability related to the Medical Imaging Business which was incurred or accrued by the Hospital after the Effective Time; and

(iv) any claim or litigation arising out of the Hospital's operation or conduct of the Medical Imaging Business and/or ownership or use of the Purchased Assets after the Effective Time, other than those matters for which the NRC Entities are obligated to indemnify pursuant to Section 8.02(a).

Section 8.03. Third Party Claims, Etc. Promptly after the receipt by any Indemnitee of a notice of the commencement of any action or other claim against an Indemnitee by a third party, an Indemnitee shall, if a claim with respect thereto is or may be made by the Indemnitee against any Indemnifying Party pursuant to this Article VIII, give such Indemnifying Party written notice of the nature and basis of such claim, but the failure to notify an Indemnifying Party will not relieve the Indemnifying Party of any liability that it may have to any Indemnitee, except to the extent that the Indemnifying Party demonstrates that the defense of such action is prejudiced by the Indemnitee's failure to give such notice. Prior to the assumption by the Indemnifying Party of the defense of such claim as described in the next sentence, the Indemnitee will defend against such claim at the Indemnifying Party's cost and expense (provided that the Indemnitee may not settle such claim unless more than twenty (20) days have elapsed since the Indemnifying Party's receipt of notice of such claim and, during such time, the Indemnifying Party shall have failed or refused to defend such claim). The Indemnifying Party shall have the right to defend such claim, at the Indemnifying Party's cost and expense and with counsel of its choice, which counsel is reasonably satisfactory to the Indemnitee, so long as (a) the Indemnifying Party provides the Indemnitee with evidence reasonably acceptable to the Indemnitee that the Indemnifying Party will have the financial resources to defend against the claim and fulfill its indemnification obligations hereunder, (b) the claim involves only a claim for money damages and no other relief, and (c) the Indemnifying Party conducts the defense of the claim actively and diligently. So long as the Indemnifying Party is conducting the defense of such claim as provided in the immediately preceding sentence, the Indemnitee may retain separate co-counsel at its sole cost and expense and may participate in defense of such claim; provided, however, that if there is or may be a conflict of interest between the Indemnifying Party and the Indemnitee, the Indemnitee may retain separate counsel at the cost and expense of the Indemnifying Party. In the event the Indemnifying Party cannot or does not assume and conduct the defense of such claim as so provided, the Indemnitee may defend against and settle such claim at the Indemnifying Party's cost and expense; provided, however, that if the

Indemnitee is defending the claim solely because such claim involves relief other than monetary damages, then the Indemnitee shall not settle any portion of the claim involving monetary damages without the Indemnifying Party's prior written consent, which consent shall not be unreasonably withheld or delayed. Regardless of which Party shall assume the defense of such claim, each Party shall provide to the other Party on request all information and documentation reasonably necessary to defend such claim and shall provide reasonable access to all books, records and personnel in its possession or under its control which would have a bearing on the defense of such claim. For purposes of this Article VIII, "Indemnitee" shall mean the Hospital Indemnified Party or NRC Indemnified Party seeking indemnification under this Article VIII, and "Indemnifying Party" shall mean the Party from whom indemnification is sought under this Article VIII. Notwithstanding any provisions herein to the contrary, for purposes of any notices required pursuant to this Section, NRC shall serve as the representative of the NRC Entities and any other NRC Indemnified Parties, and the Hospital's obligation to provide notice to the NRC Entities and any other NRC Indemnified Parties shall be satisfied by the Hospital providing notice to NRC in accordance with Section 10.01 hereof.

Section 8.04. Limitations on Indemnification.

(a) Except for any claims made with respect to or in connection with any fraud, intentional misrepresentation or deliberate or willful breach of any representation or warranty (which claims may be made at any time without limitation), no claims for indemnification under Sections 8.02(a)(i), 8.02(a)(ii), 8.02(b)(i) or 8.02(b)(ii) may be made after the expiration of the survival period for the applicable representation, warranty, covenant or obligation as set forth in Section 8.01. There shall be no time limit on claims for indemnification arising under any other Sections of this Agreement.

(b) Notwithstanding any terms herein to the contrary, the NRC Entities shall be not obligated to indemnify any Hospital Indemnified Party under Sections 8.02(a)(i) or 8.02(a)(ii) (a) until Losses for which the Hospital Indemnified Parties may be indemnified pursuant to such Sections exceed Ten Thousand Dollars (\$10,000.00) (the "Basket"), after which the NRC Entities shall be liable for all such Losses, including the Basket or (b) in an aggregate amount in excess of the total Transaction Consideration (the "Indemnification Cap").

Section 8.05. Certain Other Indemnity Matters.

(a) Upon making any payment to an Indemnitee for any indemnification claim pursuant to this Article VIII, the Indemnifying Party shall be subrogated, to the extent of such payment, to any rights which the Indemnitee may have against other Persons with respect to the subject matter underlying such indemnification claim.

(b) If after an indemnification payment is made hereunder, the Party to which such payment is made receives insurance proceeds in respect of the Loss, such amount (up to and not to exceed the amount of the indemnification payment from the Indemnifying Party to the Indemnitee in respect of the Loss) shall promptly be remitted to the Indemnifying Party; provided, however, that the foregoing shall not create any

obligation on the part of any Hospital Indemnified Party to take any action to seek or obtain any such insurance proceeds.

Section 8.06. Exclusive Remedy. The Parties acknowledge and agree that the foregoing indemnification provisions in this Article VIII shall be the exclusive remedy of NRC Indemnified Parties and the Hospital Indemnified Parties with respect to this Agreement and the transactions contemplated hereby, except for injunctive relief otherwise available pursuant to this Agreement.

ARTICLE IX

TERMINATION

Section 9.01. Termination Events. Subject to the provisions of Section 9.02, this Agreement may, by written notice given at or prior to the Closing Date in the manner hereinafter provided, be terminated and abandoned only as follows:

(a) By the NRC Entities, upon written notice, if a material default or breach shall be made by the Hospital or SWC with respect to the due and timely performance of any of their covenants and agreements contained herein, or with respect to the due compliance with any of their representations and warranties contained in Article IV hereof (or, with respect to those representations and warranties that are qualified by terms such as "material" or "Material Adverse Effect," there has been any default or breach thereof by the Hospital or SWC) and such default or breach cannot be cured prior to the Closing Date and has not been waived;

(b) By the Hospital, upon written notice, if a material default or breach shall be made by any NRC Entity with respect to the due and timely performance of any of its covenants and agreements contained herein, or with respect to the due compliance with any of its representations and warranties contained in Article III hereof (or, with respect to those representations and warranties that are qualified by terms such as "material" or "Material Adverse Effect," there has been any default or breach thereof by a NRC Entity), and such default or breach cannot be cured prior to the Closing Date and has not been waived;

(c) By mutual written consent of the Hospital and NCR; or

(d) By either Party, without further action, if the conditions to such Party's obligation to consummate the Closing (as set forth in Article VII hereof) shall not have been satisfied by close of business on December 31, 2010 (other than due to the failure of the Party seeking to terminate this Agreement to perform any obligations under this Agreement required to be performed by it at or prior to the Closing Date).

Section 9.02. Effect of Termination. In the event this Agreement is terminated pursuant to Section 9.01, all further rights and obligations of the Parties hereunder shall terminate without liability on the part of the Parties, except that the obligations under the Nondisclosure Agreement shall survive. Notwithstanding the foregoing, the rights of the terminating Party to pursue all legal remedies for the breach of any representation, warranty,

covenant or agreement set forth in this Agreement prior to such termination shall survive such termination, and the breaching Party shall be fully liable for any and all damages, costs and expenses sustained or incurred by the terminating Party as a result of such breach.

