



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

July 13, 201~~1~~2

IN THE MATTER OF:

An Application for a Certificate of Need
filed pursuant to General Statutes § 19a-638
(a) (1) by:

WBC Connecticut East, LLC

Notice of Final Decision
Office of Health Care Access
Docket Number: 11-31731-CON

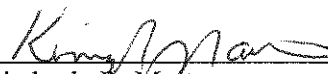
**Establishment of a Partial Hospital Program
and an Intensive Outpatient Program
for Adults and Adolescents with Eating
Disorders in South Windsor, Connecticut**

To: Charles R. Rossignol
Director of Business Development
Walden Behavioral Care
880 Main Street
Waltham, MA 02451

Dear Mr. Rossignol:

In accordance with the Connecticut General Statutes Section 4-179, the Proposed Final Decision dated July 11, 2012, by Hearing Officer Marianne Horn, Esq., is hereby adopted as the final decision of the Commissioner of the Office of Health Care Access, Department of Public Health in this matter. A copy of the Proposed Final Decision is attached hereto and incorporated herein.

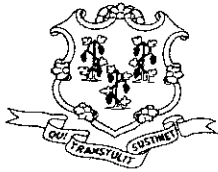
Sincerely,



Kimberly R. Martone,
Director of Operations

KRM: jah

cc: Marianne Horn, Esq., Hearing Officer, DPH



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

In Re: WBC Connecticut East, LLC
Docket Number: 11-31731-CON

FINAL DECISION

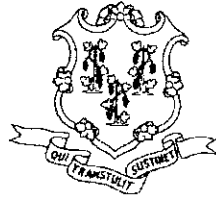
On July 11, 2012, a Proposed Final Decision was issued in the above matter pursuant to Section 4-179 of the Connecticut General Statutes.

In accordance with Connecticut General Statutes Section 4-179, the attached Proposed Final Decision dated July 11, 2012 by Hearing Officer Marianne Horn, Esq., is hereby adopted as the final decision of the Deputy Commissioner of the Department of Public Health in this matter. A copy of the Proposed Final Decision is attached hereto and incorporated herein.

WHEREFORE, it is the final decision of the Deputy Commissioner that the application of WBC Connecticut East, LLC, for the establishment of a partial hospital program and an intensive outpatient program, each program providing services for adults and adolescents with eating disorders; a distinct intensive outpatient program for adults with binge eating disorder; and aftercare support services for adolescents and their families, in South Windsor, Connecticut, is hereby approved.

7/12/2012
Date

Lisa A. Davis
Lisa A. Davis, MBA, BSN, RN
Deputy Commissioner



Office of Health Care Access Certificate of Need Application

Proposed Final Decision

Applicant: WBC Connecticut East, LLC

Docket Number: 11-31731-CON

Project Title: Proposal to Establish a Partial Hospital Program and Intensive Outpatient Program for Adults and Adolescents with Eating Disorders in South Windsor, Connecticut

Project Description: WBC Connecticut East, LLC, (“WBC CT East” or “Applicant”) is proposing to establish a partial hospital program and an intensive outpatient program, each program providing services for adults and adolescents with eating disorders; a distinct intensive outpatient program for adults with a binge eating disorder; and aftercare support services for adolescents and their families, in South Windsor, Connecticut, at an associated capital cost of \$142,680.

Procedural History: On February 24, 2012, the Office of Health Care Access (“OHCA”) received a Certificate of Need (“CON”) application from the WBC CT East for the above-referenced project. The Applicant published notice of their intent to file the CON application in *The Journal Inquirer*, on July 7, 8, and 9, 2011.

A public hearing regarding the CON application was held on May 22, 2012. On May 2, 2012, the Applicant was notified of the date, time, and place of the hearing. On May 3, 2012, a notice to the public announcing the hearing was published in the *Hartford Courant*.

Commissioner Jewel Mullen designated Attorney Marianne Horn as the hearing officer in this matter on May 8, 2012.

The hearing was conducted as a contested case in accordance with the provisions of the Uniform Administrative Procedure Act (Chapter 54 of the Connecticut General Statutes) and Section 19a-639 of the Connecticut General Statutes (“the Statutes”).

The Hearing Officer heard testimony from the Applicant and in rendering this proposed final decision, considered the entire record of the proceeding. OHCA's authority to review, approve, modify, or deny this proposal is established by Sections 19a-638 and 19a-639 of the Statutes. These provisions, as well as the principles and guidelines set forth in Section 19a-639 of the Statutes, were fully considered by OHCA in its review.

Findings of Fact

1. WBC CT East, a subsidiary of Walden Behavioral Care ("Walden"), proposes to establish a partial hospital program ("PHP") and an intensive outpatient program ("IOP"), each program providing services for adults and adolescents with eating disorders ("EDs"). Additionally, a distinct IOP program for adults with a binge eating disorder and aftercare support services for adolescents and their families will also be offered. Ex. A, p. 2.
2. WBC CT East will be located at 2400 Tamarack Avenue, Suite 203, in South Windsor, Connecticut ("CT") in space leased at Eastern Connecticut Health Network's ("ECHN's") medical building at Evergreen Walk. The proposed location is in close proximity to Interstate Highways 91 and 84 and Route 2. Ex. A, pp. 2 and 8; Ex. M, pp. 479.
3. ECHN, a Connecticut not-for-profit corporation, is a health care system that is the parent corporation of Manchester Memorial Hospital ("MMH") and Rockville General Hospital. ECHN has provided a letter of support for the WBC CT East proposal. Ex. M, pp. 472 and 479.
4. The Applicant's proposed location is within 10 miles of ECHN's Manchester Memorial Hospital in Manchester, CT, with which Walden is establishing a partnership for mutual referrals and access to ECHN's more acute medical services for Walden patients, as needed. Ex. A, p. 8
5. The proposed location was chosen by the WBC CT East due to the following factors:
 - a. The service area's population base, necessary to support the proposed services; and
 - b. Proximity to MMH and the health support services that ECHN will provide:
 - i. Availability of laboratory services for testing within the building;
 - ii. Proximity to psychologists and internists within the building; and
 - iii. Proximity to the women's health outpatient team located on-campus as 90% of patients with anorexia nervosa are females.

Transcript of May 22, 2012 Public Hearing ("Tr."), Testimony of Dr. Stuart Koman, Chief Executive Officer of Walden Behavioral Care and Executive Director of the proposed programs in South Windsor, pp. 12-13.
6. For nearly ten years Walden has established itself as a provider of behavioral health services with multiple service locations in Massachusetts ("MA"). Ex. A, p. 2.
7. Walden offers a full continuum of care for patients with eating disorders, including hospital, residential, partial hospitalization and intensive outpatient care. Ex. A, p. 2.

8. Walden's inpatient hospital service is located in Waltham, MA, and is the only tertiary care inpatient service provider of eating disorders services in New England. Its residential, PHP and IOP programs are also located a short distance from its inpatient campus in Waltham. Ex. A, p. 2.
9. Walden offers PHP and IOP eating disorder services at its locations in Northampton Worcester and Braintree, MA. Ex. A, p. 2.
10. Walden also has two specialized programs for adolescents and binge and night eating disorders. It is the only provider serving male patients with eating disorders in New England. Ex. A, p. 2.
11. The maximum number of patients to be served by each partial hospital program, adult and adolescent, is ten. Each program will meet five days per week, with an option for Saturday programming. By the third year of operation the Applicant anticipates the adult PHP will maintain an average daily census of seven patients, while the adolescent PHP will maintain an average daily census of four patients. Ex. A, pp. 4 and 186.
12. The PHP level of care will offer the following:
 - a. An integrated multidisciplinary treatment care plan including psycho-pharmacological evaluation and management.
 - b. Assessment and treatment of co-morbid psychiatric diagnoses commonly associated with eating disorders.
 - c. Coordination of care with other medical conditions treated by the patient's primary care provider and appropriate medical specialists.
 - d. Structure and supervision needed to interrupt and contain eating disorder behaviors.
 - e. Individual and group therapy using evidence-based practices.Ex. A, p. 4.
13. Walden's programs rely upon the following evidenced-based practices as summarized below:
 - a. **Cognitive Behavioral Therapy** – this model helps patients learn to identify interaction between cognitive disturbances and eating and weight control behavior and restructure these thoughts, promoting new approaches to problem solving and flexibility in thinking.
 - b. **Dialectical Behavioral Therapy** – this model helps participants learn new ways to manage painful emotions and interact with each other more effectively during this time of their illness, where mindfulness, distress tolerance, emotion regulation and interpersonal effectiveness are stressed.
 - c. **Interpersonal Therapy** – this model allows an individual to explore ones interactions with others, to consider how interpersonal distress may contribute to symptomatic behavior and to build self-confidence and self-esteem that will foster resilience and decrease eating disorder behavior.
 - d. **Family Based Therapy** – this model helps restore an adolescent's physical health by re-establishing parental authority in all areas of family life that relate to food (i.e. meal planning, shopping, and eating expectations).Ex. A, pp. 2-3.

