University of Connecticut Health Center

November 13, 2006

Commissioner Christine A. Vogel
Office of Health Care Access
410 Capitol Avenue, MS#13 HCA
P.O. Box 340308
Hartford, CT 06134-0308

Dear Commissioner Vogel:

Please accept this letter and the attached documentation as a request for a CON Determination for our proposal to acquire a Cone Beam Maxillofacial Imaging System.

I would be pleased to discuss this project with you, or to facilitate discussions with representatives from the University Of Connecticut School Of Dental Medicine regarding the details of this proposal.

I look forward to your review and determination.

Sincerely,

James Thibeault
Director of Planning

Attachment

State of Connecticut
Office of Health Care Access
CON Determination Form
Form 2020

All persons who are requesting a determination from OHCA as to whether a CON is required for their proposed project must complete this Form 2020. The completed form should be submitted 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. PETITIONER INFORMATION

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

	Petitioner	Petitioner
Full Legal Name	University of Connecticut School of Dental Medicine	
Doing Business As	same	
Name of Parent Corporation	University of Conn. Health Center University of Connecticut State of Connecticut	
Petitioner's Mailing Address, if Post Office (PO) Box, include a street mailing address for Certified Mail	263 Farmington Avenue Farmington, CT 06030-3804	
What is the Petitioner's Status: P for profit and NP for Nonprofit	NP (Tax Exempt Status)- State agency	
Contact Person, including Title/Position: This Individual will be the Petitioner's Designee to receive all correspondence in this matter.	James Thibeault Director of Planning	
Contact Person's Mailing Address, if PO Box, include a street mailing address for Certified Mail	263 Farmington Avenue Farmington, CT 06030-3802	
Contact Person's Telephone Number	Phone: 860-679-8780	
Contact Person's Fax Number	Fax: 860-679-1135	
Contact Person's e-mail Address	Email: JTHIBEAULT@UCHC.edu	

SECTION II. GENERAL PROPOSAL INFORMATION

a. Proposal/Project Title:
Acquisition of a Dental Oral Maxillofacial Imaging System

b. Location of proposal, identifying Street Address, Town and Zip Code:
263 Farmington Avenue, Farmington, CT 06030-3802

c. List each town this project is intended to serve:
While the primary service area for this proposal includes the surrounding towns of Avon, Bloomfield, Burlington, Canton, East Hartford, Farmington, Granby, Hartford, New Britain, Newington, Simsbury, and West Hartford, the proposal will serve patients from surrounding towns and within the state of Connecticut

d. Estimated starting date for the project: March 1, 2007

e. Type of Entity: (Please check *E* for Existing and *P* for Proposed in the boxes that apply)

E	P		E	P		E	P	
☐	☐	Acute Care Hospital	☐	☐	Imaging Center	☐	☐	Cancer Center
☐	☐	Behavioral Health Provider	☐	☐	Ambulatory Surgery Center	☐	☐	Primary Care Clinic
☐	☐	Hospital Affiliate	☒	☐	Other (specify):Outpatient dental			

SECTION III. EXPENDITURE INFORMATION

a. Estimated Total Project Cost: $ 315,000

b. Please provide the following breakdown as appropriate: (may not represent the aggregate shown above)

Medical Equipment Purchases	$265,000
Major Medical Equipment Purchases	
Non-Medical Equipment Purchases*	
Land/Building/Asset Purchases	
Construction/Renovation	$50,000
Other (Non-Construction) Specify:_____	
Total Capital Expenditure	$315,000
Medical Equipment - Fair Market Value of Leases	
Major Medical Equipment - Fair Market Value of Leases	
Non-Medical Equipment - Fair Market Value of Leases*	
Fair Market Value of Space –Capital Leases Only	
Total Capital Cost	$315,000
Total Project Cost	$315,000
Capitalized Financing Costs (Informational Purpose Only)	

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

Major Medical and/or Imaging Equipment Acquisition:

Equipment Type	Name	Model	Number of Units	Cost per unit
Maxillofacial Digital Imaging System	Hitachi	CB MercurRay	1	$265,000

Note: Provide copy of the vendor contract or quotation for the medical equipment.

c. Check each applicable financing method or funding source to be used for the proposal:

☒	Operating Funds	☐	Capital Lease	☐	Conventional Loan
☐	Charitable Contributions	☐	Operating Lease	☐	CHEFA Financing
☐	Funded Depreciation	☐	Grant Funding	☐	Other (specify): _____

SECTION IV. PROPOSAL 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 elements need to be addressed, if applicable.

1. Identify the types of services currently provided. If applicable, provide a copy of each Department of Public Health license held by the Petitioner.

2. Identify the types of services that are being proposed and what DPH licensure categories will be sought, if applicable?

3. Identify the current population served and the target population to be served.

4. Identify the entity that will be providing the service(s).

5. Identify the entity that will be responsible for the billing of the service(s) relating to this proposal.

6. Identify the entity that owns/leases or will own/lease the physical space of the proposed equipment/service?

7. If there is more than one entity involved in this proposal, please provide copies of any and all existing or proposed contracts or written agreements entered between the two entities that relate to the proposal.

8. Provide a list that identifies the name of each petitioning or affiliate entity involved with this proposal.

9. Provide a copy of the chart of organization for each individual petitioning entity or affiliate and a corporate chart of organization, if applicable.

10. Provide a narrative that addresses the relationship of each petitioning or affiliate entity with the other entities involved with this proposal.

11. Who are the current payers of this service and identify any anticipated payer changes when the proposed project becomes operational?

PROJECT DESCRIPTION

The University of Connecticut School of Dental Medicine ("SoDM") is proposing to purchase a Cone Beam Maxillofacial Imaging System that combines a digital Cone Beam (CB) x-ray scanner with CT technology. The dental imaging system, which will require a capital expenditure of $315,000, will be used primarily for research purposes and to a lesser extent to provide diagnostic support in the various clinical settings that are overseen by University Dentists, the faculty practice plan for the SoDM. These include the Resident Clinics and Student Teaching Clinics at the University of Connecticut Health Center in Farmington.

The SoDM is submitting a CON Determination request on the basis that the Cone Beam Maxillofacial Imaging System is not a CT scanner or similar equipment utilizing new technology in the treatment of health care conditions as set forth in C.G.S. §19a-639 (a) and (c). This specialized equipment is not new technology as it is already available at a select number of private dental practices in Connecticut. It also differs from medical CT scanners due to the merging of CB x-ray and CT technologies and using far less radiation when assisting dentists in visualizing areas of the jaw and mouth. The system's orientation toward maxillofacial volumetric as opposed to full body multi-slice imaging limits its utility solely to the practice of dentistry where there is legislative precedent for exempting providers from CON requirements. *See* C.G.S. §19a-493b (excluding dental practices from definition of outpatient surgical facilities).

Obtaining this type of dental imaging system is also necessary for the SoDM to participate in an approved grant-funded research project sponsored by the National Institute of Dental and Craniofacial Research (NIDCR) as described at Exhibit 2 and pursue other research grants that it intends to apply for in the future. OHCA has previously cited research activities as a reason to determine that an entity is not engaged primarily in providing services for the prevention, diagnosis and treatment of human health conditions as defined in C.G.S. §19a-630. *See*, CON Determination Report Number 06-30812-DTR (determining that UConn Human Performance Laboratory's rental of mobile MRI for research purposes does not require CON approval). Similarly, the SoDM will utilize the dental imaging system with a key focus on research and education. As noted above, the system will also be utilized exclusively in the practice of dental medicine as defined in C.G.S. §20-123, and not in the treatment of medical health care conditions.

The Cone Beam Maxillofacial Imaging System is not a CT scanner as contemplated by C.G.S. §19a-639 and will provide new research opportunities for the SoDM by enhancing the educational and training programs provided to residents and dental students. For all the above reasons, OCHA should determine that CON approval is not required for this project.

Answers to OHCA's particular questions that are relevant to this proposal (questions 7-10 are not applicable) follow on the next page.

1. **Identify the types of services currently provided. If applicable, provide a copy of each Department of Public Health license held by the Petitioner.**

The SoDM is New England's only public school of dentistry, and provides predoctoral and postdoctoral training in all accepted dental educational programs. Building upon its educational commitments, the SoDM also offers quality, comprehensive oral care, general dentistry, endodontics, orthodontics, pediatric dentistry, periodontics, prosthodontics, and oral and maxillofacial surgery. Applicant's DPH license is presented in Exhibit 3.

2. **Identify the types of services that are being proposed and what DPH licensure categories will be sought, if applicable?**

The SoDM and the UConn Health Center's Musculoskeletal Institute have established the Center for Implant and Reconstructive Dentistry. The Center is scheduled to open in 2007 as a teaching, research and patient care center. To support this program, the SoDM proposes to acquire a Cone Beam Maxillofacial Imaging System. No new licensure categories will be sought.

3. **Identify the current population served and the target population to be served.**

Candidates for Cone Beam volumetric tomography (CBVT) imaging are patients who require bony maxillofacial imaging such as those requiring dental implants.

4. **Identify the entity that will be providing the service(s).**

The service will be provided by University Dentists.

5. **Identify the entity that will be responsible for the billing of the service(s) relating to this proposal.**

The SoDM will responsible for billing the services related to this proposal.

6. **Identify the entity that owns/leases or will own/lease the physical space of the proposed equipment/service?**

The proposal involves the renovation and expansion of an existing dental suite located in the SoDM's practice at John Dempsey Hospital owned by the UConn Health Center.

11. **Who are the current payers of this service and identify any anticipated payer changes when the proposed project becomes operational?**

The majority of patients for CBVT imaging are self-pay. This is unlikely to change in the foreseeable future. No other changes to payor mix are anticipated.