ARTICLE X

MISCELLANEOUS

Section 10.01. Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission) and shall be given by registered or certified mail (postage prepaid, return receipt requested), nationally-recognized overnight delivery service, or personally delivered to the address provided below or sent by facsimile transmission (with verification thereof by the sender) to the facsimile number provided below:

If to the NRC Entities: Norwalk Radiology Consultants, P.C.
 148 East Avenue
 Norwalk, CT 06851
 Attention: Alan Richman, M.D.
 Telephone: (203) 852-2715
 Facsimile: (203) 851-5649

with a copy to:

Attention:
Telephone: ()
Facsimile: ()

If to the Hospital
and/or SWC:

The Norwalk Hospital Association
34 Maple Street
Norwalk, CT 06850
Attention: Daniel J. DeBarba
Telephone: (203) 852-3273
Facsimile: (203) 852-3436

with copies to:

Kutak Rock LLP
1650 Farnam Street
Omaha, NE 68102
Attention: Robert L. Cohen
Telephone: (402) 231-8738
Facsimile: (402) 346-1148

Unless otherwise specified herein, such notices or other communications shall be deemed received (a) on the date delivered, if delivered personally, (b) two Business Days after being sent by Federal Express or other overnight courier of national reputation for next day delivery, (c) one Business Day after being delivered, if delivered by facsimile and (d) five Business Days after

being sent, if sent by registered or certified mail. Any of the parties identified above shall be entitled to specify a different address by giving notice as aforesaid to each of the other parties identified above.

Section 10.02. Amendments and Waivers.

(a) Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each Party to this Agreement, or in the case of a waiver, by the Party against whom the waiver is to be effective.

(b) No failure or delay by a Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 10.03. Expenses. All costs and expenses of whatsoever nature incurred in connection with this Agreement shall be paid by the Party incurring such cost or expense. The NRC Entities shall pay the cost of all sales, transfer, documentary, gross receipts, and use Taxes and similar Liabilities, if any, resulting from the consummation of the transactions contemplated by this Agreement.

Section 10.04. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns, provided that neither Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the other Party hereto. Any purported assignment or delegation in contravention of the foregoing shall be null and void.

Section 10.05. Governing Law; Waiver of Jury Trial. This Agreement shall be governed by and construed in accordance with the Law of the State of Connecticut applicable to contracts made and to be performed entirely within such state. THE PARTIES HEREBY WAIVE TRIAL BY JURY IN ANY JUDICIAL PROCEEDING TO WHICH THEY ARE PARTIES INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AGREEMENT.

Section 10.06. Counterparts; Effectiveness. This Agreement may be executed and delivered in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. Facsimile, photostatic and .pdf copies of signatures to this Agreement shall be deemed to be originals and may be relied upon to the same extent as originals. This Agreement shall become effective when each Party hereto shall have received a counterpart hereof signed by the other Party hereto.

Section 10.07. Entire Agreement; Third Party Beneficiaries. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, both written and oral, between or among the Parties with respect to the subject matter of this Agreement. The Exhibits and Schedules hereto are an integral part hereof and are incorporated by reference herein for all purposes. Neither this

Agreement nor any provision hereof shall confer upon any Person other than the Parties hereto any rights or remedies hereunder.

Section 10.08. Severability. If any provision of this Agreement or the application of any such provision to any person or circumstance shall be held invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

ARTICLE XI

DEFINITIONS AND CONSTRUCTION

Section 11.01. Definitions.

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, Controls, is Controlled by or is under common Control with, such Person. For purposes of this definition, "Control" (including, with correlative meanings, the terms "Controlled by" and "under common Control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of shares or stock, membership units or other equity interests, by contract or credit arrangement or otherwise.

"Agreement" has the meaning set forth in the preface of this Agreement.

"Assignable Government License" has the meaning set forth in Section 1.02(c) hereof.

"Bank Loan" has the meaning set forth in Section 2.02(b) hereof.

"Benefit Plan" means any (a) nonqualified deferred compensation or retirement plan or arrangement, (b) qualified defined contribution retirement plan or arrangement which is an Employee Pension Benefit Plan, (c) qualified defined benefit retirement plan or arrangement which is an Employee Pension Benefit Plan (including any Multiemployer Plan), or (d) Employee Welfare Benefit Plan or material fringe benefit or other retirement, bonus or incentive plan or program.

"Bill of Sale" has the meaning set forth in Section 2.02(a)(i) hereof.

"Business Day" means any day, other than a Saturday or Sunday or any other day on which banks are required or authorized to close in Norwalk, Connecticut.

"Buyers' Agreement" has the meaning set forth in Section 2.02(a)(ii)(E) hereof.

"Center" has the meaning set forth in the recitals to this Agreement.

"Center Lease" has the meaning set forth in Section 2.02(a)(vii) hereof.

"Center MSA" has the meaning set forth in Section 2.02(a)(vi) hereof.

"Center PSA" has the meaning set forth in Section 2.02(a)(v) hereof.

"Closing" has the meaning set forth in Section 2.01 hereof.

"Closing Date" has the meaning set forth in Section 2.01 hereof.

"COBRA" means Section 4980B of the Code (as well as its predecessor provision, Section 162(k) of the Code) and Sections 601 through 608, inclusive, of ERISA.

"Code" means the Internal Revenue Code of 1986, as amended.

"CON" means a Certificate of Need issued by the State of Connecticut Office of Health Care Access.

"Confidential Information" means any information that is not already generally available to the public concerning the business and operations of any Party and its respective Affiliates, including, but not limited to, information relating to the Joint Venture, the Medical Imaging Business or the Purchased Assets or otherwise relating to Imaging Business Acquisition. Confidential Information shall include, without limitation, information relating to business operations (including customers, suppliers, equipment, services of employees, financial information or methods of operation), know-how, trade secrets, technical and economic data, computer programs, systems documentation, designs, procedures, formulas, improvements, ideas (including patent information), copyrights or publications of a confidential nature pertaining to any Party, its products and services or customers. Confidential Information shall not include information which (a) is now, or hereafter becomes, through no breach of the terms of Section 5.09 hereof by a Party, generally known or available to the public; (b) is furnished to a Party to any third party without restriction on disclosure; or (c) is hereafter rightfully furnished to a Party by a third party without, to the Knowledge of such Party, any breach of any confidentiality obligation to another Party.

"Contract Termination Payment" has the meaning set forth in Section 1.05(a) hereof.

"Contracts" has the meaning set forth in Section 1.01(b) hereof.

"Effective Time" has the meaning set forth in Section 2.01 hereof.

"Escrow Account" has the meaning set forth in Section 2.03(b) hereof.

"Escrow Agreement" has the meaning set forth in Section 2.03(b) hereof.

"Employee Pension Benefit Plan" has the meaning set forth in ERISA §3(2).

"Employee Welfare Benefit Plan" has the meaning set forth in ERISA §3(1).

"Environmental Law" means any and all federal, state, local, provincial and foreign civil and criminal Laws, statutes, ordinances, orders, common law, codes, rules, regulations, orders of or contracts with any governmental entity, relating to the protection of human health and the environment (including any surface or subsurface physical medium or nature resource, including

air, land, soil, surface waters, ground waters, stream and river sediments and biota), worker and public health and safety, or governing the handling, use, generation, treatment, storage, transportation, disposal, manufacture, distribution, formulation, packaging, labeling or release of any Hazardous Materials, including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §9601 et seq.), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §1251 et seq.), the Clean Air Act (42 U.S.C. §7401 et seq.), the Emergency Planning and Community-Right-to-Know Act (42 U.S.C. §11001 et seq.), the Toxic Substances Control Act (15 U.S.C. §2601 et seq.), the Occupational Safety and Health Act (29 U.S.C. §651 et seq.) and the Hazardous Materials Transportation Act (49 U.S.C. §1801 et seq.).

"Environmental Permit" means any federal, state, local, provincial or foreign permit, license, approvals, consents or authorizations required by any governmental entity under or in connection with an Environmental Law, including, without limitation, any and all orders, consent orders or binding agreements issued or entered into by a Governmental Authority under any applicable Environmental Law.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" means each entity which is treated as a single employer with the Joint Venture for purposes of Code §414.

"Excluded Assets" has the meaning set forth in Section 1.02 hereof.

"Excluded Contracts" has the meaning set forth in Section 1.02(d) hereof.

"Excluded Liabilities" has the meaning set forth in Section 1.04 hereof.

"Forward Looking Obligations" has the meaning set forth in Section 1.03 hereof.

