



## Office of Health Care Access Certificate of Need Application

### Final Decision

**Applicant:** Waterbury Hospital

**Docket Number:** 04-30210-CON

**Project Title:** Dental Clinic Closure

**Capital Expenditure:** -0-

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

**Filing Date:** March 24, 2004

**Hearing Date:** April 29, 2004

**Decision Date:** June 9, 2004

**Default Date:** June 22, 2004

**Staff:** Steven Lazarus

**Project Description:** Waterbury Hospital (“Hospital”) proposes closure of its dental clinic located at the Hospital at no capital expenditure.

**Nature of Proceedings:** On March 24, 2004, the Office of Health Care Access (“OHCA”) received the Hospital’s Certificate of Need (“CON”) application seeking authorization to close its dental clinic. The proposal has no associated capital expenditure. The Hospital is a health care facility or institution as defined by Section 19a-630 of the Connecticut General Statutes (“C.G.S.”).

On March 22, 2004 and March 25, 2004, OHCA received a letters from Roger Ostrander, DMD, Richard Dvarkas, DMD and John L. Varanelli, DDS, respectively, requesting a public hearing regarding this proposal pursuant 19a-638 (c)(3) and 19a-639(b)(3) as amended by Public Act 03-

17. A public hearing regarding the CON application was held on April 29, 2004. The Applicant was notified of the date, time and place of the hearing, and a notice to the public was published in the *Waterbury Republican American* (Waterbury). Commissioner Cristine A. Vogel served as Presiding Officer for this case. The public hearing was conducted as a contested case in accordance with the provisions of the Uniform Administrative Procedure Act (Chapter 54 of the Connecticut General Statutes) and Sections 19a-38, C.G.S.

State of Connecticut, Department of Mental Health petitioned for informal participant status. Department of Mental Health was allowed to participate as such at the hearing.

The Presiding Officer heard testimony from the Hospital witnesses and the informal participants, and in rendering this decision, considered the entire record of the proceeding. OHCA's authority to review and approve, modify or deny this application is established by Section 19a-638, 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 Applicant's Current Utilization Statistics**

#### **Contribution of the Proposal to the Quality and 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**

#### **Financial Feasibility of the Proposal and its Impact on the Applicant's Rates and Financial Condition**

1. Waterbury Hospital ("Hospital") is an acute care hospital, located at 64 Robbins Street, Waterbury, CT. (*November 14, 2003, Letter of Intent*)
2. The Hospital currently operates a dental clinic at the Hospital. (*November 14, 2003, Letter of Intent*)
3. The dental clinic currently provides comprehensive dental services to approximately 4,000 visits annually. (*November 14, 2004, Letter of Intent*)
4. The current staffing includes 3 dental residents, 1 hygienist, 2 chair assistants, 1.5 department assistants, a part-time Medical Director, and a part-time licensed supervising dentist. (*November 14, 2004*)

5. The Hospital will be terminating its Dental Residency Program as of June 30, 2004. The Hospital has notified the American Dental Association that the Hospital will terminate its dental residency program due to lack of readily available qualified candidates. Further, the Hospital has been having difficulty recruiting for a qualified licensed supervising dentist. *(November 14, 2003, Letter of Intent and CON Application, Prefiled Testimony of Dr. Schneider, April 23, 2004)*
6. The Hospital is proposing refer its existing patients to StayWell Health Center (“SWHC”), a Federally Qualified Health Center, located at 1302 Main Street, Waterbury. SWHC will be prepared to re-open the donated Waterbury Dental Clinic chairs on August 1, 2004. Emergency dental cases during the one month period will still be accommodated at the Hospital. *(CON Application, MOU, March 24, 2004 and CON Application, prefiled Testimony of Dr. Schneider, April 23, 2004)*
7. SWHC is located 2.3 miles from the Hospital. There is a bus stop that is located approximately one block away from the health center. *(CON Application, Prefiled Testimony of Dr. Schneider, April 23, 2004)*
8. The geographical service area for both the Hospital and SWHC is the same and consists of: Waterbury, Naugatuck, Southbury, Bethlehem and Beacon Falls. *(Con Application, page 6, March 24, 2004)*
9. The utilization for the last three fiscal years for the dental clinic has been as follows:

**Table 1: Dental Clinic Utilization for FY’s 2001-2003**

FY	Dental Clinic Visits
2001	3,525
2002	3,820
2003	3,911

*(CON Application, page 2, March 24, 2004)*

10. Upon termination of its Dental Residency Program, the Hospital proposes to donate three (3) dental chairs and related equipment to SWHC, at no cost. *(CON Application, MOU, March 24, 2004)*
11. The Hospital through Dr. Greenwald, will continue to provide dental services for the 20 patients per year that require anesthesia and/or sedation. *(Dr. Schneider’s Testimony, Public Hearing April 29, 2004)*
12. SWHC under the MOU with the Hospital agrees to treat existing Waterbury Hospital Dental Clinic patients in its dental center. It will be the responsibility of SWHC to hire appropriate numbers of professional staff to provide dental services to approximately 4,000 patients annually. *(CON Application, MOU, March 24, 2004)*

