



Office of Health Care Access Certificate of Need Application

Final Decision

Applicant: St. Vincent's Medical Center

Docket Number: 06-30692-CON

Project Title: The Termination of Existing Health Care Services at the St. Joseph's Family Life Center in Stamford, Connecticut

Statutory Reference: Section 19a-638 of the Connecticut General Statutes

Filing Date: July 24, 2006

Hearing Dates: September 21, 2006, September 28, 2006 and October 25, 2006

Presiding Officer: Cristine A. Vogel

Intervenors: Community Health Center, Incorporated d/b/a
The Dental Center of Stamford
And Stamford Health System, Inc.

Decision Date: November 16, 2006

Default Date: November 21, 2006, with a 30-day extension

Staff Assigned: Karen Roberts

Project Description: St. Vincent's Medical Center ("Applicant") is proposing to terminate its existing program of health care services at the Saint Joseph's Family Life Center at 587 Elm Street in Stamford, Connecticut, with no associated capital expenditure.

Nature of Proceedings: On July 24, 2006, the Office of Health Care Access ("OHCA") received a Certificate of Need ("CON") application from St. Vincent's Medical Center to terminate its existing program of health care services at the Saint Joseph's Family Life Center at 587 Elm Street in Stamford, Connecticut, with no associated capital expenditure. The Applicant is a health care facility or institution as defined by Section 19a-630 of the Connecticut General Statutes ("C.G.S.").

A notice to the public concerning OHCA's receipt of the Applicant's Letter of Intent was published on February 18, 2006, pursuant to Section 19a-638, C.G.S. On August 10, 2006, OHCA received a letter from the legal representative of Community Health Center, Incorporated d/b/a The Dental Center of Stamford requesting that a hearing be held on the completed CON application.

A public hearing regarding the CON application was held on September 21, 2006 and continued on September 28, 2006 and October 25, 2006, pursuant to Section 19a-638, C.G.S. On August 31, 2006, the Applicant was notified of the date, time and place of the public hearing. A notice to the public was published in *The Advocate (Stamford)* on September 5, 2006. Commissioner Cristine A. Vogel served as Presiding Officer for this case. The public 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-638, C.G.S.

By petition dated September 13, 2006, Stamford Health System, Inc. requested Party status or Intervenor status regarding the CON application. The Presiding Officer denied the request of Stamford Health System, Inc. for Party status and designated Stamford Health System, Inc. as an Intervenor with full rights of participation.

By petition dated September 15, 2006, Community Health Center, Incorporated d/b/a The Dental Center of Stamford requested Party status regarding the CON application. The Presiding Officer denied the request of Community Health Center, Incorporated d/b/a The Dental Center of Stamford for Party status and designated Community Health Center, Incorporated d/b/a The Dental Center of Stamford as an Intervenor with full rights of participation specific to the issue of the provision of dental services.

On October 11, 2006, OHCA informed the Applicant and Intervenors that it had extended the review period by thirty days, from October 22, 2006 to November 21, 2006 due to the submission of supplemental testimony for a witness for the Applicant (Ludwig Spinelli of Optimus Health Care, Inc.).

The Presiding Officer heard testimony from the Applicant's witnesses, the Intervenors' witnesses and comment from the public, in rendering this decision and considered the entire record of the proceeding. OHCA's authority to review and approve, modify or deny this proposal is established by Section 19a-638, C.G.S. The provisions of this section, as well as the principles and guidelines set forth in Section 19a-637, C.G.S., were fully considered by OHCA in its review.

Findings of Fact

Clear Public Need

Impact of the Proposal on the Applicant's Current Utilization Statistics Proposal's Contribution to the Quality of Health Care Delivery in the Region Proposal's Contribution to the Accessibility of Health Care Delivery in the Region

- 1) St. Vincent's Medical Center ("SVMC" or "Hospital") is a health care facility or institution. SVMC has filed this CON application for the termination of the existing program of health care services at the Saint Joseph's Family Life Center ("SJFLC") in Stamford. SJFLC is located at 587 Elm Street in Stamford.¹ (*page 9 of June 9, 2006 CON application*)

¹ OHCA determined under Certificate of Need Determination Report Number 05-30457-DTR that St. Vincent's Medical Center is the appropriate legal entity to be the CON applicant, based on their significant control over the facility.