"Governmental Authority" means any nation, sovereign or government, any state or other political subdivision thereof, any agency, authority or instrumentality thereof, and any entity or authority exercising executive, legislative, taxing, judicial, regulatory or administrative functions of or pertaining to government, whether federal, state, local, municipal or foreign and whether governmental or quasi-governmental, which has jurisdiction over the Parties, the Business or the subject matter of this Agreement.

"Government Licenses" has the meaning set forth in Section 3.08(b) hereof.

"Hazardous Material" means petroleum, petroleum-derived or refined substances, petroleum hydrocarbons or petroleum products, petroleum by-products, radioactive materials, asbestos or asbestos-containing materials, gasoline, diesel fuel, pesticides, radon, urea formaldehyde, lead or lead-containing materials, polychlorinated biphenyls, biological or chemical toxins (including, without limitation, mold and anthrax) and any other chemical, materials, substances or wastes in any amount or concentration which are now or hereafter become defined as or included in the definition of "hazardous substances," "hazardous materials," "hazardous constituents," "hazardous wastes," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "pollutants," "regulated

substances," "solid wastes" or "contaminants" or words of similar import intended to classify or regulate substances by reason of carcinogenicity, mutagenicity, teratogenicity, toxicity, ignitability, corrosivity or reactivity under any Environmental Law.

"*HIPAA*" means the Health Insurance Portability and Accountability Act of 1996 as codified at 42 U.S.C. Sections 1320d through d-8, as amended, and the implementing regulations contained in 45 C.F.R. Parts 160, 162 and 164, and as amended in the Subtitle D of the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), as Title XIII of Division A and Title V of Division B of the American Reinvestment and Recovery Act of 2009. For clarity, this shall include the HIPAA Privacy, Security and Breach Notification regulations as stated in 45 C.F.R. Parts 160, 162 and 164.

"*Hospital*" has the meaning set forth in the preface of this Agreement.

"*Hospital Indemnified Parties*" has the meaning set forth in Section 8.02(a) hereof.

"*Hospital ASA*" has the meaning set forth in Section 2.02(a)(iv) hereof.

"*Hospital PSA*" has the meaning set forth in Section 2.02(a)(iii) hereof.

"*Imaging Business Acquisition*" has the meaning set forth in the recitals to this Agreement.

"*Imaging Equipment*" has the meaning set for in Section 1.01(a) hereof.

"*Indemnifying Party*" has the meaning set forth in Section 8.03 hereof.

"*Indemnitee*" has the meaning set forth in Section 8.03 hereof.

"*Information Privacy or Security Laws*" means any state, federal or local laws that require the protection of the confidentiality, integrity and availability of information (including but not limited to individually identifiable personal information), including the securing of information to ensure the information is not vulnerable to unauthorized access, use, disclosure, disruption, modification or destruction. Such laws shall include, but not be limited to HIPAA, the Red Flags regulations (16 C.F.R. Part 681), state medical privacy laws, and state data breach laws.

"*Insurance Policies*" has the meaning set forth in Section 3.19 hereof.

"*Intellectual Property*" has the meaning set forth in Section 1.01(e) hereof.

"*Joint Venture*" has the meaning set forth in the recitals to this Agreement.

"*Joint Venture Agreement*" has the meaning set forth in the recitals to this Agreement.

"*Knowledge*" means the actual knowledge of such Party or, in the case of an entity, the officers of such Party with responsibility for the matter in question (and, with respect to the Joint

Venture, the actual knowledge of the NRC Entities and their respective officers with responsibility for the matter in question).

"*Laws*" means all laws, statutes, rules, regulations, codes, ordinances and other pronouncements having the effect of law of the United States of America, any foreign country or any domestic or foreign state, county, city or other political subdivision or any other Governmental Authority.

"*Lease*" has the meaning set forth in Section 2.02(a)(ii)(F) hereof.

"*Liability*" means any liability (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due), including but not limited to any liability for Taxes.

"*Loss*" means any claim, demand, Proceeding, loss, damage, penalty, Liability, obligation, settlement payment, cost and expense of every kind whatsoever (including, without limitation, costs of investigation, preparing or defending any such claim or Proceeding and reasonable legal fees and disbursements).

"*Material Adverse Effect*" means any effect or change that would be materially adverse to the Medical Imaging Business as currently conducted at the Center; provided that none of the following shall be deemed to constitute, and none of the following shall be taken into account in determining whether there has been, a Material Adverse Effect: (i) any adverse change, event, development, or effect arising from or relating to (A) general business or economic conditions, unless such conditions have a substantially disproportionate impact on the Medical Imaging Business, (B) national or international political or social conditions, including the engagement by the United States in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon the U.S., or any of its territories, possessions, or diplomatic or consular offices or upon any military installation, equipment or personnel of the U.S., unless such conditions have a substantially disproportionate impact on the Business, (C) financial, banking, or securities markets (including the disruption thereof and any decline in the price of any security or any market index), unless such market conditions have a substantially disproportionate impact on the Medical Imaging Business, (D) changes in U.S. generally accepted accounting principles, (E) changes in laws, rules, regulations, orders, or other binding directives issued by any Governmental Authority, or (F) the taking of any action required by this Agreement and the other agreements contemplated hereby, and (ii) any adverse change in or effect on the Medical Imaging Business that is cured by the NRC Entities to the reasonable satisfaction of the Hospital prior to the Closing Date or the date on which this Agreement is terminated pursuant to Article IX hereof.

"*Medical Imaging Business*" has the meaning set forth in the recitals to this Agreement.

"*Medical Waste*" means (A) pathological waste; (B) blood; (C) sharps; (D) wastes from surgery or autopsy; (E) dialysis waste, including contaminated disposable equipment and supplies; (F) cultures and stocks of infectious agents and associated biological agents; (G) contaminated animals; (H) isolation wastes; (I) contaminated equipment; (J) laboratory waste;

(K) various other biological waste and discarded materials contaminated with or exposed to blood, excretion or secretions from human beings or animals; and (L) any substance, pollutant, material or contaminant listed or regulated under the Medical Waste Tracking Act of 1988, 42 U.S.C. §§ 6992, et seq.

"Medical Waste Law" means any Laws that regulate Medical Waste, or impose requirements relating to Medical Waste, including, without limitation, the Medical Waste Tracking Act of 1988, 42 U.S.C. §§ 6992, et seq.; the U.S. Public Vessel Medical Waste Anti-Dumping Act of 1988, 33 U.S.C. §§ 2501 et seq., the Marine Protection, Research, and Sanctuaries Act of 1972, 33 U.S.C. §§ 1401 et seq., The Occupational Safety and Health Act, 29 U.S.C. §§ 651 et seq., the United States Department of Health and Human Services, National Institute for Occupational Self-Safety and Health Infectious Waste Disposal Guidelines, Publication No. 88-119.

"MRI Agreement" has the meaning set forth in Section 2.02(a)(ii)(B) hereof.

"MRI Equipment Leases" has the meaning set forth in Section 2.02(a)(ii)(G) hereof.

"Multiemployer Plan" has the meaning set forth in ERISA §3(37).

"Noncompete Agreement" has the meaning set forth in Section 2.02(a)(viii) hereof.

"NRC" has the meaning set forth in the preface to this Agreement.

"NRC Entities" has the meaning set forth in the preface to this Agreement.

"NRC Indemnified Parties" has the meaning set forth in Section 8.02(b) hereof.

"NRCEA" has the meaning set forth in the preface to this Agreement.

"NRA" has the meaning set forth in the preface to this Agreement.

"Ordinary Course of Business" means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

"Parties" has the meaning set forth in the preface of this Agreement.

"Permitted Liens" means (i) liens for Taxes and other governmental charges and assessments which are not yet due and payable or which are being contested in good faith; (ii) liens of landlords and liens of carriers, warehousemen, mechanics and materialmen and other like liens arising in the ordinary course of business for sums not yet due and payable or which are being contested in good faith; (c) other liens or imperfections on property which are not material in amount or do not materially detract from the value of or materially impair the existing use of the property affected by such lien or imperfections; (d) purchase money liens on personal property acquired in the ordinary course of business; and (e) any utility company rights, easements and franchises.

"Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity (or any department, agency or political subdivision thereof).

"Personnel" has the meaning set forth in Section 3.18 hereof.

"Prepaid Expenses" has the meaning set forth in Section 1.01(f) hereof.

"Proceeding" means any action, arbitration, audit, hearing, investigation, litigation, or suit (whether civil, criminal, administrative, investigative, or informal) commenced, brought, conducted, or heard by or before, or otherwise involving, any court or other Governmental Authority or referee, trustee, arbitrator or mediator.

"Professional Services Agreement" has the meaning set forth in Section 2.02(a)(ii)(C) hereof.

"Purchased Assets" has the meaning set forth in Section 1.01 hereto.

"Purchased Services Agreement" has the meaning set forth in Section 2.02(a)(ii)(D) hereof.

"Referral Source" has the meaning set forth in Section 3.13(f) hereof.

"Release" has the meaning set forth in Section 2.02(a)(ii) hereof.

"Retained Employees" has the meaning set forth in Section 5.06(c) hereof.

"Security Interest" means any mortgage, pledge, lien, encumbrance, charge or other security interest, other than (a) mechanic's, materialmen's, and similar liens, (b) liens for Taxes not yet due and payable or for Taxes that the taxpayer is contesting in good faith through appropriate proceedings, and (c) other liens which secure the performance of Forward Looking Obligations.

"Software" has the meaning set forth in Section 1.01(d) hereof.

"Tangible Assets" has the meaning set forth in Section 1.01(a) hereof.

"Tax" or "Taxes" means, without limitation, any federal, state, local, foreign or other net income, gross income, gross receipts, license, lease, payroll, employment, excise, severance, stamp, occupation, premium, ad valorem, windfall profits, environmental (including taxes under Section 59A of the Code), customs duties, capital shares, franchise, service, service use, profits, withholding, social security (or similar), unemployment, disability, real property, customs duties, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated or other tax of any kind whatsoever, including any interest, penalty or addition thereto, whether disputed or not; and any obligations under any agreements or arrangements with respect to any Taxes described herein.

"Taxing Authority" means any Governmental Authority having jurisdiction over the assessment, determination, collection or other imposition of Taxes.

"Tax Returns" means any returns, declarations, reports, information returns, claims for refund, forms, statements or other documents (including any related or supporting information or schedules and any amendment thereof) required to be filed with any Taxing Authority in respect of any Taxes.

"Transaction Consideration" has the meaning set forth in Section 1.05 hereof.

"UCC" means § 42a-9-101 et. seq. of the Connecticut Uniform Commercial Code.

"Vein Therapy Assets" has the meaning set forth in Section 1.02(c) hereof.

"WARN Act" means the Worker Adjustment and Retraining Notification Act of 1988, as amended.

Section 11.02. Construction and Interpretation. The captions or headings in this Agreement are for convenience of reference only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Agreement. All accounting terms not specifically defined in this Agreement shall be construed in accordance with the generally accepted accounting principles as in effect in the United States on the date hereof. In this Agreement, unless the context otherwise requires, (a) words describing the singular number shall include the plural and vice versa, (b) words denoting any gender shall include all genders and (c) the word "including" shall mean "including, without limitation." This Agreement and the other instruments and documents to be delivered pursuant hereto shall not be construed more favorably against one party than the other based on who drafted the same, it being acknowledged that all Parties hereto contributed meaningfully to the drafting of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

**NORWALK RADIOLOGY CONSULTANTS,
P.C.**

By _____
Name:
Title:

NRC EQUIPMENT ASSOCIATES, LLC

By _____
Name:
Title:

NORWALK REALTY ASSOCIATES, LLC

By _____
Name:
Title:

THE NORWALK HOSPITAL ASSOCIATION

By _____
Name:
Title:

S.W.C. CORPORATION

By _____
Name:
Title:



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

December 14, 2010

Robert E Smanik
President & CEO
Day Kimball Hospital
320 Pomfret Street Putnam, CT 06260

RE: Certificate of Need Application: Docket Number: 10-31602-CON
Acquisition of a Second MRI Scanner in Putnam, CT
Closure of the Public Hearing

Dear Mr. Smanik:

On December 7, 2010, the Office of Health Care Access ("OHCA") received the information requested by OHCA as a late file submission from the public hearing held in this matter on December 6, 2010. With the receipt of the late file submission, the hearing on the above application is hereby closed.

Sincerely,

A handwritten signature in black ink, appearing to read "Melanie A. Dillon".

Melanie A. Dillon
Hearing Officer

MAD:jah

Copy: John D. Blair, Brown Rudnick, LLP

*** TX REPORT ***

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STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: CHRISTINE VALLEE

FAX: (860)-963-6341

AGENCY: DAY KIMBALL HOSPITAL

FROM: JACK HUBER

DATE: 12-14-2010 Time: ~ 3:20 pm
~~~ 1:20 pm~~

NUMBER OF PAGES: 2  
*(including transmittal sheet)*



**Comments:** **Transmitted:**  
Letter confirming OHCA's receipt of the Hospital's Late File and the Closure of the Public Hearing under DN: 10-31602  
  
*Sorry for the earlier transmission. Thank you J.H.*

**PLEASE PHONE Jack A. Huber at (860) 418-7069  
IF THERE ARE ANY TRANSMISSION PROBLEMS.**



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\*\*\* TX REPORT \*\*\*  
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TRANSMISSION OK

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STATE OF CONNECTICUT  
DEPARTMENT OF PUBLIC HEALTH  
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: JOHN D. BLAIR

FAX: (860) 509-6501

AGENCY: BROWN RUDNICK, LLC

FROM: JACK HUBER

DATE: 12/14/2010 Time: ~ 3:20 pm  
~~~ 1:20 pm~~

NUMBER OF PAGES: 2
(including transmittal sheet)

Comments: **Transmitted:**
Letter confirming OHCA's receipt of the Hospital's Late File and the
Closure of the Public Hearing under DN: 10-31602.

Sorry for the earlier transmission. Thank you JH.

**PLEASE PHONE Jack A. Huber at (860) 418-7069
IF THERE ARE ANY TRANSMISSION PROBLEMS.**

Huber, Jack

From: Huber, Jack
Sent: Wednesday, December 22, 2010 12:18 PM
To: 'afranklin@daykimball.org'; 'jblair@brownrudnick.com'
Subject: Proposed final Decision - Docket Number 10-31602-CON
Attachments: 10_31602_CON.PDF

Dear Ms. Franklin & Attorney Blair – Please find attached the signed proposal for decision with cover letter concerning Day Kimball Hospital's proposal to acquire and operate a second MRI scanner in Putnam. Should you have a question regarding this communication or its contents, please feel free to contact me by email or at (860) 418-7069. Thank you. Regards, Jack

Jack Huber
OHCA Health Care Analyst

Huber, Jack

From: Huber, Jack
Sent: Wednesday, December 22, 2010 3:48 PM
To: 'Daniel.DeBarba@norwalkhealth.org'; 'jblair@brownrudnick.com'
Subject: Final Decision - Docket Number 10-31640-CON
Attachments: 31640.pdf

Dear Mr. DeBarba & Attorney Blair – Please find attached the signed final decision with cover letter concerning Norwalk Hospital's proposal concerning a change in ownership for Norwalk Radiology and Mammography Center and the acquisition of a CT scanner in Norwalk. Should you have a question regarding this communication or the attached decision, please feel free to contact me by email or at (860) 418-7069. Thank you. Regards for a happy holiday season! Jack

Jack Huber
OHCA Health Care Analyst



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

December 22, 2010

To: Robert E. Smanik
President and Chief Executive Officer
Day Kimball Hospital
320 Pomfret Street
Putnam, CT 06260

Re: Certificate of Need; Docket Number: 10-31602-CON
Day Kimball Hospital
Acquisition and Operation of a Second MRI Scanner in Putnam

Dear Mr. Smanik:

Enclosed please find a copy of the Proposed Final Decision rendered by Hearing Officer Melanie Dillon in the above referenced case.