14. The maximum number of patients to be served by each intensive outpatient program, adult and adolescent, is twelve. Each program will meet three days per week. By the third year of operation the Applicant anticipates the adult and adolescent IOPs will maintain an average daily census of eight patients. Ex. A, pp. 4 and 186.
15. The adolescent program will emphasize family-based therapy. This program will be provided after school, to avoid disrupting this aspect of the patient's natural support system. Ex. A, p. 4.
16. At the IOP level of care, patients are able to actively engage in working towards eating disorder recovery. IOP participants with clinician assistance develop individualized recovery goals in the following domains:
 - a. **Motivation** -- Increasing percent of time working on change towards recovery;
 - b. **Co-Morbid Conditions** -- Work on personal weight goal; keeping labs normal; following through on treatment plans for other presenting problems.
 - c. **Physical Activity** -- Set and work on a personal activity goal.
 - d. **Eating** -- Increase the percent of time following meal plan; expand variety of foods eaten/reduce avoidance; know triggers of ED behavior, increase use of prevention and coping strategies; maintain reduced body checking/weighing; practice eating in a variety of social situations, decrease avoidance; monitor and increase awareness of hunger and fullness cues; maintain abstinence from ED behaviors or reduce: specify behavior & make specific goal; avoid substituting self-injurious or substance use behaviors for ED ones; avoid replacing one ED behavior with another.
 - e. **Cognition** -- Formulate cognitive strategies; maintain reduced dietary rules; reduce relative importance of weight and shape in self-image; review strategies to reduce preoccupation/obsessing.
 - f. **Emotional** -- Increase appropriate expression of emotions in and outside of group treatment; Learn emotion-regulation strategies; follow up on any treatment plan; Take all medications as prescribed.
 - g. **Social/Interpersonal** -- Plan step towards increasing social support; maintain participation in interpersonal components of group treatment; practice communication skills in all areas of life.
 - h. **Education/Occupation** -- Identify possible new life interests, hobbies or activities; begin to re-integrate back into work/school/hobbies.
 - i. **Relapse Prevention** -- Maintain relapse prevention plan, increasing the time between relapses, decrease the intensity and length of the relapse, and increase the ability to recover from relapses. Reframe relapse as part of the learning and recovery process. Ex. A, pp.4-5.
17. Once adolescents complete the IOP program, patients and their families may continue in specialized eating disorder recovery treatment by participating in individual, group, and family treatment. Ex. A, p. 5.

18. A distinct IOP program for 12 adults with Binge Eating Disorder (“BED”) will also be offered. The Applicant indicates that the BED population is best served in a specialized IOP program where the peer group support of individuals struggling with similar issues related to controlling caloric intake and weight is available. The expected prevalence of male to female in the BED group is approximately 60%:40% female to male ratio. Ex. A, p. 6; Tr., Testimony of Dr. Stuart Koman, p. 22.
19. WBC CT East stated that its proposed eating disorder services will be a state-wide resource, due to the lack of comprehensive continuum of eating disorder treatment services in Connecticut, especially services for males. There is no provider in the proposed primary service area which currently offers intensive outpatient care, specialty programs for binge eating disorder, or specialty programs for adolescents and their families. Ex. A, p. 8; Tr., Testimony of Dr. Stuart Koman, p. 8.
20. The Applicant’s primary service area (“PSA”) consists of Hartford, Tolland, Middlesex and New Haven Counties. This service area delineation is based on an approximate drive time from a patient residence to the facility location of one hour or less. Ex. A, p. 8.
21. The Applicant’s secondary service area (“SSA”) encompasses the rest of Connecticut and consists of Fairfield, New London, Windham and Litchfield Counties. Ex. A, p. 8.
22. It is anticipated that WBC CT East will receive referrals from states contiguous to Connecticut. Currently, Walden’s Massachusetts operation generates 11.7% of its patient days from across New England and the northeastern area of the United States. Ex. A, p. 8; Ex. C, p. 454; Tr., Testimony of Dr. Stuart Koman, p. 9.

23. The population in the total service area, based on U.S. Census Bureau figures for 2010, is 2,402,596 persons with 1,400,832 residing in the primary service area and 1,001,764 residing in the secondary service area. The following table illustrate the proposed service area population by county, by gender:

Table 1: Service Area Population, Aged 15-64*

County	Total Population	Males	Females
Primary Service Area			
Hartford County	598,017	293,940	304,077
Tolland County	109,410	56,031	53,379
Middlesex County	111,679	55,339	56,340
New Haven County	581,726	283,838	297,888
Sub-Total PSA	1,400,832	689,148	711,684
Secondary Service Area			
Fairfield County	606,342	297,996	308,346
Litchfield County	126,870	63,216	63,654
New London County	186,704	95,160	91,544
Windham County	81,848	41,118	40,730
Sub-Total SSA	1,001,764	497,490	504,274
Total Service Area	2,402,596	1,186,638	1,215,958

Note:*WBC CT East will provide care to adolescents aged 12-17. Separate data for the population aged 12 to 14 is not available from the Census. Therefore the total population is somewhat understated.
Ex. A, pp. 9-10.

24. WBC CT East utilized literature pertaining to established prevalence of eating disorder data in the United States. The Applicant specifically used the following information for calculating the demand for eating disorder services in Connecticut:
- Anorexia Nervosa (AN)** – AN impacts 1 in 200 females (.5%) and 1 in 2,000 males during their lifetime. (See American Psychiatric Association. (2000). Diagnostic and Statistical Manual of Mental Disorders (4th ed., text rev.) Washington, DC., p. 587, Exhibit #6 of the CON application).
 - Bulimia Nervosa (BN)** – currently, BN, as defined by the DMS-IV-TR, impacts 2-3% of young women, (See Crow & Brandenburg, 2010, Exhibit #10 of the CON application; p. 30).
 - Binge Eating Disorder (BED)** – using National Comorbidity Survey Replication data, Hudson and colleagues (2007) reported life time prevalence estimates for BED of 3.5% of women and 2.0% of men during their lifespan, nearly twice as high as those reported for AN and BN combined. (See Hudson, Hiripi, Pope and Kessler, 2007, Exhibit #7 of the CON application).
Ex. M, pp. 467-468.

25. Applying the prevalence of eating disorder data to the populations of the proposed service areas, WBC CT East calculated the incidence of eating disorders by disease type in the primary, secondary and total service area:

Table 2: Projected Incidence of Eating Disorders in the Service Area

Service Area Description:	Anorexia Nervosa	Bulimia Nervosa	Binge ED
Primary Service Area	3,903-6,750	14,121	38,692
Secondary Service Area	2,770-4,787	10,051	27,600
Total Service Area	6,673-11,537	24,172	66,292

Ex. A, p. 12.

26. The Applicant projects that the proposed facility's expected utilization will meet only 0.47% of the total primary service area's demand in Year 1, 0.87% in Year 2 and 1.16% in Year 3 of operation. Ex. M, p. 468
27. The following table illustrates WBC CT East's projected service volume in patient days for fiscal years ("FYs") 2012 through 2014.

Table 3: Projected Service Volume in Days

Service Description:	FY 2012	FY 2013	FY 2014
Adult PHP	825	1,432	1,820
Adult IOP	623	856	1,248
Binge IOP	354	620	776
Adolescent PHP	388	776	1,044
Adolescent IOP	352	856	1,248
Aftercare IOP	197	698	936
Total	2,739	5,238	7,072

Note: The fiscal year is a calendar year: January 1 through December 31.

Ex. A, p. 12.

28. The following table illustrates WBC CT East's projected number of patients* for FYs 2012 through 2014:

Table 4: Projected Number of Patients by Service

Service Description:	FY 2012	FY 2013	FY 2014
Adult PHP	83	144	183
Adult IOP	73	100	145
Binge IOP	41	73	91
Adolescent PHP	25	50	66
Adolescent IOP	28	69	100
Aftercare IOP	16	56	75
Total	266	492	660

Note: The fiscal year is a calendar year: January 1 through December 31. *In the aggregate the prospective ratio of female to male patients is estimated to be 80% female to 20% male.

Ex. A, pp. 13 and 186.

29. The service volume projections are based on Walden's direct experience in the setting up of its PHP, IOP and BED programs in Massachusetts and reflect staggered launching of each of the services over the first several months of startup. Adult PHP and IOP services are projected to launch in month 1 of the service startup. Adolescent PHP and IOP services are projected to launch in month 4 and the aftercare IOP program is projected to launch in month 7. Ex. A. pp. 13 and 186; Ex. C. pp. 467-468.
30. The following table illustrates Walden's actual number of patients treated at its Waltham, Northampton and Worcester service locations for FYs 2009 through 2011:

Table 5: Actual Number of Patients Treated by Location and Service Type

Service Location	FY 2009	FY 2010	FY 2011
Waltham:			
Adult PHP	236	280	227
Adult IOP	142	192	123
Binge IOP – started 2/2011	-	-	37
Adolescent PHP – started 6/2011	-	-	30
Adolescent IOP	46	63	55
Waltham Total Patients	424	535	472
Northampton:			
Adult PHP	88	102	95
Adult IOP	67	63	52
Binge IOP – started 2/2011	-	-	30
Adolescent PHP – started 2/2011	-	-	19
Adolescent IOP	-	3	8
Northampton Total Patients	155	168	204
Worcester:			
Adult IOP – started 2/2011	-	-	55
Adolescent IOP – started 7/2011	-	-	10
Worcester Total Patients	-	-	65

Note: The fiscal year is a calendar year: January 1 through December 31.
Ex. C, pp. 458-459.

31. WBC CT East will be able to provide a continuum of care with outpatient and partial hospital services originating in South Windsor and residential or inpatient services being available in Waltham, MA. Each of the proposed programs is designed to operate as a "stand alone" or as part of an integrated system of care. Patients will be able to transfer between levels as clinically required. Ex. C. p. 455.
32. OHCA finds that a clear public need exists for the proposed eating disorder services in the primary service area and that the proposal will provide for a comprehensive continuum of eating disorder treatment services in Connecticut, especially eating disorder services for male patients.
33. OHCA further finds that the projected number of patients to be treated by the proposed services appears to be reasonable.