- 2) SJFLC does not have its own by-laws or board of directors. All revenues, expenses and volumes appear on SVMC's books as a department of the Hospital. SJFLC is a separate legal entity and is organized as a limited liability company under the physician license of Theresa Kryspin, M.D. *(Page 23 of June 9, 2006 CON application and page 2 of the July 24, 2006 completeness responses and CON Determination under Report Number 05-30457-DTR)*
- 3) SJFLC provides the following services:
 - Limited primary care and basic First Aid;
 - School and pre-employment physical examinations;
 - Basic health screening;
 - Women's health care.*(Page 16 of June 9, 2006 CON application)*
- 4) SJFLC makes the following services available to the SJFLC patient population via various contractual or license arrangements:
 - Dental
 - Chiropractic Care
 - Massage and Reiki Therapy*(Pages 16 and 17 of June 9, 2006 CON application)*
- 5) The primary and secondary service area for the SJFLC is the city of Stamford. Stamford residents comprise more than 90% of the patients. The second largest town, in terms of patient residence, is Norwalk accounting for at 2.5% of patients. *(Page 17 of June 9, 2006 CON application)*
- 6) Special populations served by SJFLC include:
 - Documented or undocumented immigrants;
 - Uninsured patients;
 - Approximately 350 patients with chronic medical problems who seek care on a regular basis.*(Page 19 of June 9, 2006 CON application)*
- 7) SJFLC was established by SVMC in 1999. The Stamford Health System, Inc. provides the space for SJFLC rent-free pursuant to a lease which had expired on November 29, 2005. Additionally, Stamford Health System provided a \$3 million grant to SVMC which has been used to support the operation of SJFLC. *(Page 8 of the February 10, 2006 Letter of Intent and Page 10 of June 9, 2006 CON application)*
- 8) The SJFLC was established and approved by OHCA in connection with the purchase by Stamford Health System of SVMC's ownership interest in the former St. Joseph's Medical Center in accordance with an Agreed Settlement under Docket Number 98-503, as subsequently modified by Docket Number 00-558R. *(Page 8 of the February 10, 2006 Letter of Intent)*
- 9) As part of this CON proposal, the medical services will be assumed by and transitioned to Optimus Health Care, Inc. ("Optimus"), known as the Bridgeport Community Health Center, through its facility in Stamford, the Stamford Community Health Center. *(Page 9 of June 9, 2006 CON application)*
- 10) Hours of operation at SJFLC are Mondays from noon to 7:30 PM and Tuesday through Friday from 9:00 AM to 4:30 PM. Walk in hours are Mondays from 4:30 PM to 7:30 PM, Tuesdays, from 1:00 PM to 3:30 PM and Thursdays from 9:00 AM to 11:30 AM. *(Page 16 of June 9, 2006 CON application)*

- 11) Teresa Kryspin, M.D. is currently Medical Director for SJFLC. Dr. Kryspin is a physician employed by SVMC and is the sole member for the SJFLC, LLC. (Page 9 of the February 10, 2006 Letter of Intent and Page 44 of the June 9, 2006 CON application)
- 12) The SJFLC patient town of residence information for July 1, 2004 though June 30, 2005 and for July 1, 2005 though June 30, 2006, is as follows:

Table 1: Patient Town of Residence

Town of Residence	# patients		% of total	
	7/04 – 6/05	7/05 – 6/06	7/04 – 6/05	7/05 – 6/06
Stamford ²	1,057	1,013	92.71%	92.85%
Norwalk	30	33	2.63%	3.02%
Bridgeport	19	14	1.66%	1.28%
All other CT towns	25	9	2.19%	0.82%
All other non-CT towns or unknown	9	22	0.78%	2.01%
Total	1,140	1,091		

