

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

June 22, 2010

VIA FACSIMILE ONLY

Joseph Connolly
Chief Marketing & Government Relations
Officer
Saint Mary's Hospital
56 Franklin Street
Waterbury, CT 06706

Theresa Bachhuber
VITAS Hospice Services, LLC
General Manager
1579 Straits Turnpike, Suite C
Middlebury, CT 06762

Re: CON Determination Request; Report Number: 10-31620-DTR
Saint Mary's Hospital & VITAS d/b/a VITAS Hospice Services, LLC
Proposal to Establish Twelve Bed Inpatient Hospice Unit at Saint Mary's Hospital

Dear Mr. Connolly and Ms. Bachhuber:

On May 18, 2010, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination request on behalf of Saint Mary's Hospital ("SMH") and VITAS d/b/a VITAS Hospice Services, LLC ("VITAS") with respect to the proposal to establish a twelve bed inpatient hospice unit at SMH. OHCA has reviewed your request and makes the following findings:

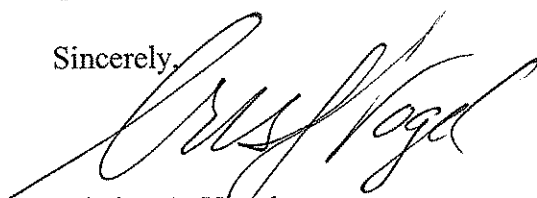
1. SMH is a short term acute care general hospital located at 56 Franklin Street, Waterbury, Connecticut.
2. VITAS is a national hospice company that provides inpatient and outpatient hospice and is Medicare certified.
3. VITAS is licensed to provide hospice services by the Department of Public Health ("DPH").
4. SMH currently provides end-of-life care for its hospital patients pursuant to written inpatient agreements with various hospice providers, including VITAS.
5. Pursuant to the above-referenced agreements, the hospice patient is placed in an available hospital bed and receives inpatient services provided by the hospital and professionally managed by the hospice.

6. SMH seeks to enhance these services by jointly establishing a dedicated hospice unit operated by VITAS.
7. The proposed unit is authorized under Medicare Conditions of Participation for Hospice, 42 C.F.R. § 418 et.seq. ("CoPs").
8. Under the CoPs, hospices may provide inpatient hospice care directly, as well as under arrangements with a Medicare certified hospital or skilled nursing facility.
9. VITAS will lease the space from SMH for provision of direct hospice services to residents of greater Waterbury as authorized under 42 C.F.R. § 418.100.
10. The twelve beds are within SMH's licensed bed capacity.
11. VITAS will institute policies and procedures governing the hospice unit and provide training on hospice care and end-of-life issues for VITAS staff and any SMH staff working in the unit.
12. VITAS will also maintain ultimate responsibility for the hospice plan of care as required by the CoPs.
13. VITAS will be responsible for all billing related to services provided.
14. The estimated total project cost is \$1,037,618.

Based upon the above findings, OHCA has determined that the proposal does not require Certificate of Need approval as it does not involve a transfer of ownership, an additional function or service or a termination of service under §19a-638. Additionally, CON approval is not required pursuant to § 19a-639, as the estimated total project cost of \$1,037,618 is below the \$3 million threshold.

Thank you for keeping OHCA informed of your plans regarding this proposal. If you have any questions concerning this letter, please contact Melanie Dillon at (860) 418-7060.

Sincerely,



Cristine A. Vogel
Deputy Commissioner

C: Rose McClellan, DPH
John D. Blair, Esq., Brown Rudnick, LLP
Melissa Crothers, Senior Corporate Counsel, VITAS