

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH Office of Health Care Access

January 29, 2010

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: 10-31524-WVR

The Stamford Hospital

Request to Waive CON Requirements for the Replacement of an Existing 4-Slice CT Scanner with a 64-Slice CT Scanner in Stamford

To:

David L. Smith

Senior Vice President, Marketing & Development

The Stamford Hospital 30 Shelburne Road P.O. Box 9317 Stamford, CT 06904

Dear Mr. Smith:

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 January 29, 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: jah



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

Final Decision

Applicant: The Stamford Hospital

Docket Number: 10-31524-WVR

Project Title: Request to Waive CON Requirements for the Replacement

of an Existing 4-Slice CT Scanner with a 64-Slice CT

Scanner in Stamford

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

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

Filing Date: January 27, 2010

Decision Date: January 29, 2010

Staff: Jack A. Huber

Project Description: The Stamford Hospital requests a waiver of Certificate of Need requirements for replacement equipment for the purpose of replacing its existing 4-slice CT scanner with a 64-slice CT scanner to be located at the Hospital's main campus in Stamford, Connecticut. The total capital cost associated with the replacement equipment project is \$1,079,990.

Nature of Proceedings: On January 27, 2010, the Office of Health Care Access ("OHCA") received the completed waiver of Certificate of Need ("CON") request for replacement equipment from The Stamford Hospital ("Hospital"). The Hospital proposes to replace its 4-slice CT scanner with a 64-slice CT scanner to be located at the Hospital's main campus in Stamford, Connecticut. The total capital cost associated with the replacement equipment project is \$1,079,990. 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. The Stamford Hospital ("Hospital") received Certificate of Need ("CON") authorization in 1990 from the Commission on Hospital's and Health Care, predecessor to the Office of Health Care Access ("OHCA") to acquire and operate a GE CT 8800 computed tomography ("CT") scanner. (January 27, 2010, Initial Submission of CON Waiver Form 2040, Attachment 1)
- 2. On June 26, 2002, under Docket Number: 02-1500, OHCA determined that the Hospital's proposal to replace its existing GE CT 8800 CT scanner with a GE Lightspeed CT scanner, at a capital cost of \$979,550, met the requirements for a waiver of the CON process pursuant to Section 19a-639c of the Connecticut General Statutes ("C.G.S.") and the Hospital was granted a CON for the replacement proposal (January 27, 2010, Initial Submission of CON Waiver Form 2040, Attachment 1)
- 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 received a CON for the equipment to be replaced, 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)
- 4. The total capital cost for the replacement equipment proposal is \$1,079,990 and is attributable to the purchase of the proposed 64-slice CT scanner and \$450,000 in construction costs. (January 27, 2010, Initial Submission of CON Waiver Form 2040, pages 4 and attachment 2)
- 5. The replacement equipment value 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

The Stamford 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 4-slice CT scanner with a 64-slice CT scanner to be located at the Hospital's main campus in Stamford, Connecticut.

On June 26, 2002, under Docket Number: 02-1500, OHCA determined that the Hospital's proposal to replace its existing GE CT 8800 CT scanner with a GE Lightspeed CT scanner,

at a capital cost of \$979,550, met the requirements for a waiver of the CON process pursuant to Section 19a-639c of the Connecticut General Statutes ("C.G.S.") and the hospital was granted a CON for the replacement proposal.

The replacement equipment cost for the proposed 64-slice CT scanner is \$629,990, 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 The Stamford Hospital ("Hospital") for a waiver of Certificate of Need ("CON") requirements in order to replace its existing 4-slice CT scanner with a 64-slice CT scanner to be located at the Hospital's main campus in Stamford, Connecticut, at a replacement equipment cost of \$629,990, 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 condition.

1. This authorization requires the removal of the Hospital's existing 4-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 64-slice CT scanner has become operational.

Should the Hospital fail to comply with the aforementioned condition, 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

Cristine A. Vogel

Deputy Commissioner

CAV:jah