



State of Connecticut Office of Health Care Access Letter of Intent Form Form 2030

All Applicants involved with the proposal must be listed for identification purposes. A proposal's Letter of Intent (LOI) form must be submitted prior to a Certificate of Need application submission to OHCA by an Applicant, pursuant to Sections 19a-638 and 19a-639 of the Connecticut General Statutes and Section 19a-643-79 of OHCA's Regulations. Please complete and submit Form 2030 to the Commissioner of the Office of Health Care Access, 410 Capitol Avenue, MS# 13HCA, P.O. Box 340308, Hartford, Connecticut 06134-0308.

SECTION I. APPLICANT INFORMATION

If this proposal has more than two Applicants, please attach a separate sheet, supplying the same information for each additional Applicant in the format presented in the following table.

Applicant information is located on the following page.

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CONNECTICUT OFFICE OF
HEALTH CARE ACCESS

	Applicant One	Applicant Two	Applicant Three	Applicant Four
Full legal name	Johnson Memorial Hospital	Manchester Memorial Hospital	Rockville General Hospital	Windham Community Memorial Hospital
Doing Business As		Tolland Imaging Center, LLC		
Name of Parent Corporation	Johnson Memorial, Corporation	Eastern Connecticut Health Network, Inc. (ECHN)		
Applicant's Mailing Address, if Post Office (PO) Box, include a street mailing address for Certified Mail	Johnson Memorial Hospital 201 Chestnut Hill Rd Stafford Springs, CT 06076	ECHN 71 Haynes Street Manchester, CT 06040		Windham Community Memorial Hospital 112 Mansfield Ave Willimantic, CT 06226
What is the Applicant's Status: P for Profit or NP for Nonprofit	NP	NP	NP	NP
Does the Applicant have Tax Exempt Status?	Yes	Yes	No	No
Contact Person, including Title/Position: This Individual will be the Applicant's Designee to receive all correspondence in this matter.	Peter Kuzmickas Vice President, Operations	Dennis McConville Vice President, Strategic and Operational Planning		Robert Peterson Vice President, Operations
Contact Person's Mailing Address, if PO Box, include a street mailing address for Certified Mail	Johnson Memorial Hospital 201 Chestnut Hill Rd Stafford Springs, CT 06076	ECHN 71 Haynes Street Manchester, CT 06040		Windham Community Memorial Hospital 112 Mansfield Ave Willimantic, CT 06226
Contact Person's Telephone Number	(860) 684-8163	Phone: (860) 533-3429		(860) 456-6731
Contact Person's Fax Number	(860) 684-8165	Fax: (860) 647-6860		(860) 456-6838
Contact Person's e-mail Address	peter.kuzmickas@jmhosp.org	dmcconville@echn.org		rpeterson@wcmh.org

SECTION II. GENERAL APPLICATION INFORMATION

a. Proposal/Project Title:

Establishment of a medical imaging center in Tolland, Connecticut

b. Type of Proposal, please check all that apply:

☒ Change in Facility (F), Service (S) or Function (Fnc) pursuant to Section 19a-638, C.G.S.:

- | | | |
|---|--|--|
| <input checked="" type="checkbox"/> New (F, S, Fnc) | <input type="checkbox"/> Replacement | <input checked="" type="checkbox"/> Additional (F, S, Fnc) |
| <input type="checkbox"/> Expansion (F, S, Fnc) | <input type="checkbox"/> Relocation | <input type="checkbox"/> Service Termination |
| <input type="checkbox"/> Bed Addition | <input type="checkbox"/> Bed Reduction | <input type="checkbox"/> Change in Ownership/Control |

Response:

The Applicants are proposing to provide additional outpatient imaging services to complement the existing services offered at each hospital. Through this proposal, the Applicants intend to create a new facility enabling them to supply these additional services to the patients within their current service area.