(Page 62 of June 9, 2006 CON application and page 19 of the July 24, 2006 completeness responses)

- 13) SJFLC does not track the number of patients by service category, but does track visits by service category. The following table provides the annual number of visits by service category:

Table 2: SJFLC Visits by Service Category for past three years

	7/1/03 – 6/30/04	7/1/05 – 6/30/05	7/1/06 – 6/30/06
Primary Care (APRN visits)	2,459	2,735	2,439
Assessment, referral or counseling	162	240	195
Social Work	0	387	545
Nutrition (contracted service)	0	3	13
Chiropractic (contracted service)	192	258	392
Massage/Reiki (contracted service)	0	102	248

(Page 2 of the July 24, 2006 Completeness Responses)

- 14) There were no waiting lists for the services provided at SJFLC prior to the announcement of the planned termination. (Page 17 of June 9, 2006 CON application)
- 15) SVMC has developed the following transition plan for this proposal which will take place over a three month period.

- Identify and develop a task list for each high risk patients to ensure proper transitioning.
- Notify patients in writing regarding the closure and alternative locations for care. Notices will also be placed in local newspapers and other media.
- Provide patient information packets which will contain Optimus locations, phone numbers, bus routes, sliding scale information, medication refill information, etc.
- Invite patients to meet prospective primary care provider representatives at SJFLC.
- Refer and connect patients to appropriate providers.
- Transfer patient records information (per SVMC policies/procedures and state/federal laws)
- Assist patients with scheduling first appointment to new provider.

² Of the Stamford zip codes, the majority of patients were from zip code 06902 {935 or 82% of total for year ending 6/30/05 and 877 or 80.4% for year ending 6/30/06}. SJFLC is located within zip code 06902.

- Continue to meet on regular basis with Optimus to review transitioning.
- Coordinate expansion of Parish Nurse Program. Parish Nurse Coordinator will serve as ongoing community resource to former SJFLC patients, as needed.
(Page 18 and 19 of June 9, 2006 CON application)

- 16) Optimus is a provider of comprehensive integrated health and human services in the region³. The organization provides comprehensive outpatient health care for the entire family from prenatal through geriatric care. Optimus is a Federally Qualified Health Center ("FQHC") and a community health center accredited by JCAHO. (Page 11 of June 9, 2006 CON application)
- 17) Optimus serves a target population that is medically underserved and provides the following services, in aggregate for all sites: Adult Medicine, OB/GYN, Pediatrics, Dental, Podiatry, Mental Health, Nutrition, Substance Abuse, HIV/AIDS, Social Services, and clinical laboratory services. (Page 11 of June 9, 2006 CON application)
- 18) According to SVMC, Optimus is currently positioned to assume responsibility for SJFLC medical patients and can offer resources with more depth and breadth to the SJFLC population and that Optimus can offer more comprehensive care to SJFLC patients than is currently available at SJFLC. (Page 9 of June 9, 2006 CON application)
- 19) Optimus has agreed that it has the capacity to treat the approximately 1,100 patients from SJFLC and has agreed to assume responsibility for these patients. SVMC has offered Optimus a one-time grant of \$250,000 to help Optimus off-set expenses for the increased volume associated with serving the SJFLC patients. Optimus has accepted this offer and SVMC and Optimus have drafted a formal agreement for the transfer of these patients. (Page 12 of June 9, 2006 CON application)
- 20) Optimus has operated in Stamford for seven years. Optimus currently maintains two full time locations in Stamford: 245 Selleck Street and 137 Henry Street, under the Stamford Community Health Center name. The Henry Street location is approximately one mile from SJFLC. Both locations would be available to SJFLC patient and can be accessed by public transportation. (Page 11 of June 9, 2006 CON application)
- 21) The services which Optimus provides which are not currently available by SJFLC are Obstetrical, Podiatry, and Mental Health and Substance Abuse services. SVMC indicates that, because of this, the transition to Optimus will increase the scope of services available to SJFLC patients. (Page 11 of June 9, 2006 CON application)
- 22) The 137 Henry Street location currently provides Adult Medicine, GYN, Pediatrics, Podiatry, Mental Health, Nutrition, Substance Abuse, HIV/AIDS, and Social Services. The 245 Selleck Street location currently provides Adult Medicine, GYN, Pediatrics, Podiatry, Mental Health referral and Nutrition referral. (Page 8 of the July 24, 2006 Completeness Responses)
- 23) Optimus does not currently provide dental services at its Stamford locations, but does provide dental services in Bridgeport. (Testimony of Ludwig Spinelli of Optimus at the September 28, 2006 public hearing)

