

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

OFFICE OF COMMISSIONER

February 25, 2010

IN THE MATTER OF:

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

Hispanos Unidos, Inc.

Notice of Final Decision
Office of Health Care Access
Docket Number: 09-31412-CON

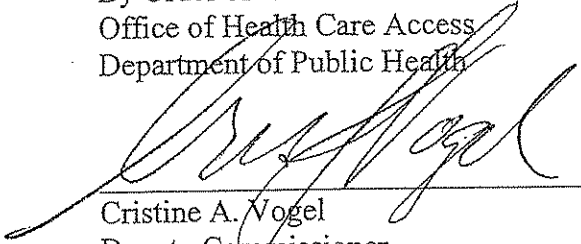
**Obtain an Adult Outpatient Substance
Abuse License in New Haven**

To: Luz Z. Gonzalez, MS
Executive Director
Hispanos Unidos, Inc.
116 Sherman Avenue
New Haven, CT 06511

Dear Mr. Gonzalez:

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 February 25, 2010, 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: pf

Enclosure





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

Applicant: Hispanos Unidos, Inc.
Docket Number: 09-31412-CON
Project Title: Obtain an Adult Outpatient Substance Abuse License in New Haven
Statutory Reference: Section 19a-638, Connecticut General Statutes
Filing Date: December 16, 2009
Decision Date: February 25, 2010
Default Date: March 16, 2010
Staff: Paolo Fiducia

Project Description: Hispanos Unidos, Inc. ("Applicant") proposes to establish adult outpatient substance abuse services in New Haven, with no associated total capital expenditure.

Nature of Proceedings: On December 16, 2009, the Office of Health Care Access ("OHCA") received the completed Certificate of Need ("CON") application of Hispanos Unidos, Inc. ("Applicant") proposing to establish adult outpatient substance abuse services in New Haven, with no associated total capital expenditure. The Applicant is a health care facility or institution as defined by Section 19a-630 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 on August 2, 2009 in the *The New Haven Register* pursuant to Section 19a-639 of the Connecticut General Statutes ("C.G.S"). OHCA received no responses from the public concerning the Applicant's Letter of Intent.

Pursuant to Section 19a-639, C.G.S. three individuals or an individual representing an entity with five or more people had until January 6, 2010, the twenty-first calendar day following the filing of the CON application, to request that OHCA hold a public hearing on the Hospital's proposal. OHCA received no hearing requests from the public by January 6, 2010.

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 of the Proposal on the Applicant's Current Utilization Statistics Proposal's Contribution to the Quality of Health Care Delivery in the Region Proposal's Contribution to the Accessibility of Health Care Delivery in the Region

1. It is found that Hispanos Unidos, Inc. ("Applicant") is a nonprofit corporation located at 116 Sherman Avenue, New Haven, Connecticut. *(November 17, 2009, Initial CON Application, page 3)*
2. Hispanos Unidos, Inc., d/b/a Nuevo Horizontes is licensed to maintain and operate a Psychiatric Outpatient Clinic for Adults at 116 Sherman Avenue, New Haven. *(November 17, 2009, Initial CON Application, page 6)*
3. The Applicant is proposing to obtain an adult outpatient substance abuse license from the Department of Public Health for services located at 116 Sherman Avenue, New Haven, Connecticut. *(December 10, 2009, Completeness Responses, page 83)*
4. The Applicant contends that Hispanos Unidos is the leading Latino-led HIV/AIDS organization in New Haven County, and currently provides services that include:
 - Outpatient substance abuse individual and group-level drug and alcohol prevention services;
 - Mental health services including psychological assessments, psychiatric evaluations, individual, family, an group therapy, and psychopharmacology; and
 - Coordination of medical services, health education, and support services.*(November 17, 2009, Initial CON Application, page 3)*
5. The Applicant contends that it has provided outpatient substance abuse services to approximately 300 individuals living with HIV/AIDS since the year 2000. *(November 17, 2009, Initial CON Application, page 3)*

