

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

March 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: 10-31565-WVR

Jefferson Radiology, PC

**Request to Waive CON Requirements for the
Replacement of an Existing .23 Tesla MRI
Scanner with a 1.5 Tesla MRI Scanner and to
Relocate the MRI Service within Enfield,
Connecticut**

To: Theresa Szymanski
General Council
Jefferson Radiology
111 Founder Plaza, Suite 400
East Hartford, CT 06108

Dear Ms. Szymanski:

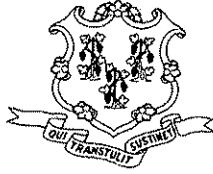
This letter will serve as notice of the Final Decision of the Office of Health Care Access in the above matter as provided by Section 19a-639c, C.G.S., as amended by P.A. 09-232, Section 96. On March 29, 2010, the Final Decision was rendered as the finding and order of the Office of Health Care Access. 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: Jefferson Radiology, PC

Docket Number: 10-31565-WVR

Project Title: Request to Waive CON Requirements for the Replacement of an Existing .23 Tesla MRI Scanner with a 1.5 Tesla MRI Scanner and to Relocate the MRI Service within Enfield, Connecticut

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

Filing Date: March 10, 2010

Decision Date: March 29, 2010

Staff: Jack A. Huber

Project Description: Jefferson Radiology, PC (“Applicant”) requests a waiver of Certificate of Need requirements for replacement equipment for the purpose of replacing its existing .23 tesla magnetic resonance imaging (“MRI”) scanner with a 1.5 tesla MRI scanner. The Applicant also requests to relocate the existing MRI service from 137 Hazard Avenue in Enfield, Connecticut to 100 Hazard Avenue in Enfield, Connecticut. The total capital cost associated with the replacement equipment project is \$1,855,000.

Nature of Proceedings: On March 10, 2010, the Office of Health Care Access (“OHCA”) received the completed waiver of Certificate of Need (“CON”) request for replacement equipment from Jefferson Radiology, P.C. (“Applicant”). The Applicant proposes to replace its existing .23 tesla MRI scanner with a 1.5 tesla MRI scanner. The Applicant also requests to relocate the existing MRI service from 137 Hazard Avenue in Enfield, Connecticut to 100 Hazard Avenue in Enfield, Connecticut. The total capital cost associated with the replacement equipment project is \$1,855,000.

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 of the Connecticut General Statutes ("C.G.S."), as amended by Public Act: 09-232, Section 96. The provisions of this section as well as Section 19a-639, C.G.S. and 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 March 14, 2005, Jefferson Radiology, P.C. ("Applicant") received a Certificate of Need ("CON") determination from the Office of Health Care Access ("OHCA") under Report Number: 05-30449-DTR. The Applicant was informed that it was not required to obtain CON authorization for the acquisition and operation of a .23 tesla magnetic resonance imaging ("MRI") scanner. *(March 10, 2010, Initial Submission of CON Waiver Form 2040, Attachment 1)*
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 \$1,855,000, which is entirely attributable to the cost of the replacement MRI scanner. *(March 10, 2010, Initial Submission of CON Waiver Form 2040, page 4 and Attachment 2)*
4. 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)*
5. The Applicant also requests to relocate the existing MRI service from 137 Hazard Avenue in Enfield, Connecticut to 100 Hazard Avenue in Enfield, Connecticut. *(March 10, 2010, Initial Submission of CON Waiver Form 2040, page 3)*

Rationale

Jefferson Radiology, P.C. ("Applicant") 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 Applicant is seeking to replace its existing .23 tesla magnetic resonance imaging ("MRI") scanner with a 1.5 tesla MRI scanner and to relocate the service site from 137 Hazard Avenue in Enfield, Connecticut to 100 Hazard Avenue in Enfield, Connecticut.

On March 14, 2005, the Applicant received a CON determination from the Office of Health Care Access under Report Number: 05-30449-DTR. The Applicant was informed that it was not required to obtain CON authorization for the acquisition and operation of a .23 tesla magnetic resonance imaging ("MRI") scanner.

The replacement equipment cost for the proposed 1.5 tesla MRI scanner is \$1,855,000, 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

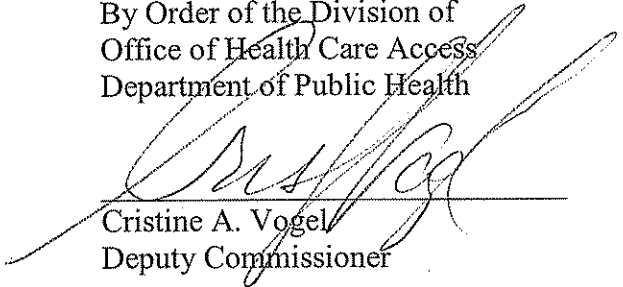
Based on the foregoing Findings and Rationale, the Office of Health Care Access ("OHCA") has determined that the request of Jefferson Radiology, PC ("Applicant") for a waiver of Certificate of Need ("CON") requirements in order to replace its existing .23 tesla magnetic resonance imaging ("MRI") scanner with a 1.5 tesla MRI scanner at a new site to be located at 100 Hazard Avenue in Enfield, Connecticut, at a replacement equipment cost of \$1,855,000, meets the requirements for waiver of the CON process pursuant to Section 19a-639c of the Connecticut General Statutes ("C.G.S.") as amended by Public Act: 09-232, Section 96, and meets the requirements of Section 19a-639, C.G.S., and is hereby **approved**, subject to the following conditions.

1. This authorization requires the removal of the Applicant's existing .23 tesla MRI scanner for certain disposition, such as sale or salvage, outside of and unrelated to the Applicant's Connecticut service locations by no later than six months after the replacement MRI scanner has become operational.
2. The Applicant may relocate the existing MRI service from 137 Hazard Avenue in Enfield, Connecticut to 100 Hazard Avenue in Enfield, Connecticut.

Should the Applicant fail to comply with 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

3-29-10
Date


Cristine A. Vogel
Deputy Commissioner