

STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

June 25, 2009

IN THE MATTER OF:

A Request for Waiver of Certificate of Need
Requirements for Replacement Equipment
filed pursuant to Section 19a-639c, C.G.S.
by

Notice of Final Decision
Office of Health Care Access
Docket Number: 09-31384-WVR

Bridgeport Hospital

**Request to Waive CON Requirements for
the Replacement of an Existing 8-Slice
CT Scanner with a 16-Slice CT Scanner
in Bridgeport**

To: Carolyn Salsgiver
Senior Vice President, Planning and Marketing
Bridgeport Hospital
P.O. Box 5000
Bridgeport, Connecticut 06610

Dear Ms. Salsgiver:

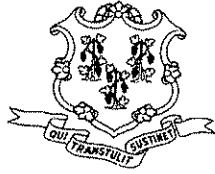
This letter will serve as notice of the Final Decision of the Office of Health Care Access in the above matter as provided by Section 19a-639c, C.G.S. On June 25, 2009, the Final Decision was rendered as the finding and order of the Office of Health Care Access. A copy of the Final Decision is attached hereto for your information.

By Order of the
Office of Health Care Access



Cristine A. Vogel
Commissioner

CAV: jah



Office of Health Care Access Certificate of Need Application

Final Decision

Applicant: Bridgeport Hospital

Docket Number: 09-31384-WVR

Project Title: Request to Waive CON Requirements for the Replacement of an Existing 8-Slice CT Scanner with a 16-Slice CT Scanner in Bridgeport

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

Filing Date: June 8, 2009

Decision Date: June 25, 2009

Staff: Jack A. Huber

Project Description: Bridgeport Hospital requests a waiver of Certificate of Need requirements for replacement equipment for the purpose of replacing its existing 8-slice CT scanner with a 16-slice CT scanner, at a total capital cost is \$1,187,885.

Nature of Proceedings: On June 8, 2009, the Office of Health Care Access (“OHCA”) received the completed waiver of Certificate of Need (“CON”) request for replacement equipment from Bridgeport Hospital (“Hospital”). The Hospital proposes to replace its existing 8-slice CT scanner with a 16-slice CT scanner, at a total capital cost of \$1,187,885. 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 requested waiver of CON requirements for replacement equipment 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

1. On August 20, 1992, in a Final Decision under Docket Number: 92-533, Park City Hospital received Certificate of Need ("CON") authorization from the Commission on Hospitals and Health Care ("CHHC"), predecessor to the Office of Health Care Access ("OHCA") to acquire a General Electric ("GE") 9800 HiLight Advantage computed tomography ("CT") scanner at a total capital cost of \$879,000. *(June 8, 2009, CON Waiver Form 2040, page 3 and Attachment II, page 15)*
2. On March 29, 1994, in an Agreed Settlement under Docket Number: 94-545R, Bridgeport Hospital received CON authorization from CHHC to acquire through a transfer of equipment from Park City Hospital to Bridgeport Hospital ("Hospital") the GE 9800 HiLight Advantage CT scanner. *(June 8, 2009, CON Waiver Form 2040, page 3 and Attachment II, page 15)*
3. On April 22, 2003, in a Final Decision rendered under Docket Number: 03-30052-WVR, the Hospital received CON authorization from OHCA to replace its existing GE 9800 HiLight Advantage CT scanner with a GE Goldseal LightSpeed Ultra, 8-slice CT scanner. The replacement scanner met the requirements for waiver of CON requirements pursuant to Section 19a-639c of the Connecticut General Statutes ("C.G.S.") *(June 8, 2009, CON Waiver Form 2040, page 3 and Attachment II, pages 13 through 17)*
4. The Hospital is requesting a waiver of CON requirements for the purpose of replacing its 8-slice CT scanner. The Hospital proposes to lease and operate a GE BrightSpeed Elite, 16-slice CT scanner as its replacement equipment. *(June 8, 2009, CON Waiver Form 2040, pages 4 through 7 and Attachment IV, Equipment Quotation, pages 40 through 56)*
5. Pursuant to Section 19a-639c, C.G.S, a proposal may be eligible for a waiver of replacement equipment from the CON process when a provider has previously received CON authorization from OHCA for the equipment to be replaced, and when the expenditure or value of the replacement equipment will not exceed \$3 million. *(Section 19a-639c, C.G.S.)*
6. The existing 8-slice CT scanner, which is the Hospital's only CT scanner, operates twenty-four (24) hours per day, seven (7) days per week. The CT scanner serves Hospital inpatients and outpatients including urgent trauma and Emergency Department patients. *(June 8, 2009, CON Waiver Form 2040, page 6)*
7. In Fiscal Year ("FY") 2008 the existing 8-slice CT scanner performed 22,600 scans. *(June 8, 2009, CON Waiver Form 2040, page 6)*
8. The Hospital indicates that with the heavy use of the existing 8-slice CT scanner the unit is increasingly showing signs of age, resulting in periodic breakdowns requiring repair of the unit. In the past twelve (12) months the scanner required twenty-four (24) service calls. *(June 8, 2009, CON Waiver Form 2040, page 6)*

