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CONNECTICUT OFFICE OF  
HEALTH CARE ACCESS

April 16, 2004

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

**Re: Letter of Intent: MRI Unit – 3T**

Dear Commissioner Vogel:

Yale-New Haven Hospital (YNHH) is pleased to submit a Letter of Intent to acquire an additional MRI Unit. This project involves the acquisition of a 3 Tesla (T) MRI unit to accommodate the demand for MRI services from the Hospital's patients and physicians. The proposed 3T scanner will be located at Yale-New Haven Hospital, 20 York Street, New Haven, CT. The estimated total capital expenditure associated with this project is \$3,565,000.

Please forward any correspondence to:

Jean Ahn  
Director, Planning and Business Development  
Yale-New Haven Hospital  
20 York Street  
New Haven, CT 06504  
(203) 688-2609

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Norman G. Roth'.

Norman G. Roth  
Senior Vice President, Administration

cc: Jeanette Schreiber, Esq.

20 York Street  
New Haven, CT 06504



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CONNECTICUT OFFICE OF HEALTH CARE ACCESS

# State of Connecticut Office of Health Care Access Letter of Intent/Waiver Form Form 2030

All Applicants must complete a Letter of Intent (LOI) form prior to submitting a Certificate of Need application, pursuant to Sections 19a-638 and 19a-639 of the Connecticut General Statutes and Section 19a-643-79 of OHCA's Regulations. Please submit this form 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 there are more than two Applicants, please attach a separate sheet of paper and provide additional information in the format below.

	Applicant One	Applicant Two
Full legal name	Yale-New Haven Hospital	
Doing Business As	Yale-New Haven Hospital	
Name of Parent Corporation	Yale-New Haven Health Services Corporation	
Mailing Address, if Post Office Box, include a street mailing address for Certified Mail	20 York Street New Haven, CT 06504	
Applicant type (e.g., profit/non-profit)	Non-Profit	
Contact person, including title or position	Jean Ahn Director	
Contact person's street mailing address	Yale-New Haven Hospital 20 York Street New Haven, CT 06504	
Contact person's phone #, fax # and e-mail address	(203) 688-2609 (Phone) (203) 688-5013 (Fax) jean.ahn@ynhh.org	

**SECTION II. GENERAL APPLICATION INFORMATION**

▪ Proposal/Project Title:

MRI Unit – 3T

▪ 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.:

New (F, S, Fnc)

Replacement

Additional (F, S, Fnc)

Expansion (F, S, Fnc)

Relocation

Service Termination

Bed Addition`

Bed Reduction

Change in Ownership/Control

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

Project expenditure/cost cost greater than \$ 1,000,000

Equipment Acquisition greater than \$ 400,000

New

Replacement

Major Medical

Imaging

Linear Accelerator

Change in ownership or control, pursuant to Section 19a-639 C.G.S., resulting in a capital expenditure over \$1,000,000

a. Location of proposal (Town including street address):

Yale-New Haven Hospital, 20 York Street, New Haven, CT 06504

b. List all the municipalities this project is intended to serve:

Please see response to Question 3 in Project Description

c. Estimated starting date for the project: August 2004

d. Type of project: 19 (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 (Decrease)	Proposed Total Licensed

Not Applicable. This proposal does not involve licensed or staffed beds.

**SECTION III. ESTIMATED CAPITAL EXPENDITURE INFORMATION**

a. Estimated Total Capital Expenditure: \$ 3,565,000

b. Please provide the following breakdown as appropriate:

Construction/Renovations	\$1,165,000
Medical Equipment (Purchase)	
Imaging Equipment (Purchase)	2,400,000
Non-Medical Equipment (Purchase)	
Sales Tax	
Delivery & Installation	
<b>Total Capital Expenditure</b>	<b>\$3,565,000</b>
Fair Market Value of Leased Equipment	
<b>Total Capital Cost</b>	<b>\$3,565,000</b>

**Major Medical and/or Imaging equipment acquisition:**

Equipment Type	Name	Model	Number of Units	Cost per unit
MRI Scanner	2 vendors under consideration	3T	1	\$2,400,000

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

The vendor quote may not be presented at this time due to confidential final negotiations.

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

- Applicant's Equity       Lease Financing       Conventional Loan  
 Charitable Contributions       CHEFA Financing       Grant Funding  
 Funded Depreciation       Other (specify): \_\_\_\_\_

**SECTION IV. PROJECT DESCRIPTION**

Please attach a separate 8.5" X 11" sheet(s) of paper and provide no more than a 2 page description of the proposed project, highlighting all the important aspects of the proposed project. Please be sure to address the following (if applicable):

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

**If requesting a Waiver of a Certificate of Need, please complete Section V.**

**SECTION V. WAIVER OF CON FOR REPLACEMENT EQUIPMENT**

I may be eligible for a waiver from the Certificate of Need process because of the following:  
(Please check all that apply)

- This request is for Replacement Equipment.
  - The original equipment was authorized by the Commission/OHCA in Docket Number: \_\_\_\_\_.
  - The cost of the equipment is not to exceed \$2,000,000.
  - The cost of the replacement equipment does not exceed the original cost increased by 10% per year.

