



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

November 17, 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

Johnson Memorial Hospital

Notice of Final Decision
Office of Health Care Access
Docket Number: 09-31491-WVR

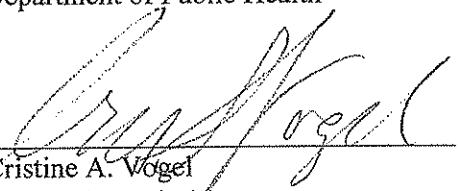
Request to Waive CON Requirements for the Replacement of an Existing Single-Slice CT Scanner with a 16-Slice CT Scanner at the Johnson Surgery Center located at 148 Hazard Avenue in Enfield, CT

To: Peter J. Betts
Interim President and CEO
Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076

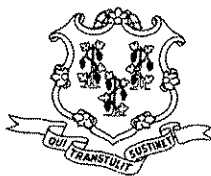
Dear Mr. Betts:

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 November 17, 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 Division of
Office of Health Care Access
Department of Public Health


Cristine A. Vogel
Deputy Commissioner

CAV: jah



**Department of Public Health
Office of Health Care Access
Certificate of Need Application**

Final Decision

Applicant: Johnson Memorial Hospital

Docket Number: 09-31491-WVR

Project Title: Request to Waive CON Requirements for the Replacement of an Existing Single-Slice CT Scanner with a 16-Slice CT Scanner at the Johnson Surgery Center located at 148 Hazard Avenue in Enfield, CT

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

Filing Date: November 12, 2009

Decision Date: November 17, 2009

Staff: Jack A. Huber

Project Description: Johnson Memorial Hospital requests a waiver of Certificate of Need requirements for replacement equipment for the purpose of replacing its existing Siemens single-slice CT scanner with a Siemens Somatom Emotion, 16-slice CT scanner at the Johnson Surgery Center located at 148 Hazard Avenue in Enfield, Connecticut. The total capital cost associated with the replacement equipment project is \$380,000.

Nature of Proceedings: On November 12, 2009, the Office of Health Care Access ("OHCA") received the completed waiver of Certificate of Need ("CON") request for replacement equipment from Johnson Memorial Hospital ("Hospital"). The Hospital proposes to replace its existing Siemens single-slice CT scanner with a Siemens Somatom Emotion, 16-slice CT scanner at the Johnson Surgery Center located at 148 Hazard Avenue in Enfield, Connecticut. The total capital cost associated with the replacement equipment project is \$380,000. 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 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 November 21, 1995, Johnson Memorial Hospital ("Hospital") received a Certificate of Need ("CON") determination from the Office of Health Care Access ("OHCA") under Report Number: 95-G5. The Hospital was informed that it was not required to obtain CON authorization for the lease and installation of a Siemens single-slice CT scanner, because the capital cost that was to be incurred by the Hospital as a result of the proposed lease was below the CON statutory threshold of \$400,000 for the imaging equipment acquisition. *(November 12, 2009, Initial Submission of CON Waiver Form 2040, page 2 and Attachment 1, pages 4 & 5)*
2. 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 has previously obtained a determination that a CON was not required for the original acquisition of the equipment and the expenditure or value of the replacement equipment is less than \$3 million. *(Section 19a-639c, C.G.S., as amended by Public Act: 09-232, Section 96)*
3. The total capital cost for the replacement equipment proposal is \$380,000. *(November 12, 2009, Initial Submission of CON Waiver Form 2040, page 2)*
4. 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

Johnson Memorial 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 Siemens single-slice CT scanner with a Siemens Somatom Emotion, 16-slice CT scanner at the Johnson Surgery Center located at 148 Hazard Avenue in Enfield, Connecticut.

On November 21, 1995, the Hospital received a CON Determination from the Office of Health Care Access under Report Number: 95-G5 that indicated the Hospital was not required to obtain CON authorization for the leasing and installation of the Siemens, single-slice CT scanner because the capital cost that was to be incurred by the Hospital as a result of the proposed lease was below the CON statutory threshold of \$400,000 for the imaging equipment acquisition.

The replacement equipment cost for the proposed 16-slice CT scanner is \$380,000, 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 Johnson Memorial Hospital ("Hospital") for a waiver of Certificate of Need ("CON") requirements in order to replace its existing Siemens single-slice CT scanner with a Siemens Somatom Emotion, 16-slice CT scanner at the Johnson Surgery Center located at 148 Hazard Avenue in Enfield, Connecticut, at a replacement equipment cost of \$380,000, meets the requirements for 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 proposed 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 16-slice CT scanner.
3. This authorization requires the removal of the Hospital's existing single-slice 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 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.

By Order of the Division of
Office of Health Care Access
Department of Public Health

11-17-09
Date


Cristine A. Vogel
Deputy Commissioner

CAV:jah