9. The Hospital reports that when repair of the scanner is required, the unit is typically out of service for up to twenty-four (24) hours, which presents a challenge for the Hospital in appropriately serving patients during this period of lack of access to a CT scanner. *(June 8, 2009, CON Waiver Form 2040, page 6)*
10. The proposed replacement CT scanner will be used for similar services, examinations, and procedures as the current CT scanner. *(June 8, 2009, CON Waiver Form 2040, page 6)*
11. The total capital cost for the project is \$1,187,885 and is itemized as follows:
 - \$1,178,900 for the lease of the replacement CT scanner;
 - \$8,985 for the renovation work associated with installing the replacement CT scanner. *(June 8, 2009, CON Waiver Form 2040, page 4)*
12. The Hospital provided a quotation dated, April 11, 2009, which identifies the replacement CT scanner's specifications and verifies the costs attributable to the acquisition of the proposed CT scanner. *(June 8, 2009, CON Waiver Form 2040, page 3 and Attachment 4, pages 40 through 56)*
13. The replacement equipment's capital expenditure is below the \$3 million threshold used to determine whether a request is eligible to receive a waiver of CON requirements for replacement equipment pursuant to Section 19a-639c, C.G.S. *(June 8, 2009, CON Waiver Form 2040, page 3)*
14. The Hospital intends to have the replacement CT scanner operational by August 5, 2009. *(June 8, 2009, CON Waiver Form 2040, page 4)*

Rationale

Bridgeport Hospital ("Hospital") is requesting a waiver of Certificate of Need ("CON") requirements for replacement equipment, pursuant to Section 19a-639c, of the Connecticut General Statutes ("C.G.S."). The Hospital is seeking to replace its existing 8-slice computed tomography ("CT") scanner with a 16-slice CT scanner.

The existing 8-slice CT scanner serves Hospital inpatients and outpatients, including urgent trauma and Emergency Department patients. The unit, which performed 22,600 scans in fiscal year 2008, is the Hospital's only CT scanner. The unit operates twenty-four (24) hours per day, seven (7) days per week.

The capital cost associated with the proposed replacement equipment is \$1,178,900, which is below the \$3 million threshold for determining eligibility for a waiver of CON requirements for replacement equipment, pursuant to Section 19a-639c, C.G.S. The Hospital will fund the project through an operating lease for the replacement equipment and through the use of equity funds for the necessary renovation work to accommodate the replacement equipment.

Order

Based on the foregoing Findings and Rationale, the Office of Health Care Access ("OHCA") has determined that Bridgeport Hospital's ("Hospital") request for a waiver of Certificate of Need ("CON") requirements for replacement equipment in order to replace an 8-slice computed tomography ("CT") scanner with a 16-slice CT scanner, at a replacement equipment cost of \$1,178,900, meets the requirements for waiver of the CON process pursuant to Section 19a-639c, C.G.S.; and is hereby **approved**, subject to the following conditions.

1. This authorization shall expire on July 1, 2010. Should the Hospital's replacement equipment 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 \$3 million in its replacement equipment costs for the 16-slice CT scanner. In the event that the Hospital learns of potential cost increases or expects that the replacement equipment expenditure will exceed \$3 million, the Hospital shall notify OHCA in writing.
3. With respect to the acquisition of the new CT scanner, the Hospital shall notify OHCA regarding the following information in writing prior to the July 1, 2010, CON expiration date:
 - a. The name of the CT scanner manufacturer;
 - b. The model name and description of the CT scanner; and
 - c. The initial date of the operation of the CT scanner.
4. This authorization requires the removal of the Hospital's existing 8-slice CT scanner for certain disposition, such as sale or salvage, outside of and unrelated to the Hospital's Connecticut service locations. Furthermore, the Hospital shall provide evidence to OHCA of the disposition of the existing 8-slice CT scanner to be replaced by no later than six months after the replacement 16-slice CT scanner has become operational.
5. Should the Hospital propose any change in CT scanning services, the Hospital shall file with OHCA a Certificate of Need Determination Request regarding the proposed service change.

Should the Hospital 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.

Date

6-25-09

By Order of the
Office of Health Care Access


Cristine A. Vogel
Commissioner