Pursuant to Connecticut General Statutes § 4-179, Day Kimball Hospital, the party in this matter, may request the opportunity to file exceptions and briefs and/or present oral argument, in writing, with the Deputy Commissioner of the Department within fourteen (14) days from the date of this notice, or by January 5, 2011. If no such request is received by this date, the Deputy Commissioner will assume those rights to be waived and will render a Final Decision in this matter.

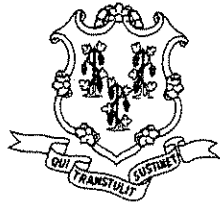
If the Hospital wishes to expedite the process and avoid the necessity that the Deputy Commissioner await the expiration of the aforementioned fourteen days, the Hospital may submit a written statement to the Deputy Commissioner affirmatively waiving those rights.

Sincerely,

A handwritten signature in black ink, appearing to read "Melanie A. Dillon", written over a horizontal line.

Melanie A. Dillon
Hearing Officer

cc: John Blair, Brown Rudnick



**Department of Public Health
Office of Health Care Access
Certificate of Need Application**

Proposed Final Decision

Applicant: Day Kimball Hospital
Docket Number: 10-31602-CON
Project Title: The Acquisition and Operation of a
Second MRI Scanner in Putnam, CT

Project Description: Day Kimball Hospital (“Hospital”) proposes to acquire and operate a second magnetic resonance imaging (“MRI”) scanner, that is currently leased and operated by Norwich Radiology Group, P.C., (“Norwich Radiology”).

Procedural History: On October 28, 2010, the Office of Health Care Access (“OHCA”) received a Certificate of Need (“CON”) application from the Hospital for the above-referenced project. A notice to the public concerning OHCA’s receipt of the Hospital’s Letter of Intent was published on May 14, 2010, in the *Norwich Bulletin*.

A public hearing regarding the CON application was held on December 6, 2010. On November 16, 2010, the Hospital was notified of the date, time, and place of the hearing. On November 16, 2010, a notice to the public announcing the hearing was published in the *Norwich Bulletin*. Commissioner J. Robert Galvin designated Melanie Dillon, Staff Attorney as the hearing officer in this matter on November 19, 2010. The hearing was conducted as a contested case in accordance with the provisions of the Uniform Administrative Procedure Act, General Statutes § 4-166 et seq. and Public Act 09-3 § 10. The Hearing Officer considered the entire record in rendering this proposed final decision.

Findings of Fact

1. The Hospital is a general acute care hospital located at 320 Pomfret Street in Putnam, Connecticut. Ex. D, p. 2; Att. 12, p. 38.

2. Norwich Radiology is a private radiology practice that has operated a MRI scanner since 2004 within a medical building complex located at 39 Kennedy Drive in Putnam. Ex. D, pp. 2-3; Att. 15, p. 2; Ex. G, p. 99.
3. Norwich Radiology is proposing to sell the assets of its Putnam practice to the Hospital due to the retirement of one of the practice's business partners. Ex. G, p. 99.
4. The Hospital proposes to purchase the assets of Norwich Radiology's Putnam practice. Through the proposed asset purchase agreement the Hospital will:
 - a. Purchase \$245,000 in leasehold improvements and related pieces of office equipment and furniture; and
 - b. Renegotiate the lease agreement of the existing General Electric 1.0 tesla-strength, closed short-bore, CX Conquest MRI ("Kennedy Drive MRI") scanner. The current fair market value of the Kennedy Drive MRI scanner is \$20,000. Ex. D, p. 2; Att. 12, pp. 72-88; Hospital Late File 1.
5. The Kennedy Drive MRI scanner was manufactured in 1998 and refurbished prior its acquisition by Norwich Radiology. The technical parameters of the scanning unit are within the guidelines of the American College of Radiology. Ex. G, p. 100.
6. Following the closing date of the asset purchase agreement, the Kennedy Drive MRI scanner will remain at its current location and be operated by the Hospital as an extension of the institution's outpatient imaging services. Exhibit D, page 2.
7. The service area of the Hospital includes the following thirteen (13) towns: Ashford, Brooklyn, Canterbury, Chaplin, Eastford, Hampton, Killingly, Plainfield, Pomfret, Putnam, Sterling, Thompson, and Woodstock. Ex. G, p. 100.
8. The Hospital operates an open 1.5 Tesla-Strength mobile MRI ("Hospital MRI") scanner on its main campus Sunday – Friday from 6:30 a.m. until 8:45 p.m. Ex. D, p. 4; Ex. J, pp. 104-106.
9. The nearest MRI scanners other than the Hospital MRI scanner and Kennedy Drive MRI scanner are located outside of the Hospital's service area at Windham Community Memorial Hospital in Willimantic and William W. Backus Hospital in Norwich. Ex. N, p. 113; Hearing Ex. 1, p. 2.

10. The Hospital and Norwich Radiology reported the following actual and projected MRI scan volumes by provider and scanner for fiscal years ("FYs") 2007 through 2013:

Table 1: Actual and Projected MRI Scan Volumes by Provider and Scanner

| Provider/Scanner | Actual Volume* | | | | Projected Volume**
(First 3 Full Operational FYs) | | |
|---------------------------|----------------|--------------|--------------|--------------|--|--------------|--------------|
| | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 |
| Hospital: | | | | | | | |
| Siemens Mobile | 4,474 | 4,073 | 4,278 | 4,647 | 4,787 | 4,930 | 5,078 |
| GE Fixed | - | - | - | - | 681 | 702 | 723 |
| | | | | | | | |
| Norwich Radiology: | | | | | | | |
| GE Fixed | | 669*** | 836 | 661 | - | - | - |
| | | | | | | | |
| Total # Scans | 4,474 | 4,742 | 5,114 | 5,308 | 5,468 | 5,632 | 5,801 |

Note: The Hospital's fiscal year runs from October 1st through September 30th.

*Actual MRI volumes are for 2 MRI scanners with the GE unit becoming operational in FY 2008;

** Projected MRI volumes include the additional MRI scanner that the Hospital is planning to acquire.

***Volume based on 9 months actual data (January through September).

Ex. D, p. 5; Ex. N, p. 101.

11. The Hospital has experienced a steady increase in the number of MRI scans as follows: five percent (5%) increase between FYs 2008 to 2009 and an eight point six percent (8.6%) increase between FYs 2009 to FY 2010. Ex. N, p. 118.
12. The Hospital's actual MRI scan volumes have been increasing by an annual average rate of seven percent (7%) over the last three (3) fiscal years.
13. The Hospital projects an annual three percent (3%) increase in the number of MRI scans between FY 2011 and 2013 based upon increases in volume between FY2008 and 2010; increase in the use of the Kennedy Drive MRI scanner due to additional outpatient referrals from the Hospital and the orthopedic practice located next door to the MRI scanner; and referrals from two new physicians on the Hospital staff, one family and sports medicine practitioner and one neurologist. Ex. G, p. 3; Testimony of Robert Smanik, Hospital President and CEO, Public Hearing, December 6, 2010.
14. Based upon historical utilization, the Hospital's anticipated annual increase in the number of MRI scans between FY 2011 and FY 2013 is reasonable and achievable.
15. The Hospital is unable to absorb the current Kennedy Drive MRI volume because current utilization averages approximately 85.7% at the Hospital. Absorbing additional patients requiring MRI imaging from the Kennedy Drive office would create inefficiencies such as longer wait times for appointments and lack of continued availability for inpatient/urgent MRI needs. Ex. J, p. 106.

16. The Hospital is unable to expand the current operating hours for the Hospital MRI scanner as Saturdays are reserved for mobile positron emission tomography/computed tomography (“PET/CT”) services, which utilizes the same equipment pad as the mobile MRI service. Ex. J, p. 106; Testimony of Robert Smanik, Public Hearing, December 6, 2010.
17. The Hospital has sufficient MRI volume to support the acquisition of one additional MRI scanner, which will positively impact the accessibility of MRI imaging services for patients in the Hospital’s service area.
18. The Hospital projects the following incremental gains from operations due to the proposal:

Table 2: Hospital’s Financial Projections Incremental to the Project

| Description | Fiscal Year | | |
|---|------------------|------------------|------------------|
| | 2011 | 2012 | 2013 |
| Incremental Revenue from Operations | \$864,590 | \$907,820 | \$953,210 |
| Incremental Total Operating Expense | \$390,882 | \$410,426 | \$430,947 |
| Incremental Gain from Operations | \$473,708 | \$497,393 | \$522,263 |

Note: The Hospital’s fiscal year runs from Oct 1st through Sept 30th.
Ex. D, p. 9; Att. 18, p. 91.

