



Office of Health Care Access Certificate of Need Application

Final Decision

Applicant: Ebenezer A. Kolade d/b/a House of Hope

Docket Number: 01-546

Project Title: Establish a Chemical Maintenance Treatment Program in Bridgeport

Statutory Reference: Section 19a-638, Connecticut General Statutes

Filing Date: February 5, 2002

Hearing Date: Not Applicable

Decision Date: February 13, 2002

Default Date: May 6, 2002

Staff: Kim Martone
Sandra Czunas

Project Description: Ebenezer A. Kolade d/b/a House of Hope (“Applicant”) proposes to establish a chemical maintenance treatment program in Bridgeport, at a capital expenditure of \$27,000, plus \$21,600 for the estimated fair market value of leased space, for a total capital cost of \$48,600.

Nature of Proceeding: On February 5, 2002, the Office of Health Care Access (“OHCA”) received the Applicant’s Certificate of Need (“CON”) application seeking authorization to establish a chemical maintenance treatment program in Bridgeport, Connecticut, at a capital expenditure of \$27,000, plus \$21,600 for the estimated fair market value of leased space, for a total capital cost of \$48,600. The Applicant is a health care facility or institution as defined by Section 19a-630, of the Connecticut General Statutes (“C.G.S.”).

OHCA's authority to review and approve, modify or deny this application is established by Section 19a-638, C.G.S. The provisions of this section, as well as the principles and guidelines set forth in Section 19a-637, C.G.S., were fully considered by OHCA in its review.

FINDINGS OF FACT

Clear Public Need

Contribution of the Proposal to the Quality and Accessibility of Health Care Delivery in the Region

1. Ebenezer A. Kolade, M.D. d/b/a House of Hope ("Applicant") proposes to establish a chemical maintenance treatment program to be located at 3715 Main Street, Bridgeport Connecticut. (*Letter of Intent, page 2*)
2. The Applicant proposes to provide outpatient services including medical treatment, counseling, vocational services, special services for pregnant patients, family education and involvement, education about sexually transmitted diseases and human immunodeficiency disease, and referral to outside facilities when needed. (*CON Application, page 12*)
3. The Applicant proposes to establish a partnership with Christina Kolade R. Ph. (*Responses to Completeness Letter, page 1*)
4. The Applicant's proposal will serve patients from the towns of Bridgeport, Stratford, Trumbull and Fairfield. There are no methadone maintenance programs in Stratford, Trumbull and Fairfield. (*Letter of Intent, page 5 & Responses to completeness letter received on January 25, 2002, page 2*)
5. The Applicant is a board certified internist and is certified in addiction medicine by the American Society of Addiction Medicine. (*Letter of Intent, page 5*)
6. The Applicant currently serves as medical director of an addiction treatment program run by a major hospital in the New York area. (*Letter of Intent, page 1*)
7. The need for the proposed program is based on the following:
 - Inadequate capacity at existing providers
 - Transportation and geographic barriers(*CON Application, page 2*)
8. A letter of support from the Department of Mental Health and Addiction Services confirms the need for increased capacity for methadone maintenance services in Bridgeport. (*DMHAS letter, February 4, 2002*)

9. The Applicant provided the following methadone capacities by provider and program for the city of Bridgeport:

City	Program	Capacity	Actual	Totals for City
Bridgeport	Regional Network of Programs Kinsella Maintenance	134	199	
Bridgeport	Regional Network of Programs Kinsella Ambulatory Detox	10	13	
Bridgeport	Regional Network of Programs Kinsella Human Service Maintenance	219	219	Bridgeport 431

Source: Department of Mental Health and Addiction Services; Community Services and Hospitals 2002 (Responses to completeness letter received January 25, 2002, page 6)

10. There is an acute shortage of treatment facilities for opiate dependent patients in Bridgeport and its environment. *(Responses to completeness letter received January 25, 2002, page 2)*
11. The Applicant is projecting to serve 200 patients in the first year, 300 in the second year and 400 in the third year of operation with the program, based on the number of patients currently served in Bridgeport. *(Responses to completeness letter received on January 25, 2002, page 4)*
12. Dr. Kolade will be the medical director, sponsor and physician for the program. He has been treating patients with addictive disorders for 10 years. *(CON Application, page 11)*
13. The Applicant will utilize the Standard Practice Guidelines established by the Substance Abuse and Mental Health Service Administration in the administration of the proposed service. *(CON Application, page 3)*
14. The Applicant's program will be easily accessible by transportation and located two minutes away from St. Vincent's Medical Center and ten minutes away from Bridgeport Hospital. *(Responses to completeness letter received on January 25, 2002, page 3)*
15. The Applicant proposes to establish referral relationships with neighboring health care providers upon final approval of the proposed project. *(Responses to completeness letter received on January 25, 2002, page 3)*
16. The hours of operation are Monday through Friday, 6:30 a.m. to 3:00 p.m. and Saturday 7:00 a.m. to 11:00 a.m. *(Responses to completeness letter received on January 25, 2002, page 3)*