SECTION V. AFFIDAVIT

To be completed by each Petitioner

Applicant: University of Connecticut School of Dental Medicine

Project Title: Acquisition of Maxillofacial Imaging System

I, Daniel Upton (Name), CFO (Position – CEO or CFO)

of the University of Connecticut Health Center (Organization Name), being duly sworn, depose and state that the information provided in this CON Determination form is true and accurate to the best of my knowledge, and that the University of Connecticut Health Center (Facility Name) complies with the appropriate and 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.

Signature _____ Date 11/9/06

Subscribed and sworn to before me on November 9, 2006

Marilyn H. Glenn
Notary Public/Commissioner of Superior Court

My commission expires: MARILYN H. GLENN NOTARY PUBLIC MY COMMISSION EXPIRES OCT. 31, 2008

EXHIBIT #1

Hitachi quote

HITACHI

HITACHI MEDICAL SYSTEMS AMERICA, INC.
1959 Summit Commerce Park, Twinsburg, Ohio 44087-2371
Tel: 330.425.1313 Fax: 330.425.1410

Quotation Number:	RO0003
Revision Number:	1
Quotation Date:	09/25/2006

HMSA Quotation for:

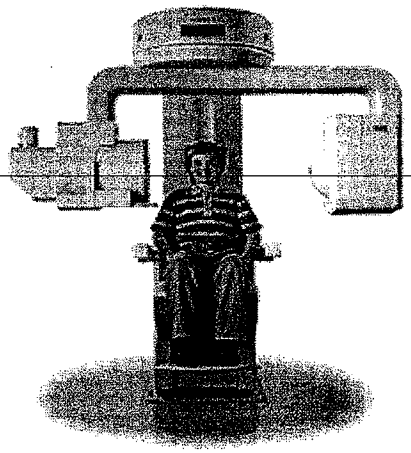
University of Connecticut School of Dental Medicine
263 Farmington Avenue
Farmington, CT 06030-1605
Attn: Dr. Sanjay Mallya

This quotation constitutes Hitachi Medical Systems America, Inc.'s offer to sell the products described herein. Purchaser's agreement to be bound by this offer shall be indicating acceptance of the Terms and Conditions of Sale printed on the reverse side of this page.

This agreement shall not bind Hitachi Medical Systems America, Inc. until it has been countersigned by an authorized representative in its corporate offices in Twinsburg, Ohio.

This Quotation is valid:	45 Days
Quote Expires:	11/09/2006
Sales Representative:	Ronda O'Connell
Phone:	(330) 425-1313 x2927

CB MercuRay Maxillofacial Digital Imaging System 12" I.I.



Customer Acceptance

By: _____ (signature)
Name/Title: _____
Date: _____

HMSA is currently scheduling systems for delivery a minimum of 120 days after satisfaction of any contingencies contained in a signed order that has been received and accepted by the President of HMSA.

Hitachi Medical Systems America, Inc.

Submitted by: Date:

Accepted: Date:

HITACHI

HITACHI MEDICAL SYSTEMS AMERICA, INC.
1959 Summit Commerce Park, Twinsburg, Ohio 44087-2371
Tel: 330.425.1313 Fax: 330.425.1410

Quotation Number: RO0003
Revision Number: 1
Quotation Date: 09/25/2006

University of Connecticut School of Dental Medicine

System:

Qty	Description	Unit Price	Customer Price
1	CB MercuRay Maxillofacial Digital Imaging System 12" I.I.	325,000	265,000

Included:

Qty	Description	Unit Price	Customer Price
1	EXCEL CUSTOMER ASSURANCE PROGRAM		INCLUDED
		System Package:	$265,000
		Invoice Total:	$265,000

HITACHI

HITACHI MEDICAL SYSTEMS AMERICA, INC.
1959 Summit Commerce Park, Twinsburg, Ohio 44087-2371
Tel: 330.425.1313 Fax: 330.425.1410

Quotation Number: RO0003
Revision Number: 1
Quotation Date: 09/25/2006

University of Connecticut School of Dental Medicine

STANDARD QUOTATION TERMS AND CONDITIONS

1. Refer to reverse side of Page 1 of this quotation form for complete terms and conditions.

2. Prices are F.O.B. Port of Entry; Freight and Insurance to site will be prepaid and invoiced separately.

3. Payment Terms:
   a. 20% of Purchase Price is due with the signed quotation.
   b. The balance of the Purchase Price totalling 70% is due upon delivery and before installation.
   c. Remaining 10% is due upon completion of installation and before first clinical

4. Quotation is valid for 45 days from the date of issue.

5. Customer is responsible for providing all site preparation necessary for delivery and installation

6. Customer is responsible for all associated rigging

7. While HMSA will use its best effort to deliver all purchased options with the system, Purchaser agrees that availability, or lack thereof, of a specific option will not hold up acceptance or any progress payments on the remainder of the system.

8. The customer is responsible for its compliance with any applicable local or state laws and regulations that may be applicable to the purchase and/or installation of the equipment quoted herein.

NON-DISCLOSURE STATEMENT

THE CONTENTS OF THIS QUOTATION SHALL NOT BE DISCLOSED TO ANYONE EXCEPT TO EMPLOYEES OF CUSTOMER WITH A LEGITIMATE NEED TO KNOW SUCH INFORMATION WITHOUT FIRST OBTAINING THE EXPRESS WRITTEN CONSENT OF HMSA.

CB MERCURAY OPERATOR TRAINING

Following system installation, two days of on-site applications training will be provided. Trainees earn 20 'category A' CE credits through ASRT. Ongoing applications support, including additional site visits as necessary, will also be provided. Phone applications help will be available to answer operational questions.

Service and Warranty

1. Prices include installation and 12 month warranty including Preventative Maintenance and all parts and labor.

2. The HMSA warranty will begin upon the completion of installation.

3. During the warranty period, HMSA service coverage hours will be 8:00 a.m. to 5:00 p.m., Monday through Friday. Preventative Maintenance can be scheduled during these hours allowing completion by 5:00 p.m.

4. The warranty does not cover service of additinal licenses of the CB MercuRay Viewing Software or any other accessory software not installed on the CB MercuRay system. Applications support on the operation of such software is covered by the warranty.

HITACHI

Specification Section

Quotation Number: RO0003
Revision Number: 1
Quotation Date: 09/25/2006 15:07:47

HITACHI MEDICAL SYSTEMS AMERICA, INC.
1959 Summit Commerce Park, Twinsburg, Ohio 44087-2371
Tel: 330.425.1313 Fax: 330.425.1410

University of Connecticut School of Dental Medicine

Product	Description
CB-MERCURAY 12	CB MercuRay Maxillofacial Digital Imaging System 12" I.I.

The CB MercuRay is a premium ConeBeam imaging system that has been optimized for head and neck applications. The system combines digital conebeam x-ray, the industry's fastest 360-degree rotational sequence (10s) and advanced Hitachi CT software to provide a complete range of 2D and 3D images for comprehensive procedure planning and diagnostic support. The system is equipped with a rugged mono-tank x-ray generator and a 12" image intensifier (I.I.) with a high definition CCD camera mounted on the rotating U-arm. Because the I.I. is employed as a 2-dimensional x-ray sensor, "true" 3-dimensional CT imaging is acquired. The comprehensive viewing software performs standard image processing for panoramic and cross sectional images. In addition, it can realize 3-dimensionally detailed information on the bone structure and surrounding tissues from any projection.

SCANNER UNIT
The scanner unit is comprised of the x-ray generator (including x-ray tube), and x-ray imaging unit (which includes the I.I. and CCD camera), the scanning mechanism (including the patient chair), and the hand switch.

X-RAY GENERATOR AND TUBE
-Focal spot size: 0.6mm
-Tube voltage: 60, 80, 100 and 120 kV
-Tube current: 10, 15mA

X-RAY IMAGING UNIT
- I.I rated x-ray input field size: 12/ 9/ 6" (selectable)
-CCD Camera: 1024 scan lines, 30 frames/sec

SCAN MECHANISM
-Distance between focal spot and 1,110m I.I.(SID)
-Distance between focal spot and 820mm rotation center (SOD)
-Geometric magnification factor x 1.35
-Scan speed: 10 sec/ 360°
-Chair vertical range: 290mm
-Chair horizontal range: 140mm

HAND SWITCH FUNCTIONS
-Vertical/ horizontal movement of chair
-U-arm rotation
-Emergency stop
-Scan Start

CONTROL CONSOLE
The control console is comprised of the Image Processing Unit (including CPU, flat-screen monitor, keyboard, mouse, and uninterruptible power supply), Control Panel, and CB Works viewing software.

IMAGE PROCESSING UNIT
-Processor: Xeon™ 2.8GHz or higher
-Precision: 12 bits
-Main memory: 2GB or more
-Built-in hard disk unit: 80GB or more
-Data transfer medium: DVD RW
-Monitor: 20" flat screen
-User interface: keyboard/ mouse
-Operating System: Windows™ 2000
-Uninterruptible power supply unit

CONTROL PANEL FUNCTIONS
-Vertical/ horizontal movement of chair
-U-arm rotation
-Scan start
-Intercom microphone and speaker
-Emergency stop

HITACHI MEDICAL SYSTEMS AMERICA, INC.
1959 Summit Commerce Park, Twinsburg, Ohio 44087-2371
Tel: 330.425.1313 Fax: 330.425.1410

University of Connecticut School of Dental Medicine

Product	Description
CB-MERCURAY 12	CB MercuRay Maxillofacial Digital Imaging System 12" I.I.

CBworks is a PC-based software to view DICOM (Digital Image Communication in Medicine) 3.0 files or medical images from the CB MercuRay and CT. The software allows viewing of the data as 2D or 3D images and allows you to create, save and manage models and images.

