

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

June 16, 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: 10-31627-WVR

Yale-New Haven Hospital

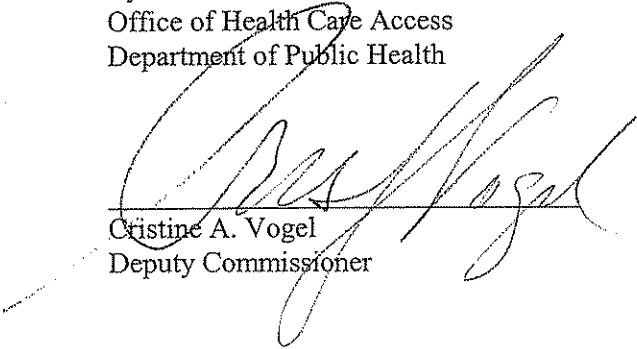
Request to Waive CON Requirements for the Replacement of an Existing 4-Slice CT Scanner with a 16-Slice CT Scanner in New Haven, CT

To: Jean Ahn
Systems Director
Yale-New Haven Hospital
20 York Street (Howe 3)
New Haven, CT 06504

Dear Ms. Ahn:

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 June 16, 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: Yale-New Haven Hospital

Docket Number: 10-31627-WVR

Project Title: Request to Waive CON Requirements for the Replacement of an Existing 4-Slice CT Scanner with a 64-Slice CT Scanner

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

Filing Date: May 24, 2010

Decision Date: June 16, 2010

Staff: Jack A. Huber

Project Description: Yale-New Haven Hospital ("Hospital") requests a waiver of Certificate of Need requirements for replacement equipment for the purpose of replacing its existing 4-slice computed tomography ("CT") scanner with a 64-slice CT scanner. The Hospital also discusses plans to relocate the existing CT service from its Long Wharf Medical Center at 150 Sargent Drive in New Haven to its Smilow Cancer Hospital located on the Hospital's main campus in New Haven. The total capital cost associated with the replacement equipment project is \$1,300,000.

Nature of Proceedings: On May 24, 2010, the Office of Health Care Access ("OHCA") received the completed waiver of Certificate of Need ("CON") request for replacement equipment from Yale-New Haven Hospital ("Hospital"). The Hospital proposes to replace its existing 4-slice computed tomography ("CT") scanner with a 64-slice CT scanner. The Hospital also discusses plans to relocate the existing CT service from its Long Wharf Medical Center at 150 Sargent Drive in New Haven to its Smilow Cancer Hospital located on the Hospital's main campus in New Haven. The total capital cost associated with the

replacement equipment project is \$1,300,000. 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 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 August 4, 1982, Yale-New Haven Hospital (“Hospital”) received Certificate of Need (“CON”) approval under Docket Number: 82-514 from the Commission on Hospital’s and Health Care, the predecessor to the Office of Health Care Access (“OHCA”), to acquire a computerized tomography (“CT”) scanner. *(May 24, 2010, Initial Submission of CON Waiver Form 2040, page 3 and Appendix 1, pages 6 through 28)*
2. On September 9, 1999, under Docket Number: 99-1503, the Hospital was granted a waiver of CON requirements by OHCA for the acquisition of replacement equipment pursuant to Section 19a-639c of the Connecticut General Statutes (“C.G.S”) that replaced the CT scanner the Hospital had acquired under Docket Number: 82-514. *(May 24, 2010, Initial Submission of CON Waiver Form 2040, page 3 and Appendix 1, pages 29 and 30)*
3. On December 23, 2002, in conjunction with the Hospital’s proposal to replace one of its two existing CT scanners, OHCA permitted the Hospital to designate the other existing hospital-based CT scanner that had been acquired under Docket Number 99-1503 for relocation to the Hospital’s Long Wharf Center site, located at 150 Sargent Drive in New Haven, Connecticut. *(May 24, 2010, Initial Submission of CON Waiver Form 2040, page 3 and Appendix 1, pages 31 through 35)*
4. Pursuant to Section 19a-639c, 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)*
5. The total capital cost for the replacement equipment proposal is \$1,300,000. The proposal’s cost consists of \$1,190,779 for the acquisition of the replacement CT scanner and \$109,221 for other project costs. *(May 24, 2010, Initial Submission of CON Waiver Form 2040, page 3 and Appendix 2, pages 37 through 50)*
6. 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)*

7. In its proposal the Hospital indicates its intent to site the proposed replacement CT scanner at its Smilow Cancer Hospital located on the Hospital's main campus in New Haven, rather than replacing the scanner at the current site location in the Long Wharf Medical Center, 150 Sargent Drive in New Haven. *(May 24, 2010, Initial Submission of CON Waiver Form 2040, page 1)*

Rationale

Yale-New Haven 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 computed tomography ("CT") scanner with a 64-slice CT scanner.

On August 4, 1982, the Hospital received CON approval from the Commission on Hospital's and Health Care, the predecessor to the Office of Health Care Access ("OHCA"), to acquire a CT scanner under Docket Number: 82-514. On September 9, 1999, under Docket Number: 99-1503, the Hospital was granted a waiver of CON requirements for replacement equipment by OHCA that replaced the CT scanner the Hospital had acquired under Docket Number: 82-514. On December 23, 2002, OHCA permitted the Hospital to designate the hospital-based CT scanner that had been acquired under Docket Number 99-1503 for relocation to the Hospital's Long Wharf Center site, located at 150 Sargent Drive in New Haven. In the proposal to replace the CT scanner, the Hospital indicates its intent to site the proposed replacement CT scanner at its Smilow Cancer Hospital located on the Hospital's main campus in New Haven, rather than replacing the scanner at the current site location in the Long Wharf Medical Center, 150 Sargent Drive in New Haven

The replacement equipment cost for the proposed 64-slice CT scanner is \$1,190,779, 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

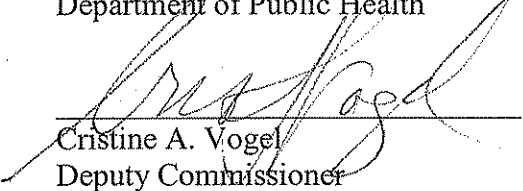
Based on the foregoing Findings and Rationale, the Office of Health Care Access ("OHCA") has determined that the request of Yale-New Haven Hospital ("Hospital") for a waiver of Certificate of Need ("CON") requirements in order to replace its existing 4-slice computed tomography ("CT") scanner with a new CT scanner, at a replacement equipment cost of \$1,190,779, 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 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 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

6-16-10
Date


Cristine A. Vogel
Deputy Commissioner

CAV:jah