



February 23, 2007

RECEIVED
DEPARTMENT OF
HEALTH CARE ACCESS
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Cristine Vogel, Commissioner
State of Connecticut
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

RE: Letter of Intent for a Second CT Scanner at Lawrence & Memorial Hospital's Main Campus

Dear Commissioner Vogel:

Attached is a Letter of Intent and three copies for a Second CT Scanner at Lawrence & Memorial Hospital's main campus.

We are looking forward to working with your staff in the Certificate of Need process.

Please let me know if you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel".

Daniel Rissi, M.D.
Vice President and
Chief Operating Officer

Enc:



**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	Lawrence & Memorial Hospital	
Doing Business As	N/A	
Name of Parent Corporation	Lawrence & Memorial Corporation	
Mailing Address, if Post Office Box, include a street mailing address for Certified Mail	365 Montauk Avenue New London, CT 06320	
Applicant type (e.g., profit/non-profit)	Non-profit	
Contact person, including title or position	Daniel Rissi, M.D. Vice President & Chief Operating Officer	
Contact person's street mailing address	365 Montauk Avenue New London, CT 06320	
Contact person's phone #, fax # and e-mail address	(860) 442-0711 ext. 2071 Fax: (860) 444-3741 Drissi@LMHosp.org	

SECTION II. GENERAL APPLICATION INFORMATION

a. Proposal/Project Title:

Acquisition and Operation of a Second CT Scanner at 365 Montauk Avenue, New London, CT

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.:

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 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

c. Location of proposal (Town including street address):
365 Montauk Avenue, New London, CT 06320

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

The current population served and the target population is residents of Lawrence & Memorial's current primary service area which consists of the towns of East Lyme, Groton, Ledyard, Lyme, Montville, New London, North Stonington, Old Lyme, Stonington, and Waterford; and residents of the Connecticut secondary service area comprised of the towns of Bozrah, Colchester, Franklin, Griswold, Lisbon, Norwich, Old Saybrook, Preston, Salem, and Voluntown.

e. Estimated starting date for the project: December 31, 2007

f. Type of project: 10, 20, 25, 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

SECTION III. ESTIMATED CAPITAL EXPENDITURE INFORMATION

a. Estimated Total Capital Expenditure: \$2,900,925
b. Please provide the following breakdown as appropriate:

Construction/Renovations	\$ 869,478
Medical Equipment (Purchase)	81,447
Imaging Equipment (Purchase)	1,950,000
Non-Medical Equipment (Purchase)	
Sales Tax	
Delivery & Installation	
Total Capital Expenditure	\$2,900,925
Fair Market Value of Leased Equipment	
Total Capital Cost	\$2,900,925

Major Medical and/or Imaging equipment acquisition:

Equipment Type	Name	Model	Number of Units	Cost per unit
CT Scanner	Siemens	Somatom	1	\$1,950,000

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

See Attachment A

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?

SECTION IV. PROJECT DESCRIPTION

Lawrence & Memorial proposes to acquire a second computed tomography (CT) scanner to be installed on the main campus.

Lawrence & Memorial is an acute care hospital with a main campus located at 365 Montauk Avenue, New London, CT. The Hospital currently offers a full service diagnostic imaging department providing services at the main campus and three outpatient satellite facilities. The Hospital is also a partner in a joint venture freestanding imaging center (Docket Number 05-30661-CON), which will become operational in May 2007.

The Hospital provides Emergency Department services at the main campus and at its outpatient satellite, Pequot Health Center (PHC), 52 Hazelnut Hill Road, Groton, CT. During the most recently completed four fiscal years, combined emergency department visits averaged 84,350 annually.

The current population served and the target population is residents of Lawrence & Memorial's current primary service area which consists of the towns of East Lyme, Groton, Ledyard, Lyme, Montville, New London, North Stonington, Old Lyme, Stonington, and Waterford; and residents of the Connecticut secondary service area comprised of the towns of Bozrah, Colchester, Franklin, Griswold, Lisbon, Norwich, Old Saybrook, Preston, Salem, and Voluntown.