6. The Applicant contends that it does not currently have or has not yet held a State of Connecticut, Department of Public Health substance abuse outpatient license. Outpatient substance abuse services have been provided through grant funding such as Ryan White Part A. If this proposal is approved, this will be the first time that the Applicant will possess outpatient substance abuse license from the State. *(December 10, 2009, Completeness Responses, page 83)*
7. The Applicant contends that providing the integration of services they offer plays a significant role in addressing the substance abuse and mental health needs of the target population, as well as risks of HIV transmission, and linkage to primary medical care. *(November 17, 2009, Initial CON Application, page 3)*
8. The Applicant contends that their current target population is Latino adult men and women living with HIV/AIDS. *(November 17, 2009, Initial CON Application, page 3)*
9. OHCA finds that the Applicant has demonstrated that the integration of services improves access to care that is needed by this target population.
10. The Applicant contends that they are the only organization that provides both outpatient substance abuse and mental health services as well as supportive services and has a fully bilingual staff prepared to deliver all services in a language that the target population can understand. *(November 17, 2009, Initial CON Application, page 4)*
11. The Applicant proposes to expand current outpatient substance abuse services with a focus on Latino adult men and women with substance abuse problems regardless of HIV status. *(November 17, 2009, Initial CON Application, page 5)*
12. The Applicant contends that its proposal's target population is one that has been historically underserved. *(November 17, 2009, Initial CON Application, page 13)*
13. The Applicant contends that in the year 2000, Hispanos Unidos engaged in a planning effort, in concert with the Board of Directors, staff, and patients, to devise a 5-year strategic plan. As a result of this planning process, the agency implemented a comprehensive set of services that now include outpatient substance abuse services, outpatient mental health services, HIV prevention and health education services, medical case management services, medication and treatment adherence services, and a sleep-away camp for children affected by HIV/AIDS. *(November 17, 2009, Initial CON Application, pages 19-20)*

14. The Applicant provided the following historical number of patients served.

Table 1: Historical Number of Patients Served

	2006	2007	2008	2009
Existing Substance Abuse Program for Individuals with HIV/AIDS	25	28	30	17

Note: The Applicant's Fiscal Year is July 1 through June 30. FY 2009 (June thru September 2009) (November 17, 2009, Initial CON Application, page 12)

15. The Applicant provided the projected number of patients to be served based on doubling staff capacity to full-time status at 35 hours per week.

Table 2: Projected Number of Patients

	2009	2010	2011	2012
Outpatient Substance Abuse Counseling	25	50	75	100

Note: The Applicant's Fiscal Year is July 1 through June 30. (November 17, 2009, Initial CON Application, page 12 and December 16, 2009, Completeness Responses, page 80)

16. OHCA finds that based on the experience of the Applicant, these projections are reasonable.

17. The Applicant contends that it will be utilizing the Ryan White Part A Standards of Care it currently uses for its substance abuse program. The Applicant intends to meet each of the guidelines and adhere to its Standards of Care through regular Internal Quality Assurance audits and written correction plans as needed. (November 17, 2009, Initial CON Application, page 15 and Attachment D, pages 40-47)

Financial Feasibility of the Proposal and its Impact on the Hospital'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

18. The Applicant contends that the proposal has no associated total capital expenditure. (November 17, 2009, Initial CON Application, page 16)

19. The Applicant projects gains from operations incremental to the project in the first three years of the proposal. Net patient revenue, operating expenses, and gains from operations are presented in the following table.

Table 3: Projected Incremental Revenues and Expenses

	2010	2011	2012
Revenue from Operations	\$63,600	\$95,400	\$119,742
Operating Expenses	\$63,069	\$86,693	\$106,324
Gain from Operations	\$531	\$8,707	\$13,418

(December 16, 2009, Completeness Responses, page 84)

20. The Applicant contends that it will charge the approved Department of Social Services rate of \$26.50 per session, and that it anticipates providing four (4) sessions per client per month. *(December 16, 2009, Completeness Responses, page 83)*

21. It is found that the Applicant's proposed average rate of \$26.50 per visit is sufficient to cover the anticipated capital expenditure and operating costs associated with the proposal. *(November 17, 2009, Initial CON Application, page 22)*

22. The Applicant contends that to meet need for an increased number of patients each year, it will increase the number of FTEs from the current .5 FTE to 1 FTE in FY 2010, 1.5 FTE in FY 2011, and 2 FTE in FY 2012. *(November 17, 2009, Initial CON Application, page 22)*

23. The Applicant contends that the projected patient population mix is based on the patient population that Hispanos Unidos has historically served, which is 3% Medicare, 89% Medicaid, 4% Commercial, and 4% Uninsured.