☒ Capital Expenditure/Cost, pursuant to Section 19a-639, C.G.S.:

☐ Project expenditure/cost cost greater than \$ 3,000,000

☒ Equipment Acquisition

☒ **New**

☐ Replacement

☐ Major Medical
(> \$3,000,000)

☒ **Imaging**

☐ Linear Accelerator

☐ Change in ownership or control, pursuant to Section 19a-639 C.G.S., resulting in a capital expenditure over \$3,000,000

c. Location of proposal, identifying Street Address, Town and Zip Code:

6 Fieldstone Commons, Tolland, CT 06084

- d. List each town this project is intended to serve:

<u>Primary Service Area</u>	<u>Secondary Service Area</u>
Coventry	Andover
Ellington	Bolton
Tolland	Manchester
Vernon	Mansfield (including Storrs)
Willington	Somers
	Stafford

- e. Estimated starting date for the project: June 2007

- f. Type of project: 19 (MRI), 20 (CT Scanner), 23 (Other Imaging Services)
(Fill in the appropriate number(s) from page 7 of this Form)

Number of Beds (to be completed if changes are proposed)

Type	Existing Staffed	Existing Licensed	Proposed Increase or (Decrease)	Proposed Total Licensed
Not Applicable				

SECTION III. ESTIMATED CAPITAL EXPENDITURE INFORMATION

- a. Estimated Total Project Cost: **\$2,720,970** (excluding capitalized financing costs)
- b. Please provide the following tentative capital expenditure/costs related to the proposal:

Medical Equipment Purchases	\$80,000
Major Medical Equipment Purchases	
Non-Medical Equipment Purchases*	\$20,000
Land/Building Purchases	
Construction/Renovation	\$341,865
Other (Non-Construction) IT connections for computer and phones	\$50,000
Total Capital Expenditure	\$491,865
Medical Equipment – Fair Market Value of Leases	
Major Medical Equipment – Fair Market Value of Leases	\$2,229,105
Non-Medical Equipment – Fair Market Value of Leases*	
Fair Market Value of Space – Capital Leases Only	
Total Capital Cost	\$2,720,970
Capitalized Financing Costs (Informational Purpose Only)	\$394,013
Total Capital Expenditure with Financing Costs	\$3,114,983

* Provide an itemized list of all non-medical equipment to be purchased and leased.

Response:

The itemized list of all non-medical equipment will be finalized and provided with the CON submission.

- c. If the proposal has a total capital expenditure/cost of \$20,000,000 or more, you may request a Waiver of Public Hearing pursuant to Section 19a-643-45 of OHCA's Regulations? Please check your preference as follows:

☐ No ☐ Yes ☒ **Not Applicable**

If you checked "Yes" above, please check the appropriate box below:

☐ Energy ☐ Fire Safety Code ☐ Non Substantive ☒ **Not Applicable**

If you checked "Yes" to the Waiver of Public Hearing, please provide the following:

- a) Supporting documentation from elected town officials (i.e. letter from Mayor's Office).

Not Applicable

Major Medical and/or Imaging Equipment Acquisition:

Equipment Type	Name	Model	Units	Cost per unit
MR	GE	Open Speed non Excite	1	\$812,576
CT	Toshiba	Aquilion 8-slice	1	\$507,285
Ultrasound	GE	Goldseal Logic 5	1	\$64,999
Mammography	GE	Senograph 2000D	1	\$247,000
Bone Densitometry			1	\$98,200
Radiography	Siemens	Multix	1	\$354,000
PACS	Siemens			\$145,045
Total				\$2,229,105

Note: Provide a copy of the vendor contract or quotation for the major medical/imaging equipment.

Response:

There are no formal vendor contracts or quotes available at this time. This information will be finalized and provided with the CON submission.

- d. Type of financing or funding source (more than one can be checked):

- | | | |
|---|---|---|
| <input type="checkbox"/> Applicant's Equity | <input checked="" type="checkbox"/> Capital Lease | <input type="checkbox"/> Conventional Loan |
| <input type="checkbox"/> Charitable Contributions | <input checked="" type="checkbox"/> Operating Lease | <input type="checkbox"/> CHEFA Financing |
| <input type="checkbox"/> Funded Depreciation | <input type="checkbox"/> Grant Funding | <input type="checkbox"/> Other (specify): _____ |

SECTION IV. PROJECT DESCRIPTION

Please provide a description of the proposed project, highlighting each of its important aspects, on at least one, but not more than two separate 8.5" X 11" sheets of paper. At a minimum each of the following items need to be addressed, if applicable.

