

May 23, 2002

Sally F. Herlihy
V.P. Planning & Marketing
New Milford Hospital
21 Elm Street
New Milford, Connecticut 06776

Re: Final Decision, Docket Number 02-1503
New Milford Hospital
Request to Waive CON Requirements for Replacement of Radiology Special
Procedures Technology in Accordance with Section 19a-639c, C.G.S.

Dear Ms. Herlihy:

On March 18, 2002, the Office of Health Care Access (“OHCA”) received the Letter of Intent/Waiver Form from New Milford Hospital proposing to replace the hospital’s existing radiology special procedures technology. On May 22, 2002, OCHA received additional information from New Milford Hospital to supplement its March 2002 Letter of Intent/Waiver Form.

Please be advised that OHCA has reviewed the information submitted and makes the following findings regarding your request:

1. On July 27, 1976, under Docket Number 76-512, New Milford Hospital received approval for a hospital expansion project at a total capital expenditure of \$5,900,000. A portion of this project involved the construction of a new Radiology Department, including four examination rooms and the provision for nuclear medicine services. The capital expenditure to equip this area was \$200,000.
2. Various individual components of the special procedure room were replaced or upgraded in 1976, 1988, and 1990, all below the \$400,000 threshold for capital investment.

3. In 1990, New Milford Hospital equipped one of its radiology rooms used to perform special procedures with a Toshiba radiographic/fluoroscopy unit with a rapid sequence Canon camera at an expense of \$150,000. This capital expenditure did not require CON authorization because it was below the \$400,000 threshold stipulated in the regulations for acquisition of major medical equipment.
4. New Milford Hospital is proposing to replace the existing Toshiba unit with a GE Medical System Advantx TC System.
5. The projected capital expenditure for the proposed replacement radiology equipment unit is \$711,918.
6. The cost of \$711,918 is below the \$2,000,000 threshold for determining eligibility for waiver of the CON process pursuant to Section 19a-639c of the Connecticut General Statutes ("C.G.S.").
7. The proposed expenditure for the proposed replacement radiology equipment unit is not more than the original cost, plus an increase of ten percent for each twelve-month period that has elapsed since July 27, 1976.

Based on the above findings, OHCA has determined that New Milford Hospital's proposal to replace the existing Toshiba radiographic/fluoroscopy unit with a GE Medical System Advantx TC System meets the requirements for waiver of the CON process pursuant to Section 19a-639c, C.G.S. Therefore, New Milford Hospital's proposal to replace the radiology special procedures technology at a capital cost of \$711,918 is approved and a Certificate of Need is granted.

If you have any questions regarding this letter, please contact Steve Lazarus or Laura Jaworski, Health System Development, at 860/418-7001.

Sincerely,

Signed by:
Mary M. Heffernan
Director, Health System Development

cc: Rose McLellan, DHSR, DPH