The features of the software include:
-Patient database – search and easily manage files
-Image Library – capture images and print, save, or e-mail
-Multi Planar Reconstruction (MPR)
-Axial, cross-sectional and panoramic images
-Measurement tools (length, angle, area, 3D volume, pixel value, and marking)
-2D oblique
-Templates for printing
-Volume Rendering and Maximum Intensity Projection (MIP)
-Volume oblique
-Sculpt tool
-Slab render
-Volume of Interest (VOI)
-Color definition
-3D/ 2D registration
-3D Cine creation and export
-Surface Rendering
-Artificial 3D rendering

CB-LTVIEWER	PHYSICIAN LITE VIEWER

The Referring Doctor Lite Viewer is a program that allows the user to burn a patient file, still images, cine loops, and a report to a CD along with a basic DICOM viewer. This CD can then be transferred to a referring doctor allowing them to view the patient data without installing any separate software.

The basic DICOM viewer includes the following capabilities:
- View axial, sagittal, and coronal slices referenced to each other
- Create oblique images from the axial, sagittal, or coronal views
- Perform distance, angle, and density measurements on any image
- Window/ level, pan, and zoom images

The Referring Doctor Lite Viewer is a program that can be installed on the CB MercuRay workstation or the customer can choose to install the program on a separate PC. Note: HMSA cannot install, nor support the program when installed on a separate PC.

HITACHI MEDICAL SYSTEMS AMERICA, INC.
1959 Summit Commerce Park, Twinsburg, Ohio 44087-2371
Tel: 330.425.1313 Fax: 330.425.1410

University of Connecticut School of Dental Medicine

Product	Description
CB-MARKETING	EXCEL CUSTOMER ASSURANCE PROGRAM

EXCEL CUSTOMER ASSURANCE PROGRAM

The Excel Customer Assurance Program includes marketing and operations support to CB MercuRay customers. Just some of the resources we provide are:

- Customer Demographic Evaluation - we provide you a report on the demographics of any area of your choosing. This report includes area growth, populations and distribution, household incomes, and maxillofacial imaging statistics. This report can be used to help you choose the perfect location to launch your business.

- Marketing Planner and Starter Kit - the marketing planner contains a wealth of materials to help get your site up and running. All materials are customizable for your center. Materials included are: advertisements and press releases for referring doctors and general public, clinical images, marketing photos, referral forms, brochure templates and a starter kit of brochures for patients and referring doctors.

- One-year Warranty - supported by our nationwide team of Service Engineers. You will have a Service Engineer assigned to your site that will quickly respond to your needs. The warranty includes: quarterly visits from your Service Engineer to make sure the system is operating at peak performance, free software upgrades, help-line applications support, and parts and labor.

HITACHI

HITACHI MEDICAL SYSTEMS AMERICA, INC.
1959 Summit Commerce Park, Twinsburg, Ohio 44087-2371
Tel: 330.425.1313 Fax: 330.425.1410

Quotation Number:	RO0003S
Revision Number:	1
Quotation Date:	09/25/2006
Contract Type:	Full Service
Valid Until:	11/09/2006

Purchaser:

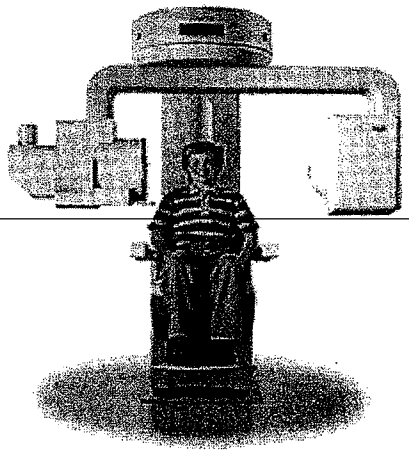
University of Connecticut School of Dental Medicine
263 Farmington Avenue
Farmington, CT 06030-1605

Hitachi Medical Systems America, Inc (HMSA) will inspect and maintain the purchaser's medical equipment (Equipment) as described in HMSA Quotation Number: RO0003S for the COVERAGE PERIOD described below, for the charges specified herein, subject to and in accordance with all the terms and conditions set forth on the face and reverse side of this Agreement.

This agreement shall not bind Hitachi Medical Systems America, Inc. until it has been countersigned by an authorized representative in its corporate offices in Twinsburg, Ohio.

Service Maintenance Agreement (SMA)

CB MercuRay Maxillofacial Digital Imaging System 12" I.I.



Customer Acceptance	Hitachi Medical Systems America, Inc.
By: _____ (signature)	
Print Name: _____	Submitted by: _____ Date:
Print Title: _____	
Date: _____	Accepted by: _____ Date:

Upon the occurrence of any Event of Default, HMSA may, at any time, declare the unpaid balance for the remaining term of this SMA to be immediately due and payable. Any one or more of the following events shall constitute an Event of Default: (i) Customer fails to pay any monies due HMSA pursuant to this SMA; (ii) Customer becomes insolvent, a receiver is appointed for any part of the Customer's property, Customer make an assignment for the benefit of creditors, or any proceeding is commenced either by or against Customer under any bankruptcy or insolvency laws; or (iii) Customer defaults in any obligation owing HMSA pursuant to this SMA or otherwise.

HITACHI

HITACHI MEDICAL SYSTEMS AMERICA, INC.
1959 Summit Commerce Park, Twinsburg, Ohio 44087-2371
Tel: 330.425 .1313 Fax: 330.425.1410

Quotation Number:	RO0003S
Revision Number:	1
Quotation Date:	09/25/2006
Contract Type:	Full Service
Valid Until:	11/09/2006

INCEPTION DATE: The coverage as described in this Service Maintenance Agreement (SMA) shall commence at the completion of the warranty period (if applicable) as provided in the Equipment quotation.

MODEL NUMBER	EQUIPMENT DESCRIPTION	SERIAL NUMBER	INCEPTION DATE
CBMERCURAY	CB MercuRay Maxillofacial Digital Imaging System 12" I.I.		

Service Coverage:
8am to 5pm; Monday - Friday

Service Agreement Billing Cycle:
Billing Cycle: Monthly in advance

Service Name	Extended Description
Preventative Maintenance:	HMSA will provide Preventative Maintenance coverage in accordance with the Manufacturer's specifications and at the Manufacturer's recommended intervals. PM work will be scheduled at mutually agreeable times, to be completed during SMA coverage hours
Labor:	Remedial maintenance required to maintain the Equipment at manufacturer's specifications during coverage hours. Labor requested outside coverage hours will be billed at HMSA current labor rates.
Parts:	All parts required to maintain the equipment to manufacturer's specifications. NOTE: Excludes abuse and/or negligence.
Travel Expenses:	All travel and living expenses.
Product Enhancements:	All authorized Operating Software enhancements not requiring hardware additions. All HMSA authorized software updates and hardware modifications affecting product safety as originally purchased. Applications and Training assistance for Enhancements is included.
Option Discount:	Purchaser will receive a 15% discount off the list price of options.
Applications:	Assistance is provided on an as needed basis between 8:00a.m and 5:00p.m., Monday through Friday.
Technical Support:	Telephone technical assistance is provided on an as needed basis between 8:00a.m and 5:00p.m., Monday through Friday.
XRAY Tube Coverage:	TUBE AND IMAGE INTENSIFIER ARE INCLUDED IN THIS AGREEMENT AT NO ADDITIONAL CHARGE.
Additional Viewing Software:	Additional licenses of the CB MercuRay viewing software and any other accessory software not installed on the CB MercuRay system are NOT covered by this agreement.

Additional Comments:

Contract Coverage Period and Cost (After Warranty Period, if applicable):

SMA Year 1:	20,000	*SMA Year 5:*	20,000
SMA Year 2:	20,000		
SMA Year 3:	20,000		
SMA Year 4:	20,000		

HITACHI MEDICAL SYSTEMS AMERICA, INC.
CB MercuRay - TERMS AND CONDITIONS OF SALE

1. Acceptance; Modifications.

1.1 Definitions of Products. "Products" means those maxillofacial imaging instruments sold to Purchaser under this Agreement.

1.2 Final Acceptance; Entire Agreement. All orders placed pursuant to this Quotation shall be subject to the final acceptance in writing by a duly authorized representative of Hitachi Medical Systems America, Inc. ("HMSA") at its office address as set forth on the first page of this Quotation. The terms and conditions of this Quotation and HMSA's written acceptance thereof (the "Agreement") shall constitute the complete agreement between the parties, reflecting their entire understanding as to matters related hereto and supersedes any prior oral or written statement or agreement. No term or condition of the Purchasers order which is different from or in addition to the terms and conditions as set forth in the Agreement shall be binding on HMSA unless, and only to the extent, such different or additional term or condition is expressly accepted by HMSA in writing. In the event of any inconsistency between the terms set forth in the Quotation and these terms and conditions, the terms set forth in the Quotation shall control.

2. Price; Terms of Payment.

2.1 Quotes Prices; Transportation. All quoted prices are F.O.B. Port of Entry stated shipping point, unless otherwise specified, and include domestic packaging and are subject to correction for error. Transportation shall be by means that are commercially reasonable and customary and at the Purchaser's expense.

2.2 Taxes. Prices do not include local, state or federal taxes. Consequently, the amount of any sales, use or similar tax applicable to the sale of the Products herein or to the use of such goods by the Purchaser shall be paid by the Purchaser. If HMSA is required to collect or pay any such tax, Purchaser shall reimburse HMSA promptly after demand for such tax payment and for any associated expenses.

2.3 Payment. Unless otherwise agreed in writing, Payment is due upon receipt of invoice with no discount allowed for early payment. Invoices shall be issued upon shipment. In the event shipment is delayed beyond the date (if any) stated in the Quotation for any reason not attributable to HMSA's ability to ship the Product, any payment due upon shipment, delivery, or installation shall be made on the originally scheduled shipping date. Past due invoices are subject to a monthly service charge at a rate equal to the lesser of 1-1/2% per month or the maximum rate from time to time permitted by applicable law. Should any terms of payment provide for either full or partial payment upon installation or completion of installation or thereafter, and installation is delayed for any reason for which HMSA is not responsible, the Products shall be deemed installed upon delivery. In no event shall Purchaser be entitled to withhold payment for undelivered accessories or options in an amount which exceeds the lesser of (a) the quoted purchase price for the subject option or accessory (b) in the event the purchase price for such accessory is not separately quoted, HMSA's published price for such item.

