



Office of Health Care Access Certificate of Need Application

Final Decision

Applicant: MidState Medical Center

Docket Number: 02-1513

Project Title: Request to Waive CON Requirements for Replacement CT Scanner in Accordance with Section 19a-639c, C.G.S.

Statutory Reference: Section 19a-639c of the Connecticut General Statutes

Filing Date: November 21, 2002

Hearing: Waived

Decision Date: November 25, 2002

Staff: Sandra E. Czunas

Project Description: MidState Medical Center (“Hospital”) proposes to replace its existing General Electric Highspeed Advantage CT Scanner with a General Electric Lightspeed CT Scanner (GE Lightspeed) at a total capital cost of \$1,396,000.

Nature of Proceedings: On November 21, 2002, the Office of Health Care Access (“OHCA”) received the Certificate of Need (“CON”) waiver request application of MidState Medical Center for the replacement of its existing CT Scanner at 435 Lewis Avenue in Meriden, Connecticut at a total capital cost of \$1,396,000. The Hospital is a health care facility or institution as defined in Section 19a-630 of the Connecticut General Statutes (“C.G.S.”).

OHCA’s authority to review and approve, modify or deny the CON application is established by Section 19a-639c, 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

Each finding of fact included in this Final Decision has been taken from the CON waiver application and related CON filings, or from other external sources of information. A source reference is included with each finding of fact. All CON applicants must attest to the accuracy and correctness of the information submitted to OHCA as part of the CON application process.

1. On August 27, 1992, under Docket Number 92-534, Veterans Memorial Medical Center was authorized to purchase a replacement CT Scanner unit at a capital expenditure of \$1,142,018. *(DN: 92-534, VMMC, Page 3)*
2. In 1992, Veterans Memorial Medical Center replaced its existing Phillips 350 CT Scanner with a General Electric Highspeed Advantage CT Scanner. *(DN: 92-534, VMMC, Page 1)*
3. On September 29, 1998, Veterans Memorial Medical Center changed its name to MidState Medical Center and was licensed for 94 inpatient beds and 12 bassinets. *(Hospital Post Mortem- Meriden-Wallingford Hospital/VMMC/MidState)*
4. MidState Medical Center (“Hospital”) is proposing to replace the existing General Electric Highspeed Advantage CT Scanner, located at 435 Lewis Avenue in Meriden, Connecticut, with a General Electric Lightspeed S7816FF CT Scanner (GE Lightspeed). *(November 21, 2002, Letter of Intent Waiver Form 2030, Page 3)*
5. The projected capital expenditure for the proposed replacement CT Scanner unit is \$1,396,000. *(November 21, 2002, Letter of Intent Waiver Form 2030, Page 3)*
6. The cost of \$1,396,000 is below the \$2,000,000 threshold for determining eligibility for waiver of the CON process pursuant to Section 19a-639c of the Connecticut General Statutes (“C.G.S.”). *(November 21, 2002, Letter of Intent Waiver Form 2030, Page 6)*
7. The proposed expenditure for the proposed replacement CT Scanner unit is not more than the original cost, plus an increase of ten percent for each twelve-month period that has elapsed since August 27, 1992. *(November 21, 2002, Letter of Intent Waiver Form 2030, Page 6)*
8. The replacement equipment will serve an existing population with a similar payer mix. *(November 21, 2002, Letter of Intent Waiver Form 2030, Page 5)*
9. The Hospital plans to fund the proposed replacement using Hospital equity. *(November 21, 2002, Letter of Intent Waiver Form 2030, Page 2)*
10. The Hospital intends to acquire the replacement equipment and begin operation upon approval of CON. *(November 21, 2002, Letter of Intent Waiver Form 2030, Page 3)*

Rationale

MidState Medical Center (“Hospital”), located at 435 Lewis Avenue in Meriden, Connecticut, is proposing to replace the existing General Electric Highspeed Advantage CT Scanner, with a General Electric Lightspeed S7816FF CT Scanner (GE Lightspeed).

The projected capital expenditure for the proposed replacement CT Scanner unit is \$1,396,000. The cost of \$1,396,000 is below the \$2,000,000 threshold for determining eligibility for waiver of the CON process pursuant to Section 19a-639c of the Connecticut General Statutes (“C.G.S.”). The proposed expenditure for the replacement CT Scanner unit is not more than the original cost, plus an increase of ten percent for each twelve-month period that has elapsed since August 27, 1992. The Hospital intends to acquire the replacement equipment and begin operation upon approval of CON.

Based on the foregoing Findings and Rationale, the Certificate of Need application of MidState Medical Center to replace its existing CT Scanner unit, at a total capital cost of \$1,396,000, is hereby GRANTED.

Order

Based on the above findings, OHCA has determined that MidState Medical Center's proposal to replace its existing General Electric Highspeed Advantage CT Scanner with a General Electric Lightspeed CT Scanner (GE Lightspeed) meets the requirements for waiver of the CON process pursuant to Section 19a-639c, C.G.S. Therefore, MidState Medical Center's proposal to replace the CT Scanner at a capital cost of \$1,396,000 is approved and a Certificate of Need is GRANTED.

1. This authorization shall expire on November 25, 2003. Should the replacement not be completed by that date, the Hospital must seek further approval from OHCA to complete the replacement beyond that date.
2. The Hospital shall not exceed the approved capital expenditure of \$1,396,000. 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 replacement budget.
3. The Hospital is required to notify OHCA as to the date of replacement and termination of the use of the existing CT scanner unit.

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 signed:
November 25, 2002

Signed by:
Mary M. Heffernan
Commissioner

MMH:sec