

STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

July 23, 2009

IN THE MATTER OF:

An Application for a Certificate of
Need filed pursuant to Section 19a-638,
C.G.S. by:

Notice of Final Decision
Office of Health Care Access
Docket Number: 08-31243-CON

**Stuart Calle, M.D., d/b/a A Medical
Walk-In Center**

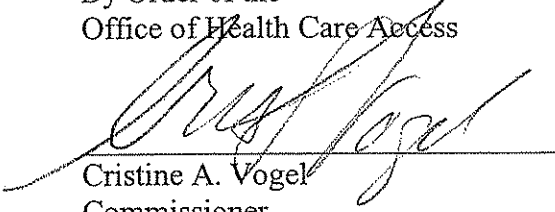
**Proposal to Establish a Licensed
Urgent Care Walk-in Center in
Newington, Connecticut**

To: Stuart Calle, M.D.
Medical Director
A Medical Walk-In Center
365 Willard Avenue
Newington, CT 06111-2316

Dear Dr. Calle:

This letter will serve as notice of the Final Decision of the Office of Health Care Access in the above matter, as provided by Section 19a-638, C.G.S. On July 23, 2009, the Final Decision was rendered as the finding and order of the Office of Health Care Access. A copy of the Final Decision is attached hereto for your information.

By Order of the
Office of Health Care Access



Cristine A. Vogel
Commissioner

Enclosure

CAV: jah



Office of Health Care Access Certificate of Need Application

Final Decision

Applicant: Stuart C. Calle, M.D., doing business as
A Medical Walk-In Center, LLC

Docket Number: 08-31243-CON

Project Title: Proposal to Establish a Licensed Urgent
Care Walk-In Center in Newington, CT

Statutory Reference: Section 19a-638, C.G.S.

Filing Date: April 28, 2009

Decision Date: July 23, 2009

Default Date: July 27, 2009

Staff: Jack A. Huber

Project Description: Stuart C. Calle, M.D., doing business as A Medical Walk-In Center, LLC, proposes the establishment of a licensed urgent care walk-in center in Newington, Connecticut, at a total capital expenditure of \$52,742.

Nature of Proceedings: On April 28, 2009, the Office of Health Care Access ("OHCA") received the completed Certificate of Need ("CON") application of Stuart C. Calle, M.D., doing business as A Medical Walk-In Center, LLC, ("Applicant") for the establishment of a licensed urgent care walk-in center in Newington, Connecticut, at a total capital expenditure of \$52,742.

Pursuant to Section 19a-638 of the Connecticut General Statutes ("C.G.S.") a notice to the public concerning OHCA's receipt of the Applicant's Letter of Intent was published in *The New Britain Chronicle*, on October 7, 2008. OHCA received no responses from the public concerning the Applicant's proposal. Pursuant to Section 19a-638, C.G.S., three individuals or an individual representing an entity with five or more people had until May 19, 2009, the twenty-first calendar day following the filing of the Applicant's CON application, to request that OHCA hold a public hearing on the Applicant's proposal. OHCA received no hearing requests from the public.

OHCA's authority to review and approve, modify or deny this proposal 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 Impact on the Applicant's Current Utilization Statistics Contribution of the Proposal to the Accessibility and Quality of Health Care Delivery in the Region

1. It is found that Stuart C. Calle, M.D., doing business as A Medical Walk-In Center, LLC ("Applicant"), has operated a for-profit, medical walk-in center ("Center") since June 11, 2007. *(September 25, 2008, Letter of Intent, pages 1 through 3 and January 26, 2009, Initial CON submission, page 5)*
2. It is found that the Center operates as a private practice under Dr. Calle's Connecticut medical license, is located at 365 Willard Avenue in Newington, Connecticut and is the only urgent care walk-in center in Newington. *(September 25, 2008, Letter of Intent, pages 1 through 5a and January 26, 2009, Initial CON submission, pages 5 and 6)*
3. Dr. Calle serves as the Center's Medical Director. He is a graduate of Georgetown Medical School with residencies in surgery and pediatric services. He has 13 years of experience in emergency medicine as an attending physician at the following acute care hospitals:
 - a. Hospital of Central Connecticut, New Britain, CT - 2006 to 2007
 - b. Mount Vernon Hospital, Mount Vernon, NY - 1996 to 2004
 - c. Keller Army Hospital, West Point, NY - 1996 to 1997*(January 26, 2009, Initial CON submission, pages 6, 7 and 24)*
4. The Center currently provides routine medical walk-in care daily from 8:00 am to 8:00 pm, 365 days per year. The operating schedule will remain the same with the proposal. *(January 26, 2009, Initial CON submission, pages 5 and 7)*
5. The Applicant contends that securing outpatient clinic licensure will aid in his efforts to establish service contracts with the Department of Social Service ("DSS") for the Healthcare for Uninsured Kids and Youth ("HUSKY") program and the state-administered general assistance ("SAGA") program. *(July 9, 2009, Additional Information received from the Applicant, page 3)*
6. Once the Center becomes licensed, it will continue to offer urgent, non-life threatening care for pediatric and adult patients. *(January 26, 2009, Initial CON submission, page 4)*
7. Based on actual patients treated at the Center, the Applicant provided the following information:
 - a. Approximately 75% of the Center's patients are from Newington;
 - b. The remaining 25% reside in towns that are within a twenty mile radius of the facility.*(January 26, 2009, Initial CON submission, page 5)*