3. Credit Terms; Security Interest; Purchaser Default.

3.1 Credit; Security Interest. To induce HMSA to extend credit to the Purchaser, the Purchaser hereby grants HMSA a purchase money security interest in the Products supplied hereunder, and the Purchaser agrees to execute a security agreement and Uniform Commercial Code financing statement with respect to the Products prior to shipment.

3.2 Deposits. Any deposit made by the Purchaser with respect to Products is nonrefundable except to the extent HMSA fails to deliver the Products and such failure does not result from a breach of Agreement by the Purchaser or other wrongful act or omission of the Purchaser.

3.3 Purchaser Default. If default is made in any of the payments herein, the Purchaser agrees that HMSA may retain all payments which have been made on account of the Total System Price to 30% of the Total System Price, as liquidated damages and HMSA shall be entitled to the immediate possession of the Products and shall be free to enter the premises where the Products may be located and remove same as HMSA's property, without prejudice to its right to recover any further expenses or damages it may suffer by reason of such nonpayment.

4. Warranty.

4.1 Warranty. Except as hereinafter provided, HMSA warrants all Products and parts supplied by HMSA to be free of defects in design, material and workmanship for a period of 12 months. The warranty period shall begin upon completion of installation or first use, whichever occurs first. If a failure occurs during the warranty period, and there is no evidence of misuse, abuse, neglect or unauthorized alteration or repair, HMSA will repair, replace or correct, at its option, the defective item without charge for parts and labor. THE FOREGOING WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES EXPRESSED OR IMPLIED INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. HMSA'S WARRANTY DOES NOT APPLY (i) IF PRODUCTS HAVE BEEN SUBJECT TO MISUSE, MISHANDLING, MISAPPLICATION, NEGLECT (INCLUDING, WITHOUT LIMITATION, IMPROPER MAINTENANCE), ACCIDENT OR MODIFICATION NOT EXPRESSLY AUTHORIZED BY HMSA (INCLUDING, WITHOUT LIMITATION, USE OF UNAUTHORIZED PARTS OR ATTACHMENTS) OR IF ANY ADJUSTMENT OR REPAIR HAS BEEN PERFORMED BY ANYONE OTHER THAN HMSA OR AN AUTHORIZED SERVICE REPRESENTATIVE OF HMSA AND (ii) TO PERISHABLE AND OTHER MATERIAL SUBJECT TO CONSUMPTION AND WEAR INCLUDING, WITHOUT LIMITATION, RADIO SENSITIVE FILM AND PAPERS, WHICH ITEMS BEING SUBJECT ONLY TO SUCH WARRANTIES AS MAY BE SPECIFIED IN WRITING BY HMSA AT THE TIME OF DELIVERY TO THE PURCHASER. HMSA makes no warranty with respect to the accessory items set forth as "third party accessory" on the face hereof. The warranty for such items shall be as provided by the manufacturer thereof.

4.2 Sole Obligation; Notice. HMSA's sole and exclusive obligation under this warranty is limited to the repair or replacement of defective parts. This warranty is made on condition that prompt notice of any defect is given in writing within the warranty period and that HMSA's inspection does not disclose any invalid claim.

4.3 Returned Products. Goods shall not be returned to HMSA without written authorization. All authorized returns must be properly packaged with transportation charges prepaid by the Purchaser.

5. Damages; Limitation of Action.

5.1 Damages. HMSA's liability arising out of or relating to this agreement shall not exceed the amounts paid by Purchaser to HMSA for the Products. HMSA shall not be liable for special, incidental or consequential damages. Consequential damages shall include, without limitation, loss of use, income or profit or loss of or damage to persons or property.

5.2 Limitation of Action. No suit or other proceeding may be brought on an alleged breach of warranty of HMSA set forth in this Agreement more that twelve (12) months after termination of such warranty.

6. Shipment and Risk of Loss.

Unless otherwise specified in writing by a duly authorized representative of HMSA, delivery shall be made F.O.B. Port of entry shipping point, and any reference in these terms and conditions to "deliver" shall refer to such delivery. Except for obligations stated under 4.2, HMSA's responsibility ceases upon delivery to the carrier at the stated shipping point, and risk of loss, damage, injury or destruction to any of the goods shall pass to the Purchaser upon such delivery to the carrier. In no event shall any loss, damage, injury or destruction operate in any manner to release the Purchaser from the obligation to make payments required herein. Unless otherwise agreed in writing, HMSA reserves the right to make partial shipments and to submit invoices for partial shipments.

7. Changes and Cancellations.

Orders accepted by HMSA are not subject to changes or cancellation by the Purchaser except with HMSA's written consent. If Purchaser cancels this Agreement within ninety (90) days prior to delivery of the Products, Purchaser shall pay HMSA a cancellation charge of fifteen percent (15%) of the Total System Price. HMSA shall retain as credit all progress payments made to that point towards this cancellation charge. If Purchaser cancels this Agreement prior to this ninety (90) day period described above, all progress payments which have been made to that date, but not to exceed fifteen percent (15%) of the Total System Price, will be held as cancellation charge.

8. Delivery and/or Installation Dates.

Delivery and/or installation schedules are approximate and are based on conditions at the time of acceptance. HMSA will make every reasonable effort to complete shipment and/or installation as indicated but assumes no liability of any kind by reason of delay or inability to ship or install were such is caused by acts of God, fires, floods, war, embargoes, labor disputes, strikes, acts of sabotage, riots, with facilities, or any accidents, delays of carrier, subcontractors, suppliers, voluntary or mandatory compliance any other cause or causes beyond HMSA's reasonable control. In such event, HMSA may extend delivery and/or installation schedules or may, at its option, cancel the order in full or in part without liability other than to return any deposit or prepayment which is unearned by reason of the cancellation.

9. Installation; Additional Charges.

9.1 Installation by HMSA. Unless otherwise expressly stipulated, the Products shall be installed at the expense of HMSA. HMSA shall cause the products to be installed and connect same to the requisite safety switches and power lines to be installed by the Purchaser. Prices shown include the cost of installation and connection, provided that the installation and connection can be performed during normal business hours as HMSA, in its sole discretion, shall determine. Any overtime charges or other special expenses as required by the Purchaser will be subject to additional charges. The Purchaser shall be responsible for all necessary arrangements with the trade union, or unions, involved to permit HMSA to install the Products. If for any reason, assembly or installation must be performed by other than HMSA service personnel or agents, additional charges will be made for the cost of such outside labor. The cost of rigging and any cranes necessary to move or install the Products and the cost of disposal of all packing materials associated with the Products shall be borne by the Purchaser.

9.2 Materials; Labor; Access to Premises. Purchaser shall, at its own expense, provide all site preparation, including without limitation, necessary labor and materials, plumbing service, carpentry work, conduit wiring and other electrical service required for such installation and connection. All such labor and materials shall be completed and available at the time of delivery of the Products by HMSA. Additionally, the Purchaser shall provide unrestricted access to the Purchaser's premises for installation, and, if necessary, safe space thereon for storage of the Products prior to installation by HMSA. If special work of any type must be performed in order to comply with requirements of any governmental authority, including procurement of special certificates, the same shall be performed and/or procured by the Purchaser at the Purchaser's expense.

10. Title. Except as otherwise agreed in writing, title to the Products or any part thereof shall pass from HMSA when all payments due herein have been fully made. The Products shall be and remain personal or moveable property, notwithstanding their mode of attachment to realty or property.

11. Software.

11.1 Definitions. "Software" means computer instructions or data files supplied by HMSA and any improvements or modifications to said computer instructions or data files, whether supplied in machine, assembly or higher level languages and such instructions or data files in all forms of interpretation, compilation, media of expression, fixation and storage. "Operating Software" means Software which is essential for operation of Products in the end-use applications of Purchaser which are known to HMSA as of the date of HMSA's written acceptance hereof. "Maintenance Software" means software use in or with the Products to aid their installation, maintenance or repair and includes the Software other than Operating Software.

11.2 Ownership. All Software shall remain the sole property of HMSA. Without limiting the preceding sentence, Purchaser expressly agrees that any Maintenance Software (including without limitation any copy of all or any portion thereof) shipped to, located on the premises of, or otherwise in the possession of Purchaser remains the sole and exclusive property of HMSA in the accessing, running, performance, display or any other use of such Maintenance software shall be limited to HMSA, their employees and authorized agents.

11.3 License. HMSA grants to Purchaser, as of the date of installation of a Product, a non-exclusive and royalty-free license to use the Operating Software. If Purchaser sells any Products to third party, and if the third party agrees to be bound by the "Confidentiality" provisions below, Purchaser shall be permitted to sublicense the third party to use the portion of the Operating software essential for operation of the Products in end-use applications similar to those of Purchaser known to HMSA on the effective date. Except as stated above, NO LICENSE IS GRANTED TO PURCHASER WITH RESPECT TO ANY OPERATING SOFTWARE, OR ANY COPIES OF ALL OR ANY PORTION OF THE OPERATING SOFTWARE, AND PURCHASER SHALL HAVE NO RIGHT TO SELL, ASSIGN, TRANSFER OR SUBLICENSE. PURCHASER ASSUMES FULL RESPONSIBILITY FOR DAMAGES TO HMSA RESULTING FROM ANY UNAUTHORIZED TRANSFER OF OPERATING SOFTWARE TO A THIRD PARTY.

