

STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

August 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., as amended by P.A. 09-232, Section 96 by

Notice of Final Decision
Office of Health Care Access
Docket Number: 09-31421-WVR

Yale-New Haven Hospital

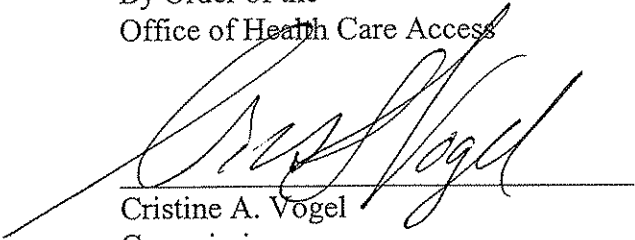
Request to Waive CON Requirements for the Replacement of an Existing 16-Slice PET/CT Scanner for a New 16-Slice PET/CT Scanner in New Haven

To: Jean Ahn
Systems Director
Yale-New Haven Hospital
20 York Street
New Haven, CT 06504

Dear Ms Ahn:

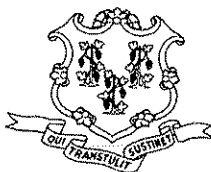
This letter will serve as notice of the Final Decision of the Office of Health Care Access in the above matter as provided by Section 19a-639c, C.G.S., as amended by P.A. 09-232, Section 96. On August 25, 2009, the Final Decision was rendered as the finding and order of the Office of Health Care Access. 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: Yale-New Haven Hospital

Docket Number: 09-31421-WVR

Project Title: Request to Waive CON Requirements for the Replacement of an Existing 16-Slice PET/CT Scanner with a New 16-Slice PET/CT Scanner in New Haven

Statutory Reference: Section 19a-639c of the Connecticut General Statutes, as amended by P.A. 09-232, Section 96

Filing Date: July 30, 2009

Decision Date: August 25, 2009

Staff: Jack A. Huber

Project Description: Yale-New Haven Hospital requests a waiver of Certificate of Need requirements for replacement equipment for the purpose of replacing its existing 16-slice PET/CT scanner with a new 16-slice PET/CT scanner at its campus located at 20 York Street in New Haven, Connecticut. The total capital expenditure for the replacement equipment project is \$799,608.

Nature of Proceedings: On July 30, 2009, the Office of Health Care Access (“OHCA”) received the completed waiver of Certificate of Need (“CON”) request for replacement equipment from Yale-New Haven Hospital (“Hospital”). The Hospital proposes to replace its existing 16-slice PET/CT scanner with a new 16-slice PET/CT scanner at its campus located at 20 York Street in New Haven, Connecticut. The total capital expenditure for the replacement equipment project is \$799,608. 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., as amended by Public Act: 09-232, Section 96. 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 January 7, 2004, in a Final Decision rendered under Docket Number (“DN”): 03-30120-CON, Yale-New Haven Hospital (“Hospital”) received Certificate of Need (“CON”) authorization from the Office of Health Care Access (“OHCA”) to acquire and operate a new whole body 16-slice PET/CT scanner to be located at 20 York Street at the Hospital’s New Haven campus. *(July 30, 2009, CON Waiver Form 2040, page 3 and Appendix I, pages 5 through 15)*
2. Prior to the CON authorization under DN: 03-30120-CON, OHCA granted a CON to the Hospital and the Department of Veterans Affairs Medical Center (“VA Hospital”) for the acquisition and operation of a PET scanner under DN: 02-501. The Hospital and the VA Hospital once had a shared ownership in the PET scanner that was at that time located at the VA Hospital at 50 Campbell Avenue in West Haven, Connecticut. *(July, 2009, CON Waiver Form 2040, Appendix I, page 8)*
3. Pursuant to Section 19a-639c of the Connecticut General Statutes (“C.G.S.”), as amended by Public Act: 09-232, Section 96, a proposal may be eligible for a waiver of replacement equipment from the CON process when a provider previously has received a CON for the equipment to be replaced and the expenditure or value for the replacement equipment is less than \$3 million. *(Section 19a-639c, C.G.S., as amended by Public Act: 09-232, Section 96)*
4. The total capital expenditure for the replacement equipment proposal is \$799,608, which is attributable to the purchase of the replacement 16-slice PET/CT scanner. *(July 30, 2009, CON Waiver Form 2040, page 3)*
5. The replacement equipment 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., as amended by Public Act 09-232, Section 96. *(Section 19a-639c, C.G.S., as amended by Public Act: 09-232, Section 96)*

Rationale

Yale-New Haven 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.”), as amended by Public Act: 09-232, Section 96. The Hospital is seeking to replace its existing 16-slice PET/CT scanner with a new 16-slice PET/CT scanner at its campus located at 20 York Street in New Haven, Connecticut.

On January 7, 2004, in a Final Decision rendered under Docket Number: 03-30120-CON, the Hospital received CON authorization from the Office of Health Care Access to acquire and operate a new whole body whole body 16-slice PET/CT scanner to be located at 20 York Street at the Hospital’s New Haven campus.

The replacement equipment expenditure for the proposed 16-slice PET/CT scanner is \$799,608, 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., as amended by Public Act: 09-232, Section 96.

Order

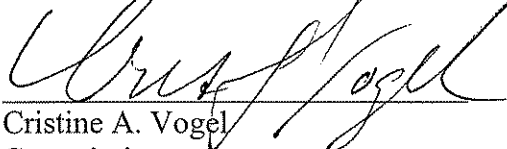
Based on the foregoing Findings and Rationale, the Office of Health Care Access ("OHCA") has determined that the request of Yale-New Haven Hospital ("Hospital") for a waiver of Certificate of Need ("CON") requirements for replacement equipment in order to replace its existing 16-slice PET/CT scanner with a new 16-slice PET/CT scanner at its campus located at 20 York Street in New Haven, Connecticut, at a replacement equipment expenditure of \$799,608, meets the requirements for a waiver of the CON process pursuant to Section 19a-639c of the Connecticut General Statutes, as amended by Public Act: 09-232, Section 96, and is hereby **approved**, subject to the following conditions.

1. The Hospital shall not exceed \$3 million in the replacement equipment expenditure or value for the replacement equipment. In the event that the Hospital learns of potential cost increases or expects the replacement equipment expenditure or value will exceed \$3 million, the Hospital shall notify OHCA in writing.
2. The Hospital shall notify OHCA regarding the initial date of the operation of the new 16-slice PET/CT scanner.
3. This authorization requires the removal of the Hospital's existing 16-slice PET/CT scanner for certain disposition, such as sale or salvage, outside of and unrelated to the Hospital's Connecticut service locations by no later than six months after the replacement 16-slice PET/CT scanner has become operational.

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.

8-25-09
Date

By Order of the
Office of Health Care Access


Cristine A. Vogel
Commissioner

CAV:jah