34. Other current eating disorder treatment providers in Connecticut include the following:
 - a. The Institute of Living, 200 Retreat Avenue, Hartford, CT, which provides PHP services for adults and adolescents; and
 - b. Renfrew Centers, 1445 East Putnam Avenue, Greenwich, CT, which provides some eating disorder programming within its day treatment, IOP and outpatient programs. Ex. M. p. 476.
35. OHCA finds that WBC CT East will provide a broader array of eating disorder services than is currently available in Connecticut. In addition to the proposed services in Connecticut, Walden also provides a complete continuum of eating disorder services in Massachusetts, which currently treats patients from throughout New England. Walden is also the only provider of eating disorder services to male patients in New England. OHCA finds that the proposed services will be complementary to those services already available in Connecticut and will provide a valuable resource for more intensive eating disorder services as needed.
36. WBC CT East and ECHN are planning a joint venture partnership arrangement where ECHN will own a minority share (16.4% membership interest) of WBC CT East. The shortage of specific eating disorder services in Connecticut precipitated Walden's partnership with ECHN to bring these services to the area. Ex. C. p. 456; Tr., Testimony of Dr. Stuart Koman, p. 9.
37. ECHN's ownership share in the operation was determined by projecting the program's value at maturity and then combining the valuation with ECHN's capital contribution toward the fitting out of program space and other capital considerations in the start-up of the operation. Tr., Testimony of Dr. Stuart Koman, p. 30.
38. The proposed program will be managed by Walden on a management agreement with WBC CT East. ECHN will serve on the Board of Directors and will provide contracted psychiatric services for the program. Tr., Testimony of Dr. Stuart Koman, p. 28.
39. WBC CT East and ECHN plan to execute and deliver the proposed partnership and lease agreements once CON approval has been received for the project. Ex. C. p. 456; Tr., Testimony of Dr. Stuart Koman, p. 9.
40. The Applicant expects to execute formal referral relationships with ECHN to both receive potential clients from ECHN service providers, as well as refer clients to ECHN service providers for medical services as needed. Walden also anticipates receiving referrals from physicians who are not affiliated with ECHN due to the nature of the program. Ex. C. p. 456.

41. In addition to the referral relationships noted above, other potential relationships that have been discussed, but not yet finalized, are as follows:
 - a. Other providers of related or similar eating disorder services. These include programs at the Renfrew Center and Hartford Hospital's Institute of Living ("IOL"). Hartford Hospital has provided a letter of support for the Applicant's proposal.
 - b. Independently licensed clinicians and selected provider organizations which may practice in the area. The Applicant expects that it will include private practitioners (LICSW's, PhD's, dietitians, PCPs, family practitioners, pediatricians, gastroenterologists, gastric bypass surgical centers, Dentists, etc.). The Applicant also expects to have relationships with college health resources in the region, including health service departments, counseling centers, residential life, etc.
 - c. Resident advisors, coaches and deans in the high school setting. The Applicant will also connect with nurses and guidance counselors.
 - d. Insurance companies – Through its Massachusetts-based services, Walden has secured major insurance contracts. It will work with representatives from CT insurance companies to extend its agreements to cover services provided in CT. Ex. C. pp. 456-457; Ex. M. p. 474; Tr., Testimony of Dr. Stuart Koman, pp. 9 and 14.
42. OHCA finds that the proposal will offer intensive outpatient care, specialty programs for binge eating disorder and specialty programs for adolescents and their families that are not currently offered in the proposed primary service area.
43. Walden's inpatient and residential services are licensed by the Massachusetts Department of Mental Health. Its clinics are licensed by the Massachusetts Department of Public Health. Ex. A, p. 16.
44. Walden's services are accredited by the Joint Commission on Accreditation of Health Care Organizations. It maintains accreditation under the Joint Commission Comprehensive Behavioral Healthcare standards. These standards include guidelines which specifically focus on the assessment and provision of care, treatment, and services for individuals served who have eating disorders. Ex. A, pp. 16-17.
45. Walden utilizes the *American Psychiatric Association's Practice Guidelines for the Treatment of Patients with Eating Disorders, Third Edition*. These standards are the basis for the clinical guidelines utilized in Walden's contracts with third-party payers, and provide detailed information on the formulation and implementation of a treatment plan. Compliance with the standards is managed through clinical supervision, medical record review, and concurrent utilization review. Ex. A, p. 17.
46. Walden utilizes a Policy & Procedure Manual for its facilities in Massachusetts, a copy of which has been supplied in the CON application. If approved, WBC CT East will adapt the Walden manual to be in compliance with Connecticut laws and regulations. Ex. A, pp. 17; 262-375.

47. WBC CT East has made plans with ECHN to address any emergency medical situation it may encounter with its patients at its South Windsor facility. A draft copy of the transfer agreement was provided in the CON application. Ex. A, pp. 17-377.
48. OHCA finds that the Applicant possesses the managerial experience and clinical expertise to provide the necessary eating disorder services to the area it intends to serve.
49. The capital cost associated with the proposal is \$142,680, consisting of \$92,680 in the fair market value of leased space and equipment, plus \$50,000 in projected equipment and other capital expenditures. Ex. A, p. 19; Ex. C, p. 462.
50. The proposal will be financed through equity contributions received from Walden and ECHN. Ex. A, p. 19; Ex. M, p. 522.
51. Walden reports a gain from operations of approximately \$469,000 for FY 2010. Ex. C, p. 465.
52. WBC CT East projects the following incremental revenues and expenses with the proposed South Windsor services:

Table 6: Projected Incremental Revenues & Expenses for WBC Connecticut East, LLC

Description:	FY 2012	FY 2013	FY 2014
Revenues from Operations	\$718,642	\$1,333,869	\$1,782,838
Total Operation Expense	\$760,511	\$1,276,472	\$1,493,239
Incremental Gain/(Loss) from Operations	(\$41,869)	\$57,397	\$289,599

Note: Fiscal year is January 1 to December 31.
Ex. C, p. 465.

53. The Applicant's projected operating loss of \$41,869 in FY 2012 is attributable to start-up costs incurred from the hiring of sufficient staff to cover the anticipated treatment of the initial patient workload. Ex. A, p. 21.
54. Walden projects the following overall revenues and expenditures with the proposed project:

Table 7: Projected Overall Revenues and Expenses for Walden Behavioral Care

Description:	FY 2012	FY 2013	FY 2014
Revenues from Operations	\$18,076,742	\$19,319,842	\$20,420,796
Total Operation Expense	\$16,481,755	\$17,547,960	\$18,334,228
Overall Gain from Operations	\$1,594,987	\$1,771,882	\$2,086,568

Note: Fiscal year is January 1 to December 31.
Ex. C, p. 465.

55. The Applicant projects that the following staffing requirements for the proposed services in the first three years of operation.

Table 8: Proposed Staffing Patterns

Description:	FY 2012 FTEs	FY 2013 FTEs	FY 2014 FTEs
Social Worker	2.100	3.000	3.000
Psychologist	0.750	1.000	1.000
Mental Health Technician	1.500	2.000	2.000
Nutritionist	0.400	0.600	1.000
Medical Doctor	0.225	0.300	0.400
Program Director	1.000	1.000	1.000
Administrator	1.000	1.000	1.000
Receptionist	0.500	1.000	1.000
Total FTEs	7.475	9.900	10.40

Ex. A, p. 7.

56. The patient population mix of the proposed PHPs and IOPs is based upon Walden's current population and payer mix experienced in its Massachusetts-based clinic sites. The Applicant projects that the patient population-mix of these programs will remain consistent over the first three fiscal years of operation.

Table 9: Population Mix for PHP & IOP Services

Description:	Percentage
Medicare	0.0%
Medicaid	14.0%
Champus & TriCare	1.2%
Total Government	15.2%
Commercial*	84.2%
Uninsured	0.6%
Worker's Compensation	0.0%
Total Non-Government	84.8%
Total Population	100.0%

Note: Includes managed care activity.

Ex. A. p. 20

57. In the development of their partnership WBC Connecticut and ECHN have agreed to use the ECHN process for approving charity care. As part of the initial operating agreement it has been determined that the ECHN will provide up to 5% of the operation's gross revenue with a cap of \$25,000 as an initial offering for free care. Tr., Testimony of Dr. Stuart Koman, p. 36; Tr., Testimony of Kevin Murphy, Treasurer & Executive Vice President of Network/Business Development, ECHN, p. 36.
58. In that the proposed facility will be part of a larger organization that currently operates eating disorder services in Massachusetts, the Applicant anticipates that it will be able to achieve economies of operation with respect to the purchasing and administration of the proposed services. Ex. A, p. 22.

59. The integration and alignment of care practices, policies and procedures, as well as economies of scale and access to Walden's administrative sources and established vendor relationships will promote efficient care. Ex. A, p. 22.
60. OHCA finds that the proposal is financially feasible and that the Applicant has demonstrated the proposal will have a positive impact on the financial strength of WBC CT East, Walden, ECHN and the health care system.

Discussion

CON applications are decided on a case by case basis and do not lend themselves to general applicability due to the uniqueness of the facts in each case. In rendering its decision, OHCA considers the factors set forth in § 19a-639(a) of the Statutes and the Applicant bears the burden of proof in this matter by a preponderance of the evidence. Goldstar Medical Services, Inc., et al. v. Department of Social Services, 288 Conn. 790 (2008); Steadman v. SEC, 450 U.S. 91, 101 S.Ct. 999, reh'g den., 451 U.S. 933 (1981); Bender v. Clark, 744 F.2d 1424 (10th Cir. 1984); Sea Island Broadcasting Corp. v. FCC, 627 F.2d 240, 243 (D.C. Cir. 1980).