³ Optimus currently operates fourteen full-time and part time sites, in the towns of Bridgeport, Stratford and Stamford. (SVMC Late File #4 received by OHCA on October 16, 2006)

- 24) Optimus has recently received grant money that will support its continued commitment to provide services to the poor and underinsured in this area. Optimus recently received approval for a \$386,200 grant from the U.S. Department of Health and Human Services (DHHS), Health Resources and Services Administration (HRSA) Bureau of Primary Care for the expansion of medical capacity in Stamford. (*Pages 9 and 12 and Attachment I of June 9, 2006 CON application*)
- 25) Optimus also secured approval for another grant of \$500,000 from the HRSA to provide primary care, mental health care, substance abuse counseling and oral health care to the growing homeless population in Stamford (*Page 12 of June 9, 2006 CON application*)
- 26) Optimus was approved for \$1,000,000 in State bond funding as a grant in-aid and \$50,000 from the City of Stamford to assist in the construction of an expanded Stamford Community Health Center in the south end of Stamford. (*September 19, 2006 prefile testimony of Ludwig Spinelli*)
- 27) Optimus has a Sliding Fee Scale. Optimus is required to serve all presenting patients regardless of their ability to pay, pursuant to HRSA requirements for FQHCs. Optimus' current payor mix is 43% Medicaid, 19% Medicare, 14% Commercial and 24% self-pay. (*Page 8 and Attachment VI of the July 24, 2006 Completeness Responses and SVMC Late File #4 submitted on October 16, 2006*)
- 28) SVMC states that Optimus has the clinical, financial and administrative expertise to adequately serve the SJFLC patients. (*Page 12 of June 9, 2006 CON application*)
- 29) A draft letter of agreement was developed between SJFLC/SVMC and Optimus dated June 6, 2006, with sets forth terms/conditions for transitioning medical patients:
- Optimus agrees to provide ongoing primary medical care to any and all patients currently registered at SJFLC.
 - Optimus will provide dental services pursuant to a separate letter agreement.
 - Optimus will ensure that the Stamford sites are adequately staffed.
 - Optimus shall assist SJFLC patients with scheduling 1st appointments and orientation.
 - Optimus will develop individual protocols for the transfer and continuity of care of high risk/chronically ill SJFLC patients and ensure they are assigned a specific primary care provider at Optimus and receive initial appointments on a priority basis.
 - Optimus will charge fees on a sliding scale basis and shall provide free care as needed.
 - SVMC shall pay Optimus a grant of \$250,000 to be paid in two installments. The grant shall be used to offset some of Optimus' financial obligations and operating expenses incurred in the transition and in providing the primary care services. Optimus agrees to use the grant only for these purposes.
(*Attachment II of the June 9, 2006 CON application, pages 44-50*)
- 30) In preparation for the patients from SJFLC, Optimus has:
- Added six exam rooms to the Henry Street location.
 - Commenced negotiations with the local community action agency, CTE {Community, Training and Employment} to contract with their case management program to facilitate the registration of the SJFLC patients.
 - Arranged for the expansion of hours of operation at the Henry Street location to include another evening clinic.
(*Page 5 of the July 24, 2006 Completeness Responses*)