11.4 Confidentiality. Purchaser acknowledges that the Software is valuable to HMSA and agrees to use reasonable care to prevent disclosure to others of Software in Purchaser's possession or on Purchaser's premises. Purchaser agrees to limit access to software to those of its employees having a need to use the Operating Software in connection with the Products. Purchaser agrees not to copy Maintenance Software and to make only the number of copies of Operating Software required for actual use of the Products in their intended applications. Purchaser further agrees to ensure that all copies include applicable HMSA trademark and patent identification notices.

11.5 Modifications. Because of the highly technical nature of the Software and the high probability that any modifications of it, however minor, could significantly affect the performance of the Products to which it applies, Purchaser agrees that it shall not modify, or allow the modification of, the software in any manner whatsoever other than by, or with the express written consent of HMSA or its employees. ANY SUCH MODIFICATION OF SOFTWARE IN VIOLATION OF THE FOREGOING COVENANT SHALL CONSTITUTE MISUSE OR NEGLECT UNDER Section 4.1 ABOVE. Purchaser agrees to indemnify and hold HMSA, its employees, agents, subsidiaries and affiliates harmless from any claim or loss, including costs thereof, attributable to any such modification of Operating Software in violation off the foregoing provision.

12. Arbitration. Any dispute between the parties arising directly or indirectly from this Agreement shall be resolved by arbitration in Cleveland, Ohio pursuant to the rules, then obtaining, of the American Arbitration Association, and judgment upon the award rendered may be entered by any court of competent jurisdiction. Neither party shall commence any action against the other to resolve any such dispute in any court except to confirm such an arbitrator's award. Notwithstanding the foregoing, HMSA may at its' option elect to waive arbitration to recover possession of a Product or Products if any payment required hereunder has not been made.

13. Notice. Any notice required or permitted to be given under this Agreement shall be considered sufficient if delivered personally or mailed via certified mail. Such notices directed to HMSA shall be delivered or sent to its office address set forth on page one of this Agreement to the attention of the President. Notices to the Purchaser shall be sent to the address shown on the first page of the Quotation. Notices to either HMSA or the Purchaser may be sent to such other address as either party may give to the other from time to time pursuant to this provision.

14. Severability. If any provision in the agreement shall be found to be void or unenforceable, that provision only shall be deemed stricken, and all other terms and conditions shall remain in full force and effect.

15. Assignment. This Agreement shall be binding upon HMSA and the Purchaser and shall inure to their benefit and to their successors and permitted assigns. This Agreement may not be assigned by Purchaser in whole, or in part, to any third party without the express written consent of HMSA which will not be unreasonably withheld. HMSA may, however, require any proposed assignee to reimburse it for any of its reasonable costs associated with such assignment, and to supply it with such information and to make such representations as HMSA deems appropriate for its protection.

16. Construction; Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the laws of the state of Ohio. Headings used herein are for the convenient reference of the parties and are not intended to limit or modify the express terms hereof. Each party consents to the jurisdiction of the Federal and state courts located in Ohio, and hereby appoints each officer of HMSA as its agent for accepting any process in Ohio.

17. Export Restrictions. This sale concerns products and/or technical data that may be controlled under U.S. Export Administration Regulations and may be subject to the approval of the U.S. department of Commerce prior to export. Any export or re-export by the purchaser directly or indirectly in contravention of the U.S. Export Administration Regulations is prohibited. REV. 1/04/00

HITACHI MEDICAL SYSTEMS AMERICA, INC.
CB MercuRay SERVICE AGREEMENT TERMS AND CONDITIONS

1. SERVICE

Hitachi Medical Systems America ("HMSA") agrees to provide service to the Standard System quoted hereunder as indicated on the front of this Agreement.

a. Planned Preventive Maintenance

Including inspection, adjusting, tuning, lubrication, and replacement of non consumable parts as determined to be necessary by HMSA. Such inspections to be provided as outlined by the Manufacturers specifications.

b. On Call Remedial Maintenance

Provided as required due to system malfunction. Replacement pads will be furnished in exchange for the part or pads being replaced. Components pads, assemblies will be replaced with new or refurbished items at HMSA's. There will be no charge for routine operational software upgrades as long as Purchaser maintains an HMSA service contract.

Service furnished by HMSA at Purchaser's request in addition to those specified hereunder will be invoiced at HMSA's applicable time and material rates and terms then in effect. HMSA has the right to charge extra for service outside the established hours (over-time). Purchaser shall provide at no charge to HMSA full and free access to the Equipment covered hereunder, working space in accordance with HMSA site specifications, adequate facilities near the Equipment, and use of any machines attachments, features, user ports or other materials necessary for the specified maintenance services.

2. DOCUMENTATION AND MAINTENANCE MATERIALS

Purchaser agrees that at all times all right, title and interest in and to all diagnostic maintenance media, including, software, shall remain HMSA's and HMSA may remove same from the premises of Purchaser, temporarily or permanently, or discontinue usage thereof at any time for any reason. All HMSA's test, diagnostic and verification information and routines (on HMSA or Purchaser-owned media), maintenance equipment and maintenance materials, information and documentation are proprietary and confidential; such item, whether on Purchaser's site or accessible by remote inquiry, are and shall remain the sole property of HMSA in any case, and may be removed, or the usage thereof discontinued at any time. Purchaser will destroy same upon written request from HMSA. Purchaser shall not disclose to any person such confidential items and shall take appropriate action by instruction or agreement with its employees who are permitted access thereto to satisfy its obligation of confidentiality thereunder.

3. SOFTWARE

3.1 Definitions

"Software" means computer instruction or data files, supplied by HMSA and any improvements or modifications to said computer instructions or data files, whether supplied in machine, assembly or higher level languages and such instructions or data files in all forms of interpretation, compilation, media of expression, fixation and storage. "Operating Software" means Software which is essential for operation of Equipment in the end-use applications of Purchaser which are known to HMSA as of date of HMSA's written acceptance hereof. "Maintenance Software" means Software used in or with the Equipment to aid their installation, maintenance or repair and includes the Software other than Operating Software.

3.2 Ownership

All Software shall remain the sole property of HMSA. Without limiting the preceding sentence, Purchaser expressly agrees that any Maintenance Software (including without limitation any copy of all or any thereof) shipped to, located on the premises of, or otherwise in the possession of Purchaser remains the sole and exclusive property of HMSA; the accessing, running, performance, display or any other use of such Maintenance Software shall be limited to HMSA, its employees and authorized agents.

3.3 License

HMSA grants to Purchaser, as of the date of installation of Equipment, a nonexclusive and royalty-free license to use the Operating Software. **NO LICENSE IS GRANTED TO PURCHASER WITH RESPECT TO ANY OPERATING SOFTWARE, OR ANY COPIES OF ALL OR ANY PORTION OF THE OPERATING SOFTWARE. PURCHASER ASSUMES FULL RESPONSIBILITY FOR DAMAGES TO HMSA RESULTING FROM ANY UNAUTHORIZED TRANSFER OF OPERATING SOFTWARE TO A THIRD PARTY.**

3.4 Confidentiality

Purchaser acknowledges that the Software is valuable to HMSA and agrees to use reasonable care to prevent disclosure to others of Software in Purchaser's possession or on Purchaser's premises. Purchaser agrees to limit access to Software to those of its employees having a need to use the Operating Software in connection with the Equipment. Purchaser agrees not to copy Maintenance Software and to make only the number of copies of Operating Software required for actual use of the Equipment in their intended applications. Purchaser further agrees to ensure that all copies include applicable HMSA trademark and patent identification notices.

3.5 Modifications

Because of the highly technical nature of the Software and the high probability that any modifications of it, however, minor, could significantly affect the performance of the Equipment to which it applies, Purchaser agrees that it shall not modify, or allow the modification of, the Software in any manner whatsoever other than by, or with the express written consent of HMSA or its employees. **ANY SUCH MODIFICATIONS OF SOFTWARE IN VIOLATION OF THE FOREGOING COVENANT SHALL CONSTITUTE MISUSE OR NEGLECT AND VOID THIS SERVICE AGREEMENT IMMEDIATELY.** Purchaser agrees to indemnify and hold HMSA, its employees, agents, subsidiaries and affiliates harmless from any claim or loss, including costs thereof attributable to any such modification of Operating Software violation of the foregoing provision.

4. EXCLUSIONS

The service to Purchaser hereunder does not include electrical work external to the equipment. maintenance of accessories, attachments, machines or other devices not furnished by HMSA; repair or damage resulting from: accident, transportation, neglect or misuse, failure of electrical power, causes other than ordinary use, or damage caused by catastrophe beyond HMSA control; maintenance or repair to the equipment other than by HMSA's employees; an improper environment for the equipment such as lack of air conditioning or electricity, furnishing photographs, materials, magnetic or paper tape chart paper, bacterial filters, making specification changes or performing services connected with relocation of equipment; adding or removing accessories, attachments, or other devices; service rendered impractical as determined by HMSA by reason of electrical or mechanical connection to other equipment not supplied by HMSA.

Purchaser agrees that equipment out of warranty prior to the start of this Agreement may be inspected by HMSA's personnel. Any deficiencies found will be corrected at HMSA's time and material rates then in effect or excluded from coverage under this Agreement

5. CHARGES

Charges are payable in advance upon receipt of invoice. If Purchaser requests unscheduled, on call maintenance service other than during HMSA's normal working hours or the coverage selected on this Service Agreement, such service will be furnished at HMSA's hourly rates in effect at the time service is performed.

Purchaser shall pay HMSA, upon receipt of invoice, all travel and other expenses incurred by HMSA for service performed at Purchaser's request outside of the coverage selected in this Agreement.

Invoices not paid within ten (10) days of the invoice date will have a 1.5 percent per month interest charge, or the highest lawful rate, whichever is less, assessed against the unpaid balance from the date of the invoice until the date of payment. Purchaser shall pay all costs involved in HMSA's collecting its overdue accounts from Purchaser including reasonable attorney's fees.