WBC Connecticut East, LLC, a subsidiary of Walden Behavioral Care, proposes to establish a partial hospital program and an intensive outpatient program, each program providing services for adults and adolescents with eating disorders. FF 1. In addition, a distinct intensive outpatient program for adults with binge eating disorder and aftercare support for adolescents and their families will also be provided. FF 1. The proposed facility will be located at 2400 Tamarack Avenue, Suite 203, in South Windsor, CT, in space leased at Eastern Connecticut Health Network's ("ECHN's") medical building at Evergreen Walk. FF 2. The facility's location is in close proximity to Interstate Highways 91 and 84 and is within 10 miles of ECHN's Manchester Memorial Hospital in Manchester, CT. FF 2, 4. The Applicant and ECHN are planning a joint venture partnership arrangement where ECHN will own a minority share (16.4% ownership interest) of WBC Connecticut East, LLC. FF 36. The shortage of specific eating disorder services in Connecticut precipitated Walden Behavioral Care's partnership with ECHN to bring these services to the area. FF 36. WBC CT East will execute a formal referral relationship with ECHN to both receive potential clients from ECHN service providers, as well as refer clients to ECHN service providers for medical services as needed. FF 40.

For nearly ten years Walden Behavioral Care ("Walden") has established itself as a provider of behavioral health services with multiple service locations in Massachusetts ("MA"). FF 6. Walden offers a full continuum of care for patients with eating disorders, including hospital, residential, partial hospitalization and intensive outpatient care. FF 7. Walden's inpatient hospital service is located in Waltham, MA, and is the only tertiary care inpatient service provider of eating disorders services in New England. FF 8. Its residential, partial hospitalization and intensive outpatient programs are located a short distance from its inpatient campus in Waltham. FF 8. Additionally, WBC offers partial hospital and intensive outpatient eating disorder services at its locations in Northampton, Worcester and Braintree, MA. FF 9. Walden's inpatient and residential services are licensed by the Massachusetts Department of

Mental Health and its clinics are licensed by the Massachusetts Department of Public Health. FF 43. Walden's services are accredited by the Joint Commission on Accreditation of Health Care Organizations. It maintains accreditation under the Joint Commission Comprehensive Behavioral Healthcare standards. FF 44. These standards include guidelines which specifically focus on the assessment and provision of care, treatment, and services for individuals served who have eating disorders. FF 44. OHCA finds that the Applicant possesses the managerial experience and clinical expertise to provide the eating disorder services to the region of the state it intends to serve. FF 48.

The Applicant's primary service area ("PSA") consists of Hartford, Tolland, Middlesex and New Haven Counties. FF 20. This service area delineation is based on an approximate drive time from a patient's residence to the facility location of one hour or less. FF 20. The population in the primary service area, based on U.S. Census Bureau figures for 2010, is 1,400,832. FF 23. WBC CT East utilized literature pertaining to established eating disorder prevalence data in the United States to calculate the demand for such services in Connecticut. FF 24. Applying the prevalence data to the population of the proposed primary service area, WBC CT East calculated the incidence of eating disorders by disease type within the service area. FF 25. Based upon the proposed facility's expected utilization of treating 266 patients in Year 1, 492 patients in Year 2 and 660 patients in Year 3, the Applicant projects that it will meet only 0.47% of the total primary service area demand in Year 1, 0.87% in Year 2 and 1.16% in Year 3 of operation. FF 26, 28. Based upon the demand for eating disorder services, OHCA finds that there a clear public need exists for the proposed services in the primary service area and that the proposal provides for a comprehensive continuum of eating disorder treatment services in Connecticut, especially eating disorder services for male patients. FF 32. Specifically, OHCA finds that the proposal will offer intensive outpatient care, specialty programs for binge eating disorder and specialty programs for adolescents and their families that are not currently offered in the proposed primary service area. FF 42. Lastly, OHCA finds the projected number of patients to be treated by the proposed services appears to be reasonable. FF 28-30, 33.

The Applicant expects to execute formal referral relationships with ECHN to both receive potential clients from ECHN service providers, as well as refer clients to ECHN service providers for medical services as needed. FF 40. WBC CT East also anticipates receiving referrals from physicians who are not affiliated with ECHN due to the nature of the program. FF 40. In addition to these referral relationships, other relationships that will be developed include: other providers of related or similar eating disorder services like the Renfrew Center and Hartford Hospital's Institute of Living; independently licensed clinicians; and selected provider organizations that may include private practitioners, social workers, dietitians, primary care physicians, family practitioners, pediatricians, gastroenterologists, gastric bypass surgical centers, dentists, etc. FF 41. The Applicant also expects to develop relationships with college and high school health resources in the region, including health service departments, counseling centers, nurses and guidance counselors and it will work with representatives from CT insurance companies to extend its agreements to cover services provided in Connecticut. FF 41.

OHCA finds that WBC CT East will be able to provide a continuum of care with outpatient and partial hospital services provided in South Windsor and residential or inpatient services available in Waltham, MA. FF 31. Each of the proposed programs is designed to operate as a "stand-alone" or as part of an integrated system of care. FF 31. Patients will be able to transfer between levels as clinically required. FF 31. Other similar treatment providers in Connecticut include the Institute of Living in Hartford, which provides PHP services for adults and adolescents and the Renfrew Center in Greenwich, which provides some eating disorder programming within its day treatment, IOP and outpatient programs. FF 34. While two CT treatment providers exist, OHCA finds that WBC CT East will provide a broader array of eating disorder services than is currently available in Connecticut. FF 35. Walden will also continue to be the only provider of eating disorder services to male patients in the region. FF 19, 35. OHCA finds that the proposed services will be complementary to those services already available in Connecticut. FF 35. As there is no provider in the proposed primary service area that currently offers intensive outpatient care, specialty programs for binge eating disorder, or specialty programs for adolescents and their families, the proposed services will provide a valuable resource for more intensive eating disorder services as needed. FF 34.

The total capital cost associated with the proposal is \$142,680. FF 49. Walden intends to finance the WBC CT East proposal through equity contributions received from Walden and ECHN. FF 50. WBC CT East estimates the following incremental gain/(loss) from operations in the first three fiscal years of operation: a loss of (\$41,869) in Year 1; a gain of \$57,397 in Year 2; and a gain of \$289,599 in Year 3. FF 52. The Applicant's projected operating loss of \$41,869 in the first year of operation is attributable to start-up costs incurred from the hiring of sufficient staff to cover treatment provided to the initial patient workload. FF 53. Walden has reported a gain from operations of approximately \$469,000 for FY 2010. FF 51. With projected gains in operations of approximately \$1.6 million dollars, \$1.8 million dollars and \$2.1 million dollars with the project in FYs 2012 through 2014, respectively, Walden is satisfactorily situated to handle the financial requirements of the proposal. FF 54, 60. Additionally, as the proposed facility will be part of a larger organization that currently operates eating disorder services in Massachusetts, WBC CT East will be able to achieve economies of operation with respect to the purchasing and administration of the proposed services. FF 58. The integration and alignment of care practices, policies and procedures, as well as economies of scale and access to Walden's administrative sources and established vendor relationships will promote efficient care. FF 59. Consequently, OHCA finds that the proposal is not only financially feasible, but that it will have a positive impact on the financial strength of the WBC CT East, Walden, and ECHN. FF 60.

Based upon all of the foregoing, OHCA concludes that the Applicant, WBC Connecticut East, LLC, has demonstrated a need for the proposed establishment of a partial hospital program and an intensive outpatient program, each program providing services for adults and adolescents with eating disorders; a distinct intensive outpatient program for adults with binge eating disorder; and aftercare support services for adolescents and their families, in South Windsor, CT. Moreover, OHCA concludes that the Applicant has demonstrated that the proposal is financially feasible and that it will have a positive impact on the financial strength of the WBC CT East, Walden, ECHN and the health care system as a whole.

Order

Based upon the foregoing Findings and Discussion, the Certificate of Need application of WBC Connecticut East, LLC, for the establishment of a partial hospital program and an intensive outpatient program, each program providing services for adults and adolescents with eating disorders; a distinct intensive outpatient program for adults with binge eating disorder; and aftercare support services for adolescents and their families, in South Windsor, Connecticut is, hereby, **approved**, subject to the following conditions:

1. Within five (5) business days of the closing date, WBC CT East shall provide OHCA with a copy of the operating agreement of WBC Connecticut East, LLC, which was provided as Exhibit E to the CON Application's Response to Interrogatories.
2. Within five (5) business days of the closing date, WBC CT East shall provide OHCA with a copy of the lease agreement of WBC Connecticut East, LLC, which was provided as Exhibit F to the CON Application's Response to Interrogatories.
3. Within five (5) business days of the closing date, WBC CT East shall provide OHCA with a copy of the transfer agreement between WBC Connecticut East, LLC, and Eastern Connecticut Health Network, which was provided as Exhibit 17 to the CON Application, addressing any emergency medical situation WBC CT East may encounter with its patients at its South Windsor facility.

Should WBC CT East fail to comply with any of the obligations set forth in these 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.

Based upon the foregoing, I respectfully recommend that the Deputy Commissioner approve the CON application of WBC Connecticut East, LLC, for the establishment of a partial hospital program and an intensive outpatient program, each program providing services for adults and adolescents with eating disorders; a distinct intensive outpatient program for adults with binge eating disorder; and aftercare support services for adolescents and their families.

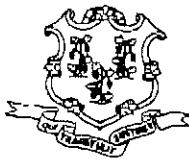
July 11, 2012
Date

Marianne Horn
Marianne Horn, Esq.
Hearing Officer

*** TX REPORT ***

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STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: CHARLES R. ROSSIGNOL

FAX: (781) 647-6755

AGENCY: WALDEN BEHAVIORAL CARE

FROM: JACK HUBER

DATE: 7/13/2012 Time: 12:25 P.m.