19. The Hospital’s proposal to acquire a second MRI scanner is financially feasible.
20. The Hospital and Norwich Radiology reported the following patient population mix percentages for each entity:

Table 3: Hospital’s Current & Projected Patient Population Mix

| Patient Population Mix | Day Kimball Hospital | | | |
|-----------------------------|----------------------|----------------|----------------|----------------|
| | FY 2010 | FY 2011 | FY 2012 | FY 2013 |
| Medicare* | 19.84% | 19.84% | 19.84% | 19.84% |
| Medicaid* | 17.49% | 17.49% | 17.49% | 17.49% |
| CHAMPUS & TriCare | 0.92% | 0.92% | 0.92% | 0.92% |
| Total Government | 38.25% | 38.25% | 38.25% | 38.25% |
| Commercial Insurers* | 59.66% | 59.66% | 59.66% | 59.66% |
| Uninsured | 0.59% | 0.59% | 0.59% | 0.59% |
| Workers Comp. | 1.50% | 1.50% | 1.50% | 1.50% |
| Total Non-Government | 61.75% | 61.75% | 61.75% | 61.75% |
| Total Payer Mix | 100.00% | 100.00% | 100.00% | 100.00% |

*Includes managed care activity
Ex. G, pp. 101-102.

21. The overall payer mix has been and is projected to be stable for the Hospital. The payer mix at the Kennedy Drive location, as a result of this proposal, should be consistent with the Hospital’s patient population mix.

Discussion

CON applications are decided on a case by case basis and do not lend themselves to general applicability due to the uniqueness of the facts in each case. In rendering its decision, OHCA considers the factors set forth in Public Act 08-14 §1 and the Applicant bears the burden of proof in this matter by a preponderance of the evidence. *Goldstar Medical Services, Inc., et al. v. Department of Social Services*, 288 Conn. 790 (2008); *Swiller v. Commissioner of Public Health*, No. CV 95-0705601 (Sup. Court, J.D. Hartford/New Britain at Hartford, October 10, 1995); *Bridgeport Ambulance Serv. v. Connecticut Dept. of Health Serv.*, No. CV 88-0349673-S (Sup. Court, J.D. Hartford/New Britain at Hartford, July 6, 1989); *Steadman v. SEC*, 450 U.S. 91, 101 S.Ct. 999, *reh'g den.*, 451 U.S. 933 (1981); *Bender v. Clark*, 744 F.2d 1424 (10th Cir. 1984); *Sea Island Broadcasting Corp. v. FCC*, 627 F.2d 240, 243 (D.C. Cir. 1980).

The Hospital proposes to acquire through an asset purchase agreement a leased MRI scanner from Norwich Radiology and continue to operate it at its current location. FF4 & 6. The Hospital will renegotiate a lease agreement of the Kennedy Drive MRI scanner with the current equipment vendor. FF4. The Hospital currently offers on-campus MRI services six (6) days per week from 6:45 am to 8:45 pm each operating day. FF8. Saturdays are reserved for the Hospital's mobile PET/CT services, which utilize the same equipment pad as the mobile MRI scanner. FF16.

The Hospital MRI scanner and the Kennedy Drive MRI scanner are the only MRI scanners operating in the Hospital's service area. FF9. The nearest MRI scanners are located at Windham Community Memorial Hospital in Willimantic and William W. Backus Hospital in Norwich. FF9. The Hospital has experienced an average annual increase of seven percent (7%) in the number of MRI scans from FY 2008 (4,073 scans) to FY 2010 (4,647 scans). FF12. Currently the Hospital's MRI utilization averages approximately 86%. FF15. The Hospital projects that the demand for MRI scans will increase three percent (3%) annually due to historic utilization of Hospital MRI services and increasing referrals to the Kennedy Drive MRI scanner from the orthopedic practice located next door and from two new physicians at the Hospital. FF13. Based upon the foregoing, OHCA finds that there is sufficient MRI volume in the service area to support the Hospital's acquisition of a second MRI scanner, which will positively impact the accessibility of MRI imaging for patients in the Hospital's service area.

With respect to the financial feasibility of the proposal, the Hospital has projected incremental gains from operations with the addition of a second MRI scanner [Finding 29]. Accordingly, OHCA finds that the Hospital's acquisition and operation of a second MRI scanner is financially feasible.

Order

Based upon the foregoing Findings and Discussion, the Certificate of Need application of Day Kimball Hospital for the acquisition and operation of a second magnetic resonance imaging scanner from Norwich Radiology Group, P.C. at a total project cost of \$265,000 is hereby **approved**, subject to the following condition:

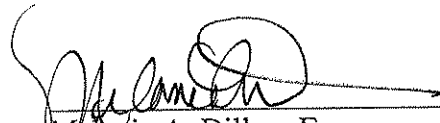
1. Should the Hospital plan to operate the MRI scanner identified in this proposal at a location other than 39 Kennedy Drive, Putnam, Connecticut, the Hospital shall notify OHCA of the new location, no later than one month after the equipment's relocation.

Should The Hospital fail to comply with the aforementioned condition, OHCA reserves the right to take additional action as authorized by law. All of the foregoing constitutes the final order of the Office of Health Care Access in this matter.

Based upon the foregoing, I respectfully recommend that the Deputy Commissioner approve the application of Day Kimball Hospital's request to acquire and operate a second MRI scanner.

12-22-10

Date



Melanie A. Dillon, Esq.
Hearing Officer

MAD:jah



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

January 10, 2011

IN THE MATTER OF:

An Application for a Certificate of Need
filed pursuant to Public Act 09-3 § 10 by:

Day Kimball Hospital

Notice of Final Decision
Office of Health Care Access
Docket Number: 10-31602-CON

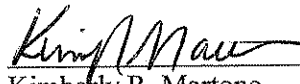
**Acquisition and Operation of a Second MRI
Scanner in Putnam, Connecticut**

To: Robert E. Smanik
President and Chief Executive Officer
Day Kimball Hospital
320 Pomfret Street
Putnam, CT 06260

Dear Mr. Smanik:

In accordance with the Connecticut General Statutes Section 4-179, the Proposed Final Decision dated December 22, 2010 by Hearing Officer Melanie A. Dillon is hereby adopted as the final decision of the Deputy Commissioner of the Office of Health Care Access, Department of Public Health in this matter. A copy of the Proposed Final Decision is attached hereto and incorporated herein.

Sincerely,



Kimberly R. Martone,
Director of Operations

KRM: jah

cc: Melanie A. Dillon, Hearing Officer, OHCA/DPH
Ajay I. Dalal, M.D., V.P./Director, Norwich Radiology Group, P.C., 39 Kennedy Drive, Putnam, CT, 06260
John D. Blair, Esq., Brown Rudnick, LLP, CityPlace 1, 185 Asylum Street, Hartford, CT, 06103



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

In Re: Day Kimball Hospital
Docket Number: 10-31602-CON

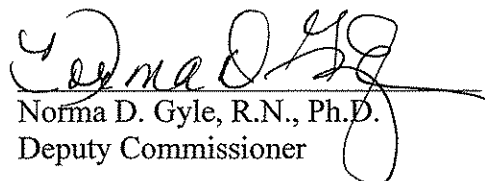
FINAL DECISION

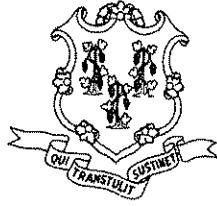
On December 22, 2010, a Proposed Final Decision was issued in the above matter pursuant to Section 4-179 of the Connecticut General Statutes.

In accordance with Connecticut General Statutes Section 4-179, the attached Proposed Final Decision dated December 22, 2010 by Hearing Officer Melanie A. Dillon is hereby adopted as the final decision of the Deputy Commissioner of the Department of Public Health in this matter. A copy of the Proposed Final Decision is attached hereto and incorporated herein.

