



Office of Health Care Access Certificate of Need Application

Final Decision

Applicant: William W. Backus Hospital

Docket Number: 02-1515

Project Title: Request to Waive CON Requirements for a Replacement of Existing Radiological Imaging Equipment

Statutory Reference: Section 19a-639c of the Connecticut General Statutes

Filing Date: December 26, 2002

Hearing: Waived

Decision Date: December 30, 2002

Staff: Sandra Czunas

Project Description: The William W. Backus Hospital (“Hospital”) requests a waiver of Certificate of Need (“CON”) requirements for replacement equipment in order to replace its existing radiological imaging equipment with a Siemens AXIOM Artis MP with Medrad Injector, at a total capital expenditure of \$836,171.

Nature of Proceedings: On December 26, 2002, the Office of Health Care Access (“OHCA”) received the waiver of CON requirements request for replacement equipment from William W. Backus Hospital in order to replace its existing radiological imaging equipment with a Siemens AXIOM Artis MP unit with Medrad Injector, at a total capital expenditure of \$836,171. The Hospital is a health care facility or institution as defined in Section 19a-630 of the Connecticut General Statutes (“C.G.S.”).

OHCA’s authority to review and approve, modify or deny the requested waiver of CON requirements for replacement equipment is established by Section 19a-639c, C.G.S. The provisions of this section as well as the principles and guidelines set forth in Section 19a-637, C.G.S., were fully considered by OHCA in its review.

Findings of Fact

Each finding of fact included in this Final Decision has been taken from the waiver of CON requirements request form and related CON filings, or from other external sources of information. A source reference is included with each finding of fact. All applicants requesting a waiver of CON requirements for replacement equipment must attest to the accuracy and correctness of the information submitted to OHCA as part of the waiver of CON requirements process.

1. On September 19, 1989, William W. Backus Hospital (“Hospital”) received CON authorization under Docket Number 89-559CRF to replace radiological imaging equipment in 5 rooms, including room # 6, at a total capital expenditure of \$2,734,426. *(September 19, 1989 Commission on Hospitals and Health Care, Docket Number 89-559CRF)*
2. The Hospital proposes to acquire a Siemens AXIOM Artis MP System with Medrad Injector, at a total capital expenditure of \$836,171 to replace its existing Siemens Polydoros located in room #6. *(December 26, 2002 Letter of Intent Waiver Form 2030, Page 8)*
3. The proposed Siemens AXIOM Artis MP System has a built in C-arm that allows for better access to the patient and will provide for improved imaging quality, digital fluoro, less radiation and greater efficiency. *(December 26, 2002 Letter of Intent Waiver Form 2030, Page 20)*
4. The total capital expenditure for the proposed Siemens AXIOM Artis MP unit is \$678,333. *(December 26, 2002, Letter of Intent Waiver Form 2030, Page 3)*
5. The total capital expenditure of \$836,171 is below the \$2,000,000 threshold for determining eligibility for waiver of CON requirements for replacement equipment pursuant to Section 19a-639c, C.G.S. *(December 26, 2002, Letter of Intent Waiver Form 2030, Page 3)*
6. The total capital expenditure of \$836,171 for the proposed Siemens AXIOM Artis MP System is not more than the original cost, plus an increase of ten percent for each twelve-month period that has elapsed since September 19, 1989. *(December 16, 2002 Letter of Intent Waiver Form 2030, Page 5)*
7. The Hospital will fund the total capital expenditure for the proposed Siemens AXIOM Artis MP System entirely through an equity contribution of \$836,171. *(December 26, 2002 Letter of Intent Waiver Form 2030, Page 3)*
8. The Hospital intends to acquire the replacement equipment and begin its operation in March 31, 2003. *(December 26, 2002 Letter of Intent Waiver Form 2030, Page 2)*
9. The proposed Siemens AXIOM Artis MP System will serve an existing population with a similar payer mix. *(December 26, 2002 Letter of Intent Waiver Form 2030, Section IV)*

Rationale

William W. Backus Hospital (“Hospital”) is requesting a waiver of Certificate of Need (“CON”) requirements to replace its existing radiological imaging equipment with a Siemens AXIOM Artis MP System, at a total capital expenditure of \$836,171. The proposed Siemens AXIOM Artis MP System would replace the Hospital’s existing Siemens Polydoros that was approved by the Office of Health Care Access (“OHCA”) on September 19, 1989, under Docket Number 89-559CRF.

The proposed Siemens AXIOM Artis MP System will provide for improved imaging quality, digital fluoro, less radiation and greater efficiency. Additionally, the proposed Siemens unit is equipped with a C-arm that allows for better access to the patient and better positioning.

The total capital expenditure for the proposed replacement radiological imaging equipment is \$836,171, which is below the \$2,000,000 threshold for determining eligibility for waiver of CON requirements for replacement equipment pursuant to Section 19a-639c of the Connecticut General Statutes (“C.G.S.”). Furthermore, the total capital expenditure for the proposed Siemens AXIOM Artis MP System is not more than the original cost plus an increase of ten percent for each twelve-month period that has elapsed since the authorization granted by OHCA under Docket Number 89-559CRF on September 19, 1989.

Based on the foregoing Findings and Rationale, OHCA has determined that William W. Backus Hospital’s request for a waiver of CON requirements for replacement equipment in order to replace its existing Siemens Polydoros with a Siemens AXIOM Artis MP System, at a total capital expenditure of \$836,171, meets the requirements for waiver of the CON process pursuant to Section 19a-639c, C.G.S. and is hereby GRANTED.

Order

The request of William W. Backus Hospital (“Hospital”) for a Certificate of Need to acquire a Siemens AXIOM Artis MP System in order to replace its existing Siemens Polydoros, at a total capital expenditure of \$836,171, is hereby GRANTED. William W. Backus Hospital is hereby authorized to replace an existing Siemens Polydoros with a Siemens AXIOM Artis MP System at a total capital expenditure of \$836,171, subject to the following conditions:

1. This authorization shall expire on December 30, 2003. Should the CT scanner replacement project not be completed by that date, the Hospital must seek further approval from OHCA to complete the project beyond that date.
2. The Hospital shall not exceed the approved capital expenditure of \$836,171. In the event that the Hospital learns of potential cost increases or expects that final project costs will exceed those approved, the Hospital shall file with OHCA a request for approval of the revised CON project budget.
3. The Hospital is required to notify OHCA as to the date of the replacement and termination of the use of its existing Siemens Polydoros currently located at 326 Washington Street, Norwich, CT 06360.

All of the foregoing constitutes the final order of the Office of Health Care Access in this matter.

By Order of the
Office of Health Care Access

Date signed:
December 30, 2002

Signed by:
Mary M. Heffernan
Commissioner

MMH:sec