NUMBER OF PAGES: 19
(including transmittal sheet)

Comments: Transmitted: Final Decision
WBC Connecticut East, LLC
Docket Number: 11-31731-CON
Proposal to Establish PHP & IOP for Adults &
Adolescents with Eating Disorder in South Windsor, CT

**PLEASE PHONE Jack A. Huber at (860) 418-7069
IF THERE ARE ANY TRANSMISSION PROBLEMS.**

*** TX REPORT ***

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STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: KEVIN MURPHY
FAX: (860) 647-6847
AGENCY: WALDEN BEHAVIORAL CARE
FROM: JACK HUBER
DATE: 7/13/2012 Time: 12:25 P.m.
NUMBER OF PAGES: 19
(including transmittal sheet)

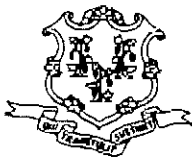
Comments: Transmitted: Final Decision
WBC Connecticut East, LLC
Docket Number: 11-3173J-CON
Proposal to Establish PHP & IOP for Adults &
Adolescents with Eating Disorder in South Windsor, CT

**PLEASE PHONE Jack A. Huber at (860) 418-7069
IF THERE ARE ANY TRANSMISSION PROBLEMS.**

*** TX REPORT ***

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STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: PAT GERNER

FAX: 860-489-9380

AGENCY: COUNSEL FOR WBC CONNECTICUT EAST, LLC

FROM: JACK HUBER

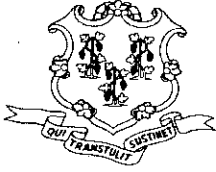
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Comments: Transmitted: Final Decision
WBC Connecticut East, LLC
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Proposal to Establish PHP & IOP for Adults &
Adolescents with Eating Disorders in South Windsor, CT

PLEASE PHONE Jack A. Huber at (860) 418-7069
IF THERE ARE ANY TRANSMISSION PROBLEMS.



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

In Re: WBC Connecticut East, LLC
Docket Number: 11-31731-CON

FINAL DECISION

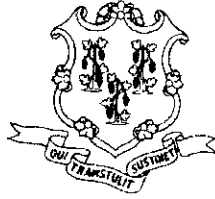
On July 11, 2012, a Proposed Final Decision was issued in the above matter pursuant to Section 4-179 of the Connecticut General Statutes.

In accordance with Connecticut General Statutes Section 4-179, the attached Proposed Final Decision dated July 11, 2012 by Hearing Officer Marianne Horn, Esq., is hereby adopted as the final decision of the Deputy Commissioner of the Department of Public Health in this matter. A copy of the Proposed Final Decision is attached hereto and incorporated herein.

WHEREFORE, it is the final decision of the Deputy Commissioner that the application of WBC Connecticut East, LLC, for the establishment of a partial hospital program and an intensive outpatient program, each program providing services for adults and adolescents with eating disorders; a distinct intensive outpatient program for adults with binge eating disorder; and aftercare support services for adolescents and their families, in South Windsor, Connecticut, is hereby approved.

7/12/2012
Date

Lisa A. Davis
Lisa A. Davis, MBA, BSN, RN
Deputy Commissioner



Office of Health Care Access Certificate of Need Application

Proposed Final Decision

Applicant: WBC Connecticut East, LLC

Docket Number: 11-31731-CON

Project Title: Proposal to Establish a Partial Hospital Program and Intensive Outpatient Program for Adults and Adolescents with Eating Disorders in South Windsor, Connecticut

Project Description: WBC Connecticut East, LLC, (“WBC CT East” or “Applicant”) is proposing to establish a partial hospital program and an intensive outpatient program, each program providing services for adults and adolescents with eating disorders; a distinct intensive outpatient program for adults with a binge eating disorder; and aftercare support services for adolescents and their families, in South Windsor, Connecticut, at an associated capital cost of \$142,680.

Procedural History: On February 24, 2012, the Office of Health Care Access (“OHCA”) received a Certificate of Need (“CON”) application from the WBC CT East for the above-referenced project. The Applicant published notice of their intent to file the CON application in *The Journal Inquirer*, on July 7, 8, and 9, 2011.

A public hearing regarding the CON application was held on May 22, 2012. On May 2, 2012, the Applicant was notified of the date, time, and place of the hearing. On May 3, 2012, a notice to the public announcing the hearing was published in the *Hartford Courant*.

Commissioner Jewel Mullen designated Attorney Marianne Horn as the hearing officer in this matter on May 8, 2012.

The hearing was conducted as a contested case in accordance with the provisions of the Uniform Administrative Procedure Act (Chapter 54 of the Connecticut General Statutes) and Section 19a-639 of the Connecticut General Statutes (“the Statutes”).

The Hearing Officer heard testimony from the Applicant and in rendering this proposed final decision, considered the entire record of the proceeding. OHCA's authority to review, approve, modify, or deny this proposal is established by Sections 19a-638 and 19a-639 of the Statutes. These provisions, as well as the principles and guidelines set forth in Section 19a-639 of the Statutes, were fully considered by OHCA in its review.

Findings of Fact

1. WBC CT East, a subsidiary of Walden Behavioral Care ("Walden"), proposes to establish a partial hospital program ("PHP") and an intensive outpatient program ("IOP"), each program providing services for adults and adolescents with eating disorders ("EDs"). Additionally, a distinct IOP program for adults with a binge eating disorder and aftercare support services for adolescents and their families will also be offered. Ex. A, p. 2.
2. WBC CT East will be located at 2400 Tamarack Avenue, Suite 203, in South Windsor, Connecticut ("CT") in space leased at Eastern Connecticut Health Network's ("ECHN's") medical building at Evergreen Walk. The proposed location is in close proximity to Interstate Highways 91 and 84 and Route 2. Ex. A, pp. 2 and 8; Ex. M, pp. 479.
3. ECHN, a Connecticut not-for-profit corporation, is a health care system that is the parent corporation of Manchester Memorial Hospital ("MMH") and Rockville General Hospital. ECHN has provided a letter of support for the WBC CT East proposal. Ex. M, pp. 472 and 479.
4. The Applicant's proposed location is within 10 miles of ECHN's Manchester Memorial Hospital in Manchester, CT, with which Walden is establishing a partnership for mutual referrals and access to ECHN's more acute medical services for Walden patients, as needed. Ex. A, p. 8
5. The proposed location was chosen by the WBC CT East due to the following factors:
 - a. The service area's population base, necessary to support the proposed services; and
 - b. Proximity to MMH and the health support services that ECHN will provide:
 - i. Availability of laboratory services for testing within the building;
 - ii. Proximity to psychologists and internists within the building; and
 - iii. Proximity to the women's health outpatient team located on-campus as 90% of patients with anorexia nervosa are females.

Transcript of May 22, 2012 Public Hearing ("Tr."), Testimony of Dr. Stuart Koman, Chief Executive Officer of Walden Behavioral Care and Executive Director of the proposed programs in South Windsor, pp. 12-13.
6. For nearly ten years Walden has established itself as a provider of behavioral health services with multiple service locations in Massachusetts ("MA"). Ex. A, p. 2.
7. Walden offers a full continuum of care for patients with eating disorders, including hospital, residential, partial hospitalization and intensive outpatient care. Ex. A, p. 2.

8. Walden's inpatient hospital service is located in Waltham, MA, and is the only tertiary care inpatient service provider of eating disorders services in New England. Its residential, PHP and IOP programs are also located a short distance from its inpatient campus in Waltham. Ex. A, p. 2.
9. Walden offers PHP and IOP eating disorder services at its locations in Northampton Worcester and Braintree, MA. Ex. A, p. 2.
10. Walden also has two specialized programs for adolescents and binge and night eating disorders. It is the only provider serving male patients with eating disorders in New England. Ex. A, p. 2.
11. The maximum number of patients to be served by each partial hospital program, adult and adolescent, is ten. Each program will meet five days per week, with an option for Saturday programming. By the third year of operation the Applicant anticipates the adult PHP will maintain an average daily census of seven patients, while the adolescent PHP will maintain an average daily census of four patients. Ex. A, pp. 4 and 186.
12. The PHP level of care will offer the following:
 - a. An integrated multidisciplinary treatment care plan including psycho-pharmacological evaluation and management.
 - b. Assessment and treatment of co-morbid psychiatric diagnoses commonly associated with eating disorders.
 - c. Coordination of care with other medical conditions treated by the patient's primary care provider and appropriate medical specialists.
 - d. Structure and supervision needed to interrupt and contain eating disorder behaviors.
 - e. Individual and group therapy using evidence-based practices.
Ex. A, p. 4.
13. Walden's programs rely upon the following evidenced-based practices as summarized below:
 - a. **Cognitive Behavioral Therapy** – this model helps patients learn to identify interaction between cognitive disturbances and eating and weight control behavior and restructure these thoughts, promoting new approaches to problem solving and flexibility in thinking.
 - b. **Dialectical Behavioral Therapy** – this model helps participants learn new ways to manage painful emotions and interact with each other more effectively during this time of their illness, where mindfulness, distress tolerance, emotion regulation and interpersonal effectiveness are stressed.
 - c. **Interpersonal Therapy** – this model allows an individual to explore ones interactions with others, to consider how interpersonal distress may contribute to symptomatic behavior and to build self-confidence and self-esteem that will foster resilience and decrease eating disorder behavior.
 - d. **Family Based Therapy** – this model helps restore an adolescent's physical health by re-establishing parental authority in all areas of family life that relate to food (i.e. meal planning, shopping, and eating expectations).
Ex. A, pp. 2-3.

