

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

OFFICE OF COMMISSIONER

March 30, 2010

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: 09-31416-CON

Termination of Mental Health and Substance Abuse Services in Hamden

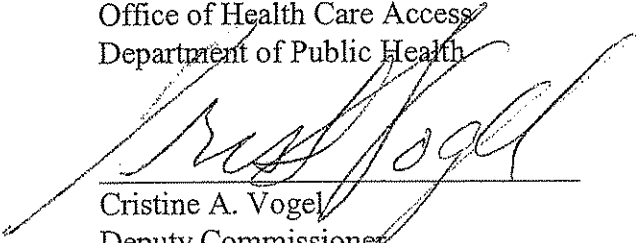
To:

Mary Gillette
Vice President of Organizational Performance
Community Mental Health Affiliates, Inc.
29 Russell Street
New Britain, CT 06052

Dear Ms. Gillette:

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 March 30, 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.

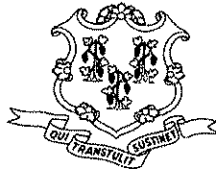
By Order of the Division of
Office of Health Care Access
Department of Public Health



Cristine A. Vogel
Deputy Commissioner

CAV: cgc: swl
Enclosure





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

Final Decision

Applicant: Community Mental Health Affiliates, Inc.

Docket Number: 09-31416-CON

Project Title: Termination of Mental Health and Substance Abuse Services in Hamden

Statutory Reference: Section 19a-638 of the Connecticut General Statutes

Filing Date: February 18, 2010

Decision Date: Date: March 30, 2010

Default Date: Date: May 19, 2010

Staff Assigned: Carmen G. Cotto
Steven W. Lazarus

Project Description: Community Mental Health Affiliates, Inc. ("CMHA or "Applicant") is proposing to terminate mental health and substance abuse services in Hamden, Connecticut, with an associated capital expenditure of \$2,000.

Nature of Proceedings: On February 18, 2010, the Office of Health Care Access ("OHCA") received the proposal of Community Mental Health Affiliates, Inc. ("CMHA or "Applicant") to terminate mental health and substance abuse services in Hamden, Connecticut, with an associated capital expenditure of \$2,000. 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 in *The New Haven Register* on August 2, 2009. Pursuant to Section 19a-638, C.G.S., three individuals or an individual representing an entity with five or more people

had until March 11, 2010, 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 the CON application 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 Community Mental Health Affiliates, Inc. ("CMHA" or "Applicant") is a non-profit provider of mental health and substance abuse treatment services, headquartered in New Britain, CT. (*July 21, 2009, Letter of Intent, pages 1 and 7*)
2. The Applicant merged with and assumed operations of Family Services of Central Connecticut ("FSCC") in 2007. The Applicant contends that FSCC has been providing services in Hamden since 2002. (*September 28, Initial CON Application, page 3*)
3. Docket No.:06 30899-EXM, the merger between Family Services of Central Connecticut, Inc. with and into CMHA, meets the exemption requirements of Section 19a-639b of the Connecticut General Statutes and, therefore, was exempt from OHCA's CON process.
4. The Applicant provides outpatient mental health services and intensive outpatient services to adults with substance abuse disorders at 1890 Dixwell Avenue, in Hamden. CMHA is licensed by DPH as a Psychiatric Outpatient clinic for adults and as a Facility for the Care and Treatment of substance Abusive or Dependent Persons. (*July 7, 2009, Letter of Intent, page 7*)
5. According to the State of Connecticut Department of Public Health ("DPH"), CMHA's Hamden facility was closed effective October 1, 2009. (*November 10, 2009, memo from Facility Licensing & Investigations Section, Department of Public Health*)
6. The Applicant provided minutes from the June 2009, Board of Directors meeting showing that the Board voted to approved their budget for 2009-2010, on which the services at Hamden were excluded. (*September 28, Initial CON Application, page 3*)
7. The Applicant operates seven outpatient programs in Connecticut that provide the same outpatient mental health services and intensive outpatient services to adults with substance abuse disorders provided at CMHA in Hamden. The outpatient programs' services, current hours of operation and current capacity are as follows:

Table 1: CMHA's Outpatient Programs in Connecticut

Outpatient Program	Services	Hours of Operation	Capacity*
Bristol Outpatient Clinic, 81 North Main Street, Bristol	Mental health, substance abuse and case management and vocational services for adults	Monday-Friday-8:30am-4:30pm	175
Adult Outpatient Services, 55 Winthrop Street, New Britain	Mental health, substance abuse, outpatient and intensive outpatient co-occurring disorders for adults; and family counseling	Monday, Wednesday, Friday-8:00 am-5:00pm; Tuesday & Thursday 8:00am -9:00pm	758
Child Guidance Clinic, 26 Russell Street, New Britain	Specialized in services Mental health, substance abuse, day treatment intensive outpatient services to children and adolescents; Family services include: counseling adoption, supervised visitation and young parents' program	Monday-Thursday -8:30am-8:00pm; Friday 8:30am-6:00pm	600
Northwest Family Services/Lakeville, 315 Main Street, Lakeville	Mental health services for adults and children, and adult case management	Monday, Wednesday, Friday-9:00am-5:00pm; Tuesday & Thursday 9:00 am-7:00pm	182
Northwest Family Services/New Milford, 35 Park Lane, New Milford	Mental health services for adults and children	Monday-Thursday -9:00am-7:00pm; Friday 9:00am-5:00pm	300
Northwest Family Services/Torrington, 100 Commercial Blvd., Torrington	Mental health services for adults and children; and in-home family preservation/stabilization	Monday-Thursday -8:00am-7:00pm; Friday 8:00am-6:00pm	700
Family Services Terryville, 58 Main Street, Terryville	Mental health services for adults and children	Monday 11:00am-7:00pm	70

*FY2009-2010 - Current Capacity based on number of service slots; slot capacity = number of clients who can be seen at any given time.
(September 28, 2009 Initial CON Application, Attachment 1, pages 12-14 and December 9, 2009, Completeness Response, pages 52-53)

8. The Applicant asserts that they have provided referrals for clients who were in the CMHA's program in Hamden. Clients were notified in person at their sessions and/or via a letter informing them of the closing and offering them referral options. The Applicant provided copies of the letters as evidence. (September 28, Initial CON Application, pages 4-5)
9. The Applicant contends that phone calls were made to area providers and their affirmative responses led the Applicant to include them on their letter to clients as referral options. (September 28, Initial CON Application, page 4)

10. The Applicant assert that the following table illustrates that between FY 2008-2009, the majority of patients who received services at CMHA's Hamden location were from the two adjacent towns of Hamden and New Haven, 22.9% and 22.5%, respectively.

Table 2: CMHA's Hamden Location Volume of Outpatient (OP) and Intensive Outpatient (IOP) Services by Town for FY 2008-2009*

Town	OP # of clients served	IOP # of clients served	% Total Combined
Hamden	79	25	22.9%
New Haven	89	13	22.5%
Wallingford	24	UO**	5.3%
Meriden	23	2	5.5%
North Haven	22	6	6.2%
East Haven	14	9	5.1%
West Haven	14	7	4.6%
Guilford	11	10	4.6%
Branford/North Branford	8	5	2.9%
Cheshire	8	3	2.4%
Milford	6	5	2.4%
Orange	6	4	2.2%
Middletown	5	UO	1.1%
Northford	5	2	1.5%
Ansonia	3	2	1.1%
Bridgeport	3	2	1.1%
New Britain	3	UO	0.70%
Shelton	3	UO	0.70%
Woodbridge	2	UO	0.44%
Other***	17	14	6.8%
Total	345	109	100%

