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: 10-31566-WVR

Greater Waterbury Imaging Center, LLP

Request to Waive CON Requirements for the Replacement of an Existing 1.5 Tesla MRI Scanner with a 1.5 Tesla MRI Scanner in Waterbury, Connecticut

To:

Susan Castelli Operations Manager Greater Waterbury Imaging Center, LLP 68 Robbins Street Waterbury, CT 06708

Dear Ms. Castelli:

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:

Greater Waterbury Imaging Center, LLP

Docket Number:

10-31566-WVR

Project Title:

Request to Waive CON Requirements for the Replacement

of an Existing 1.5 Tesla MRI Scanner with a 1.5 Tesla MRI

Scanner in Waterbury, Connecticut

Statutory Reference:

Section 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: Greater Waterbury Imaging Center, LLP requests a waiver of Certificate of Need requirements for replacement equipment for the purpose of replacing its existing 1.5 tesla magnetic resonance imaging ("MRI") scanner with a 1.5 tesla MRI scanner at its office located at 68 Robbins Street in Waterbury, Connecticut. The total capital cost associated with the replacement equipment project is \$2,350,000.

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 Greater Waterbury Imaging Center, LLP ("Applicant"). The Applicant proposes to replace its existing 1.5 tesla magnetic resonance imaging ("MRI") scanner with a 1.5 tesla MRI scanner at its office located at 68 Robbins Street in Waterbury, Connecticut. The total capital cost associated with the replacement equipment project is \$2,350,000.

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 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 July 22, 1988, Greater Waterbury Imaging Center, LLP ("Applicant") received a Certificate of Need ("CON") from the Commission on Hospitals and Health Care, predecessor to the Office of Health Care Access ("OHCA"), under Docket Number: 88-1002 to acquire and operate a 1.5 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 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)
- 3. The total capital cost for the replacement equipment proposal is \$2,350,000, of which \$2,045,00 is attributable to the cost of the replacement MRI scanner and \$305,000 is attributable to other costs. (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)

Rationale

Greater Waterbury Imaging Center, LLP ("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 1.5 tesla magnetic resonance imaging ("MRI") scanner with a 1.5 tesla MRI scanner to be located at the Applicant's office located at 68 Robbins Street in Waterbury, Connecticut.

On July 22, 1988, the Applicant received a CON from the Commission on Hospitals and Health Care, predecessor to the Office of Health Care Access, under Docket Number: 88-1002 to acquire and operate a 1.5 tesla MRI scanner

The replacement equipment cost for the proposed 1.5 tesla MRI scanner is \$2,045,000, 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 Greater Waterbury Imaging Center, LLP ("Applicant") for a waiver of Certificate of Need ("CON") requirements in order to replace its existing 1.5 tesla magnetic resonance imaging ("MRI") scanner with a 1.5 tesla MRI scanner at its office located at 68 Robbins Street in Waterbury, Connecticut, at a replacement equipment cost of \$2,045,000, 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 condition.

1. This authorization requires the removal of the Applicant's existing 1.5 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.

Should the Applicant 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

3-29-10

Cristine A. Vogel

Deputy Commissioner

CAV:jah