8. The Applicant contends that the Center's patient profile is as follows:
 - a. Patients with urgent medical care needs;
 - b. Patients with chronic medical problems or worker's compensation injuries (~5%) who are then referred back to their primary physician or an appropriate specialist.
(January 26, 2009, Initial CON submission, page 29)
9. Based on Dr. Calle's expertise as an acute care attending ED physician in Connecticut and New York, he asserts that urgent care walk-in center patients benefit from being treated at an urgent care walk-in center as compared with being treated at a local area emergency department ("ED"). Additionally, Center patients have access to a physician practitioner at times when their primary doctor may not be available, such as on evenings, weekends, and holidays. *(January 26, 2009, Initial CON submission, pages 4 and 5)*
10. The table below illustrates the number of patient visits provided at the Center for a partial operating fiscal year ("FY") 2007, FY 2008, and projected FY 2009:

Table 1: Patient Visits

Description	FY 2007*	FY 2008	FY 2009
Patient Visits	2,368	5,260	5,200

Note: *FY 2007 patient visits reflect activity from the June 2007, the opening of the Center to December 31, 2007, the end of the Applicant's operating year.

(April 28, 2009, Completeness Responses, page 81)

11. The Applicant is projecting approximately 5,200 patient visits for current FY 2009, based upon its first quarter FY 2009 actual results of approximately 1,300 visits. *(April 28, 2009, Completeness Responses, page 81)*
12. With incremental volume increases between fiscal years and additional service volume anticipated with the establishment of HUSKY and SAGA service contracts, the Applicant asserts that total patient visits will increase to 6,500 in FY 2010 and will increase by approximately 5% in succeeding fiscal years; 6,825 patient visits in FY 2011 and 7,166 patients visits in FY 2012. *(April 28, 2009, Completeness Responses, page 81 and July 9, 2009, Additional Information received from the Applicant, page 2)*
13. The Center follows the standard practice guidelines for urgent care established by the Urgent Care Association of America. The Center will be seeking facility accreditation from this governing body. *(January 26, 2009, Initial CON submission, page 7 and April 28, 2009, Completeness Responses, page 82)*
14. The Applicant contends that it anticipates hiring a second physician skilled in internal medicine or family medicine in the third quarter of FY 2009. This practitioner will be recruited to assume half of the practitioner workload at the Center. *(January 26, 2009, Initial CON submission, pages 7 & 24 and April 28, 2009, Completeness Responses, page 82)*

**Financial Feasibility of the Proposal and its Impact on the Applicant's
Rates and Financial Condition
Impact of the Proposal on the Interests of Consumers of Health Care Services
and Payers for Such Services
Consideration of Other Section 19a-637, C.G.S. Principles and Guidelines**

15. The capital expenditure for this proposal is as follows:

Table 2: Capital Expenditure

Description	Cost
Medical Equipment	\$13,081
Imaging Equipment	\$20,600
Non-Medical Equipment	\$5,500
Renovation	\$13,561
Total Capital Expenditure	\$52,742

(January 26, 2009, Initial CON submission, pages 30 and 42)

16. The Applicant will fund the proposal equally through a conventional loan and personal funds. *(January 26, 2009, Initial CON submission, pages 42 and 44)*
17. The Applicant claims the Center's first full-year operating results for FY 2008 reveal revenues of \$346,503, expenses of \$284,133 and an income from operations of \$62,370. *(January 26, 2009, Initial CON submission, page 74 and April 28, 2009, Applicant Completeness responses, page 85)*
18. The Applicant projects operating gains of approximately \$64,000, \$67,000 and \$79,000 for FYs 2009 through 2011, respectively. *(January 26, 2009, Initial CON submission, page 74 and April 28, 2009, Applicant Completeness responses, page 85)*
19. The Applicant claims that the Center's rate schedule was derived by determining an average of customary fees charged for services rendered that are typical for the area by private physicians and other facilities like Minute Clinic and CVS clinics. *(January 26, 2009, Initial CON submission, pages 42 and 44)*
20. The Applicant provided the following fee schedule for urgent care visits. The Applicant is not planning to institute a facility charge once the Center becomes a licensed outpatient clinic.
- a. Limited Services: \$69.00
 - b. Intermediate Services: \$89.00
 - c. Advanced Services: \$109.00
 - d. School/Employment Exams: \$89.00
- (January 26, 2009, Initial CON submission, pages 42 and 44)*
21. OHCA finds the Applicant's rates are sufficient to cover the capital expenditure and operating costs associated with the proposal. *(April 28, 2009, Applicant Completeness responses, pages 83 and 85)*

