



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

December 18, 2012

**IN THE MATTER OF:**

An Application for a Certificate of Need  
filed Pursuant to Section 19a-638, C.G.S. by:

Notice of Final Decision  
Office of Health Care Access  
Docket Number: 12-31765-CON

**Greenwich Hospital**

**Termination of the Hospital's  
Outpatient Center Dental Clinic**

To: Nancy M. Hamson  
Director of Operations  
Greenwich Hospital  
5 Perryridge Road  
Greenwich, CT 06830

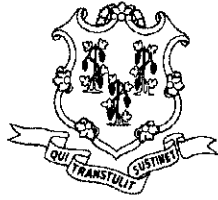
Dear Ms. Hamson:

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-638, C.G.S. On December 18, 2012, 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.

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Kimberly R. Martone  
Director of Operations

Enclosure  
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**Department of Public Health  
Office of Health Care Access  
Certificate of Need Application**

**Final Decision**

**Applicant:** Greenwich Hospital  
5 Perryridge Road, Greenwich, CT 06830

**Docket Number:** 12-31765-CON

**Project Title:** Termination of Greenwich Hospital's Outpatient  
Center Dental Clinic

**Project Description:** Greenwich Hospital is seeking Certificate of Need ("CON") authorization for the termination of its Outpatient Center Dental Clinic after Greenwich Hospital discontinued providing preventative and restorative dental care to its Clinic patients as of October 1, 2011.

**Procedural History:** On September 10, 2012, the Office of Health Care Access ("OHCA") received a Certificate of Need application from Greenwich Hospital for the above-referenced project. A notice to the public concerning OHCA's receipt of Greenwich Hospital's Letter of Intent was published by Greenwich Hospital on May 21, 22 and 23, 2012 in *The Greenwich Times*.

OHCA's authority to review and approve, modify, or deny this proposal is established by Connecticut General Statutes § 19a-638. These provisions, as well as the principles and guidelines set forth in § 19a-639 of the Connecticut General Statutes, were fully considered by OHCA in its review.

**FINDINGS OF FACT**

1. Greenwich Hospital is a not-for-profit, acute care hospital located at 5 Perryridge Road in Greenwich, Connecticut. Exhibit A, pp. 1 & 13.

2. Greenwich Hospital operated an on-campus Dental Clinic (the "Clinic"), which offered preventative and restorative dental care services primarily to Greenwich residents, adults and children, who were underinsured or uninsured and whose income fell within government poverty guidelines. Exhibit A, p. 8.
3. The Clinic's annual service utilization in visits from FY 2009 through 2011 was 2,271, 2,628 and 2,447, respectively. Exhibit A, p. 11.
4. On September 30, 2011, the Clinic provided care to its last patient, effectively closing the Clinic as of October 1, 2011. CON Determination Report; Docket Number: 12-31743, Finding of Fact 6.
5. Greenwich Hospital's termination of the Clinic, which served as one component within a package of other implemented service cutbacks not requiring CON review, was considered in order to effectuate the following:
  - a. To minimize the impact of a \$12,100,000 hospital tax that was assessed by the State of Connecticut beginning July 2011, which moved the Hospital to make changes to offset the loss of revenue resulting from the state hospital tax.
  - b. To focus on the Hospital preserving core care services needed in the communities served by the Hospital.
  - c. To focus on the Hospital remaining financially stable.
  - d. The Hospital reported that the Clinic services were minimally reimbursed by the Medicaid program and some commercial payers.
  - e. Additionally, all of the services involved in the program cutbacks were not profitable.  
Exhibit A, pp. 8, 9 & 15; Exhibit B, pp. 48 & 49.
6. Greenwich Hospital provided evidence that the subject of service cutbacks was discussed at the Greenwich Hospital Executive Committee of the Board of Trustees meeting held on July 13, 2011. Greenwich Hospital provided redacted minutes from this meeting reflecting the Board's vote in favor of the budget proposal, which included, in part, the termination of the Clinic. Exhibit A, pp. 9 & 19.
7. On September 12, 2011, members of Greenwich Hospital's Administration met with dental providers on Greenwich Hospital's medical staff to discuss the termination of the Clinic. Exhibit A, p. 9.
8. In a letter dated September 20, 2011, Greenwich Hospital notified the Clinic patients of the following:
  - a. Greenwich Hospital was "discontinuing the Dental Clinics basic dental care (preventive and restorative care)";
  - b. There would be no change to the provisions of oral surgery, emergency and urgent dental services provided through Greenwich Hospital's medical staff and Emergency Department;
  - c. The Clinic patients would continue to be able to access comprehensive medical evaluation services through the Clinic; and

- d. If the Clinic patients were insured through Medicaid or some other plan, they should call their member services number for a referral to an alternate care provider for basic dental services. Exhibit A, pp. 9 & 21.
9. For patients formerly seen and treated at the Clinic, Greenwich Hospital now provides these individuals with a list of practicing dentists located in the service area and who are listed in Greenwich Hospital's physician referral service. Exhibit A, pp. 9 & 10.
10. Other area hospitals that offer preventative and restorative dental care include Norwalk Hospital, which offers a dental clinic, and Stamford Hospital, which offers dental services through its partnership with Optimus Health Care at 1351 Washington Boulevard in Stamford. Exhibit A, p. 9.
11. Greenwich Hospital reported the following actual incremental losses from the Clinic's operation for FYs 2009 through 2011:

**Table 1: Incremental Clinic Losses Experienced by the Hospital**

Description	FY 2009	FY 2010	FY 2011
Incremental Revenue from Operations	\$219,000	\$293,000	\$253,000
Incremental Total Operating Expense	\$596,000	\$633,000	\$619,000
<b>Incremental Losses from Operations</b>	<b>(\$377,000)</b>	<b>(\$340,000)</b>	<b>(\$366,000)</b>

Ex. A, p. 39.

12. Greenwich Hospital reported the Clinic service patient population mix as follows:

**Table 2: Clinic's Actual Patient Population Mix**

Description:	FY 2009	FY 2010	FY 2011
Medicare	0.2%	.1%	.1%
Medicaid	41.8%	45.0%	47.0%
<b>Total Government</b>	<b>42.0%</b>	<b>45.1%</b>	<b>47.1%</b>
Commercial	0.4%	1.0%	.7%
Uninsured	57.6%	53.9%	52.2%
<b>Total Non-Government</b>	<b>58.0%</b>	<b>54.9%</b>	<b>52.9%</b>
<b>Total Population Mix</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Ex. A. pp. 43, 44 & 45.

13. Greenwich Hospital's proposal has no associated capital expenditure. Ex. A, p. 13.

## 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).

Greenwich Hospital is a not-for-profit, acute care hospital located at 5 Perryridge Road in Greenwich, Connecticut. FF 1. Greenwich Hospital is seeking Certificate of Need authorization to terminate its on-campus Outpatient Center Dental Clinic (the "Clinic"), which Greenwich Hospital closed on or about October 1, 2011. The Clinic offered preventative and restorative dental care services primarily to Greenwich residents, adults and children, who were underinsured or uninsured and whose income fell within government poverty guidelines. FF 2. On September 30, 2011, the Clinic provided care to its last patient. FF 4.

The Clinic's volume, in patient visits, was 2,271, 2,628 and 2,447 for fiscal years ("FYs") 2009 through 2011, respectively. FF 3. Greenwich Hospital projects savings of approximately \$366,000 per fiscal year based on the Clinic's actual salary, fringe benefit and supply expenses for FY 2011. FF 11. Greenwich Hospital's proposal has no associated capital expenditure. FF 13.

Greenwich Hospital attributed the Clinic's termination, as well as the implementation of other service cutbacks, to the impact of a \$12,100,000 hospital tax that was assessed by the State of Connecticut beginning July 2011. In order to offset the loss of revenue resulting from the State hospital tax, Greenwich Hospital maintained that it needed to focus on providing the core health care services needed within the community and to focus on remaining financially stable. FF 5. Consequently, Greenwich Hospital was willing to terminate the Clinic inasmuch as it was not considered a core health care service, was minimally reimbursed by the Medicaid program and was not considered a profitable service. FF 5.

While Greenwich Hospital maintains that it held discussions concerning the termination with its Executive Committee Board members and dental providers in July 2011 and September 2011, respectively, it didn't notify the Clinic patients of the service termination until September 20, 2011, approximately 10 days prior to the closure of the Clinic. FF 6 through 8. After notification of the termination was sent to the Clinic patients, the only follow-up measure Greenwich Hospital employed was to provide a requesting Clinic patient a list of dentists in its physician referral service. Greenwich Hospital could not provide specific information pertaining to whether the dentists listed in its physician

referral service could accommodate former Clinic patients. FF 9. Furthermore, Greenwich Hospital failed to show any effort on its part to identify opportunities to collaborate with community service providers, such as federally qualified health centers, who may have been better suited to provide dental care services to the target population within the community either prior to or after its decision to terminate the Clinic. FF 10. OHCA is unable to determine that there was a lack of need for the Clinic since Greenwich Hospital was unable to provide information as to the availability of other dental practitioners in the area who could and would accept the Clinic's former patients.

OHCA was not provided any data that could have been reviewed to substantiate that former Clinic patients were successful in locating a new dental provider. Consequently, OHCA is unable to conclude that accessibility to care will be maintained for the patient population being affected.


## Order

Pursuant to Connecticut General Statutes § 19a-638, as amended by Public Act 11-183, a CON issued by OHCA is required for the termination of inpatient or outpatient services offered by a hospital. Because discontinuance of the Clinic was a termination of an outpatient service at a hospital, Greenwich Hospital was required to file a CON application with OHCA specific to this termination of service. Since OHCA was deprived of the opportunity to review Greenwich Hospital's CON application prior to the closure of the Clinic, it cannot make a final determination as to the potential effects or appropriateness of the Clinic's closure.

All of the foregoing constitutes the final order of the Office of Health Care Access in this matter.

By Order of the  
Office of Health Care Access

12/18/12  
Date

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

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