Please complete the attached affidavit for Section V only.

## 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 Amuse Services)
19. MRI
20. CT Scanner
21. PET Scanner
22. Other Imaging Services
23. Lithotripsy
24. Mobile Services
25. Other Outpatient
26. Central Services Facility

### Non-Clinical

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

## PROJECT DESCRIPTION

- 1. Currently what types of services are being provided? If applicable, provide a copy of each department of Public Health license held by the Petitioner.**

Yale-New Haven Hospital (YNHH) is the primary teaching hospital for the Yale School of Medicine and a major community hospital for residents of the greater New Haven area. The Hospital offers a full array of primary to quaternary patient services; many quaternary services have been designated as regional or national referral services.

A copy of YNHH's Department of Public Health (DPH) License is presented as Attachment I.

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

Yale-New Haven Hospital is proposing to acquire a 3 Tesla (T) MRI unit to help accommodate the demand for MRI services by the Hospital's patients and physicians.

DPH licensure is not required for radiology facilities.

- 3. Who is the current population served and who is the target population to be served?**

The current population served and the target population to be served include all residents of Ansonia, Bethany, Branford, Cheshire, Clinton, Deep River, Derby, East Haven, Essex, Guilford, Hamden, Killingworth, Madison, Meriden, Milford, New Haven, North Branford, North Haven, Old Saybrook, Orange, Oxford, Seymour, Wallingford, Westbrook, West Haven and Woodbridge.

- 4. Identify any unmet need and how this project will fulfill that need.**

The core components of the imaging service are the technology, operations management and clinical service. There is a need for increased MRI services at YNHH. MRI demand is projected to grow at YNHH to serve the Hospital's patients and physicians. Acquiring an additional magnet will help enable YNHH to meet the projected service demand.

The currency of MRI is the signal. It can be used to increase speed, and 3T MR scanners provide almost twice the signal of 1.5T scanners. This means that 3T scanners can image faster or with improved spatial resolution. In practical terms, patients may spend less time in the confined bore of the MR scanner tunnel. YNHH patients may require intensive physiologic monitoring and observation, or they are under moderate sedation or general anesthesia. Limiting the patient exam time in the MRI Center is essential. This is especially relevant to the Hospital's large pediatric population. In sum, compared to the 1.5T scanner, the 3T scanner offers several advantages including:

- an improvement in the quality and speed of MRI for certain applications



- the provision of new clinical capabilities that is not available with lower magnetic field strength scanners (1.5T is lower field than 3T)
- a more patient friendly exam period for the most vulnerable patients

Acquisition of a 3T MRI will help fulfill the need for high quality, new MRI technology. The 3T magnet is an important technological component of overall MRI strategy<sup>1</sup> (see Attachment II),

**5. Are there any similar existing service providers in the proposed geographic area?**

Similar existing service providers in the greater New Haven area are: Griffin Hospital, Milford Hospital, Mid State Medical Center, the Hospital of St. Raphael, Temple Medical Center and several private physician practices and free-standing imaging centers.

**6. What is the effect of this project on the health care delivery system in the State of Connecticut?**

Implementation of this proposal will improve accessibility to MRI services in the greater New Haven area and help enable Yale-New Haven Hospital to meet the current and future demand for services. Patients and physicians will be better served since patients will be diagnosed more expediently than they are today. Yale-New Haven Hospital will also be able to more rapidly deploy state-of-the-art programs and applications, such as orthopedic, neuroscience, pediatrics, cardiovascular, breast imaging and cancer care.

**7. Who will be responsible for providing the service?**

Yale-New Haven Hospital

**8. Who are the payers of this service?**

The payers for this service include Medicare, Medicaid, Aetna, Blue Cross, Cigna, Connecticare, HMC PPO, Oxford, PHS, United Healthcare, Workers Compensation, Yale Health Plan and others.

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<sup>1</sup> Source: Sg2 Analysis, 2004

**APPENDIX I**  
**YNHH License**

STATE OF CONNECTICUT

Department of Public Health

LICENSE

License No. 0044

General Hospital

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

Yale-New Haven Hospital, Inc. of New Haven, CT, d/b/a Yale-New Haven Hospital, Inc. is hereby licensed to maintain and operate a General Hospital.

**Yale-New Haven Hospital, Inc.** is located at 20 York Street, New Haven, CT 06504

The maximum number of beds shall not exceed at any time:

852 General Hospital beds

92 Bassinets

This license expires **September 30, 2005** and may be revoked for cause at any time.

Dated at Hartford, Connecticut, October 1, 2003. RENEWAL.