1. List the types of services are currently being provided. If applicable, provide a copy of each Department of Public Health (DPH) license held by the Applicant.
2. List the types of services are being proposed and what DPH licensure categories will be sought, if applicable.
3. Identify the current population served and who is the target population to be served.
4. Identify any unmet need and describe how this project will fulfill that need.
5. Are there any similar existing service providers in the proposed geographic area?
6. Describe the anticipated effect of this proposal on the health care delivery system in the State of Connecticut.
7. Who will be responsible for providing the service?
8. Who are the current payers of this service and identify any anticipated payer changes when the proposed project becomes operational?

AFFIDAVIT**To be completed by each Applicant**Applicant: Tolland Imaging Center, LLCProject Title: Establishment of a medical imaging center in Tolland, ConnecticutI, Richard A. Brvenik, President and Chief Executive Officer
(Name) (Position – CEO or CFO)

of Windham Community Memorial Hospital being duly sworn, depose and state that the information provided in this CON Letter of Intent (Form 2030) is true and accurate to the best of my knowledge, and that Tolland Imaging Center complies with the appropriate and (Facility Name)

applicable criteria as set forth in the Sections 19a-630, 19a-637, 19a-638, 19a-639, 19a-486 and/or 4-181 of the Connecticut General Statutes.

Richard A. Brvenik

Signature

10/31/2006

Date

Subscribed and sworn to before me on October 3, 2006Sharon K. Lee

Notary Public/Commissioner of Superior Court

My commission expires: My Commission Exp. Jan. 31, 2007

AFFIDAVIT

To be completed by each Applicant

Applicant: Tolland Imaging Center, LLC

Project Title: Establishment of a medical imaging center in Tolland, Connecticut

I, Peter J. Karl, President and Chief Executive Officer
(Name) (Position – CEO or CFO)

of Eastern Connecticut Health Network being duly sworn, depose and state that the information provided in this CON Letter of Intent (Form 2030) is true and accurate to the best of my knowledge, and that Tolland Imaging Center complies with the appropriate and (Facility Name)

applicable criteria as set forth in the Sections 19a-630, 19a-637, 19a-638, 19a-639, 19a-486 and/or 4-181 of the Connecticut General Statutes.

Peter J. Karl
Signature

October 3, 2006
Date

Subscribed and sworn to before me on October 3, 2006

Carol Freeman
Notary Public/~~Commissioner of Superior Court~~

My commission expires: 4-30-2009

AFFIDAVIT**To be completed by each Applicant**Applicant: Tolland Imaging Center, LLCProject Title: Establishment of a medical imaging center in Tolland, ConnecticutI, Alfred A. Lerz, President
(Name) (Position – CEO or CFO)

of Johnson Memorial Hospital being duly sworn, depose and state that the information provided in this CON Letter of Intent (Form 2030) is true and accurate to the best of my knowledge, and that Tolland Imaging Center complies with the appropriate and (Facility Name)

applicable criteria as set forth in the Sections 19a-630, 19a-637, 19a-638, 19a-639, 19a-486 and/or 4-181 of the Connecticut General Statutes.

Alfred A. Lerz
Signature

10/2/06
Date

Subscribed and sworn to before me on October 2, 2006

Lisa Corriveau
Notary Public/Commissioner of Superior Court

My commission expires: 05/31/2010

Project Type Listing

Please indicate the number or numbers of types of projects that apply to your request on the line provided on the Letter of Intent Form (Section II, page 2).

