



Office of Health Care Access Certificate of Need Application

Final Decision

Hospital: Hartford Hospital

Docket Number: 01-571

Project Title: Acquisition of a Linear Accelerator with IMRT capability

Statutory Reference: Section 19a-639, Connecticut General Statutes

Filing Date: April 17, 2002

Hearing: Waived

Decision Date: May 24, 2002

Default Date: July 16, 2002

Staff: Sandra Czunas
Laura Jaworski

Project Description: Hartford Hospital (“Hospital”) proposes to acquire a linear accelerator with IMRT capabilities. The proposed capital expenditure of the project is \$3,282,968.

Nature of Proceedings: On April 17, 2002, the Office of Health Care Access (“OHCA”) received the Certificate of Need (“CON”) application of Hartford Hospital, seeking authorization to replace its existing linear accelerator unit with a new linear accelerator with IMRT capability. The total proposed capital expenditure is \$3,282,968. The Hospital is a health care facility or institution as defined by Section 19a-630 of the Connecticut General Statutes (“C.G.S.”).

The Hospital requested a waiver of public hearing for the CON application pursuant to Section 19a-643-45 of OHCA’s Regulations and claimed that the proposal was non-substantive as defined in Section 19a-643(3) of OHCA’s Regulations. On May 1, 2002, the Hospital was informed that the CON application was eligible for consideration of waiver of public hearing. Notice to the public was published in the *Hartford Courant* and the *Northeast Minority News*. OHCA received no comments concerning the Hospital’s request for waiver of public hearing during the public comment period and therefore, on May 23, 2002, OHCA granted the Hospital’s request for waiver of public hearing.

OHCA’s authority to review and approve, modify or deny this proposal is established by Section 19a-639, C.G.S. The provisions of these sections 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

Impact on the Hospital’s Current Utilization Statistics

Contribution of the Proposal to the Accessibility of Health Care

Delivery in the Region

Impact of the Proposal on the Interests of Consumers of Health Care

Services and Payers for Such Services

1. Hartford Hospital (“Hospital”) is an acute care hospital, located at 80 Seymour Street, in Hartford, Connecticut. (*CON Application, April 17, 2002, page 1*)
2. The Hospital currently operates a single x-ray energy Clinac 4, a 4 megavolt linear accelerator produced by Varian Medical Systems, and is planning to replace it with a Clinac 21 EX linear accelerator, having Intensity Modulated Radiation Therapy (“IMRT”) capability. (*CON Application, April 17, 2002, page 2*)
3. The existing linear accelerator is 28 years old and is nearly at the end of its product life, in that Varian Medical Systems will shortly discontinue product support. (*CON Application, April 17, 2002, page 2*)

4. Advances in technology and treatment techniques and changes in regulatory requirements have combined to render the Clinac 4 and other models obsolete. (CON Application, April 17, 2002, page 15, Letter from Varian Medical Systems to Hospital dated January 30, 2001)
5. The Hospital presently employs three linear accelerators in the treatment of 80 cancer patients per day. (CON Application, April 17, 2002, page 2)
6. The Hospital states the need for services at the Hartford Hospital site continue to grow to levels that necessitate the continued use of three linear accelerators. (CON Application, April 17, 2002, page 2-3)
7. The Hospital states there are presently no significant scheduling backlogs associated with the treatment of cancer patients at the Hospital, but the unscheduled loss of the Clinac 4 would impose more than a 20% additional demand on both of the two remaining accelerators and create significant backlogs. (CON Application, April 17, 2002, page 4)
8. The Hospital treated 906 patients in FY 2001, providing 20,311 treatment visits with three linear accelerators. (CON Application, April 17, 2002, page 3)
9. Planning guidelines published by the Inter-Society Council for Radiation Oncology in Radiation Oncology in Integrated Cancer Management call for one accelerator for every 6,500 visits per year. (CON Application, April 17, 2002, page 3)
10. The average number of patient treatment visits per accelerator at the Hospital is 6,740. (CON Application, April 17, 2002, page 3)
11. The table below illustrates the distribution of patient treatments on each of the three linear accelerators at the Hospital:

Hartford Hospital Radiation Oncology				
Average Patients Per Day Per Linear Accelerator				
	1998	1999	2000	2001
Varian Clinac 4	21	19	16	15
Varian Clinac 2100C	31	30	31	32
Varian Clinac 2100CD	32	33	33	33
Total	82	82	80	80

(CON Application, April 17, 2002, page 4)

12. IMRT capability is designed to achieve greater target radiation dose specificity while reducing the radiation dosage to all areas around the target volume, thereby improving both the effectiveness and safety of radiation therapy. (CON Application, April 17, 2002, page 2)