Satellites

Hill Regional Career High School, 140 Legion Avenue, New Haven, CT  
Branford High School Based Health Center, 185 East Main Street, Branford, CT  
Walsh Middle School, 185 Damascus Road, Branford, CT  
James Hillhouse High School Based Health Center, 480 Sherman Parkway, New Haven, CT  
Sheriden Academy of Excellence School Based Health Center, 191 Fountain Street, New Haven, CT  
Vincent E. Mauro Elementary School Based Health Center, 130 Orchard Street, New Haven, CT  
Weller Building, 425 George Street, New Haven, CT  
Yale-New Haven Psychiatric Hospital, 184 Liberty Street, New Haven, CT



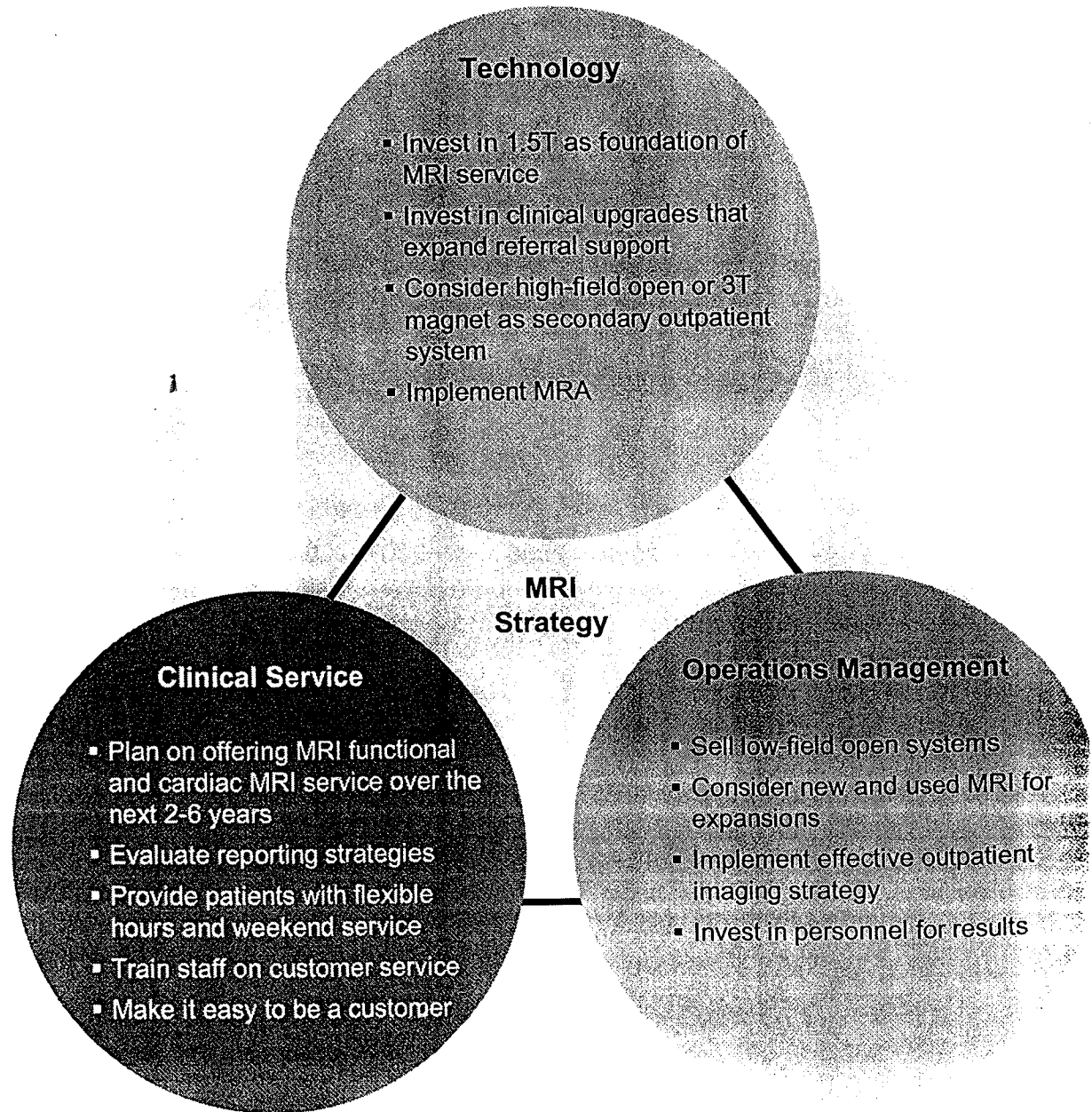
A handwritten signature in black ink, appearing to read 'Norma Gyle'.

Norma Gyle, R.N., Ph.D., Acting  
Commissioner

**APPENDIX II**  
**Strategies for MRI**

## Strategies for MRI

### Core Components of Imaging Services



Source: Sg2 Analysis, 2004