14. The maximum number of patients to be served by each intensive outpatient program, adult and adolescent, is twelve. Each program will meet three days per week. By the third year of operation the Applicant anticipates the adult and adolescent IOPs will maintain an average daily census of eight patients. Ex. A, pp. 4 and 186.
15. The adolescent program will emphasize family-based therapy. This program will be provided after school, to avoid disrupting this aspect of the patient's natural support system. Ex. A, p. 4.
16. At the IOP level of care, patients are able to actively engage in working towards eating disorder recovery. IOP participants with clinician assistance develop individualized recovery goals in the following domains:
 - a. **Motivation** -- Increasing percent of time working on change towards recovery;
 - b. **Co-Morbid Conditions** -- Work on personal weight goal; keeping labs normal; following through on treatment plans for other presenting problems.
 - c. **Physical Activity** -- Set and work on a personal activity goal.
 - d. **Eating** -- Increase the percent of time following meal plan; expand variety of foods eaten/reduce avoidance; know triggers of ED behavior, increase use of prevention and coping strategies; maintain reduced body checking/weighing; practice eating in a variety of social situations, decrease avoidance; monitor and increase awareness of hunger and fullness cues; maintain abstinence from ED behaviors or reduce: specify behavior & make specific goal; avoid substituting self-injurious or substance use behaviors for ED ones; avoid replacing one ED behavior with another.
 - e. **Cognition** -- Formulate cognitive strategies; maintain reduced dietary rules; reduce relative importance of weight and shape in self-image; review strategies to reduce preoccupation/obsessing.
 - f. **Emotional** -- Increase appropriate expression of emotions in and outside of group treatment; Learn emotion-regulation strategies; follow up on any treatment plan; Take all medications as prescribed.
 - g. **Social/Interpersonal** -- Plan step towards increasing social support; maintain participation in interpersonal components of group treatment; practice communication-skills in all areas of life.
 - h. **Education/Occupation** -- Identify possible new life interests, hobbies or activities; begin to re-integrate back into work/school/hobbies.
 - i. **Relapse Prevention** -- Maintain relapse prevention plan, increasing the time between relapses, decrease the intensity and length of the relapse, and increase the ability to recover from relapses. Reframe relapse as part of the learning and recovery process. Ex. A, pp.4-5.
17. Once adolescents complete the IOP program, patients and their families may continue in specialized eating disorder recovery treatment by participating in individual, group, and family treatment. Ex. A, p. 5.

18. A distinct IOP program for 12 adults with Binge Eating Disorder (“BED”) will also be offered. The Applicant indicates that the BED population is best served in a specialized IOP program where the peer group support of individuals struggling with similar issues related to controlling caloric intake and weight is available. The expected prevalence of male to female in the BED group is approximately 60%:40% female to male ratio. Ex. A, p. 6; Tr., Testimony of Dr. Stuart Koman, p. 22.
19. WBC CT East stated that its proposed eating disorder services will be a state-wide resource, due to the lack of comprehensive continuum of eating disorder treatment services in Connecticut, especially services for males. There is no provider in the proposed primary service area which currently offers intensive outpatient care, specialty programs for binge eating disorder, or specialty programs for adolescents and their families. Ex. A, p. 8; Tr., Testimony of Dr. Stuart Koman, p. 8.
20. The Applicant’s primary service area (“PSA”) consists of Hartford, Tolland, Middlesex and New Haven Counties. This service area delineation is based on an approximate drive time from a patient residence to the facility location of one hour or less. Ex. A, p. 8.
21. The Applicant’s secondary service area (“SSA”) encompasses the rest of Connecticut and consists of Fairfield, New London, Windham and Litchfield Counties. Ex. A, p. 8.
22. It is anticipated that WBC CT East will receive referrals from states contiguous to Connecticut. Currently, Walden’s Massachusetts operation generates 11.7% of its patient days from across New England and the northeastern area of the United States. Ex. A, p. 8; Ex. C, p. 454; Tr., Testimony of Dr. Stuart Koman, p. 9.

23. The population in the total service area, based on U.S. Census Bureau figures for 2010, is 2,402,596 persons with 1,400,832 residing in the primary service area and 1,001,764 residing in the secondary service area. The following table illustrate the proposed service area population by county, by gender:

Table 1: Service Area Population, Aged 15-64*

County	Total Population	Males	Females
Primary Service Area			
Hartford County	598,017	293,940	304,077
Tolland County	109,410	56,031	53,379
Middlesex County	111,679	55,339	56,340
New Haven County	581,726	283,838	297,888
Sub-Total PSA	1,400,832	689,148	711,684
Secondary Service Area			
Fairfield County	606,342	297,996	308,346
Litchfield County	126,870	63,216	63,654
New London County	186,704	95,160	91,544
Windham County	81,848	41,118	40,730
Sub-Total SSA	1,001,764	497,490	504,274
Total Service Area	2,402,596	1,186,638	1,215,958

Note:*WBC CT East will provide care to adolescents aged 12-17. Separate data for the population aged 12 to 14 is not available from the Census. Therefore the total population is somewhat understated. Ex. A, pp. 9-10.

24. WBC CT East utilized literature pertaining to established prevalence of eating disorder data in the United States. The Applicant specifically used the following information for calculating the demand for eating disorder services in Connecticut:
- a. **Anorexia Nervosa (AN)** – AN impacts 1 in 200 females (.5%) and 1 in 2,000 males during their lifetime. (See American Psychiatric Association. (2000). Diagnostic and Statistical Manual of Mental Disorders (4th ed., text rev.) Washington, DC., p. 587, Exhibit #6 of the CON application).
 - b. **Bulimia Nervosa (BN)** – currently, BN, as defined by the DMS-IV-TR, impacts 2-3% of young women, (See Crow & Brandenburg, 2010, Exhibit #10 of the CON application; p. 30).
 - c. **Binge Eating Disorder (BED)** – using National Comorbidity Survey Replication data, Hudson and colleagues (2007) reported life time prevalence estimates for BED of 3.5% of women and 2.0% of men during their lifespan, nearly twice as high as those reported for AN and BN combined. (See Hudson, Hiripi, Pope and Kessler, 2007, Exhibit #7 of the CON application).
Ex. M, pp. 467-468.

25. Applying the prevalence of eating disorder data to the populations of the proposed service areas, WBC CT East calculated the incidence of eating disorders by disease type in the primary, secondary and total service area:

Table 2: Projected Incidence of Eating Disorders in the Service Area

Service Area Description:	Anorexia Nervosa	Bulimia Nervosa	Binge ED
Primary Service Area	3,903-6,750	14,121	38,692
Secondary Service Area	2,770-4,787	10,051	27,600
Total Service Area	6,673-11,537	24,172	66,292

Ex. A, p. 12.

26. The Applicant projects that the proposed facility's expected utilization will meet only 0.47% of the total primary service area's demand in Year 1, 0.87% in Year 2 and 1.16% in Year 3 of operation. Ex. M, p. 468
27. The following table illustrates WBC CT East's projected service volume in patient days for fiscal years ("FYs") 2012 through 2014.

Table 3: Projected Service Volume in Days

Service Description:	FY 2012	FY 2013	FY 2014
Adult PHP	825	1,432	1,820
Adult IOP	623	856	1,248
Binge IOP	354	620	776
Adolescent PHP	388	776	1,044
Adolescent IOP	352	856	1,248
Aftercare IOP	197	698	936
Total	2,739	5,238	7,072

Note: The fiscal year is a calendar year: January 1 through December 31.

Ex. A. p. 12.

28. The following table illustrates WBC CT East's projected number of patients* for FYs 2012 through 2014:

Table 4: Projected Number of Patients by Service

Service Description:	FY 2012	FY 2013	FY 2014
Adult PHP	83	144	183
Adult IOP	73	100	145
Binge IOP	41	73	91
Adolescent PHP	25	50	66
Adolescent IOP	28	69	100
Aftercare IOP	16	56	75
Total	266	492	660

Note: The fiscal year is a calendar year: January 1 through December 31. *In the aggregate the prospective ratio of female to male patients is estimated to be 80% female to 20% male.

Ex. A. pp. 13 and 186.

29. The service volume projections are based on Walden’s direct experience in the setting up of its PHP, IOP and BED programs in Massachusetts and reflect staggered launching of each of the services over the first several months of startup. Adult PHP and IOP services are projected to launch in month 1 of the service startup. Adolescent PHP and IOP services are projected to launch in month 4 and the aftercare IOP program is projected to launch in month 7. Ex. A. pp. 13 and 186; Ex. C. pp. 467-468.
30. The following table illustrates Walden’s actual number of patients treated at its Waltham, Northampton and Worcester service locations for FYs 2009 through 2011:

Table 5: Actual Number of Patients Treated by Location and Service Type

Service Location	FY 2009	FY 2010	FY 2011
Waltham:			
Adult PHP	236	280	227
Adult IOP	142	192	123
Binge IOP – started 2/2011	-	-	37
Adolescent PHP – started 6/2011	-	-	30
Adolescent IOP	46	63	55
Waltham Total Patients	424	535	472
Northampton:			
Adult PHP	88	102	95
Adult IOP	67	63	52
Binge IOP – started 2/2011	-	-	30
Adolescent PHP – started 2/2011	-	-	19
Adolescent IOP	-	3	8
Northampton Total Patients	155	168	204
Worcester:			
Adult IOP – started 2/2011	-	-	55
Adolescent IOP – started 7/2011	-	-	10
Worcester Total Patients	-	-	65

Note: The fiscal year is a calendar year: January 1 through December 31.
Ex. C, pp. 458-459.

31. WBC CT East will be able to provide a continuum of care with outpatient and partial hospital services originating in South Windsor and residential or inpatient services being available in Waltham, MA. Each of the proposed programs is designed to operate as a “stand alone” or as part of an integrated system of care. Patients will be able to transfer between levels as clinically required. Ex. C. p. 455.
32. OHCA finds that a clear public need exists for the proposed eating disorder services in the primary service area and that the proposal will provide for a comprehensive continuum of eating disorder treatment services in Connecticut, especially eating disorder services for male patients.
33. OHCA further finds that the projected number of patients to be treated by the proposed services appears to be reasonable.