13. The hours of operation of the Radiation Oncology service at the Hospital are Monday through Friday, 7:00 AM to 5:00 PM with emergency services available on nights and weekends. Hospital staff is also available and on call to respond to patient needs and concerns 24 hours per day. *(CON Application, April 17, 2002, page 3)*

Financial Feasibility of the Proposal and its Impact on the Hospital's Rates and Financial Condition

14. The proposal has a total capital expenditure of \$3,282,968, which consists of the following:

Description	Amount
Construction/Renovation	\$527,718
Fixed Equipment (Purchase)	\$1,979,500
Movable Equipment (Purchase)	\$775,750
Total Capital Expenditure	\$3,282,968

(CON Application, April 17, 2002, page 9)

15. The Hospital is projecting excess revenue incremental to this project of \$55,818, \$83,165 and \$164,041 for FYs 2003, 2004 and 2005, respectively. *(CON Application, April 17, 2002, page 107)*
16. The Hospital intends to fund this project in its entirety through a Hospital Equity contribution. *(CON Application, April 17, 2002, page 11)*

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

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

17. There is no State Health Plan in existence at this time. *(CON Application, April 17, 2002, page 2)*
18. The Hospital has adduced evidence that this proposal is consistent with the Hospital's long-range plan. *(CON Application, April 17, 2002, page 2)*
19. The Hospital has improved productivity and contained costs through energy conservation, the application of technology and group purchasing. *(CON Application, April 17, 2002, page 8)*
20. This proposal will not result in changes to the Hospital's teaching and research responsibilities. *(CON Application, April 17, 2002, page 9)*

21. The Hospital has sufficient technical and managerial competence to provide efficient and adequate service to the public. *(CON Application, April 17, 2002, page 7 & 19-81, Attachment C)*
22. The Hospital's proposal will not affect the quality of existing providers as the project is intended to replace existing equipment. *(CON Application, April 17, 2002, page 5)*
23. There are no distinguishing characteristics of the Hospital's patient/physician mix. *(CON Application, April 17, 2002, page 9)*

Rationale

Hartford Hospital (“Hospital”) proposes to replace its existing, 28 year old Clinac 4 linear accelerator with a new linear accelerator treatment system that includes Intensity Modulated Radiation Therapy (“IMRT”) capability. The proposal does not involve the expansion of existing Hospital services or the introduction of new services, but rather the replacement of essential existing equipment used in the treatment of patients with cancer.

IMRT capability is designed to achieve greater target radiation dose specificity while reducing the radiation dosage to areas around the target volume. This capability improves the overall effectiveness and safety of radiation therapy. Advances in technology and treatment techniques and changes in regulatory requirements have combined to render the Clinac 4 and other models obsolete. The Clinac 4 is near the end of its product life and Varian Medical Systems, the sole supplier of parts for this unit, will shortly discontinue product support. OHCA finds that this initiative will improve overall quality of care to cancer patients in this region.

The Hospital presently employs three linear accelerators in the treatment of 80 cancer patients per day. The growing need for services at Hartford Hospital necessitate the continued use of three linear accelerators. While published guidelines call for one accelerator for every 6,500 visits per year, the average number of patient treatment visits per accelerator at the Hospital is 6,740. The Hospital expects the unscheduled loss of the Clinac 4, due to equipment failure and frequent maintenance, to impose more than a 20% additional demand on both of the two remaining accelerators. OHCA finds that replacement of the existing Clinac 4 linear accelerator with a new IMRT capable unit would allow the Hospital to maintain its ability to serve patients without extending waiting times for treatment.

Finally, the proposal is financially feasible. The total capital expenditure of \$3,282,968 will be financed entirely from Hospital equity. The Hospital is projecting excess revenue incremental to this project of \$55,818, \$83,165 and \$164,041 for FYs 2003, 2004 and 2005, respectively. If volume projections are achieved, the Hospital’s rates are sufficient to cover the proposed capital expenditure and operating costs associated with the project.

Based on the foregoing Findings and Rationale, the Certificate of Need application of Hartford Hospital to replace its existing Clinac 4 linear accelerator with a new, IMRT capable Clinac 21EX unit at Hartford Hospital at a total capital expenditure of \$3,282,968, is hereby GRANTED.

ORDER

Hartford Hospital is hereby authorized to acquire a linear accelerator with IMRT capabilities at a total capital expenditure of \$3,282,968, subject to the following conditions:

1. This authorization shall expire May 28, 2003. Should the Hospital's project not be completed by that date, the Hospital must seek further approval from OHCA to complete the project beyond that date.
2. The Hospital shall not exceed the approved capital expenditure of \$3,282,968. In the event that the Hospital learns of potential cost increases or expects that the final project costs will exceed those approved, the Hospital shall file with OHCA a request for approval of the revised budget.

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

May 24, 2002
Date

Signed by:
Raymond J. Gorman
Commissioner

RJG/SEC/LJ