## STATE OF CONNECTICUT DEPARTMENT OF PUBLIC HEALTH

Raul Pino, M.D., M.P.H. Commissioner



Dannel P. Malloy Governor Nancy Wyman Lt. Governor

Office of Health Care Access

# State of Connecticut Department of Public Health Office of Health Care Access

#### **Final Decision**

## Modification of a Previously Authorized Certificate of Need

Applicants: Blue Sky Behavioral Health, LLC

52 Federal Road, Suite 2A, Danbury, CT 06810

Docket Number: 17-31811-MDF

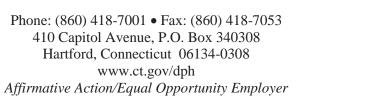
**Project Description:** Modification of Previous Certificate of Need

Authorization 12-31811-CON

**Procedural History:** On August 1, 2013, the Office of Health Care Access ("OHCA") granted a Certificate of Need ("CON") to Blue Sky Behavioral Health, LLC ("Blue Sky" or "Applicant") under Docket Number 12-31811-CON, for the establishment of a 6 bed Mental Health Residential Living Center to be located at 122 Franklin Street, Danbury, Connecticut. On August 11, 2015, OHCA issued a modification under Docket Number 15-31811-MDF extending the CON expiration date to August 1, 2017.

On July 11, 2017, OHCA received a Request for Modification seeking to extend the CON expiration date to August 1, 2019. There were no Intervenors involved in the initial CON proceeding. Deputy Commissioner Addo has reviewed the entire record in this matter.







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## **Findings of Fact**

1. On August 1, 2013, OHCA granted a CON to Blue Sky for the establishment of a 6 bed Mental Health Residential Living Center to be located at 122 Franklin Street, Danbury, Connecticut. The CON expiration date was August 1, 2015.

- 2. As part of the project, Blue Sky was to renovate a residential home in order to bring it up to code for use as a Mental Health Residential Living Center.
- 3. On August 11, 2015 OHCA modified the CON to extend the expiration date to August 1, 2017 due to Blue Sky's need to raise funds to complete renovations to the home.
- 4. On July 11, 2017 Blue Sky requested a second extension of the CON expiration date to August 1, 2019.
- 5. On October 13, 2013, Blue Sky received a report from the Building and Fire Safety Unit of the Facility Licensing and Investigations Section ("Report").
- 6. The Report listed numerous repairs required to bring the house up to code.
- 7. Blue Sky estimates that the repairs will cost approximately \$140,000, with an additional \$60,000 needed for staffing and program costs.
- 8. Blue Sky has sold two properties in an effort to raise the funds necessary to complete its project. The first was sold in September 2016 and the second was sold in May 2017.
- 9. Blue Sky currently has allocated \$60,000 towards the project.
- 10. Blue Sky has a credit line with Mahopac National Bank and needs to request a \$100,000 increase to the credit line in order to complete the project.
- 11. Blue Sky requires additional time to secure the funds necessary to complete the project.

#### **Discussion**

Connecticut General Statutes § 4-181a (b) provides in relevant part: "On a showing of changed conditions, the agency may reverse or modify the final decision, at any time, at the request of any person or on the agency's own motion." The Applicant is seeking to extend the CON expiration date to August 1, 2019 as a result of alleged changed conditions related to the costs of construction. The Applicant has failed to sufficiently identify a change in conditions since the last modification was issued by OHCA. Specifically, no renovations have been made to the residential home since the last modification was issued and Blue Sky continues to struggle to raise the funds necessary to complete a project that was approved by OHCA four years ago. Consequently, OHCA cannot extend the expiration date as requested by Blue Sky. However, in an effort to increase access to necessary services in the area, OHCA will extend the expiration

date for six months in order for Blue Sky to obtain funds in an amount adequate to complete the project. Upon a showing that Blue Sky has the full amount of funds needed, it may request additional time to complete the project.

## **Order**

<b>Based</b>	upon	the	foreg	oing,	the	<b>CON</b>	exi	oiration	date is	exter	ided 1	to i	February	1,	20	118.

8/11/2017

Date

Yvonne T. Addo, MBA
Deputy Commissioner

### Olejarz, Barbara

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#### Marcus Sharpe,

Please see attached final decision for Blue Sky Behavioral Health LLC's request for modification of previous certificate of need authorization 12-31811-CON

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