Table 4: Projected Patient Population Mix

Payer Source	Projected 2010	Projected 2011	Projected 2012
Medicare	3%	3%	3%
Medicaid	89%	89%	89%
Champus and Tricare	0.0%	0.0%	0.0%
Total Government Payers	92%	92%	92%
Commercial Insurers	4%	4%	4%
Uninsured	4%	4%	4%
Workers Compensation	0.0%	0.0%	0.0%
Total Non-government Payers	8%	8%	8%
Total Payer Mix	100%	100%	100%

(December 16, 2009, Completeness Responses, page 83)

24. The Applicant provided resumes for the Executive Director, Deputy Director, Substance Abuse Counselor, and contractual Clinical Supervisor. It is found that the Applicants have sufficient technical and managerial competence to provide efficient and adequate service to the public. *(November 17, 2009, Initial CON Application, page 13 and Attachment C, pages 31-39)*

25. The Applicant contends that this proposal is cost effective because preventative services that address the underlying root causes of substance abuse will result in less state dollars needed to fund costlier programs such as residential drug treatment, emergency room visits, or hospitalization/institutionalization. (*November 17, 2009, Initial CON Application, page 18*)

26. The Applicant contends that it has contained costs by participating in Provation, a group purchasing program for supplies, pharmaceuticals, and equipment, and that it has recently revised its pharmacy formulary for additional savings. (*May 26, 2009, Initial CON Application, page 38*)

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.

Hispanos Unidos, Inc. (“Applicant”) is a nonprofit corporation located at 116 Sherman Avenue, New Haven, Connecticut. The Applicant currently holds a Psychiatric Outpatient Clinic for Adults license at the above location. The Applicant contends that Hispanos Unidos is the leading Latino-led HIV/AIDS organization in New Haven County, and since the year 2000 has provided outpatient substance abuse services to approximately 300 individuals living with HIV/AIDS without having a State of Connecticut, Department of Public Health substance abuse outpatient license. The Applicant is proposing to obtain a substance abuse outpatient license for adults from the Department of Public Health for services located at 116 Sherman Avenue, New Haven, Connecticut.

Obtaining a Substance abuse outpatient license will allow the Applicant to expand current outpatient substance abuse services with a focus on Latino adult men and women with substance abuse problems regardless of HIV status. The Applicant contends that they are the only organization that provides both outpatient substance abuse and mental health services as well as supportive services and has a fully bilingual staff prepared to deliver all services in a language that the target population can understand. OHCA finds that the Applicant has demonstrated that the integration of services improves access to care that is needed by this target population. Finding of Fact 9.

The Applicant contends that to meet need for an increased number of patients each year and to provide services to an additional number of patients, it will increase the number of FTEs from the current .5 FTE to 1 FTE in FY 2010, 1.5 FTEs in FY 2011, and 2 FTEs in FY 2012. Based upon the above, OHCA finds that based on the experience of the Applicant, these projections are reasonable. Finding of Fact 16.

The project has no associated total capital expenditure. With the proposal, the Applicant projects incremental gains from operations in FYs 2010-2012, of \$531, \$8,707, and \$13,418. Based on the above, OHCA concludes that the CON proposal is financially feasible.

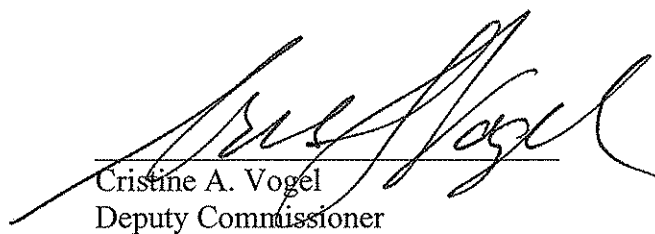
Order

The proposal of Hispanos Unidos., d/b/a Nuevo Horizontes ("Applicant") to obtain a substance abuse outpatient license for adults at 116 Sherman Avenue, New Haven, Connecticut with no associated capital expenditure, is hereby APPROVED.

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

2-25-10
Date


Cristine A. Vogel
Deputy Commissioner

CAV:pf