13. Upon approval of this CON, the Hospital will notify its Dental Clinic patients by posting signs in the Dental Clinic, publishing announcements in the newspaper and notifying patients as they call in for appointments. *(CON Application, page 2, March 24, 2004)*
14. The alternative to the proposed transfer of the program to SWHC would be a reduction in services provided to only preventive and emergency dental care. The dental clinic would continue operation staffed by a hygienist under Dr. Greenwald's supervision. *(Dr. Schneider's Testimony, Public Hearing April 29, 2004)*
15. Lack of access to community and Hospital based dental clients for the uninsured, underinsured and Medicaid represents a statewide problem. *(Informal Participant Testimony of Dr. Ostrander, Dr. Varchelli and Dr. Dvarkas, Public Hearing April 29, 2004)*
16. There are no capital expenditures associated with this project. *(November 14, 2004, Letter of Intent)*
17. The Hospital is projecting an incremental gain from Operations as follow for FY's 2004-2007:

**Table 2: Gain From Operations**

FY's	Incremental Gain From Operations
2004	\$13,768
2005	\$55,195
2006	\$55,195
2007	\$55,195

*(CON Application, page 36, March 24, 2004)*

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

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

18. There is no State Health Plan in existence at this time.
19. The Hospital has adduced evidence that this proposal is consistent with the Hospital's long-range plan. *(CON Application, page 2, March 24, 2004)*
20. The Hospital is currently participating in reengineering, application of technology, energy conservation and through group-purchasing program. *(CON Application, page 5, March 24, 2004)*

21. This proposal will result in changes to the Hospital's teaching and research responsibilities, as the Hospital is terminating its dental residency program. (*CON Application, page 5, March 24, 2004*)
  
22. There are no distinguishing characteristics of the Applicant's patient/physician mix. (*CON Application, page 5, March 24, 2004*)

## Rationale

The Waterbury Hospital ("Hospital") is proposing to close its dental clinic located at the Hospital and to transfer the existing patients of the Hospital's Dental Clinic to the StayWell Health Center ("SWHC"). The proposal is the result of the Hospital's decision to terminate its Dental Residency Program effective June 30, 2004 due to the lack of readily available qualified candidates. Additionally, the Hospital has been having difficulty recruiting a qualified licensed supervising dentist. The only alternative to the transfer of the program that would allow the continuation of dental services upon termination of the Dental Residency Program would be the reduction of services provided by the Hospital to only preventive and emergency dental care.

In order to maintain access to quality dental services to the uninsured, underinsured and Medicaid recipients, the Hospital has executed an agreement with SWHC. Under the terms of the agreement, SWHC will treat existing Hospital Dental Clinic patients at its dental clinic located at 1302 Main Street in Waterbury. The Hospital will donate three dental chairs and related equipment to SWHC at no cost. The Hospital has stated that patients requiring anesthesia or sedation will continue to be admitted to the Hospital's surgical services for the performance of the necessary dental procedures. SWHC is located approximately 2.3 miles from the Hospital and there is a bus stop located approximately one block from SWHC. SWHC is handicapped accessible.

Lack of access to community and hospital based dental clinics for the uninsured, underinsured and Medicaid recipients is a statewide problem. The closure of any existing dental clinics further strains the capacity and access of the remaining facilities. OHCA believes that careful consideration has been undertaken by the Hospital and SWHC to insure that patients will continue to have access to the same or better level of care once the transfer of equipment has been completed and installed at SWHC. The major concern related to this transfer of service is the approximately one block walk that patients will have to travel from the bus stop to the health center.

The Hospital is projecting incremental gain from Operations of \$13,768 for FY 2004 and \$55,195 for FY's 2005 - 2007 as a result of the implementation of this proposal. There is also no capital expenditure associated with this proposal. Therefore, this proposal is financially feasible.

Based on the foregoing Findings and Rationale, the Certificate of Need application of Waterbury Hospital to terminate its dental clinic hereby GRANTED.

## Order

The request of Waterbury Hospital to close its dental clinic, located at the Hospital, with no associated capital expenditure, is approved subject to the following conditions:

1. This authorization shall expire on June 9, 2005. The Hospital shall transfer its dental clinic services, three chairs, and related equipment to StayWell Health Center. Should the Hospital's closure of its dental clinic and transfer of the dental clinic services to StayWell Health Center not be completed by that date, the Hospital must seek further approval from OHCA to complete the project beyond that date.
2. There is no capital expenditure associated with this proposal. If the Hospital does have a capital expenditure of over \$1,000,000, the Hospital shall file with OHCA a request for approval of the revised CON project budget.
3. The Hospital must continue to provide dental care to patients who require anesthesia for dental services.
4. The Hospital must report to OHCA annually (December 31<sup>st</sup> of each year), the number of patients receiving services at the Hospital for dental services requiring anesthesia.
5. The Hospital shall file a request with the local bus company to establish a bus stop at the StayWell Health Center, located at 1302 Main Street, Waterbury.

By Order of the  
Office of Health Care Access

Date Signed:  
June 9, 2004

Singed by:  
Cristine A. Vogel  
Commissioner

CAV:sl  
Decision/043210dec