All invoicing procedures are subject to change by HMSA at any time following the expiration of the Initial Term upon a minimum of sixty (60) days prior written notice.

6. TAXES

Prices do not include local, state, or federal taxes. Consequently, the amount of any sales use or similar tax applicable to the sale of the Agreement herein or to the use of such goods by the Purchaser shall be paid by the Purchaser. If HMSA is required to collect or pay any such tax, Purchaser shall reimburse HMSA promptly after demand for such tax payment and for any associated expenses.

7. NOTICE

Any notice required or permitted to be given under this Agreement shall be considered sufficient if delivered personally or mailed via certified mail. Such notices directed to HMSA shall be delivered or sent to its office address set forth on the face hereof to the attention of the President. Notices to the Purchaser shall be sent to the address shown on the front of this Agreement. Notices to either HMSA or the Purchaser may be sent to such other address as either parry may give to the other from time pursuant to this provision.

8. TERMINATION

This Agreement shall remain in effect during the entire Service Agreement Period provided for on the face hereof, and shall not be cancelable by either party in the absence of a material breach by the other party.

9. ASSIGNMENT

Upon execution, this Agreement shall be binding upon HMSA and the Purchaser and shall inure to their benefit and to their successors and permitted assigns. This Agreement may not be assigned by Purchaser in whole or in part to any third party without the express written consent of HMSA which will not be unreasonably withheld.

HMSA may, however, require any proposed assignee to reimburse it for any of its reasonable costs associated with such assignment, and to supply it with such information and to make such representations as HMSA deems appropriate for its protection.

10. CONSTRUCTION; JURISDICTION

This Agreement shall be governed by, and construed in accordance with, the laws of the State of Ohio. Headings used herein are for the convenient reference to the parties and are not intended to modify the express terms hereof. Each party consents to the jurisdiction of the federal and state courts located in Ohio, and hereby appoints each officer of HMSA as its agent for accepting any process in Ohio.

11. MISCELLANEOUS

This Service Agreement replaces and supersedes any previous Agreement between the parties respecting the subject matter hereof and constitutes the entire agreement between the parties relative to the subject matter hereof.

HMSA's obligations hereunder are subject to delays incident to labor difficulties; fires; casualties and accidents; acts of the elements; acts of public enemies; transportation difficulties; inability to obtain equipment, materials or qualified labor sufficient to fill its orders; governmental interference or regulations; and other causes beyond HMSA's control.

HMSA's liability arising out of or relating to this Agreement shall not exceed the amounts paid by Purchaser to HMSA for the Agreement.

HMSA shall not be liable for special incidental or consequential damages. Consequential damages shall include, without limitation, loss of use, income or profit or loss of or damage to persons or property.

DUE IN PART TO THE COMPLEXITY AND INTERCHANGEABILITY OF THE COMPONENTS OF HMSA'S EQUIPMENT, SOME PARTS USED IN SERVICING PURCHASER'S EQUIPMENT MAY BE RECONDITIONED. ALL PARTS MEET HMSA'S SPECIFICATIONS IN FORCE ON THE DATE OF THEIR INSTALLATION IN THE PURCHASER'S EQUIPMENT.

This Service Agreement is subject to acceptance by HMSA at its home office. After acceptance, HMSA shall mail to Purchaser a signed duplicate copy hereof, and the same shall constitute the entire Service Agreement between the parties, which shall be changed only by written agreement of the parties.

EXHIBIT #2

Brief Research Grant Overview

Martin A. Freilich, D.D.S.
Professor
Oral Rehabilitation, Biomaterials & Skeletal Development University of Connecticut School of Dental Medicine
Phone: 860 679-2529
FAX: 860 679-1370
Email: freilich@nso2.uchc.edu

********** NOTICE OF GRANT AWARD
RESEARCH Issue Date:08/15/2006

Department of Health and Human Services
National Institutes of Health
NATIONAL INSTITUTE OF DENTAL & CRANIOFACIAL RESEARCH
****

Grant Number: 1 R01 DE017873-01
Principal Investigator: FREILICH, MARTIN A DDS Project Title: Osteoporosis and Bone Augmentation/Implant Outcomes: An Observational Study

Project Period: 09/15/2006 - 06/30/2011

Dear Business Official:

The National Institutes of Health hereby awards a grant in the amount of $562,303(see ''Award Calculation'' in Section I) to UNIVERSITY OF CONNECTICUT SCH OF MED/DNT in support of the above referenced project. This award is pursuant to the authority of 42 USC 241 42 CFR 52 and is subject to terms and conditions referenced below. Acceptance of this award including the Terms and Conditions is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

Award recipients are responsible for reporting inventions derived or reduced to practice in the performance of work under this grant. Rights to inventions vest with the grantee organization provided certain requirements are met and there is acknowledgement of NIH support. In addition, recipients must ensure that patent and license activities are consistent with their responsibility to make unique research resources developed under this award available to the scientific community, in accordance with NIH policy. For additional information, please visit http://www.iedison.gov.

If you have any questions about this award, please contact the individual(s) referenced in the information below.

Sincerely yours,

Mary Daley
Grants Management Officer
NATIONAL INSTITUTE OF DENTAL & CRANIOFACIAL RESEARCH

In response for application: NIDCR called Clinical Research on Osseointegrated Dental Implants

Osteoporosis and Bone Augmentation / Implant Outcomes: An Observational Study

Principal Investigator/Program Director (Last, First, Middle): FREILICH, Martin A.

DESCRIPTION: See instructions. State the application's broad, long-term objectives and specific aims, making reference to the health relatedness of the project (i.e., relevance to the **mission of the agency**). Describe concisely the research design and methods for achieving these goals. Describe the rationale and techniques you will use to pursue these goals.

In addition, in two or three sentences, describe in plain, lay language the relevance of this research to **public** health. If the application is funded, this description, as is, will become public information. Therefore, do not include proprietary/confidential information. **DO NOT EXCEED THE SPACE PROVIDED.**

Osteoporosis is a major public health issue in our aging population, affecting 44 million Americans. Evidence in the literature suggests that bone disorders such as osteoporosis, may compromise bone augmentation procedure outcomes. It is important, therefore, to better understand the relationship between this disorder and bone augmentation/dental implantation. The objective of this descriptive "best clinical practice" based study is to collect descriptive data estimating alveolar bone augmentation/implant placement success in postmenopausal women with bone mineral density (BMD) ranging from normal to osteoporotic. This is a critical first step in understanding this potentially important relationship. These data are needed to support the future development of bone biology founded hypotheses that will investigate potential associations of specific measures of bone health, including history of osteoporosis, with the successful integration of new bone from bone augmentation procedures. Our multidisciplinary group possesses expertise in epidemiology, behavioral science, radiography, implant surgery, prosthodontics, endocrinology/bone biology and clinical treatment of osteoporosis. We plan to accomplish the objectives of this application by pursuing two specific aims: 1) To generate a descriptive estimate of the two-year success rate of bone augmentation followed by dental implant placement in postmenopausal women with normal to osteoporotic bone density; and 2) To explore potential associations between bone health parameters (e.g., BMD, biochemical markers of bone turnover, fracture history and vitamin D levels) and implant failure. To satisfy both aims, 120 subjects will receive bone augmentation, implant placement and prosthetic treatment based upon their specific presenting clinical situation, as guided by a specific set of criteria that will be part of the study protocol. Implant survival will be the primary outcome measure of success. However, success will be secondarily assessed by other relevant clinical outcomes, clinical efficiency, as well as patient satisfaction, pain and quality of life. Descriptive analyses will also explore potential predictive associations between bone health parameters and bone augmentation/implant success, both individually and in conjunction with one another. Data from this study will provide information about differential implant success rates for women possessing a spectrum of bone mineral density. Our long-range goal is to identify the most important predictors of bone augmentation/implant placement success among patients with compromised bone health and/or unfavorable local alveolar architecture. We then wish to develop and test the best methods by which to provide these therapies, including the application of techniques with which to guide new alveolar bone formation at deficient osseous sites. This application represents an important step in this ongoing research initiative.

PERFORMANCE SITE(S) (organization, city, state) University of Connecticut Health Center
Farmington, Connecticut

EXHIBIT #3

DPH License

STATE OF CONNECTICUT

Department of Public Health

LICENSE

License No. 0330

Outpatient Clinic

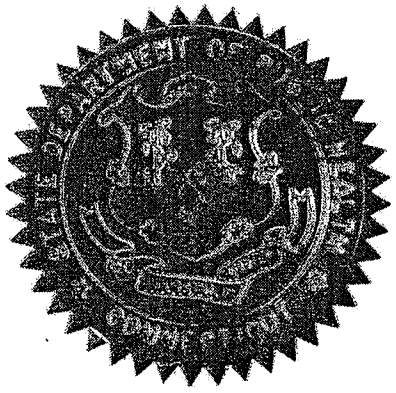
In accordance with the provisions of the General Statutes of Connecticut Section 19a-493:

University of Connecticut Health Center of Farmington, CT, d/b/a School of Dental Medicine; University of Connecticut Health Center is hereby licensed to maintain and operate an Outpatient Clinic.

School of Dental **Medicine; University** of Connecticut **Health Center** is located at 263 Farmington Avenue, Farmington, CT 06030.

This license expires **December 31,2009** and may be revoked for cause at any time.

Dated at Hartford, Connecticut, January 1, 2006. RENEWAL.
Services:
Dental Services



J Robert Galvin M.D., M.P.H.

J. Robert Galvin, M.D., M.P.H., Commissioner

STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

December 12, 2006

James Thibeault
Director of Planning
University of Connecticut Health Center
263 Farmington Avenue
Farmington, CT 06030

Re: Letter of Intent, Docket Number 06-30866
University of Connecticut Health Center
University of Connecticut Health Center School of Dental Medicine request to purchase Hitachi CB MercuRay Maxillofacial Digital Imaging System
Notice of Letter of Intent

Dear Mr. Thibeault:

On November 15, 2006, the Office of Health Care Access ("OHCA") received the Letter of Intent ("LOI") Form of University of Connecticut Health Center School of Dental Medicine ("Applicant") to purchase Hitachi CB MercuRay Maxillofacial Digital Imaging System, at a total capital expenditure of $315,000.