Backus Hospital and Groton Open MRI are other existing providers of CT scanning services in the service area. This proposal will have little effect on Connecticut's health care delivery system, as the targeted patients are historical patients of the Hospital. Payers for the service will be current payers of CT scanning services.

Currently Lawrence & Memorial has two new multi-slice detector CT scanners both installed during the second half of 2005, to replace aged and fully depreciated units. One CT unit is located on the main campus and one unit is located at the Pequot Health Center (PHC), 52 Hazelnut Hill Road, Groton, CT. (Docket Number 05-30482-WVR).

Actual combined CT scan volume at the main campus and at PHC was as follows:

L&M Actual Combined Total CT Scan Volume by Patient Type

	2003	2004	2005	2006
Inpatient	3,957	3,933	3,665	3,933
ED	5,505	5,991	7,568	9,227
Outpatient	10,719	11,007	11,172	12,323
	20,181	20,932	22,405	25,483

Annually on the main campus, approximately 34% of CT scans are provided to outpatients, 26% to inpatients and 40% to emergency department patients. Actual CT scan volume at the main campus where an additional CT unit will be installed, increasing the main campus complement to two units is as follows:

L&M Main Campus Actual CT Scan Volume by Patient Type

	2003	2004	2005	2006
Inpatient	3,957	3,933	3,665	3,933
ED	4,741	5,163	6,356	7,538
Outpatient	5,075	5,164	5,151	5,085
	<u>13,773</u>	<u>14,261</u>	<u>15,172</u>	<u>16,556</u>

Need For An Additional CT Scanner on L&M Main Campus

Need for an additional CT scanner is based on:

- The recent average annual 20% increase in ED patient scans while ED patient visits decreased at a -0.2% annual rate.
- The increased incidence of simultaneously presenting emergent inpatients and ED patients requiring triage to CT scanning, thereby frustrating physicians and staff.
- Need to minimize "bumping" delays for the continued volume of outpatients requiring the comprehensive services available on the main campus including:
 - Patients having studies in duplicate modalities (e.g. nuclear, stress and CT).
 - CT exams following procedures (e.g. post sialogram, discogram, myelogram).
 - Radiation therapy treatment studies.
- Need to minimize critical patient diversions and transfers for urgent CT scans due to unscheduled and scheduled scanner downtime.
- Impending certification as a JCAHO designated Stroke Center requires CT scanning of suspected stroke patients within 25 minutes, which will increase bumping delays for other emergent patients.

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.

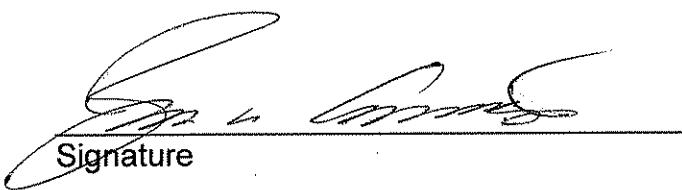
Please complete the attached affidavit for Section V only.

AFFIDAVIT

Applicant: Lawrence & Memorial Hospital

Project Title: Acquisition and Operation of a Second CT Scanner at 365 Montauk Avenue, New London, CT

I, Bruce D. Cummings, President & CEO of Lawrence & Memorial Hospital 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 Lawrence & Memorial Hospital 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