Inpatient

1. Cardiac Services
2. Hospice
3. Maternity
4. Med/ Surg.
5. Pediatrics
6. Rehabilitation Services
7. Transplantation Programs
8. Trauma Centers
9. Behavioral Health (Psychiatric and Substance Abuse Services)
10. Other Inpatient

Outpatient

11. Ambulatory Surgery Center
12. Birthing Centers
13. Oncology Services
14. Outpatient Rehabilitation Services
15. Paramedics Services
16. Primary Care Clinics
17. Urgent Care Units
18. Behavioral Health (Psychiatric and Substance Abuse Services)
19. MRI
20. CT Scanner
21. PET Scanner
22. PET/CT Scanner
23. Other Imaging Services
24. Lithotripsy
25. Other Medical Equipment
26. Mobile Services
27. Other Outpatient
28. Central Services Facility
29. Occupational Health

Non-Clinical

30. Facility Development
31. Non-Medical Equipment
32. Land and Building Acquisitions
33. Organizational Structure (Mergers, Acquisitions, Affiliations, and Changes in Ownership)
34. Renovations
35. Other Non-Clinical

Project Description

Rockville General Hospital and Manchester Memorial Hospital, the hospitals of Eastern Connecticut Health Network (ECHN), together with Johnson Memorial Hospital and Windham Community Memorial Hospital (the "Applicants") have created a new entity, Tolland Imaging Center, LLC and propose to develop a new imaging center in the town of Tolland, Connecticut. The imaging center will be located within a new medical office building that will accommodate nine members of the ECHN medical staff in the disciplines of Family Practice/Internal Medicine, Obstetrics, and Gastroenterology. Physicians, who are currently practicing in Tolland at a medical office at Twin Ponds, plan to relocate their practices to the new medical office building and bring with them an existing patient base. A shared specialty suite is proposed for the building which will accommodate physicians in disciplines including surgery and orthopedics. Additionally, there are currently five physicians associated with Johnson Memorial Hospital practicing in Tolland and Windham Community Memorial Hospital operates a medical walk-in center at 200 Merrow Road sixty-five hours per week. With an increasing number of physicians moving into Tolland, the medical infrastructure of the community must be developed to enable access to basic support services, including all forms of radiology services.

The proposed imaging center in Tolland will provide comprehensive outpatient radiology services including MR, CT, mammography, bone densitometry, radiography and ultrasound. These services will supplement the radiology services currently provided at all four of the hospitals, support the physician practices located within the building and throughout the community, and will complement other existing services available to the community. As a freestanding imaging facility DPH licensure is not required, however the x-ray and CT will be registered with the radiation division of DPH prior to the start of operations.

Tolland Imaging Center, LLC will be responsible for providing the imaging services. The payers of this service will include Medicare, Medicaid and other non-government payers comparable to those of the Applicants and consistent with the general population of the identified service area. The applicant does not anticipate any significant changes in payer mix observed for the region as the imaging center will provide widely accepted imaging modalities and the patients referred to the center will originate from existing physician practices with established patient populations.

This proposal fills the current void in the region by placing imaging services in a convenient and accessible location for residents in Tolland and the surrounding towns of Coventry, Ellington, Mansfield, Vernon and Willington. Residents of these towns must travel to neighboring towns to access hospital-based imaging services in Stafford, Vernon, Manchester and Windham. They currently do not have access to comprehensive imaging services in a freestanding, outpatient setting in their own community. The establishment of a freestanding imaging center in Tolland will remedy this and offer a standard of care that is common to residents of other towns throughout Connecticut.

The Applicants' proposal to establish a freestanding imaging center in Tolland meets a growing need in the region for convenient and accessible outpatient imaging services. The health care delivery system in the State of Connecticut benefits significantly from this proposal as it provides improved access to comprehensive outpatient imaging services for residents of eastern Connecticut, maintains the continuity of care for patients who routinely obtain care from one of

the four hospital applicants, and enhances the relationship across multiple providers to further benefit patients and the care in which they receive. Patients are demanding convenient outpatient imaging services in a setting more conducive to the delivery of such care. The proposal to establish an imaging center in Tolland will meet the expectations of patients in the region and will remove the barrier to accessing outpatient imaging services in a more convenient, patient-friendly setting.