A notice to the public regarding OHCA's receipt of a LOI was published in *The Hartford Courant* pursuant to Section 19a-639 of the Connecticut General Statutes. Enclosed for your information is a copy of the notice to the public.

Sincerely,

Kimberly R. Martone
Certificate of Need Supervisor

KRM:LKG:bko

STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

December 12, 2006

Requisition # HCA07-093
E-Mail: Publicnotices@courant.com

Hartford Courant
285 Broad Street
Hartford, CT 06115

Gentlemen/Ladies:

Please make an insertion of the attached copy, in a single column space, set solid under legal notices, in the issue of your newspaper by no later than Saturday, December 16, 2006.

Please fax evidence that the legal notice was published by the date requested above to (860) 418-7053. In addition, please send the original legal notice (full tear sheet is required) with the invoice.

If there are any questions regarding this legal notice, please contact Laurie Greci at (860) 418-7001.

KINDLY RENDER BILL IN DUPLICATE ATTACHED TO THE TEAR SHEET.

Sincerely,

Kimberly R. Martone
Certificate of Need Supervisor

Attachment

KRM:LKG:bko

c: Sandy Salus, OHCA

The Hartford Courant
Docket Number 06-30866-LOI

Letter of Intent
December 11, 2006

PLEASE INSERT THE FOLLOWING:

Statute Reference:	19a-639
Applicant:	University of Connecticut Health Center
Town:	Farmington
Docket Number:	06-30866-LOI
Proposal:	University of Connecticut Health Center School of Dental Medicine request to purchase Hitachi CB MercuRay Maxillofacial Digital Imaging System
Total Capital Expenditure:	$315,000

The Applicant may file its Certificate of Need application between January 14, 2007 and March 15, 2007. Interested persons are invited to submit written comments to Cristine A. Vogel, Commissioner Office of Health Care Access, 410 Capitol Avenue, MS13HCA P.O. Box 340308 Hartford, CT 06134-0308.

The Letter of Intent is available for inspection at OHCA. A copy of the Letter of Intent or a copy of Certificate of Need Application, when filed, may be obtained from OHCA at the standard charge. The Certificate of Need application will be made available for inspection at OHCA, when it is submitted by the Applicant.

Olejarz, Barbara

From: Olejarz, Barbara
Sent: Tuesday, December 12, 2006 4:08 PM
To: 'publicnotices@courant.com'
Subject: legal Ad

12/12/06

Please place the attached legal Ad in your paper no later thant Saturday, December 16, 2007. Please let me know that you have received the Ad.

Thank you

Barbara K. Olejarz
Office of Health Care Access
410 Capitol Ave.
Hartford, CT 06134
(860) 418-7017
Barbara.Olejarz@po.state.ct.us

Olejarz, Barbara

From: Taylor, Stephanie [sltaylor@courant.com]
To: Olejarz, Barbara
Sent: Tuesday, December 12, 2006 4:10 PM
Subject: Read: legal Ad

Your message

To: sltaylor@courant.com
Subject:

was read on 12/12/2006 4:10 PM.

Olejarz, Barbara

From: Taylor, Stephanie [sltaylor@courant.com]
Sent: Wednesday, December 13, 2006 12:05 PM
To: Olejarz, Barbara
Subject: RE: legal Ad

Barbara,

This is all set to run on Saturday. The cost will be $157.09.

Thank-You,
Stephanie

LEGAL NOTICE

Statute Reference:
19a-639
Applicant: University of
Connecticut Health Center
Town: Farmington
Docket Number:
06-30866-LOI
Proposal: University of Connecticut Health Center School of Dental Medicine request to purchase Hitachi CB MercuRay Maxillofacial Digital Imaging System
Total Capital Expenditure:
$315,000

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410 Capitol Ave.
Hartford, CT 06134

12/13/2006

STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

December 13, 2006

James Thibeault
Director of Planning
University of Connecticut Health Center
263 Farmington Avenue
Farmington, CT 06030-3802

RE: Certificate of Need Application Forms, Docket Number 06-30866-CON
University of Connecticut Health Center – School of Dental Medicine
UCHC School of Dental Medicine request to purchase Hitachi CB MercuRay Maxillofacial Digital Imaging System

Dear Mr. Thibeault:

Enclosed are the application forms for University of Connecticut Health Center – School of Dental Medicine's Certificate of Need ("CON") proposal to purchase the Hitachi CB MercuRay Maxillofacial Digital Imaging System with an associated capital expenditure of $315,000. According to the parameters stated in Section 19a-639 of the Connecticut General Statutes, the CON application may be filed between January 14, 2007, and March 15, 2007.

When submitting your CON Application, please paginate and date each page contained in your submission. In addition, please submit one (1) original and three (3) hard copies; as well as a scanned copy of the complete Application, including all attachments, on CD or Diskette. OHCA requests a copy of the submission be in MS Word format and the scanned copy be in Adobe format. Please submit the Financial Attachment and other data as appropriate in MS Excel format.

The analyst assigned to the CON application is Laurie K. Greci. Please feel free to contact her at (860) 418-7001, if you have any questions.

Sincerely,

Kimberly Martone
Certificate of Need Supervisor

Enclosures

State of Connecticut
Office of Health Care Access
Certificate of Need Application

Please complete all questions. If any question is not relevant to your project, Not Applicable may be an acceptable response. Your Certificate of Need application will be eligible for submission no earlier than January 14, 2007, and may be submitted no later than March 15, 2007. The Analyst assigned to your application is Laurie Greci and she may be reached at the Office of Health Care Access at (860) 418-7001.

Docket Number: 06-30866-CON

Applicant's Name: University of Connecticut Health Center -
School of Dental Medicine

Contact Person: James Thibeault
Contact Title: Director of Planning
University of Connecticut Health Center
Contact Address: 263 Farmington Avenue
Farmington, CT 06030-3802

Project Location: Farmington

Project Name: Acquisition of an Hitachi CB MercuRay Maxillofacial Digital Imaging System

Type proposal: Section 19a-639, C.G.S.

Est. Capital Expenditure: $315,000

1. Expansion of Existing or New Service

What services are currently offered at your facility that the proposed expansion or new service will augment or replace? Please list.

Augment:

Replace:

2. State Health Plan

No questions at this time.

3. Applicant's Long Range Plan

Is this application consistent with your long-range plan?

☐ Yes ☐ No

If "No" is checked, please provide an explanation.

4. Clear Public Need

A. Explain how it was determined there was a need for the proposal in your service area.

B. Provide the following information on the proposed service area:
   i) A list of the primary service area towns.
   ii) A list of the secondary service area towns.
   iii) Information or documentation that supporting the towns listed in each service area.

C. If existing facility/service, the unit of service (i.e. procedure, scan, visit, etc.) for the past three fiscal years by service area town.

D. If new facility/service, the population to be served, including the number of individuals to receive the proposed service(s). Include demographic Information, as appropriate.

E. Scheduling backlogs in service area.

F. Travel distance from proposed site to service area towns.

G. Hours of operation of existing/proposed service.

H. Identify the existing providers of the proposed service in your service area and provide the information as outlined in the following table concerning the existing providers' (in the Applicant(s) PSA and SSA) current operations:

Description of Service[1]	Provider Name, Street Address, Town and Zip Code	Hours and Days of Operation[2]	Current Utilization[3]

[1] If proposal concerns imaging equipment, provide a description of the equipment used by the Provider, if known (i.e., for MRI scanners, include Tesla strength, and whether or not the scanner is considered to be "open" or "closed", for CT scanners, include the number of "slices".); list one piece of equipment per line.
[2] Specify days of the week and start and end time for each day.
[3] Number of scans performed on specified scanner by Provider for the most recent 12 month period, if known.

I. What will be the effect of your proposal on existing providers (i.e. patient volume, financial stability, quality of care, etc.)?

J. Provide the units of service projected for the first three years of operation of the proposed service. Include the derivation/calculation.

K. Provide the information as outlined in the following table concerning the existing providers' (in the Applicant(s) PSA & SSA) current operations:

L. Will your proposal remedy any of the following barriers to access? Please provide an explanation.

☐ Cultural
☐ Geographic
☐ None of the Above
☐ Transportation
☐ Economic
☐ Other, Specify: _____

If you checked other than "None of the Above", please provide an explanation

M. Provide copies of any of the following plans, studies or reports related to your proposal:

- ☐ Epidemiological studies
- ☐ Public information reports
- ☐ Other (Identify)
- ☐ Needs assessments
- ☐ Market share analysis

☐ None, *Explain* why no reports, studies or market share analysis was undertaken related to the proposal:

5. Quality Measures

A. If the proposal is for a new technology or procedure, have all appropriate agencies approved the proposed procedure (e.g., FDA etc.)?

☐ Yes ☐ No ☐ Not Applicable

If "No", please provide an explanation.

