



STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

June 7, 2007

Mary Nescott, MPH
Director of Quality Management
Birmingham Group Health Services, Inc.
435 East Main Street
Ansonia, CT 06401

RE: Certificate of Need Determination; Report Number 07-30972-EXM
Birmingham Group Health Services, Inc.
CON Exemption Pursuant to Section 19a-639b, C.G.S.
Merger of Valley Mental Health Center with and into Birmingham Group Health
Services, Inc.

Dear Ms. Nescott:

The Office of Health Care Access (“OHCA”) is in receipt of your request for exemption from the Certificate of Need (“CON”) process, pursuant to Section 19a-639b of the Connecticut General Statutes (“C.G.S.”), for the merger of Valley Mental Health Center with and into Birmingham Group Health Services, Inc. at 111 New Haven Avenue, Derby.

Upon review of the information contained in the request, OHCA finds the following:

1. Valley Mental Health Center (“VMHC”) is a non-profit facility providing psychiatric and substance abuse treatment for adults at 435 East Main Street, Ansonia, Connecticut.
2. Birmingham Group Health Services, Inc. (“BGHS”) is the parent corporation of Valley Mental Health Center located at 435 East Main Street, Ansonia.
3. This proposal is for a merger of VMHC into its parent company, BGHS at 111 New Haven Avenue, Derby, Connecticut.
4. The Department of Mental Health and Addiction Services (“DMHAS”), in a letter dated June 4, 2007, from Deputy Commissioner Peter B. Rockholz, M.S.S.W. recommends an exemption be granted under CGS Section 19a-639b for the merger between Birmingham Group Health Services, Inc. and Valley Mental Health Center. This action will provide

increased administrative efficiencies while assuring continued access to psychiatric and substance abuse outpatient services for adults in the Lower Naugatuck Valley region.

5. VMHC and BGHS currently have a contract with DMHAS. 111 New Haven Avenue, Derby, and 435 East Main Street, Ansonia are the locations currently funded by DMHAS and operated by VMHC or BGHS for mental health and substance abuse outpatient programs in the Lower Naugatuck Valley Region (Ansonia, Derby, Oxford, Shelton and Seymour) serving adults.
6. DMHAS states that VMHC will cease to exist with all ownership rights residing with BGHS. DMHAS will transfer funds previously allocated under contract with VMHC to BGHS for the purpose of continuing mental health and substance abuse treatment services for adults residing in the Lower Valley Region. BGHS states that there will be no changes in board officers, board members, facility location, staffing, service capacity, and services offered.
7. There is no associated capital expenditure with this proposal.

Based on the above findings, OHCA has determined that the merger of Valley Mental Health Center, Inc. into Birmingham Group Health Services at 111 New Haven Avenue, Derby meets the exemption requirements of Section 19a-639b of the Connecticut General Statutes and, therefore, is exempt from OHCA's CON process. Termination of these services would require CON approval, pursuant to Section 19a-638, C.G.S.

Thank you for providing information to OHCA regarding this proposal. If you have any questions concerning this letter, please contact Paolo Fiducia, Associate Health Care Analyst, Certification, Financial Analysis and Forecasting, at (860) 418-7001.

Sincerely,

Signed by Cristine A. Vogel
Commissioner

C: Peter B. Rockholz, M.S.S.W., Deputy Commissioner, DMHAS
Sandra Bauer, Health Processing Technician, DPH, DCBR
Al Bidorini, Director, OPAS, DMHAS
Donna C. Stimpson, Planning Specialist, DMHAS

CAV:pf