34. Other current eating disorder treatment providers in Connecticut include the following:
 - a. The Institute of Living, 200 Retreat Avenue, Hartford, CT, which provides PHP services for adults and adolescents; and
 - b. Renfrew Centers, 1445 East Putnam Avenue, Greenwich, CT, which provides some eating disorder programming within its day treatment, IOP and outpatient programs. Ex. M. p. 476.
35. OHCA finds that WBC CT East will provide a broader array of eating disorder services than is currently available in Connecticut. In addition to the proposed services in Connecticut, Walden also provides a complete continuum of eating disorder services in Massachusetts, which currently treats patients from throughout New England. Walden is also the only provider of eating disorder services to male patients in New England. OHCA finds that the proposed services will be complementary to those services already available in Connecticut and will provide a valuable resource for more intensive eating disorder services as needed.
36. WBC CT East and ECHN are planning a joint venture partnership arrangement where ECHN will own a minority share (16.4% membership interest) of WBC CT East. The shortage of specific eating disorder services in Connecticut precipitated Walden's partnership with ECHN to bring these services to the area. Ex. C. p. 456; Tr., Testimony of Dr. Stuart Koman, p. 9.
37. ECHN's ownership share in the operation was determined by projecting the program's value at maturity and then combining the valuation with ECHN's capital contribution toward the fitting out of program space and other capital considerations in the start-up of the operation. Tr., Testimony of Dr. Stuart Koman, p. 30.
38. The proposed program will be managed by Walden on a management agreement with WBC CT East. ECHN will serve on the Board of Directors and will provide contracted psychiatric services for the program. Tr., Testimony of Dr. Stuart Koman, p. 28.
39. WBC CT East and ECHN plan to execute and deliver the proposed partnership and lease agreements once CON approval has been received for the project. Ex. C. p. 456; Tr., Testimony of Dr. Stuart Koman, p. 9.
40. The Applicant expects to execute formal referral relationships with ECHN to both receive potential clients from ECHN service providers, as well as refer clients to ECHN service providers for medical services as needed. Walden also anticipates receiving referrals from physicians who are not affiliated with ECHN due to the nature of the program. Ex. C. p. 456.

41. In addition to the referral relationships noted above, other potential relationships that have been discussed, but not yet finalized, are as follows:
 - a. Other providers of related or similar eating disorder services. These include programs at the Renfrew Center and Hartford Hospital's Institute of Living ("IOL"). Hartford Hospital has provided a letter of support for the Applicant's proposal.
 - b. Independently licensed clinicians and selected provider organizations which may practice in the area. The Applicant expects that it will include private practitioners (LICSW's, PhD's, dietitians, PCPs, family practitioners, pediatricians, gastroenterologists, gastric bypass surgical centers, Dentists, etc.). The Applicant also expects to have relationships with college health resources in the region, including health service departments, counseling centers, residential life, etc.
 - c. Resident advisors, coaches and deans in the high school setting. The Applicant will also connect with nurses and guidance counselors.
 - d. Insurance companies – Through its Massachusetts-based services, Walden has secured major insurance contracts. It will work with representatives from CT insurance companies to extend its agreements to cover services provided in CT. Ex. C. pp. 456-457; Ex. M. p. 474; Tr., Testimony of Dr. Stuart Koman, pp. 9 and 14.
42. OHCA finds that the proposal will offer intensive outpatient care, specialty programs for binge eating disorder and specialty programs for adolescents and their families that are not currently offered in the proposed primary service area.
43. Walden's inpatient and residential services are licensed by the Massachusetts Department of Mental Health. Its clinics are licensed by the Massachusetts Department of Public Health. Ex. A, p. 16.
44. Walden's services are accredited by the Joint Commission on Accreditation of Health Care Organizations. It maintains accreditation under the Joint Commission Comprehensive Behavioral Healthcare standards. These standards include guidelines which specifically focus on the assessment and provision of care, treatment, and services for individuals served who have eating disorders. Ex. A, pp. 16-17.
45. Walden utilizes the *American Psychiatric Association's Practice Guidelines for the Treatment of Patients with Eating Disorders, Third Edition*. These standards are the basis for the clinical guidelines utilized in Walden's contracts with third-party payers, and provide detailed information on the formulation and implementation of a treatment plan. Compliance with the standards is managed through clinical supervision, medical record review, and concurrent utilization review. Ex. A, p. 17.
46. Walden utilizes a Policy & Procedure Manual for its facilities in Massachusetts, a copy of which has been supplied in the CON application. If approved, WBC CT East will adapt the Walden manual to be in compliance with Connecticut laws and regulations. Ex. A, pp. 17; 262-375.

47. WBC CT East has made plans with ECHN to address any emergency medical situation it may encounter with its patients at its South Windsor facility. A draft copy of the transfer agreement was provided in the CON application. Ex. A, pp. 17-377.
48. OHCA finds that the Applicant possesses the managerial experience and clinical expertise to provide the necessary eating disorder services to the area it intends to serve.
49. The capital cost associated with the proposal is \$142,680, consisting of \$92,680 in the fair market value of leased space and equipment, plus \$50,000 in projected equipment and other capital expenditures. Ex. A, p. 19; Ex. C, p. 462.
50. The proposal will be financed through equity contributions received from Walden and ECHN. Ex. A, p. 19; Ex. M, p. 522.
51. Walden reports a gain from operations of approximately \$469,000 for FY 2010. Ex. C, p. 465.
52. WBC CT East projects the following incremental revenues and expenses with the proposed South Windsor services:

Table 6: Projected Incremental Revenues & Expenses for WBC Connecticut East, LLC

Description:	FY 2012	FY 2013	FY 2014
Revenues from Operations	\$718,642	\$1,333,869	\$1,782,838
Total Operation Expense	\$760,511	\$1,276,472	\$1,493,239
Incremental Gain/(Loss) from Operations	(\$41,869)	\$57,397	\$289,599

Note: Fiscal year is January 1 to December 31.
Ex. C, p. 465.

53. The Applicant's projected operating loss of \$41,869 in FY 2012 is attributable to start-up costs incurred from the hiring of sufficient staff to cover the anticipated treatment of the initial patient workload. Ex. A, p. 21.
54. Walden projects the following overall revenues and expenditures with the proposed project:

Table 7: Projected Overall Revenues and Expenses for Walden Behavioral Care

Description:	FY 2012	FY 2013	FY 2014
Revenues from Operations	\$18,076,742	\$19,319,842	\$20,420,796
Total Operation Expense	\$16,481,755	\$17,547,960	\$18,334,228
Overall Gain from Operations	\$1,594,987	\$1,771,882	\$2,086,568

Note: Fiscal year is January 1 to December 31.
Ex. C, p. 465.

55. The Applicant projects that the following staffing requirements for the proposed services in the first three years of operation.

Table 8: Proposed Staffing Patterns

Description:	FY 2012 FTEs	FY 2013 FTEs	FY 2014 FTEs
Social Worker	2.100	3.000	3.000
Psychologist	0.750	1.000	1.000
Mental Health Technician	1.500	2.000	2.000
Nutritionist	0.400	0.600	1.000
Medical Doctor	0.225	0.300	0.400
Program Director	1.000	1.000	1.000
Administrator	1.000	1.000	1.000
Receptionist	0.500	1.000	1.000
Total FTEs	7.475	9.900	10.40

Ex. A, p. 7.

56. The patient population mix of the proposed PHPs and IOPs is based upon Walden's current population and payer mix experienced in its Massachusetts-based clinic sites. The Applicant projects that the patient population-mix of these programs will remain consistent over the first three fiscal years of operation.

Table 9: Population Mix for PHP & IOP Services

Description:	Percentage
Medicare	0.0%
Medicaid	14.0%
Champus & TriCare	1.2%
Total Government	15.2%
Commercial*	84.2%
Uninsured	0.6%
Worker's Compensation	0.0%
Total Non-Government	84.8%
Total Population	100.0%

Note: Includes managed care activity.

Ex. A. p. 20

57. In the development of their partnership WBC Connecticut and ECHN have agreed to use the ECHN process for approving charity care. As part of the initial operating agreement it has been determined that the ECHN will provide up to 5% of the operation's gross revenue with a cap of \$25,000 as an initial offering for free care. Tr., Testimony of Dr. Stuart Koman, p. 36; Tr., Testimony of Kevin Murphy, Treasurer & Executive Vice President of Network/Business Development, ECHN, p. 36.
58. In that the proposed facility will be part of a larger organization that currently operates eating disorder services in Massachusetts, the Applicant anticipates that it will be able to achieve economies of operation with respect to the purchasing and administration of the proposed services. Ex. A, p. 22.

59. The integration and alignment of care practices, policies and procedures, as well as economies of scale and access to Walden's administrative sources and established vendor relationships will promote efficient care. Ex. A, p. 22.
60. OHCA finds that the proposal is financially feasible and that the Applicant has demonstrated the proposal will have a positive impact on the financial strength of WBC CT East, Walden, ECHN and the health care system.

Discussion

CON applications are decided on a case by case basis and do not lend themselves to general applicability due to the uniqueness of the facts in each case. In rendering its decision, OHCA considers the factors set forth in § 19a-639(a) of the Statutes and the Applicant bears the burden of proof in this matter by a preponderance of the evidence. Goldstar Medical Services, Inc., et al. v. Department of Social Services, 288 Conn. 790 (2008); Steadman v. SEC, 450 U.S. 91, 101 S.Ct. 999, reh'g den., 451 U.S. 933 (1981); Bender v. Clark, 744 F.2d 1424 (10th Cir. 1984); Sea Island Broadcasting Corp. v. FCC, 627 F.2d 240, 243 (D.C. Cir. 1980).

