

Brief Overview

In 2004, St. Mary's Hospital, Waterbury Hospital, and John Dempsey Hospital received temporary approval from the Office of Health Care Access (OHCA) to offer angioplasty and open heart surgery services. The duration of this temporary approval, also known as a "Demonstration Project," was for a period of three years, during which time the program was required to meet certain procedure volumes. The volumes (number of procedures) required for open heart surgery and for angioplasty were as follows:

Table 1: Agreed Upon Volumes for Open Heart Surgeries

| | Operational Year 1 | Operational Year 2 | Operational Year 3 |
|--------------------------------|-------------------------------|-------------------------------|-------------------------------|
| St. Mary's Hospital | 125 | 150 | 200 |
| Waterbury Hospital | 125 | 150 | 200 |

Table 2: Agreed Upon Volumes for Inpatient Angioplasty

| | Operational Year 1 | Operational Year 2 | Operational Year 3 |
|--------------------------------|-------------------------------|-------------------------------|-------------------------------|
| St. Mary's Hospital | 200 | 200 | 200 |
| Waterbury Hospital | 200 | 200 | 200 |

The hospitals were required to meet quarterly with OHCA to report on the progress of the program, including the procedure volumes.

The Agreed Settlement stipulated that at the end of the three years OHCA would determine if the agreed upon number of procedures was met. If the program was successful in meeting the volumes required, the program could then request permanent status. The achievement of the agreed upon volume targets by each hospital would have secured the permanent status of the program.

The actual number of angioplasty procedures performed has exceeded the target volumes listed in Table 2.

The actual number of Open Heart Surgeries is presented below in Table 3.

Table 3: Actual Volumes for Open Heart Surgeries

| | July 2005 – June 2006 ⁽¹⁾ | July 2006 – June 2007 ⁽¹⁾ | July 2007 – April 2008 ⁽²⁾ |
|----------------------------|---|---|--|
| St. Mary's Hospital | 78 | 90 | 64 |
| Waterbury Hospital | 110 | 113 | 101 |

(1) data source: CT cardiac data registry

(2) data source: interim reporting by hospitals; final annual numbers have not been submitted as of this time

According to the Agreed Settlement, if the target volumes were not achieved the demonstration project would expire on July 19, 2008. The hospitals have requested that the demonstration project be extended for an additional six months. OHCA will hold a hearing on August 29, 2008 to determine if the requested extension should be granted. OHCA has allowed the program to continue until the agency has rendered its decision on this matter.

On a separate note, the hospitals have also filed a Letter of Intent with OHCA requesting permanent status for the program.