



STATE OF CONNECTICUT  
OFFICE OF HEALTH CARE ACCESS

M. JODI RELL  
GOVERNOR

CRISTINE A. VOGEL  
COMMISSIONER

August 27, 2008

Mr. Frank A. Corvino  
President and Chief Executive Officer  
The Greenwich Hospital  
5 Perryridge Road  
Greenwich, CT 06830

RE: A Certificate of Need Determination; Report Number 08-31221-DTR  
and compliance with a Certificate of Need issued under Docket Number 06-30813-CON  
The expansion of membership in GASC to include four additional ophthalmologists  
Greenwich Hospital and Greenwich Ambulatory Surgery Center, LLC

Dear Mr. Corvino:

On January 31, 2008, OHCA authorized a Certificate of Need ("CON") to Greenwich Hospital ("Hospital") and Greenwich Ambulatory Surgery Center, LLC, together referred to as "Applicants", to establish and operate an ambulatory surgery center at 55 Holly Hill Lane, Greenwich, Connecticut at a total capital expenditure of \$8,552,992. The Hospital is authorized to utilize the center for Hospital outpatient and/or ambulatory procedures four days per week and Greenwich Ambulatory Surgery Center, LLC, a separate legal entity, is authorized to provide ophthalmologic procedures at the Center one day per week. Pursuant to Stipulation #6 of the CON authorization, "*Should the Hospital or the GASC propose to change ownership of the Center, offer physicians other than Drs. Gladstein and Mandava membership in the Greenwich Ambulatory Surgery Center, LLC ("GASC"), or if the Hospital considers leasing the Center to another entity other than the GASC, the Hospital and/or the GASC shall file with OHCA appropriate documentation regarding such proposal, including either a Certificate of Need Determination Request or a Certificate of Need Letter of Intent*". On June 26, 2008, Greenwich Hospital filed a letter informing OHCA that it "*would like to expand membership in GASC to include 4 other ophthalmologists*" and that "*There will be no substantial changes to the Ambulatory Surgery Center operations due to the addition of these ophthalmologists. The physicians will continue to own 59.5% of the equity in the ASC.*" Further information was filed, as requested, on August 1, 2008.

OHCA has reviewed the matter and makes the following findings:

1) Greenwich Ambulatory Surgery Center, LLC (“GASC”) is a Connecticut limited liability company established by the Hospital as a joint venture with its physicians for the operation of an ambulatory surgery center. (Source: CON decision 06-30813-CON, Finding of Fact #1)

2) The Operating Agreement for GASC identifies the following member types of the GASC:

<u>Member</u>	<u>Class</u>	<u>Ownership Percentage</u>
Physician-Members or Newco, LLC	Class A	59.5%
Greenwich Health Services, Inc.	Class B	25.5%
Constitution Surgery Centers, LLC	Class C	15.0%

(Source: CON decision 06-30813-CON, Finding of Fact #8)

3) Two physicians, Suresh Mandava, MD, and Gina Gladstein, MD, both attending ophthalmologists at the Hospital, were identified in the CON as being physician partners in the GASC, LLC. (Source: CON decision 06-30813-CON, Finding of Fact #14)

4) The Applicants indicate that Drs. Glen Ostriker, Elizabeth Siderides, Esteban Vietorisz, and James Wong, are the four physicians that will be added as physician owners. The four physicians named are all practicing ophthalmologists and they “*will only be performing procedures at the Center appropriate to that surgical specialty.*” The six physicians (Drs. Mandava and Gladstein and the four new physicians), will keep their GASC Class A units in a holding company (referred to as Physician Holding LLC). “*Membership in the holding company will be restricted to physicians specializing in the field of ophthalmology and will be subject to the same provisions as are found in the Operating Agreement*” submitted in the CON. Physician Holding LLC will be held 100% by ophthalmology physician partners and it is this entity (previously referred to as Newco, LLC in the original CON and operating agreement), that will hold 59.5% of the units of the Greenwich Ambulatory Surgery Center, LLC. (Source: Applicants’ August 1, 2008 response to OHCA questions)

Upon a review of the information submitted, OHCA draws the following conclusions in this matter:

- a) Greenwich Hospital and the legal entity, Greenwich Ambulatory Surgery Center, LLC will still be the only legal entities authorized to use the center (GH 4 days per week and GASC LLC 1 day per week).
- b) GASC, LLC is the entity that must seek/obtain an outpatient surgical facility license from the Department of Public Hearing.
- c) GASC, LLC will still only be able to provide ophthalmologic procedures at this facility.
- d) This addition does not change the ownership structure of GASC, LLC (physician 59.5%, GHSI 25.5%, Constitution 15%).

- e) The addition of the four new ophthalmologists is to the Physician Holding LLC entity, not directly to Greenwich Ambulatory Surgery Center, LLC. No new legal entities are formed which will own units in GASC LLC or lease the center from the Hospital or need to obtain separate DPH licensure as an outpatient surgical facility.

Based on the above OHCA has determined that this request does not represent the introduction of an additional function or service or a change of ownership or control and consequently, the addition of physicians to the Physician Holding LLC entity does not require separate Certificate of Need approval pursuant to Sections 19a-638, C.G.S. It also does not require a modification of the previous Certificate of Need authorization pursuant to Section 4-181a (b). Please note that such determination relies upon OHCA's conclusions listed above as (a) – (e). If you have any questions concerning this letter, please contact Karen Roberts, Compliance Officer, at (860) 418-7001.

Sincerely,

*Signed by Commissioner Vogel on August 27, 2008*

Cristine A. Vogel  
Commissioner

CAV:kr

Copy: Rose McLellan License and Applications Supervisor, DPH, DHSR