2/23/07
Date

Subscribed and sworn to before me on 2/23/07

Jacqueline T. Cunn
Notary Public/Commissioner of Superior Court

2007 EDITION
NOTARY PUBLIC
P.R. 14:23

My commission expires: 6/30/09

BRIAN JAMES H. CUNNINGHAM
NOTARY PUBLIC
NOTARIAL COMMISSION EXPIRES JUNE 29, 2009

Project Type Listing

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

Inpatient

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

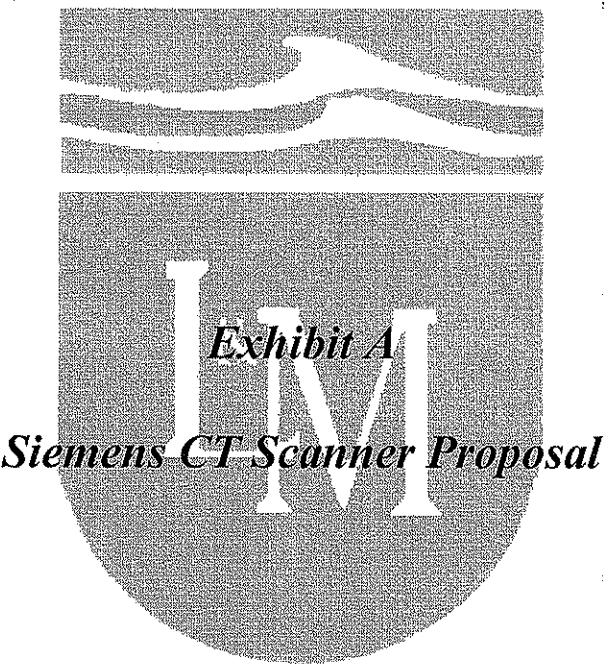
Outpatient

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

Non-Clinical

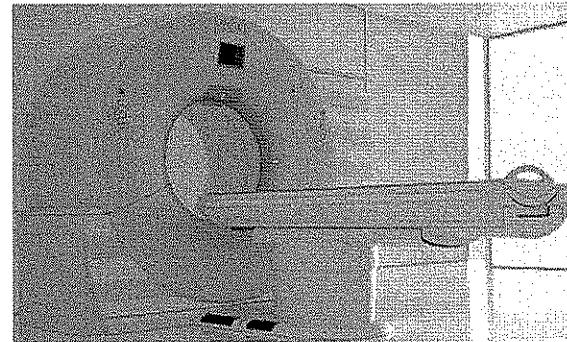
27. Facility Development
28. Non-Medical Equipment
29. Land and Building Acquisitions
30. Organizational Structure (Mergers, Acquisitions, Affiliations, and Changes in Ownership)
31. Renovations
32. Other Non-Clinical

Lawrence & Memorial Hospital
Letter of Intent for a Second CT Scanner
At Lawrence & Memorial Hospital's Main Campus



SIEMENS

Lawrence & Memorial Hospital Attachment A
SOMATOM DEFINITION
The World's First Dual Source CT Scanner



We are pleased to offer you here a summary proposal for our latest technology the "DEFINITION" Dual Source MDCT scanner. This represents a complete change to the MDCT of today and brings the next generation of CT to you. There are currently over 50 orders in house and 15 installed in the US as of today. This technology is changing the way Imaging has been done and will bring many new opportunities to your center.

SOMATOM Definition Dual Source CT-Scanner

- **Fastest Rotation speed on the market delivers the best Temporal resolution for Cardiac imaging with Two STRATON X-Ray Tubes:**
30 MHU, 5 MHU/min cooling rate
Benefit: Gives the ability to accurately image the heart at any heart rate and with arrhythmia while also negating the need for administering Beta Blockers.
The best X ray tube on the market totally eliminates any tube cooling
- **Best Image Quality with Two UFC™ Detector Assemblies** with 0.6 and 1.2 mm collimation, 0.33s rotation
Benefit: Combined Dual 64 detector system delivers the finest detail in MDCT imaging acquired today.
- **The Best Spatial resolution on the market with Z-Sharp Technology a**
Z- UHR Resolution of 0.24mm can be achieved
Benefit: Best and Finest detail assures the accuracy of measurement of Cardiac arteries and vessels beyond the standard today.
- **Best patient Care** with large 78 cm Gantry opening, 200 cm scan range, 500 lb patient weight limit.
Benefit: Non-claustrophobic Gantry, Large pts will not be compromised.
- **Best and Highest System power:** up to 80kW w/ single source, **160kW w/ Dual Source.**
Benefit: Large bodies scanned with best Image Quality.
- **Dual Energy Scanning**

SIEMENS

Ability to scan at two different energy levels at the same time to automatically Differentiate characteristics of certain anatomy. Automatic subtraction of vessel and bone.