B. Check off all the Standard of Practice Guidelines that will be utilized by the Applicant for the proposed service. Please submit the most recent copy of each report related to the proposal:

- ☐ American College of Cardiology
- ☐ National Association of Child Bearing Centers
- ☐ Report of the Inter-Council for Radiation Oncology
- ☐ National Committee for Quality Assurance
- ☐ American College of Obstetricians & Gynecologists
- ☐ American College of Radiology
- ☐ Public Health Code & Federal Corollary
- ☐ American College of Surgeons
- ☐ Substance Abuse Society and Mental Health Services Administration
- ☐ Other, Specify:

C. Describe in detail how the Applicant plans to meet the each of the guidelines checked off above.

D. Submit a list of all key professional and administrative personnel, including the Applicant's Chief Executive Officer (CEO) and Chief Financial Officer (CFO), Medical Director, physicians, nurses, therapists, counselors, etc., related to the proposal and a copy of their Curriculum Vitae.
***Note**: For physicians, please provide a list of hospitals where the physicians have admitting privileges.*

E. Provide a copy of the most recent inspection reports and/or certificate for your facility:

- ☐ DPH
- ☐ Fire Marshall Report
- ☐ AAAHC
- ☐ Other:
- ☐ JCAHO
- ☐ Other States Health Dept. Reports (New Out-of-State Providers)
- ☐ AAAASF

Note: Above referenced acronyms are defined below. [1]

F. Provide copies of any Quarterly Action Reports, Consent Decrees or Statement of Charges against the Hospital (Applicant), Physicians and any staff related to the proposal, for the past five (5) years.

G. Provide a copy of any plan of action which has been formulated to address the above action against the Hospital (Applicant), Physician(s) working at the Hospital and/or any staff related to the proposal.

H. Provide a copy of the following (as applicable):

- ☐ A copy of the related Quality Assurance plan
- ☐ Protocols for service (new service only)
- ☐ Patient Selection Criteria/Intake form

6. Improvements to Productivity and Containment of Costs

In the past year has your facility undertaken any of the following activities to improve productivity and contain costs?

- ☐ Energy conservation
- ☐ Application of technology (e.g., computer systems, robotics, telecommunication systems, etc.)
- ☐ None of the above
- ☐ Other (identify):
- ☐ Group purchasing
- ☐ Reengineering

7. Miscellaneous

A. Will this proposal result in new (or a change to) your teaching or research responsibilities?

☐ Yes ☐ No

If you checked "Yes," please provide an explanation.

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[1] DPH – Department of Public Health; JCAHO – Joint Commission on Accreditation of Hospitals Organization; AAAHC – Accreditation Association for Ambulatory Health Care, AAAASF – American Association for Accreditation of Ambulatory Surgery Facilities, Inc.

B. Are there any characteristics of your patient/physician mix that makes your proposal unique?

☐ Yes ☐ No

If you checked "Yes," please provide an explanation.

C. Provide the following licensing information:

i) If you are currently licensed, provide a copy of the State of Connecticut Department of Public Health license currently held.

ii) The DPH licensure category you are seeking.

iii) If not applicable, please explain why.

8. Financial Information

A. Type of ownership: (Please check off all that apply)

☐ Corporation (Inc.)
☐ Partnership
☐ Joint Venture
☐ Other (Specify):
☐ Limited Liability Company (LLC)
☐ Professional Corporation (PC)

B. Provide the following financial information:

i) Pursuant to Section 19a-644, C.G.S., each hospital licensed by the Department of Public Health is required to file with OHCA copies of the hospital's audited financial statements. If the Applicant is a hospital that has filed its most recently completed fiscal year audited financial statements, the Applicant may reference that filing for this proposal.

ii) Provide the total current assets balance as of the date of submission of this application.

iii) Provide a copy of the most recently completed internal monthly financial statements, including utilization volume totals to date. (For new service only)

iv) Provide the name and units of service for the new cost center to be established for the proposal.

v) Identify the entity that will be billing for the proposed service.

9. Major Cost Components/Total Capital Expenditure

Submit a final version of all capital expenditures/costs as follows:

Medical Equipment (Purchase)	
Major Medical Equipment (Purchase)	
Non-Medical Equipment (Purchase)*	
Land/Building (Purchase)	
Construction/Renovation	
Other (Non-Construction) Specify:_____	
Total Capital Expenditure	
Medical Equipment (Lease (FMV))	
Major Medical Equipment (Lease (FMV)	
Non-Medical Equipment (Lease (FMV))*	
Fair Market Value of Space – (Capital Leases Only)	
Total Capital Cost	
Capitalized Financing Costs (Informational Purpose Only)	
Total Capital Expenditure with Cap. Fin. Costs	

* Provide an itemized list of all non-medical equipment.

10. Type of Financing

A. Check type of funding or financing source and identify the following anticipated requirements and terms: (Check all which apply)

☐ Applicant's equity:

Source and amount:

Operating Funds Source/Entity Name Available Funds	$_____
Contributions	$_____
Funded depreciation	$_____
Other	$_____

☐ Grant:

Amount of grant	_____
Funding institution/ entity	_____

☐ Conventional loan or
☐ Connecticut Health and Educational Facilities Authority (CHEFA) financing:

Current CHEFA debt	
CON Proposed debt financing	
Interest rate	%
Monthly payment	
Term	Years
Debt service reserve fund	

☐ Lease financing or
☐ CHEFA Easy Lease Financing:

Current CHEFA Leases	
CON Proposed lease financing	
Fair market value of leased assets at lease inception	
Interest rate	%
Monthly payment	
Term	Years

☐ Other financing alternatives:

Amount	
Source (e.g., donated assets, etc.)	

B. Please provide copies of the following, if applicable:
i. Letter of interest from the lending institution,
ii. Letter of interest from CHEFA,
iii. Amortization schedule (if not level amortization payments),
iv. Lease agreement.

11. Revenue, Expense and Volume Projections

A.1. Payer Mix Projection

Please provide both the current payer mix and the projected payer mix with the CON proposal for the Total Facility based on Net Patient Revenue in the following reporting format:

Total Facility Description	Current Payer Mix	Year 1 Projected Payer Mix	Year 2 Projected Payer Mix	Year 3 Projected Payer Mix
Medicare*	%	%	%	%
Medicaid* (includes other medical assistance)				
CHAMPUS and TriCare				
Total Government Payers				
Commercial Insurers*				
Uninsured				
Workers Compensation				
Total Non-Government Payers				
Payer Mix	100.0%	100.0%	100.0%	100.0%

*Includes managed care activity.

A.2. Please describe the impact of the proposal on the interests of consumers of health care services and the payers of such services.

B. Does the Applicant(s) have Tax Exempt Status? ☐ Yes ☐ No

C. Provide the following for the financial and statistical projections:

i) A summary of revenue, expense and volume statistics, without the CON project, incremental to the CON project, and with the CON project. **See attached form, Financial Attachment I.** Please note that the actual results for the fiscal year reported in the first column must agree with the Applicant's audited financial statements.

ii) Please complete the enclosed form, OHCA's **Financial Attachment II.**

iii) The assumptions utilized in developing the projections (e.g., FTE's by position, volume statistics, other expenses, revenue and expense % increases, project commencement of operation date, etc.).

iv) An explanation for any projected incremental losses from operations contained in the financial projections that result from the implementation and operation of the CON proposal.

v) Provide a copy of the rate schedule for the proposed service.

vi) Describe how this proposal is cost effective.

11. C (i). Please provide one year of actual results and three years of projections of **Total Facility** revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

Total Facility: / **Description**	**FY Actual Results**	**FY Projected W/out CON**	**FY Projected Incremental**	**FY Projected With CON**	**FY Projected W/out CON**	**FY Projected Incremental**	**FY Projected With CON**	**FY Projected W/out CON**	**FY Projected Incremental**	**FY Projected With CON**
NET PATIENT REVENUE										
Non-Government				$0			$0			$0
Medicare				$0			$0			$0
Medicaid and Other Medical Assistance				$0			$0			$0
Other Government				$0			$0			$0
Total Net Patient Patient Revenue	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Other Operating Revenue										
Revenue from Operations	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
OPERATING EXPENSES										
Salaries and Fringe Benefits				$0			$0			$0
Professional / Contracted Services				$0			$0			$0
Supplies and Drugs				$0			$0			$0
Bad Debts				$0			$0			$0
Other Operating Expense				$0			$0			$0
Subtotal	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Depreciation/Amortization				$0			$0			$0
Interest Expense				$0			$0			$0
Lease Expense				$0			$0			$0
Total Operating Expense	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Gain/(Loss) from Operations	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Plus: Non-Operating Revenue				$0			$0			$0
Revenue Over/(Under) Expense	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
FTEs				0			0			0

*Volume Statistics:
Provide projected inpatient and/or outpatient statistics for any new services and provide actual and projected inpatient and/or outpatient statistics for any existing services which will change due to the proposal.

11.C(ii). Please provide three years of projections of incremental revenue, expense and volume statistics **attributable to the proposal** in the following reporting format:

Type of Service Description										
Type of Unit Description:										
# of Months in Operation										
Year 1	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
FY Projected Incremental		Rate	Units	Gross	Allowances/	Charity	Bad	Net	Operating	Gain/(Loss)
Total Incremental Expenses:				Revenue	Deductions	Care	Debt	Revenue	Expenses	from Operations
				Col. 2 * Col. 3				Col.4 - Col.5	Col. 1 Total *	Col. 8 - Col. 9
Total Facility by								-Col.6 - Col.7	Col. 4 / Col. 4 Total	
Payer Category:										
Medicare				$0				$0	$0	$0
Medicaid		$0		$0				$0	$0	$0
CHAMPUS/TriCare		$0		$0				$0	$0	$0
Total Governmental			0	$0	$0	$0	$0	$0	$0	$0
Commericial Insurers		$0	5	$0				$0	$0	$0
Uninsured		$0	2	$0				$0	$0	$0
Total NonGovenrment		$0	7	$0	$0	$0	$0	$0	$0	$0
Total All Payers		$0	7	$0	$0	$0	$0	$0	$0	$0

GENERAL AFFIDAVIT

Applicant: _____

Project Title: _____

I, _____, _____
(Name) (Position – CEO or CFO)

of _____ being duly sworn, depose and state that the (Facility Name) said facility complies with the appropriate and 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.

_____ _____
Signature Date

Subscribed and sworn to before me on _____

_____

Notary Public/Commissioner of Superior Court

My commission expires: _____