WBC Connecticut East, LLC, a subsidiary of Walden Behavioral Care, proposes to establish a partial hospital program and an intensive outpatient program, each program providing services for adults and adolescents with eating disorders. FF 1. In addition, a distinct intensive outpatient program for adults with binge eating disorder and aftercare support for adolescents and their families will also be provided. FF 1. The proposed facility will be located at 2400 Tamarack Avenue, Suite 203, in South Windsor, CT, in space leased at Eastern Connecticut Health Network's ("ECHN's") medical building at Evergreen Walk. FF 2. The facility's location is in close proximity to Interstate Highways 91 and 84 and is within 10 miles of ECHN's Manchester Memorial Hospital in Manchester, CT. FF 2, 4. The Applicant and ECHN are planning a joint venture partnership arrangement where ECHN will own a minority share (16.4% ownership interest) of WBC Connecticut East, LLC. FF 36. The shortage of specific eating disorder services in Connecticut precipitated Walden Behavioral Care's partnership with ECHN to bring these services to the area. FF 36. WBC CT East will execute a formal referral relationship with ECHN to both receive potential clients from ECHN service providers, as well as refer clients to ECHN service providers for medical services as needed. FF 40.

For nearly ten years Walden Behavioral Care ("Walden") has established itself as a provider of behavioral health services with multiple service locations in Massachusetts ("MA"). FF 6. Walden offers a full continuum of care for patients with eating disorders, including hospital, residential, partial hospitalization and intensive outpatient care. FF 7. Walden's inpatient hospital service is located in Waltham, MA, and is the only tertiary care inpatient service provider of eating disorders services in New England. FF 8. Its residential, partial hospitalization and intensive outpatient programs are located a short distance from its inpatient campus in Waltham. FF 8. Additionally, WBC offers partial hospital and intensive outpatient eating disorder services at its locations in Northampton, Worcester and Braintree, MA. FF 9. Walden's inpatient and residential services are licensed by the Massachusetts Department of

Mental Health and its clinics are licensed by the Massachusetts Department of Public Health. FF 43. Walden's services are accredited by the Joint Commission on Accreditation of Health Care Organizations. It maintains accreditation under the Joint Commission Comprehensive Behavioral Healthcare standards. FF 44. These standards include guidelines which specifically focus on the assessment and provision of care, treatment, and services for individuals served who have eating disorders. FF 44. OHCA finds that the Applicant possesses the managerial experience and clinical expertise to provide the eating disorder services to the region of the state it intends to serve. FF 48.

The Applicant's primary service area ("PSA") consists of Hartford, Tolland, Middlesex and New Haven Counties. FF 20. This service area delineation is based on an approximate drive time from a patient's residence to the facility location of one hour or less. FF 20. The population in the primary service area, based on U.S. Census Bureau figures for 2010, is 1,400,832. FF 23. WBC CT East utilized literature pertaining to established eating disorder prevalence data in the United States to calculate the demand for such services in Connecticut. FF 24. Applying the prevalence data to the population of the proposed primary service area, WBC CT East calculated the incidence of eating disorders by disease type within the service area. FF 25. Based upon the proposed facility's expected utilization of treating 266 patients in Year 1, 492 patients in Year 2 and 660 patients in Year 3, the Applicant projects that it will meet only 0.47% of the total primary service area demand in Year 1, 0.87% in Year 2 and 1.16% in Year 3 of operation. FF 26, 28. Based upon the demand for eating disorder services, OHCA finds that there a clear public need exists for the proposed services in the primary service area and that the proposal provides for a comprehensive continuum of eating disorder treatment services in Connecticut, especially eating disorder services for male patients. FF 32. Specifically, OHCA finds that the proposal will offer intensive outpatient care, specialty programs for binge eating disorder and specialty programs for adolescents and their families that are not currently offered in the proposed primary service area. FF 42. Lastly, OHCA finds the projected number of patients to be treated by the proposed services appears to be reasonable. FF 28-30, 33.

The Applicant expects to execute formal referral relationships with ECHN to both receive potential clients from ECHN service providers, as well as refer clients to ECHN service providers for medical services as needed. FF 40. WBC CT East also anticipates receiving referrals from physicians who are not affiliated with ECHN due to the nature of the program. FF 40. In addition to these referral relationships, other relationships that will be developed include: other providers of related or similar eating disorder services like the Renfrew Center and Hartford Hospital's Institute of Living; independently licensed clinicians; and selected provider organizations that may include private practitioners, social workers, dietitians, primary care physicians, family practitioners, pediatricians, gastroenterologists, gastric bypass surgical centers, dentists, etc. FF 41. The Applicant also expects to develop relationships with college and high school health resources in the region, including health service departments, counseling centers, nurses and guidance counselors and it will work with representatives from CT insurance companies to extend its agreements to cover services provided in Connecticut. FF 41.

OHCA finds that WBC CT East will be able to provide a continuum of care with outpatient and partial hospital services provided in South Windsor and residential or inpatient services available in Waltham, MA. FF 31. Each of the proposed programs is designed to operate as a "stand-alone" or as part of an integrated system of care. FF 31. Patients will be able to transfer between levels as clinically required. FF 31. Other similar treatment providers in Connecticut include the Institute of Living in Hartford, which provides PHP services for adults and adolescents and the Renfrew Center in Greenwich, which provides some eating disorder programming within its day treatment, IOP and outpatient programs. FF 34. While two CT treatment providers exist, OHCA finds that WBC CT East will provide a broader array of eating disorder services than is currently available in Connecticut. FF 35. Walden will also continue to be the only provider of eating disorder services to male patients in the region. FF 19, 35. OHCA finds that the proposed services will be complementary to those services already available in Connecticut. FF 35. As there is no provider in the proposed primary service area that currently offers intensive outpatient care, specialty programs for binge eating disorder, or specialty programs for adolescents and their families, the proposed services will provide a valuable resource for more intensive eating disorder services as needed. FF 34.

The total capital cost associated with the proposal is \$142,680. FF 49. Walden intends to finance the WBC CT East proposal through equity contributions received from Walden and ECHN. FF 50. WBC CT East estimates the following incremental gain/(loss) from operations in the first three fiscal years of operation: a loss of (\$41,869) in Year 1; a gain of \$57,397 in Year 2; and a gain of \$289,599 in Year 3. FF 52. The Applicant's projected operating loss of \$41,869 in the first year of operation is attributable to start-up costs incurred from the hiring of sufficient staff to cover treatment provided to the initial patient workload. FF 53. Walden has reported a gain from operations of approximately \$469,000 for FY 2010. FF 51. With projected gains in operations of approximately \$1.6 million dollars, \$1.8 million dollars and \$2.1 million dollars with the project in FYs 2012 through 2014, respectively, Walden is satisfactorily situated to handle the financial requirements of the proposal. FF 54, 60. Additionally, as the proposed facility will be part of a larger organization that currently operates eating disorder services in Massachusetts, WBC CT East will be able to achieve economies of operation with respect to the purchasing and administration of the proposed services. FF 58. The integration and alignment of care practices, policies and procedures, as well as economies of scale and access to Walden's administrative sources and established vendor relationships will promote efficient care. FF 59. Consequently, OHCA finds that the proposal is not only financially feasible, but that it will have a positive impact on the financial strength of the WBC CT East, Walden, and ECHN. FF 60.

Based upon all of the foregoing, OHCA concludes that the Applicant, WBC Connecticut East, LLC, has demonstrated a need for the proposed establishment of a partial hospital program and an intensive outpatient program, each program providing services for adults and adolescents with eating disorders; a distinct intensive outpatient program for adults with binge eating disorder; and aftercare support services for adolescents and their families, in South Windsor, CT. Moreover, OHCA concludes that the Applicant has demonstrated that the proposal is financially feasible and that it will have a positive impact on the financial strength of the WBC CT East, Walden, ECHN and the health care system as a whole.

Order

Based upon the foregoing Findings and Discussion, the Certificate of Need application of WBC Connecticut East, LLC, for the establishment of a partial hospital program and an intensive outpatient program, each program providing services for adults and adolescents with eating disorders; a distinct intensive outpatient program for adults with binge eating disorder; and aftercare support services for adolescents and their families, in South Windsor, Connecticut is, hereby, **approved**, subject to the following conditions:

1. Within five (5) business days of the closing date, WBC CT East shall provide OHCA with a copy of the operating agreement of WBC Connecticut East, LLC, which was provided as Exhibit E to the CON Application's Response to Interrogatories.
2. Within five (5) business days of the closing date, WBC CT East shall provide OHCA with a copy of the lease agreement of WBC Connecticut East, LLC, which was provided as Exhibit F to the CON Application's Response to Interrogatories.
3. Within five (5) business days of the closing date, WBC CT East shall provide OHCA with a copy of the transfer agreement between WBC Connecticut East, LLC, and Eastern Connecticut Health Network, which was provided as Exhibit 17 to the CON Application, addressing any emergency medical situation WBC CT East may encounter with its patients at its South Windsor facility.

Should WBC CT East fail to comply with any of the obligations set forth in these 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.

Based upon the foregoing, I respectfully recommend that the Deputy Commissioner approve the CON application of WBC Connecticut East, LLC, for the establishment of a partial hospital program and an intensive outpatient program, each program providing services for adults and adolescents with eating disorders; a distinct intensive outpatient program for adults with binge eating disorder; and aftercare support services for adolescents and their families.

July 11, 2012
Date

Marianne Horn
Marianne Horn, Esq.
Hearing Officer