- **Lowest Dose handling with DOSE Reduction CARE Dose 4D** real-time Dose Modulation and Adaptive Pulsing reduces Cardiac Dose levels by up to half the dose of current 64 slice CTs
Benefit patient safety and less risk , shorter scan times
- **Contrast Delivery with CARE Bolus** triggered spiral Acquisitions
Benefit: Easier to deliver the correct contrast at the right time thus enhancing the cardiac studies for best
- **WorkStream 4D** for direct 3D reconstructions from raw data
 - Benefit saving time and disk space
- **CT Angiography package, peripheral vascular**
- **Most Robust Cardiac acquisition with HeartView CT with ECG prospective gating, retrospective triggering, ECG pulsing and advanced ECG Editing makes Cardiac workflow superior.**
- **Simple operating system Windows XP platform. SYNGO. With up to 8 asynchronous reconstruction jobs simultaneously.**
- **Fastest Reconstruction package at up to 25 images / second.**
Benefit:
Workflow is faster and patient throughput is increased allowing for more revenue generation.

System consists of following

- **syngo Acquisition Workplace including:**
 - CARE Dose 4D real-time Dose Modulation
 - CARE Bolus triggered spiral Acquisitions
 - WorkStream 4D for direct 3D reconstructions from raw data
 - Basic 3D (MPR, MIP, 3D SSD, CTA)
- **syngo Multi Modality Workplace including:**
 - Basic 3D (MPR, MIP, 3D SSD, CTA)
 - Volume Pro Card
 - Syngo VRT
 - syngo Fly Through
 - syngo InSpace4D

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- **syngo CT Workplace including:**
 - Basic 3D (MPR, MIP, 3D SSD, CTA)
 - Volume Pro Card
 - Syngo VRT
 - syngo Fly Through
 - syngo InSpace4D
 - WorkStream 4D for raw data reconstructions
- **CT Acute Care Engine (including Cardiac and Neuro Engines):**
 - HeartView DSCT
 - 330 ms gantry rotation speed
 - Heart rate independent temporal resolution: 83 ms
 - z-Ultra High Resolution (z-UHR) allowing 0,24mm resolution
 - syngo Circulation
 - InSpace 4D with Advanced Vessel Analysis
 - Syngo Calcium Scoring
 - Syngo Neuro Perfusion CT
 - Syngo DSA CT
 - 78 cm extended field of view
- Operating System: **syngo** – Windows™ common Siemens interface
- Host Computer: Intel Processors with 3GB RAM
- Display: High Resolution **19" Color LCD Monitor**
- Data Storage: 146 GB for **260,000 Images** and CD-RW
- Image Reconstruction Engine: up to **25 Images per Second**
- Connectivity: **DICOM 3.0** incl. DICOM Worklist
- Service: **Siemens Remote Services**™ – secure connection to Siemens' proactive and interactive Service Network
- User Training: **3 weeks on-Site** post installation, **3 days follow-up**
- Investment Protection: syngo Evolve™ (in Service Agreement)
- Chiller

Total Investment Equipment: **\$1, 950,000**

Total Investment Annual Service **\$210,000 / year**

Lawrence & Memorial Hospital
Letter of Intent for a Second CT Scanner
At Lawrence & Memorial Hospital's Main Campus



STATE OF CONNECTICUT
Department of Public Health

Page 13 of 13
2/22/07

LICENSE

Attachment B

License No. 0047

General Hospital

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

Lawrence and Memorial Corporation of New London, CT, d/b/a Lawrence and Memorial Hospital is hereby licensed to maintain and operate a General Hospital.

