



## Office of Health Care Access Certificate of Need Application

### Final Decision

**Applicant:** Rockville General Hospital

**Docket Number:** 05-30441-WVR

**Project Title:** Request to Waive CON Requirements for the Replacement of the Rockville General Hospital's Angiography Equipment

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

**Filing Date:** February 23, 2005

**Hearing:** Waived

**Decision Date:** February 28, 2005

**Staff Assigned:** Ronald A. Ciesones

**Project Description:** Rockville General Hospital ("Hospital") requests a waiver of Certificate of Need ("CON") requirements for replacement equipment in order to replace the equipment in the angiography suite with an Angiostar Plus system, at a total capital expenditure of \$499,488. The Hospital will replace its existing angiography equipment with the Angiostar Plus system at 31 Union Street in Rockville, Connecticut.

**Nature of Proceedings:** On February 23, 2005, the Office of Health Care Access ("OHCA") received the completed waiver of CON requirements request for replacement equipment from the Rockville General Hospital to replace the equipment in the angiography suite with an Angiostar Plus system, at 31 Union Street in Rockville, Connecticut, at a total capital expenditure of \$499,488. 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

1. The Hospital is requesting a waiver of CON requirements for replacement equipment pursuant to Section 19a-639c of the Connecticut General Statutes ("C.G.S.") to replace the equipment in the angiography suite, at a total capital expenditure of \$499,488. *(February 14, 2004 Letter of Intent/Waiver Form 2030, Page 3)*
2. On December 18, 1990, Rockville General Hospital ("Hospital") received Certificate of Need ("CON") authorization from the Commission on Hospitals and Health Care ("CHHC"), predecessor agency to the Office of Health Care Access ("OHCA"), under Docket Number 90-555 for the replacement of its existing angiographic system, at a total capital expenditure of \$852,009. *(December 18, 1990 Commission on Hospitals and Health Care Agreed Settlement, Rockville General Hospital, Docket Number 90-555)*
3. The Hospital plans to install an Angiostar Plus system, as its replacement angiography equipment. *(February 23, 2004 Supplemental CON Waiver Request Filing, Vendor Quote)*
4. The Hospital's current angiography equipment will be discarded when the new angiography equipment is installed. The benefit of this equipment upgrade will be that the new system will allow the hospital to continue to meet current demand without having to maintain obsolete equipment. *(February 14, 2004 Letter of Intent/Waiver Form 2030, Project Description)*
5. The total capital expenditure for the replacement angiography equipment proposal is \$499,488 which includes \$489,488 for the purchase of new angiography equipment and \$10,000 for building renovations. *(February 14, 2004 Letter of Intent/Waiver Form 2030, Page 3)*
6. The Hospital will fund the total capital expenditure of \$499,488 for the replacement equipment proposal through funded depreciation and lease financing. *(February 14, 2004 Letter of Intent/Waiver Form 2030, Page 4)*
7. The total capital expenditure of \$499,488 for the replacement equipment proposal is below the \$2,000,000 threshold for determining eligibility for a waiver of CON requirements for replacement equipment pursuant to Section 19a-639c, C.G.S. *(February 14, 2004 Letter of Intent/Waiver Form 2030, Page 5 of 7)*

8. The total capital expenditure of \$499,488 for the replacement equipment proposal is less than the original cost of the equipment to be replaced, plus an increase of ten percent for each twelve-month period that has elapsed since OHCA's original CON authorization date of December 18, 1990 under Docket Number 90-555. *(February 14, 2004 Letter of Intent/Waiver Form 2030, Page 5 of 7)*
  
9. The Hospital anticipates commencing the replacement equipment project on December 1, 2005. *(February 14, 2004 Letter of Intent/Waiver Form 2030, Page 2)*

## Rationale

The Rockville General Hospital (“Hospital”) is requesting a waiver of Certificate of Need (“CON”) requirements for replacement equipment pursuant to Section 19a-639c of the Connecticut General Statutes (“C.G.S.”) to replace the equipment in the angiography suite a total capital expenditure of \$499,488. On December 18, 1990, the Hospital originally received CON authorization from the Commission on Hospitals and Health Care (“CHHC”), predecessor agency to the Office of Health Care Access (“OHCA”), under Docket Number 90-555 for the replacement of its existing angiography equipment at a total capital expenditure of \$852,009.

The Hospital plans to install an Angiostar Plus system as its replacement angiography equipment. The Hospital’s current angiography equipment will be discarded when the new angiography equipment is installed. The benefit of this equipment upgrade will be that the new equipment will allow the hospital to continue to meet current demand without having to maintain obsolete equipment.

The total capital expenditure for the replacement angiography equipment is \$499,488, which includes \$489,488 for the purchase of the angiography equipment and \$10,000 for building renovations. The Hospital will fund the capital expenditure of \$499,488 for the replacement equipment proposal through funded depreciation and lease financing.

The total capital expenditure of \$499,488 for the replacement equipment proposal is below the \$2,000,000 threshold for determining eligibility for a waiver of CON requirements for replacement equipment pursuant to Section 19a-639c, C.G.S. Furthermore, the total capital expenditure of \$499,488 for the replacement equipment proposal is less than the original cost of the equipment to be replaced, plus an increase of ten percent for each twelve-month period that has elapsed since the CHHC’s original CON authorization date of December 18, 1990 under Docket Number 90-555.

Based on the foregoing Findings and Rationale, OHCA has determined that the Rockville General Hospital’s request for a waiver of CON requirements for replacement equipment to replace the equipment in the angiography suite with an Angiostar Plus system at 31 Union Street in Rockville, Connecticut, at a total capital expenditure of \$499,488, meets the requirements for waiver of the CON process pursuant to Section 19a-639c, C.G.S., and is hereby GRANTED.

## Order

The Rockville General Hospital (“Hospital”) is hereby authorized to replace the equipment in the angiography suite with an Angiostar Plus system at 31 Union Street in Rockville, Connecticut, at a total capital expenditure of \$499,488, subject to the following conditions:

1. This authorization shall expire on August 28, 2006. Should the Hospital’s angiography equipment 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 total capital expenditure of \$499,488. 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. This authorization requires the removal of the Hospital’s existing angiography equipment for certain disposition, such as sale or salvage, outside of and unrelated to the Hospital’s various service provider locations. Furthermore, the Hospital will provide evidence to OHCA of the disposition of the existing angiography equipment to be replaced by no later than six months after the replacement Angiostar Plus system has become operational.

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

February 28, 2005

Signed by Cristine A. Vogel  
Commissioner

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