*FY is 7/1 to 6/30

**Means "Under Other" category

***Other: Hartford, Old Lyme, Old Saybrook, Seymour, Oxford, Prospect, Westbrook, Bethany, Clinton, Durham, East Hartford, Fairhaven, Naugatuck, Waterbury, Wolcott, Southington, New Britain, Woodbridge, Middletown, Killingworth, Madison, Wallingford, Newtown and Shelton

(September 28, Initial CON Application, page 5)

11. The Applicant contends that on an ongoing basis, access to services for the residents of Hamden and New Haven has occurred and will continue through their Local Mental Health Authority, the 211 Information number for other existing services, DMHAS, or through the mental health and abuse service and provider networks in that area. The following table lists the providers of similar services in the Greater New Haven area:

Table 3: Existing providers in the Connecticut Greater New Haven area

Location	Providers	Services Provided
New Haven	Jewish Family Services, Northside Community Outpatient, APT Foundation-Central Medical unit, APT Foundation-Orchard Clinic, Hill Health Center, Chemical Abuse Services d/b/a MAAS Suboxone, Behavioral Health Services of Hamden, Connections Counseling Center, Adult psychiatric Clinic, and Grant St. Partnership	OP* mental health and substance abuse counseling, OP alcohol and drug detoxification services, Treatments for health problems, co-occurring disorders, substance abuse, Methadone maintenance, Child and family guidance, Partial hospitalization/day, OP treatment for adult with severe mental illness, and IOP program OP/aftercare
Meriden	Rushford Center	OP Detoxification, Group and individual counseling, and Aftercare program

*OP means Outpatient, IOP means Intensive Outpatient

(September 28, Initial CON Application, page 4 and December 9, 2009, Completeness Response, pages 54-55)

12. The Applicant did not provide the existing providers' capacity as requested by OHCA. The Applicant contends that due to program closure, program staff were unable to make follow up phone calls to providers to determine capacity. (December 9, 2009, Completeness Response, page 55)
13. OHCA finds that the Applicant demonstrated the availability of services similar to those previously offered by CMHA in Hamden are offered by other providers in the Greater New Haven area.

14. The Applicant provided historical and actual volume for the Hamden location indicating a decrease in volume for IOP in FY 2007 and increases thereafter. The Applicant contends that prior to FY 2008-2009 CMHA did not offer aftercare services, and once the services were added, the volume at their Hamden location experienced an increase.

Table 4: CMHA's Hamden Location Historical and Actual Volume* 2007- 2009**

	FY 2006-2007	FY 2007-2008	FY 2008-2009	Actual*** 7/1/09-8/31/09
Clients served				
IOP	85	70	109	19
OP	123	214	345	138
Total	208	284	454	157
Visits				
IOP (days)	804	624	1249	139
OP (sessions)	595	1457	2978	477
Total	1399	2081	4227	616

*The number provided is the number of unduplicated clients per service level. The number of admissions is approximately this number in each case, but CMHA has no means of obtaining accurate information as to which clients were carried over from year to year.

*There is duplication between IOP and OP, in that many clients (64 in FY 08/09; 15 in 07/08 and none in 06/07) were seen in both levels of care, and are counted in both levels. Thus for 08/09, the unduplicated count between programs was 390 clients. For 09/10, the number seen in both levels of care was 8.

**FY is 7/1 to 6/30 in all cases.

***Actual year data is actual counts of services and clients served; it covers period from July 1, 2009 through August 31, 2009.

