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CONNECTICUT OFFICE OF
HEALTH CARE ACCESS



June 28, 2004

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

Re: **Letter of Intent to file Certificate of Need Application for Six Bed Expansion
of Neo-Natal Intensive Care Unit**

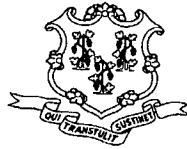
Dear Commissioner Vogel:

We are hereby submitting Connecticut Children's Medical Center's Letter of Intent to file a Certificate of Need Application for the Six Bed Expansion of the Neo-Natal Intensive Care Unit.

Very truly yours,

A handwritten signature in black ink, appearing to read "Gerald J. Boisvert".

Gerald J. Boisvert
Vice President, Finance & Chief Financial Officer



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

CONNECTICUT OFFICE OF
HEALTH CARE ACCESS

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	Connecticut Children's Medical Center	
Doing Business As	Connecticut Children's Medical Center	
Name of Parent Corporation	Connecticut Children's Medical Center	
Mailing Address, if Post Office Box, include a street mailing address for Certified Mail	282 Washington St. Hartford, CT 06106	
Applicant type (e.g., profit/non-profit)	Non-Profit Pediatric Hospital	
Contact person, including title or position	Gerald J. Boisvert Chief Financial Officer	
Contact person's street mailing address	282 Washington St. Hartford, CT 06106	
Contact person's phone #, fax # and e-mail address	Tel: 545-8557 Fax: 545-8556 E: gboisve@ccmckids.org	

SECTION II. GENERAL APPLICATION INFORMATION

a. Proposal/Project Title:

Six Bed Expansion of Neo-Natal Intensive Care Unit

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

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

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

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

- | | | |
|----------------------------------|---|--|
| <input type="checkbox"/> New | <input type="checkbox"/> Replacement | <input type="checkbox"/> Major Medical |
| <input type="checkbox"/> Imaging | <input type="checkbox"/> Linear Accelerator | |

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

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

282 Washington St., Hartford, CT 06106

d. List all the municipalities this project is intended to serve:
(see attachment "A")

e. Estimated starting date for the project: Jan. 2, 2005

- f. Type of project: 5, 19, 20, 31 (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
NICU	26	26	6	32

SECTION III. ESTIMATED CAPITAL EXPENDITURE INFORMATION

- a. Estimated Total Capital Expenditure: \$2,369,000
- b. Please provide the following breakdown as appropriate:

Construction/Renovations	\$ 2,055,000
Medical Equipment (Purchase)	\$ 265,000
Imaging Equipment (Purchase)	
Non-Medical Equipment (Purchase)	\$ 48,850
Sales Tax	
Delivery & Installation	(included)
Total Capital Expenditure	\$2,369,650
Fair Market Value of Leased Equipment	
Total Capital Cost	\$2,369,650

Major Medical and/or Imaging equipment acquisition:

Equipment Type	Name	Model	Number of Units	Cost per unit

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

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

Attachment "B"

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.

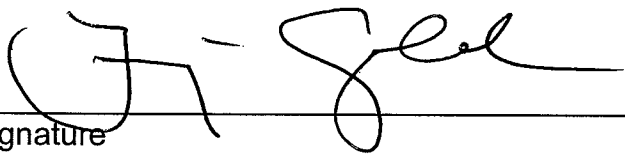
AFFIDAVIT

Applicant: Connecticut Children's Medical Center

Project Title: MRI Addition, CT Scan Replacement, Radiology Renovation

I, Larry Gold, Chief Executive Officer, of Connecticut Children's Medical Center

being duly sworn, depose and state that the information provided in this CON Letter of Intent/Waiver Form (2030) is true and accurate to the best of my knowledge, and that Connecticut Children's Medical Center 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

June 30 2004

Date

Subscribed and sworn to before me on June 30, 2004.



Notary Public/Commissioner of Superior Court

My commission expires: REBECCA J. PHILLIPS
NOTARY PUBLIC
MY COMMISSION EXPIRES OCT. 31, 2006

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

SECTION IV. PROJECT DESCRIPTION

Attachment "B"

1. Connecticut Children's Medical Center (CCMC) is the state's only free-standing children's hospital, and provides a wide range of inpatient and ambulatory services solely for infants, children and adolescents. Currently, we operate 26 Neonatal Intensive Care Unit (NICU) beds among the 123 licensed total beds at CCMC. The NICU is located in space rented from Hartford Hospital. All critically ill newborn medical and surgical pediatric patients at CCMC receive their care in the NICU. Over the past several years, the average daily census in the NICU has increased despite a slight decrease in the number of admissions. This has made it increasingly difficult, and sometimes impossible, to accommodate requests for NICU beds from the Hartford Hospital delivery room, our primary referral source, as well as from other referring hospitals
2. We are proposing expansion of our NICU from 26 to 32 bassinets. We anticipate that this will allow us to accommodate internal and external demand for the foreseeable future. In connection with this proposal, we will request a concomitant expansion of our licensed number of bassinets from 26 to 32.
3. The current patient population reflects, to a large extent, the market draw of Obstetrics/newborn services at Hartford Hospital plus transport of selected seriously and critically ill neonates from community hospitals. The latter group includes infants with complex medical and surgical conditions which are best treated at a pediatric specialty hospital.
4. The current unmet need reflects increased survival of smaller premature infants, as well as increased incidence of multiple births. Both result in an increased number of total patient days. In addition, the increasing selection of the CCMC NICU as the site of choice for children with complex medical and surgical conditions has increased demands for bed availability.
5. There are similar newborn intensive care services being provided by other hospitals in the proposed geographic area. The two closest to CCMC are St. Francis Hospital and University of Connecticut/John Dempsey Hospital. Our neonatologists are all members of the same university faculty, and we all participate in the same regional transport system. CCMC is distinguished by its full range of pediatric specialty services and uniquely pediatric clinical support. Yale University/Yale New Haven Hospital also has NICU and pediatric services which are similar to CCMC's, however we serve different geographic regions of the state with virtually no overlap.

6. This project will strengthen the health care delivery system in the State of Connecticut by increasing capacity for newborns with the most complex medical and surgical conditions, as well as providing appropriate capacity to support Hartford Hospital's Labor and Delivery service.
7. Service will be provided by staff of Connecticut Children's medical center and the CCMC Faculty Practice Plan.
8. Funding for this expansion of the NICU will be achieved through fund raising by the CCMC Foundation. The payers for the continued operation of this service will be similar to those who pay for other services at CCMC – a full mix of Husky A & B, commercial HMOs and other insurance plans.