Lawrence and Memorial Hospital is located at 365 Montauk Avenue, New London, CT 06320

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

28 Bassinets

280 General Hospital beds

This license expires **March 31, 2007** and may be revoked for cause at any time.

Dated at Hartford, Connecticut, April 1, 2005. RENEWAL.

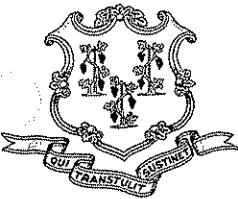
Satellites

Pequot Health Center, 52 Hazelnut Hill Road, Groton, CT
Joslin Diabetes Center, 14 Clara Drive, Mystic, CT



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

April 24, 2007

Daniel Rissi, M.D.
Vice President/Chief Operating Officer
Lawrence & Memorial Hospital
365 Montauk Ave.
New London, CT 06320

Re: Letter of Intent, Docket Number 07-30934
Lawrence & Memorial Hospital
Acquisition and Operation of a Second On-Campus Computed Tomography
Scanner
Notice of Letter of Intent

Dear Dr. Rissi:

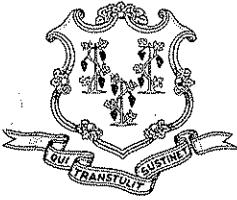
On February 28, 2007, the Office of Health Care Access ("OHCA") received the Letter of Intent ("LOI") Form of Lawrence & Memorial Hospital ("Applicant") for the Acquisition and Operation of a Second On-Campus Computed Tomography Scanner, at a total capital expenditure of \$2,900,925.

A notice to the public regarding OHCA's receipt of a LOI was published in *The Day Publishing Company* 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:lmg



STATE OF CONNECTICUT

OFFICE OF HEALTH CARE ACCESS

M. JODI RELL
GOVERNOR

CRISTINE A. VOGEL
COMMISSIONER

April 24, 2007

Requisition # HCA07-167
FAX #: (860) 442-5443

The Day Publishing Co.
47 Eugene O'Neil Drive
Box 1231
New London, CT 06360

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, April 28, 2007**.

Please provide the following **within 30 days** of publication:

- Proof of publication (copy of legal ad. acceptable) showing published date along with the invoice.

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

KINDLY RENDER BILL IN DUPLICATE ATTACHED TO THE TEAR SHEET.

Sincerely,



Kimberly R. Martone
Certificate of Need Supervisor

Attachment

KRM:JH:lmg

c: Sandy Salus, OHCA

An Affirmative Action / Equal Opportunity Employer

410 Capitol Avenue, MS #13HCA, P.O. Box 340308, Hartford, Connecticut 06134-0308

Telephone: (860) 418-7001 • Toll free (800) 797-9688

Fax: (860) 418-7053

PLEASE INSERT THE FOLLOWING:

Statute Reference:	19a-639
Applicant:	Lawrence & Memorial Hospital
Town:	New London
Docket Number:	07-30934
Proposal:	Acquisition and Operation of a Second On-Campus Computed Tomography Scanner
Capital Expenditure:	\$2,900,925

The Applicant may file its Certificate of Need application between April 29, 2007 and June 28, 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.

*** TX REPORT ***

TRANSMISSION OK

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RESULT	OK



M. JODI RELL
GOVERNOR

STATE OF CONNECTICUT
OFFICE OF HEALTH CARE ACCESS

CRISTINE A. VOGEL
COMMISSIONER

April 24, 2007

Requisition # HCA07-167
FAX #: (860) 442-5443

The Day Publishing Co.
47 Eugene O'Neil Drive
Box 1231
New London, CT 06360

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Sincerely,



Kimberly R. Martone
Certificate of Need Supervisor