- 31) Dental services have been provided to SJFLC patients via a formal arrangement with The Dental Center of Stamford, Inc. ("Dental Center"). The Dental Center is not affiliated with SVMC. The license agreement between SVMC and the Dental Center expired in November 2005. There are no other agreements between the two organizations. *(Page 16 of June 9, 2006 CON application and pages 2 and 11 of the July 24, 2006 Completeness Responses)*
- 32) The Dental Center of Stamford ⁴provides dental services from an office located in the same building in which SJFLC is located at 587 Elm Street in Stamford. The Dental Center occupies a portion of the space leased by SJFLC, which SJFLC has provided to the Dental Center for a fee of \$1 per year. *(Page 16 of June 9, 2006 CON application)*
- 33) SVMC does not have access to the Dental Center's utilization statistics and does not routinely track dental visits. The Dental Center bills and collects for its services. *(Page 16 of June 9, 2006 CON application and Pages 2 and 3 of the July 24, 2006 completeness responses)*
- 34) It is unknown how many of the Dental Center's patient population are St. Joseph Family Life Center patients. SVMC indicates that any SJFLC patients who currently use the Dental Center of Stamford may continue to do so after the transition of services to Optimus. *(Testimony of SVMC and the Dental Center at the September 28, 2006 public hearing and Page 12 of the July 24, 2006 Completeness Responses)*
- 35) Optimus is actively pursuing the establishment of dental services in Stamford which should be operational in early 2007. SVMC will provide a \$75,000 grant to Optimus to be used to support the provision of dental services at Optimus' dental site. *(Pages 12-13 of June 9, 2006 CON application)*
- 36) Optimus had filed an application with the Health Resources and Services Administration (HRSA) on October 2, 2006 for a change in scope of service to add 1351 Washington Boulevard as an additional primary care site for Optimus. Optimus filed an addendum to this application on October 16, 2006. It is at this location that Optimus will implement its dental program. The dental program will have 7 dental operatories. *(SVMC Late File #4 filed on October 16, 2006 and testimony at the September 28 and October 25, 2006 public hearing)*
- 37) In its application to HRSA, Optimus projects that it will be able to serve 3,200 unduplicated users of dental services at the 1351 Washington Boulevard location. This will account for 6,400 dental encounters in the first year of operation. Optimus will staff this dental clinic with 2.0 FTE dentists, 1.0 FTE dental hygienists, 2.0 FTE dental assistants and 2.0 FTE dental receptionists. *(SVMC Late File #4 filed on October 16, 2006)*
- 38) SVMC has testified that SJFLC will remain open and fully operational until such time as Optimus' site at 1351 Washington Boulevard becomes operational. *(Testimony of John Ahle at the September 28, 2006 public hearing and October 11, 2006 SVMC submission)*
- 39) SVMC expects that the overwhelming majority of SJFLC patients will seek care from Optimus with a small number seeking other providers such as the Stamford Health Department or physicians in the community who accept self pay patients. SVMC believes that the impact on other providers will be minimal. *(Page 20 of June 9, 2006 CON application)*

⁴ As of December 1, 2005, the Dental Center of Stamford was acquired by and is now part of the Community Health Center, Inc. ("CHC, Inc.") a multi-site FQHC provider in Connecticut. Community Health Center, Inc. does not have a full service FQHC site in Stamford *(Page 16 of June 9, 2006 CON application and September 28, 2006 public hearing and October 5, 2006 submission by CHC, Inc.)*