(September 28, Initial CON Application, pages 5-6)

Financial Feasibility of the Proposal and its Impact on the Applicant's Rates and Financial Condition
Rates Sufficient to Cover Proposed Capital and Operating Costs
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 project has an associated capital expenditure of \$2,000. (September 28, Initial CON Application, pages 2 and 8)
16. The Applicant contends that in spite of the increased in volumes, in FY 2009, the program operated at a deficit of \$60,042 and was projected to increase by 3% each year through 2010. (September 28, Initial CON Application, page 6 and December 9, 2009, Completeness Response, page 56)
17. The Applicant contends that CMHA sought but was denied SAGA provider status in Hamden, eliminating SAGA as a revenue source. The DSS Families in Crisis Grant, the sole grant supporting the Hamden site, was eliminated from the state budget for 2010. (December 9, 2009, Completeness Response, pages 52-53)

18. With the operation of the Hamden location, the Applicant realized a loss from operations of \$61,843 in FY 2010, \$63,699 in FY 2011 and \$65,610 in FY 2012. *(September 28, Initial CON Application, page 47)*
19. The Applicant's payer mix for the Hamden location indicates that Medicare and Tricare patients were not served during FY 2008-2009. All patients served through governmental payers at FSCC were enrolled in Medicaid.

**Table 5: FY 2008-2009 Patient Population Mix for the Hamden Location
Based on Units of Service Provided**

Payer Mix	Percentage
Medicare	0%
Medicaid	45%
TriCare (CHAMPUS)	0%
Total Government	45%
Commercial Insurers	49%
Self-pay (Uninsured)	6%
Total Non-Government	55%
Total Payer Mix	100%

(December 9, 2009, Completeness Response, page 56)

20. The Applicant contends that efforts to improve productivity have been demonstrated throughout the proposal. *(September 28, Initial CON Application, page 10)*
21. The Applicant contends that there are no characteristics of the Applicant's patient/physician mix that make the proposal unique. *(September 28, Initial CON Application, page 10)*
22. The Applicant provided resumes of its executive and clinical leadership demonstrating that the agency possesses sufficient technical, financial and managerial competence and expertise to provide efficient and adequate service to the public. *(September 28, Initial CON Application, page 6)*

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.

Community Mental Health Affiliates, Inc. (“CMHA” or “Applicant”) is a non-profit corporation headquartered in New Britain that provides mental health and substance abuse treatment services throughout Connecticut. CMHA has a site at 1890 Dixwell Avenue in Hamden. The Hamden site provided outpatient mental health services and intensive outpatient services to adults with substance abuse disorders. The Applicant operates seven outpatient programs in Connecticut that provide the same outpatient mental health services and intensive outpatient services to adults with substance abuse disorders provided at CMHA in Hamden.

The Applicant provided utilization data by town for FY 2008-2009 demonstrating that the majority of its Hamden location clients resided in either in New Haven (22.5) or Hamden (22.9%), respectively. The Applicant asserted that they have provided referrals for former CMHA Hamden clients to area providers and that access to services for the residents of both Hamden and New Haven will be maintained through their Local Mental Health Authority, the 211 Information number for other existing services, DMHAS, or through the mental health and abuse service and provider networks in that area.

Although according to the Connecticut Department of Public Health (“DPH”), the Applicant turned in its license on October 1, 2009, access to similar services provided by the Applicant at the Hamden location will continue to be provided through other area providers or state sponsored programs (Finding #13). Therefore, OHCA concludes that termination of services at the Hamden location did not impact access, as similar services are maintained.

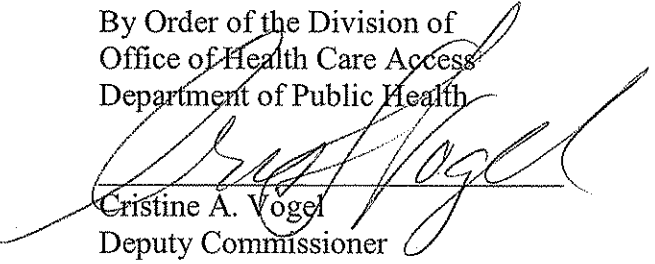
Order

The proposal of Community Mental Health Affiliates, Inc. to terminate outpatient services for children and adults in Hamden, Connecticut with an associated capital expenditure of \$2,000 is hereby GRANTED.

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

3-30-10
Date


Cristine A. Vogel
Deputy Commissioner

CAV: cgc: swl