STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

June 24, 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: 10-31639-WVR

The Hospital of Central Connecticut

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

To: Claudio A. Capone
Director of Strategic Business Planning
The Hospital of Central Connecticut
100 Grand Street

New Britain, CT 06050

Dear Mr. Capone:

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 24, 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 Hospital of Central Connecticut

Docket Number:

10-31639-WVR

Project Title:

Request to Waive CON Requirements for the Replacement

of an Existing Single-Slice CT Scanner with a 16-Slice CT

Scanner in New Britain, Connecticut

Statutory Reference:

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

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

Filing Date:

June 22, 2010

Decision Date:

June 24, 2010

Staff:

Jack A. Huber

Project Description: The Hospital of Central Connecticut requests a waiver of Certificate of Need requirements for replacement equipment for the purpose of replacing its existing single-slice computed tomography ("CT") scanner with a 16-slice CT scanner to be located on the Hospital's New Britain General Campus, 100 Grand Street in New Britain, Connecticut. The total capital cost associated with the replacement equipment project is \$740,653.

Nature of Proceedings: On June 22, 2010, the Office of Health Care Access ("OHCA") received the completed waiver of Certificate of Need ("CON") request for replacement equipment from The Hospital of Central Connecticut ("Hospital"). The Hospital proposes to replace its existing single-slice computed tomography ("CT") scanner with a 16-slice CT scanner to be located on the Hospital's New Britain General Campus, 100 Grand Street in New Britain, Connecticut. The total capital cost associated with the replacement equipment project is \$740,653. 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. On April 28, 1998, in an Agreed Settlement between the Office of Health Care Access ("OHCA") and the New Britain General Hospital (the predecessor legal entity of The Hospital of Central Connecticut), Certificate of Need ("CON") approval was granted under Docket Number: 97-589 for the acquisition of a single-slice computerized tomography ("CT") scanner. (June 22, 2010, Initial Submission of CON Waiver Form 2040, page 2 and Attachment 1, pages 5 through 15)
- 2. 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)
- 3. The total capital cost for the replacement equipment proposal is \$740,653. The proposal's cost consists of \$602,653 for the acquisition of the replacement CT scanner and \$138,000 for other project costs. (June 22, 2010, Initial Submission of CON Waiver Form 2040, page 2 and Attachment 2, pages 16 through 51)
- 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

The Hospital of Central Connecticut ("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 single-slice computed tomography ("CT") scanner with a 16-slice CT scanner.

On April 28, 1998, in an Agreed Settlement between the Hospital's predecessor legal entity and the Office of Health Care Access, the Hospital received Certificate of Need ("CON") approval under Docket Number: 97-589 to acquire a single-slice computerized tomography ("CT") scanner.

The replacement equipment cost for the proposed 16-slice CT scanner is \$602,653, 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 Hospital of Central Connecticut ("Hospital") for a waiver of Certificate of Need ("CON") requirements in order to replace its existing single-slice computed tomography ("CT") scanner with a new CT scanner, at a replacement equipment cost of \$602,653, 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 single-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

Date

6-24-10

Cristine A. Vogel

Deputy Commissioner

CAV: jah