- 40) Optimus is also planning to commence services at a new location in Stamford at 2 Lipton Place. Optimus indicates that it was previously approved by HRSA to provide dental services at that location. It is Optimus' intent to eventually consolidate their two existing locations at Henry Street and Selleck Street into this new location and that this may occur within the next year. Optimus indicates that dental services will remain at the Washington Boulevard location (*October 5, 2006 Supplemental Testimony of Ludwig Spinelli and testimony of Mr. Spinelli at the October 25, 2006 public hearing*)
- 41) Stamford Health System ("SHS") testified that it has no objection to the closure of the SJFLC and the orderly transition of the SJFLC patients to Optimus provided that SHS would no longer be responsible for providing rent-free space for the SJFLC or have any other continuing obligations related to the clinic if the CON is approved. (*Prefile testimony of Ms. Kathleen Silard for SHS, filed with OHCA on September 25, 2006*)
- 42) SVMC indicates that the specific criteria used to chose Optimus for the transitioning of the SJFLC patients included the following:
- Close physical proximity to the SJFLC site;
 - Willingness to assume the care of SJFLC patients;
 - Scope of available services;
 - Hours of operation and availability of an off-hour answering service;
 - Adequate medical staff resources and physical space;
 - FQHC or other official certification;
 - Years of experience providing primary care services; and
 - Financial stability and sufficient grant funding.
- (*Page 10 of the July 24, 2006 Completeness Responses*)
- 43) Other factors which influenced SVMC choice of Optimus as the transitional provider include the following:
- Optimus offers pediatric care, while SJFLC only provides services to the 12+ population;
 - Optimus offers asthma care through a nationally recognized pediatric program that involves diagnosis, pulmonary function testing onsite, medication management and patient education;
 - Optimus offers a program for diabetic patients through its involvement in the National Diabetes Collaborative;
 - Optimus' status as an FQHC enables it to offer its patients a discounted prescription program, in partnership with a local pharmacy located near both of its existing Stamford sites; and
 - Optimus offers on-site laboratory services, increasing response time and reducing costs.
- (*Page 5 of the September 19, 2006 prefile testimony of Susan L. Davis*)
- 44) SVMC indicates that Optimus will track expenditures for the SJFLC patients separately and that reports will be provided to SVMC on a regular basis and/or as requested by SVMC. (*Page 13 of the July 24, 2006 Completeness Responses*)

**Financial Feasibility and Cost Effectiveness of the Proposal
and its Impact on the Applicant's Rates and Financial Condition
Impact of the Proposal on the Interests of Consumers of Health Care Services
and Payers for Such Services
Consideration of Other Section 19a-637, C.G.S. Principles and Guidelines**

- 45) This CON proposal has no associated capital expenditures or capital costs. *(Page 24 of the June 9, 2006 CON application)*
- 46) SVMC projects an incremental gain from operations related to this CON proposal for FYE 9/30/2009 of \$405,000. SVMC projects no incremental gain or loss to its operations prior to FYE 9/30/2009. *(Page 60 of the July 24, 2006 Completeness Responses)*
- 47) SVMC has estimated that, based on the Center's current operations, the funds available to support the Center would be expended by the end of FY 2008. SVMC has established a plan to transition the SJFLC patients before the funds are fully depleted. *(Page 9 of June 9, 2006 CON application)*
- 48) SHS provided a \$3 million grant for operation of the SJFLC. Annual expenses to operate it have ranged from \$330,000 to \$454,000 since 1999 and have totaled \$2.9 million through 3/31/2006. Based on the projected cost of operating the Center through 12/31/2006 and providing the two grants to Optimus, the funds will be almost fully expended. SVMC proposes to use any remaining funds to support the programs at its Family Health Center in Bridgeport. SVMC plans to increase Family Health Center staffing services and hours of operation with this money. *(Page 14 of June 9, 2006 CON application and page 9 of the July 24, 2006 Completeness Responses)*
- 49) SJFLC does not bill for any of the services it provides. Patients are asked for donations, but all care is provided free of charge. SJFLC secured a small level of donations (approximately \$80,000 last year) that were used to offset operating expenses, which total approximately \$400,000 per year. *(page 16 of June 9, 2006 CON application and page 9 of the Letter of Intent)*
- 50) SVMC has provided payer mix information specifically related to SVMC. However, SJFLC is a separate legal entity from SVMC and its payer mix is 100% uninsured. *(Page 25 of June 9, 2006 CON application)*
- 51) The \$3,000,000 grant provided by Stamford to SVMC in 1998 was to recognize that former St. Joseph Medical Center had performed an important role in serving the poor and underserved, and the grant was to perpetuate this mission. The use of those funds was at the discretion of SVHS. *(Page 13 of the July 24, 2006 Completeness Responses)*
- 52) SVMC indicates that the operating expenses for SJFLC were substantial (approximately \$400,000 per year) due to the small size of the clinic and the relatively high cost per patient to deliver services. SVMC indicates that transitioning these patients to Optimus will be more cost effective due to the economies of scale and other operating efficiencies. *(Page 24 of June 9, 2006 CON application)*
- 53) If the CON is denied and SJFLC continues to operate as it, available funds are projected to only subsidize \$50,000 of the operating costs and will be exhausted as of November 2008. *(Page 101 of the June 9, 2006 CON application and page 9 of the July 24, 2006 completeness responses)*
- 54) There is no State Health Plan in existence at this time. *(Page 10 of the June 9, 2006 CON application)*