WHEREFORE, it is the final decision of the Deputy Commissioner that the application of Day Kimball Hospital for the acquisition and operation of a second magnetic resonance imaging scanner is hereby approved.

1-10-11
Date


Norma D. Gyle, R.N., Ph.D.
Deputy Commissioner



**Department of Public Health
Office of Health Care Access
Certificate of Need Application**

Proposed Final Decision

Applicant: Day Kimball Hospital

Docket Number: 10-31602-CON

Project Title: The Acquisition and Operation of a
Second MRI Scanner in Putnam, CT

Project Description: Day Kimball Hospital (“Hospital”) proposes to acquire and operate a second magnetic resonance imaging (“MRI”) scanner, that is currently leased and operated by Norwich Radiology Group, P.C., (“Norwich Radiology”).

Procedural History: On October 28, 2010, the Office of Health Care Access (“OHCA”) received a Certificate of Need (“CON”) application from the Hospital for the above-referenced project. A notice to the public concerning OHCA’s receipt of the Hospital’s Letter of Intent was published on May 14, 2010, in the *Norwich Bulletin*.

A public hearing regarding the CON application was held on December 6, 2010. On November 16, 2010, the Hospital was notified of the date, time, and place of the hearing. On November 16, 2010, a notice to the public announcing the hearing was published in the *Norwich Bulletin*. Commissioner J. Robert Galvin designated Melanie Dillon, Staff Attorney as the hearing officer in this matter on November 19, 2010. The hearing was conducted as a contested case in accordance with the provisions of the Uniform Administrative Procedure Act, General Statutes § 4-166 et seq. and Public Act 09-3 § 10. The Hearing Officer considered the entire record in rendering this proposed final decision.

Findings of Fact

1. The Hospital is a general acute care hospital located at 320 Pomfret Street in Putnam, Connecticut. Ex. D, p. 2; Att. 12, p. 38.

2. Norwich Radiology is a private radiology practice that has operated a MRI scanner since 2004 within a medical building complex located at 39 Kennedy Drive in Putnam. Ex. D, pp. 2-3; Att. 15, p. 2; Ex. G, p. 99.
3. Norwich Radiology is proposing to sell the assets of its Putnam practice to the Hospital due to the retirement of one of the practice's business partners. Ex. G, p. 99.
4. The Hospital proposes to purchase the assets of Norwich Radiology's Putnam practice. Through the proposed asset purchase agreement the Hospital will:
 - a. Purchase \$245,000 in leasehold improvements and related pieces of office equipment and furniture; and
 - b. Renegotiate the lease agreement of the existing General Electric 1.0 tesla-strength, closed short-bore, CX Conquest MRI ("Kennedy Drive MRI") scanner. The current fair market value of the Kennedy Drive MRI scanner is \$20,000. Ex. D, p. 2; Att. 12, pp. 72-88; Hospital Late File 1.
5. The Kennedy Drive MRI scanner was manufactured in 1998 and refurbished prior its acquisition by Norwich Radiology. The technical parameters of the scanning unit are within the guidelines of the American College of Radiology. Ex. G, p. 100.
6. Following the closing date of the asset purchase agreement, the Kennedy Drive MRI scanner will remain at its current location and be operated by the Hospital as an extension of the institution's outpatient imaging services. Exhibit D, page 2.
7. The service area of the Hospital includes the following thirteen (13) towns: Ashford, Brooklyn, Canterbury, Chaplin, Eastford, Hampton, Killingly, Plainfield, Pomfret, Putnam, Sterling, Thompson, and Woodstock. Ex. G, p. 100.
8. The Hospital operates an open 1.5 Tesla-Strength mobile MRI ("Hospital MRI") scanner on its main campus Sunday – Friday from 6:30 a.m. until 8:45 p.m. Ex. D, p. 4; Ex. J, pp. 104-106.
9. The nearest MRI scanners other than the Hospital MRI scanner and Kennedy Drive MRI scanner are located outside of the Hospital's service area at Windham Community Memorial Hospital in Willimantic and William W. Backus Hospital in Norwich. Ex. N, p. 113; Hearing Ex. 1, p. 2.

10. The Hospital and Norwich Radiology reported the following actual and projected MRI scan volumes by provider and scanner for fiscal years ("FYs") 2007 through 2013:

Table 1: Actual and Projected MRI Scan Volumes by Provider and Scanner

| Provider/Scanner | Actual Volume* | | | | Projected Volume**
(First 3 Full Operational FYs) | | |
|---------------------------|----------------|--------------|--------------|--------------|--|--------------|--------------|
| | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 |
| Hospital: | | | | | | | |
| Siemens Mobile | 4,474 | 4,073 | 4,278 | 4,647 | 4,787 | 4,930 | 5,078 |
| GE Fixed | - | - | - | - | 681 | 702 | 723 |
| | | | | | | | |
| Norwich Radiology: | | | | | | | |
| GE Fixed | | 669*** | 836 | 661 | - | - | - |
| | | | | | | | |
| Total # Scans | 4,474 | 4,742 | 5,114 | 5,308 | 5,468 | 5,632 | 5,801 |

Note: The Hospital's fiscal year runs from October 1st through September 30th.

*Actual MRI volumes are for 2 MRI scanners with the GE unit becoming operational in FY 2008;

** Projected MRI volumes include the additional MRI scanner that the Hospital is planning to acquire.

***Volume based on 9 months actual data (January through September).

Ex. D, p. 5; Ex. N, p. 101.

11. The Hospital has experienced a steady increase in the number of MRI scans as follows: five percent (5%) increase between FYs 2008 to 2009 and an eight point six percent (8.6%) increase between FYs 2009 to FY 2010. Ex. N, p. 118.
12. The Hospital's actual MRI scan volumes have been increasing by an annual average rate of seven percent (7%) over the last three (3) fiscal years.
13. The Hospital projects an annual three percent (3%) increase in the number of MRI scans between FY 2011 and 2013 based upon increases in volume between FY2008 and 2010; increase in the use of the Kennedy Drive MRI scanner due to additional outpatient referrals from the Hospital and the orthopedic practice located next door to the MRI scanner; and referrals from two new physicians on the Hospital staff, one family and sports medicine practitioner and one neurologist. Ex. G, p. 3; Testimony of Robert Smanik, Hospital President and CEO, Public Hearing, December 6, 2010.
14. Based upon historical utilization, the Hospital's anticipated annual increase in the number of MRI scans between FY 2011 and FY 2013 is reasonable and achievable.
15. The Hospital is unable to absorb the current Kennedy Drive MRI volume because current utilization averages approximately 85.7% at the Hospital. Absorbing additional patients requiring MRI imaging from the Kennedy Drive office would create inefficiencies such as longer wait times for appointments and lack of continued availability for inpatient/urgent MRI needs. Ex. J, p. 106.

16. The Hospital is unable to expand the current operating hours for the Hospital MRI scanner as Saturdays are reserved for mobile positron emission tomography/computed tomography ("PET/CT") services, which utilizes the same equipment pad as the mobile MRI service. Ex. J, p. 106; Testimony of Robert Smanik, Public Hearing, December 6, 2010.
17. The Hospital has sufficient MRI volume to support the acquisition of one additional MRI scanner, which will positively impact the accessibility of MRI imaging services for patients in the Hospital's service area.
18. The Hospital projects the following incremental gains from operations due to the proposal:

Table 2: Hospital's Financial Projections Incremental to the Project

| Description | Fiscal Year | | |
|---|------------------|------------------|------------------|
| | 2011 | 2012 | 2013 |
| Incremental Revenue from Operations | \$864,590 | \$907,820 | \$953,210 |
| Incremental Total Operating Expense | \$390,882 | \$410,426 | \$430,947 |
| Incremental Gain from Operations | \$473,708 | \$497,393 | \$522,263 |

Note: The Hospital's fiscal year runs from Oct 1st through Sept 30th.
Ex. D, p. 9; Att. 18, p. 91.