**Financial Feasibility of the Proposal and its Impact on the Applicant's Rates and
Financial Condition
Rates Sufficient to Cover Proposed Capital and Operating Costs
Impact of the Proposal on the Interests of Consumers of Health Care Services and
Payers for Such Services**

17. The total capital cost of the proposed program is \$48,600 as follows:

Description	Cost
Construction/Renovation	\$5000
Equipment	\$17,000
Other: medication, etc.	\$5000
Capital Expenditure	\$27,000
Leased Space	\$21,600
Total Capital Cost	\$48,600

(CON Application, page 5)

18. The Applicant's proposed program will be financed through a home equity loan. *(Responses to completeness letter received on January 25, 2002, page 3)*
19. The Applicant projects an excess of revenues of \$147,619, \$398,700, and \$727,382 for the first three years of operation of the program, based on projected volume. *(Responses to completeness letter received on January 25, 2002, page 6)*
20. The Applicant will staff the proposed program with himself as the physician, a pharmacist, RN, LPN, counselors and an administrative assistant. *(Responses to completeness letter received on January 25, 2002, pages 3&4)*
21. The Applicant's rates are sufficient to cover the total capital cost and operating costs with the proposal. *(Responses to completeness letter received on January 25, 20002, page 6)*

**Consideration of Other 19a-637, C.G.S.
Principles and Guidelines**

The following findings are made pursuant to other principles and guidelines set forth in Section 19a-637, C.G.S.:

22. There is no State Health Plan in existence at this time. *(CON Application, page 2)*
23. The Applicant has adduced evidence that this proposal is consistent with the Applicant's long-range plan. *(CON Application, page 2)*
24. The Applicant does not have any current utilization statistics. *(CON application, page 1)*

25. There are no distinguishing characteristics of the Applicant's patient/physician mix. *(CON Application, page 4)*
26. The Applicant has sufficient technical, financial and managerial competence to provide efficient and adequate services to the public. *(CON Application, pages 21-29)*

Rationale

Dr. Ebenezer A. Kolade, M.D. d/b/a House of Hope ("Applicant") proposes to establish a chemical maintenance treatment program to be located at 3715 Main Street, Bridgeport Connecticut. The program will provide outpatient services, including medical treatment, counseling, vocational services, special services for pregnant patients, family education and involvement, education about sexually transmitted diseases and human immunodeficiency disease, and refer to outside facilities when needed. The need for the proposed program is based on inadequate capacity at existing providers and transportation and geographic barriers. The three methadone programs currently serving the Bridgeport area have a combined patient capacity of 363, but are currently serving well over capacity at 431. A letter of support from the Department of Mental Health and Addiction Services confirms this need.

The Applicant is projecting to serve 200 patients in the first year, 300 in the second year and 400 in the third year of program operation and will utilize the Standard Practice Guidelines established by the Substance Abuse and Mental Health Service Administration in the administration of the proposed service. Dr. Kolade will be the medical director, sponsor and physician for the program and has been treating patients with addictive disorders for 10 years. The Applicant will staff the proposed program with himself as the physician, a pharmacist, RN, LPN, counselors and an administrative assistant.

The program will be easily accessible and located two minutes away from St. Vincent's Medical Center and ten minutes away from Bridgeport Hospital. The Applicant proposes to establish referral relationships with neighboring health care providers upon final approval of the proposed project.

Finally, the CON proposal is financially feasible. The total capital cost of the project is \$48,600, which will be funded through a home equity loan. The Applicant projects an excess of revenues of \$147,619, \$398,700, and \$727,382 for the first three years of operation of the program, based on projected volume. Therefore, the CON proposal will not adversely impact the interests of consumers and payers of such services.

Based on the foregoing Findings and Rationale, the Certificate of Need Application of Dr. Ebenezer A. Kolade, M.D. d/b/a House of Hope to establish a chemical maintenance treatment program at a capital expenditure of \$27,000, plus \$21,600 for the estimated fair market value of leased space, for a total capital cost of \$48,600 is hereby GRANTED.

ORDER

Ebenezer A. Kolade d/b/a House of Hope is hereby authorized to establish a chemical maintenance treatment program in Bridgeport, at a capital expenditure of \$27,000, plus \$21,600 for the estimated fair market value of leased space, for a total capital cost of \$48,600, subject to the following condition:

1. The authorization shall expire on February 13, 2003 unless the Applicant presents evidence to OHCA that the chemical maintenance treatment program is in operation.

All of the foregoing constitutes the final order of the Office of Health Care Access in this matter.

By Order of the
Office of Health Care Access

Date

Raymond J. Gorman
Commissioner

RJG:km:sec
w:\decision\01546dec