- 55) SVMC has adduced evidence that this proposal is consistent with its long-range plan. *(Page 10 of the June 9, 2006 CON application)*
- 56) SVMC has improved productivity and contained costs by the application of technology and group purchasing. *(Page 23 of the June 9, 2006 CON application)*
- 57) The proposal will not result in any change to SVMC's teaching and research responsibilities. *(Page 24 of the June 9, 2006 CON application)*
- 58) There are no distinguishing characteristics of SVMC's patient/physician mix related to this proposal. *(Page 22 of the June 9, 2006 CON application)*
- 59) SVMC has sufficient technical and managerial competence and expertise to provide efficient and adequate service to the public. *(Page 22 of the June 9, 2006 CON application)*
- 60) SVMC's rates are sufficient to cover the operating costs associated with the proposal. *(Page 60 of the July 24, 2006 Completeness Responses)*

Rationale

The Office of Health Care Access ("OHCA") approaches community and regional need for Certificate of Need ("CON") proposals on a case by case basis. CON applications do not lend themselves to general applicability due to a variety of factors, which may affect any given proposal; e.g. the characteristics of the population to be served, the nature of the existing services, the specific types of services proposed to be offered, the current utilization of services and the financial feasibility of the proposal.

St. Vincent's Medical Center ("SVMC") is a health care facility or institution located in Bridgeport Connecticut. St. Joseph's Family Living Center, LLC ("SJFLC") located at 587 Elm Street in Stamford is under the control of SVMC. SJFLC was established by SVMC in 1999 subsequent to the closure of St. Joseph's Medical Center in Stamford. At that time, Stamford Health System provided a \$3 million grant to SVMC which has been used to support the operation of SJFLC.

SJFLC provides services free of charge to the uninsured population in Stamford. Its services include limited primary care and basic First Aid, school and pre-employment physical examinations, basic health screenings and women's health care. SJFLC makes the following services available to SJFLC patients via various contractual or license arrangements: dental services, chiropractic care and massage and reiki therapy. SVMC proposes to terminate its existing program of health care services at St. Joseph Family Living Center and transition such patients to Optimus Health Care, Inc., an FQHC currently operating in Stamford.

Optimus is an existing provider of primary care services in the Stamford area. Optimus will be able to provide a more comprehensive array of services to the SJFLC population. SVMC has developed a detailed transition plan to transition its SJFLC patients to the Optimus program of care. Optimus is not currently a provider of dental services in Stamford and is in the process of receiving federal approval and developing a new site which will accommodate dental services to its patient population, including the SJFLC patients. SVMC is aware that Optimus is not a current provider of these services and has indicated that it is its intent not to terminate the SJFLC services until the Optimus dental program is operational. OHCA finds that SVMC has demonstrated that the proposal will contribute to the accessibility and quality of health services in the region. Since these patients will be transitioned to Optimus' program of services, including the dental services currently referred to the Dental Center of Stamford, the termination of the SJFLC services does not create any barriers to access in the region. Therefore, OHCA determines that patient access will be positively impacted by this proposal.