19. The Hospital's proposal to acquire a second MRI scanner is financially feasible.
20. The Hospital and Norwich Radiology reported the following patient population mix percentages for each entity:

Table 3: Hospital's Current & Projected Patient Population Mix

| Patient Population Mix | Day Kimball Hospital | | | |
|-----------------------------|----------------------|----------------|----------------|----------------|
| | FY 2010 | FY 2011 | FY 2012 | FY 2013 |
| Medicare* | 19.84% | 19.84% | 19.84% | 19.84% |
| Medicaid* | 17.49% | 17.49% | 17.49% | 17.49% |
| CHAMPUS & TriCare | 0.92% | 0.92% | 0.92% | 0.92% |
| Total Government | 38.25% | 38.25% | 38.25% | 38.25% |
| Commercial Insurers* | 59.66% | 59.66% | 59.66% | 59.66% |
| Uninsured | 0.59% | 0.59% | 0.59% | 0.59% |
| Workers Comp. | 1.50% | 1.50% | 1.50% | 1.50% |
| Total Non-Government | 61.75% | 61.75% | 61.75% | 61.75% |
| Total Payer Mix | 100.00% | 100.00% | 100.00% | 100.00% |

*Includes managed care activity
Ex. G, pp. 101-102.

21. The overall payer mix has been and is projected to be stable for the Hospital. The payer mix at the Kennedy Drive location, as a result of this proposal, should be consistent with the Hospital's patient population mix.

Discussion

CON applications are decided on a case by case basis and do not lend themselves to general applicability due to the uniqueness of the facts in each case. In rendering its decision, OHCA considers the factors set forth in Public Act 08-14 §1 and the Applicant bears the burden of proof in this matter by a preponderance of the evidence. *Goldstar Medical Services, Inc., et al. v. Department of Social Services*, 288 Conn. 790 (2008); *Swiller v. Commissioner of Public Health*, No. CV 95-0705601 (Sup. Court, J.D. Hartford/New Britain at Hartford, October 10, 1995); *Bridgeport Ambulance Serv. v. Connecticut Dept. of Health Serv.*, No. CV 88-0349673-S (Sup. Court, J.D. Hartford/New Britain at Hartford, July 6, 1989); *Steadman v. SEC*, 450 U.S. 91, 101 S.Ct. 999, *reh'g den.*, 451 U.S. 933 (1981); *Bender v. Clark*, 744 F.2d 1424 (10th Cir. 1984); *Sea Island Broadcasting Corp. v. FCC*, 627 F.2d 240, 243 (D.C. Cir. 1980).

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With respect to the financial feasibility of the proposal, the Hospital has projected incremental gains from operations with the addition of a second MRI scanner [Finding 29]. Accordingly, OHCA finds that the Hospital's acquisition and operation of a second MRI scanner is financially feasible.

Order

Based upon the foregoing Findings and Discussion, the Certificate of Need application of Day Kimball Hospital for the acquisition and operation of a second magnetic resonance imaging scanner from Norwich Radiology Group, P.C. at a total project cost of \$265,000 is hereby **approved**, subject to the following condition:

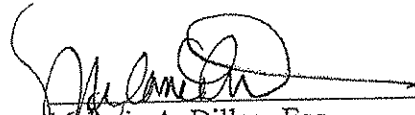
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Should The Hospital fail to comply with the aforementioned condition, OHCA reserves the right to take additional action as authorized by law. All of the foregoing constitutes the final order of the Office of Health Care Access in this matter.

Based upon the foregoing, I respectfully recommend that the Deputy Commissioner approve the application of Day Kimball Hospital's request to acquire and operate a second MRI scanner.

12-22-10

Date



Melanie A. Dillon, Esq.
Hearing Officer

MAD:jah

Huber, Jack

From: Huber, Jack
Sent: Monday, January 10, 2011 3:23 PM
To: 'cvalley@daykimball.org'; 'jblair@brownrudnick.com'
Subject: Acceptance of the Proposed Final Decision as the Final Decision Concerning DN: 10-31602-CON
Attachments: 31602.pdf

Dear Christine and John: Please find attached the Final Decision regarding Day Kimball Hospital's acquisition of a second MRI scanner. If you have any questions regarding the decision, please don't hesitate to contact me with your inquiry. Best wishes to you both for a prosperous New Year. Please forward a copy of the attachment to Dr. Dalal for his records. Thank you. Regards, Jack

Jack Huber
OHCA Health Care Analyst

1/11/2011

Huber, Jack

From: Blair, John D. [JBlair@brownrudnick.com]

Sent: Monday, January 10, 2011 5:36 PM

To: Huber, Jack

Subject: RE: Acceptance of the Proposed Final Decision as the Final Decision Concerning DN: 10-31602-CON

Jack,

Thank you for the decision. Please thank those who worked on this application. Your time is much appreciated.

Regards, John

John D. Blair
Counselor at Law
Brown Rudnick LLP
City Place I
185 Asylum Street
Hartford, CT 06103
860.509.6567
860.509.6501 (fax)
jblair@brownrudnick.com

From: Huber, Jack [mailto:Jack.Huber@ct.gov]

Sent: Monday, January 10, 2011 3:23 PM

To: 'cvalley@daykimball.org'; Blair, John D.

Subject: Acceptance of the Proposed Final Decision as the Final Decision Concerning DN: 10-31602-CON

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Jack Huber
OHCA Health Care Analyst

IRS Circular 230 Disclosure: To ensure compliance with U.S. Treasury Regulations governing tax practice, we inform you that:

Any U.S. tax advice contained in this communication (including attachments) was not written to be used for and cannot be used for (i) purposes of avoiding any tax related penalties that may be imposed under Federal tax laws, or (ii) the promotion, marketing or recommending to another party of any transaction or matter addressed herein.

The information contained in this electronic message may be legally privileged and confidential under applicable law, and is intended only for the use of the individual or entity named above. If the recipient of this message is not the above-named intended recipient, you are hereby notified that any dissemination, copy or disclosure of this communication is strictly prohibited. If you have received this communication in error, please notify Brown Rudnick LLP, (617) 856-8200 (if dialing from outside the US, 001-(617)-856-8200) and purge the communication immediately without making any copy or distribution.

*** TX REPORT ***

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RESULT OK

**STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS**

FAX SHEET

TO: CHRISTINE VALLEE
FAX: (860)-963-6341
AGENCY: DAY KIMBALL HOSPITAL
FROM: JACK HUBER
DATE: 1-11-2010 **Time:** ~7:30 am
NUMBER OF PAGES: 9
(including transmittal sheet)

Comments: **Transmitted:**
Decision with Cover Letter for CON
Application under DN: 10-31602-CON

Follow-up to email sent 1/10/11 w/ Final Decision attached.

**PLEASE PHONE Jack A. Huber at (860) 418-7069
IF THERE ARE ANY TRANSMISSION PROBLEMS.**

Fiducia, Paolo

From: Fiducia, Paolo
Sent: Thursday, August 18, 2011 3:53 PM
To: 'rsmanik@daykimball.org'
Cc: Roberts, Karen
Subject: Notice of expiration date for Docket Number 10-31602-CON

Dear Mr. Smanik,

On January 10, 2011, under Docket Number 10-31602-CON, the Office of Health Care Access ("OHCA") authorized a Certificate of Need to Day Kimball Hospital ("Hospital") for the acquisition and operation of a second Magnetic Resonance Imaging ("MRI") scanner from Norwich Radiology Group, P.C. Pursuant to Section 19a-639b of the Connecticut General Statutes ("CGS"), *"a certificate of need shall be valid for two years from the date of issuance by this office."*

With this letter, I am notifying you that, pursuant to Section 19a-639b, CGS, the current CON Docket Number 10-31602-CON will expire on January 10, 2013. Please contact me at 860-418-7035 or Karen Roberts, Principal Health Care Analyst at 860-418-7041, if you have any questions regarding the above.

Sincerely,

Paolo Fiducia
Associate Health Care Analyst
Office of Health Care Access
A DIVISION OF DEPARTMENT OF PUBLIC HEALTH
paolo.fiducia@po.state.ct.us
860.418.7035 Direct Line
860.418.7053 Fax