22. The payer mix for FYs 2009 through 2011 of the urgent care walk-in center is as follows:

Table 3: Payer Mix with the CON Proposal

Payer Description	FY 2009	FY 2010	FY 2011
Medicare (including managed care)	0%	5%	10%
Medicaid	0%	5%	10%
Total Government	0%	10%	20%
Commercial Insurers	75%	65%	55%
Uninsured	20%	20%	20%
Workers Compensation	5%	5%	5%
Total Non-Government	100%	90%	80%
Total Payer Mix	100%	100%	100%

(January 26, 2009, Initial CON Submission, page 73; April 28, 2009, Completeness Responses, page 84; and July 21, 2009, Additional Information received from the Applicant, page 1)

23. There is no State Health Plan in existence at this time. *(January 26, 2009, Initial CON submission, page 4)*
24. The Applicant stated that this proposal is consistent with its long-range plan. *(January 26, 2009, Initial CON submission, page 4)*
25. The Applicant has improved productivity and contained costs by implementing energy conservation measures and applying new technologies to the operation of the Center. *(January 26, 2009, Initial CON submission, page 29)*
26. The proposal will not result in any change to the Applicant's research responsibilities. *(January 26, 2009, Initial CON submission, page 29)*
27. There are no distinguishing characteristics of the Center's patient/physician mix that differentiates it from other walk-in medical centers. *(January 26, 2009, Initial CON submission, page 29)*
28. The Applicant has sufficient technical and managerial competence and expertise to provide efficient and adequate service to the public. *(January 26, 2009, Initial CON submission, pages 7, 16 and 17)*

Rationale

The Office of Health Care Access (“OHCA”) approaches community and regional need for Certificate of Need (“CON”) proposals on a case by case basis. CON applications do not lend themselves to general applicability due to a variety of factors, which may affect any given proposal; e.g. the characteristics of the population to be served, the nature of the existing services, the specific types of services proposed to be offered, the current utilization of services and the financial feasibility of the proposal:

Stuart C. Calle, M.D., d/b/a A Medical Walk-In Center, LLC (“Applicant”) has operated a medical walk-in center (“Center”) at 365 Willard Avenue in Newington, Connecticut since June 11, 2007. The Center operates as a private practice under Dr. Calle’s medical license. The Center offers urgent, non-life threatening care for pediatric and adult patients and follows the standard practice guidelines for urgent care established by the Urgent Care Association of America. Once the Center has become licensed as an outpatient clinic, the Applicant will pursue establishing service contracts with the Department of Social Service for the Healthcare for Uninsured Kids and Youth (“HUSKY”) program and the state-administered general assistance (“SAGA”) program.

In fiscal year 2008, the Center experienced 5,260 patient visits. Approximately 75% of the patients treated were from the town of Newington. Center patients have access to available health care with a physician practitioner at times when their primary doctor may not be available, such as on evenings, weekends, and holidays. Based on the above, OHCA finds that the Applicant’s proposal will provide improved accessibility to individuals seeking urgent care services in the Newington area.

The capital expenditure associated with this proposal is \$52,742. The funding of the proposal will be equally distributed between personal funds of the Applicant and conventional debt financing. The Applicant projects annual operating gains of approximately \$64,000, \$67,000 and \$79,000, for FYs 2009 through 2011, respectively, for the Center. Although OHCA can not draw any conclusions, the Applicant’s volume and financial projections upon which they are based appear to be reasonable and achievable.

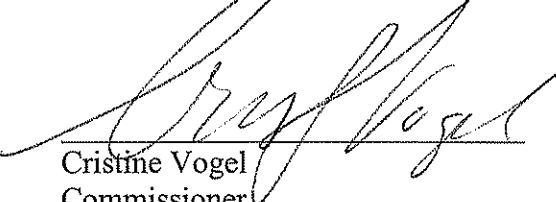
ORDER

Based on the foregoing Findings and Rationale, the Certificate of Need application of Stuart C. Calle, M.D., doing business as A Medical Walk-In Center, LLC ("Applicant") to establish a licensed urgent care walk-in center ("Center") located at 365 Willard Avenue in Newington, Connecticut, at an associated capital expenditure of \$52,742, is hereby **approved**, subject to the following conditions:

1. This authorization expires on August 1, 2010. Should the Applicant's proposal not be completed by that date, the Applicant must seek further approval from OHCA to complete the project beyond that date.
2. The Applicant shall not exceed the approved capital cost of \$52,742. In the event that the Applicant learns of potential cost increases or expects that the final project costs will exceed those approved, the Applicant shall notify OHCA immediately

Should the Applicant fail to comply with any of the aforementioned conditions, 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.

By Order of the
Office of Health Care Access



Cristine Vogel
Commissioner

7-23-09
Date

CAV:jah