The \$3,000,000 grant provided by Stamford Health System to SVMC was to recognize that the former St. Joseph Medical Center had performed an important role in serving the poor and underserved in Stamford, and the grant was to perpetuate this mission. The use of those funds was at the discretion of SVMC. SVMC has offered Optimus a one-time grant of \$250,000 to help Optimus off-set expenses for the increased volume associated with serving the SJFLC patients. SVMC will provide a \$75,000 grant to Optimus related to the establishment of dental services in Stamford. SVMC proposes to use any remaining funds to support the programs at SVMC's Family Health Center in Bridgeport. OHCA is concerned that the remaining grant money after the issuance of grant funds to Optimus is not used to support health care services for the poor and underserved population of Stamford.

The proposal has no associated capital expenditure. SVMC projects an incremental gain from operations related to this CON proposal for FYE 9/30/2009 of \$405,000. SVMC projects no incremental gain or loss to its operations prior to FYE 9/30/2009. Although OHCA can not draw any conclusions, the Applicant's financial projections appear to be reasonable.

Based on the foregoing Findings and Rationale, the Certificate of Need Application of St. Vincent's Medical Center to terminate the services provided at and by the St. Joseph's Family Living Center at 587 Elm Street in Stamford, at no associated capital expenditure is hereby GRANTED, subject to conditions.

Order

The proposal of St. Vincent's Medical Center to terminate its existing health care services at the Saint Joseph's Family Life Center at 587 Elm Street in Stamford, Connecticut, with no associated capital expenditure is hereby **GRANTED** subject to the following conditions:

1. St. Vincent's Medical Center shall file with OHCA written notification of the date upon which Optimus Health Care, Inc's dental services are fully operational at the 1315 Washington Street location. OHCA must receive this evidence and acknowledge receipt of such in writing, prior to St. Vincent's Medical Center terminating any services or closing the St. Joseph Family Life Center at 587 Elm Street in Stamford. In addition, SVMC is required to file the following documents to OHCA prior to the termination of any of its SJFLC services:
 - a) A copy of the Department of Public Health license for Optimus Health Care, Inc. to operate at the 1351 Washington Street location.
 - b) A copy of any executed agreements between SVMC and/or SJFLC and Optimus Health Care, Inc. related to the primary care and/or dental services.
 - c) Evidence of the approval of Optimus' application with the Health Resources and Services Administration for a change in scope of service to add 1351 Washington Boulevard as an additional primary care site for Optimus.
2. The St. Joseph Family Life Center medical services as well as the referral of St. Joseph Family Life Center patients to Dental Center of Stamford must continue until the Optimus' dental program at 1351 Washington Street in Stamford has become fully operational (licensed, staffed, equipped and ready to provide services to patients). SVMC is responsible for dental services being available to SJFLC patients for referral during this timeframe with no interruption in services. This responsibility will continue until OHCA has acknowledged receipt of the notification filed pursuant to Condition Number One, above.
3. SVMC will ensure that the terms and conditions of the draft agreements (both medical and dental) between SVMC/SJFLC and Optimus, as provided to OHCA during the CON process, will be terms and conditions of the final executed agreements.
4. OHCA requires quarterly meetings with St. Vincent's Medical Center commencing in January of 2007 and continuing until 6 months after the St. Joseph Family Life Center services have terminated.
5. OHCA requires that any money that remains from the \$3,000,000 grant provided by Stamford Health System to SVMC, after the issuance of the \$250,000 and \$75,000 grants to Optimus, be used by SVMC specifically related to health care services for the poor and underserved in Stamford. SVMC must report to OHCA by November 16, 2007 what the final use(s) of this grant funding was and the allocation between various uses.
6. This authorization shall expire on November 16, 2007. Should the Applicant's proposal not be completed by that date and all medical and dental services available at and by Optimus Health Care, Inc., the Applicant must seek further approval from OHCA to complete the project beyond that date.

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

Signed by Commissioner Vogel on November 16, 2006

Cristine A. Vogel
Commissioner

CAV:kr