



Office of Health Care Access Certificate of Need Application

Final Decision

Applicant: Saint Francis Hospital and Medical Center
Docket Number: 03-30219-WVR
Project Title: Request to Waive CON Requirements for Replacement of Existing Cardiac Catheterization Laboratory
Statutory Reference: Section 19a-639c of the Connecticut General Statutes
Filing Date: December 15, 2003
Hearing: Waived
Decision Date: January 2, 2004
Staff: Laura Jaworski

Project Description: Saint Francis Hospital and Medical Center (“Applicant”) requests a waiver of the Certificate of Need (“CON”) requirements for replacement equipment. The Applicant proposes to replace its existing cardiac catheterization laboratory, a Siemens Corosop Hi-P unit, with a Philips Integris Allura unit. The total capital expenditure associated with the project is \$1,190,741.

Nature of Proceedings: On December 15, 2003, the Office of Health Care Access (“OHCA”) received the waiver of CON requirements request for replacement equipment from Saint Francis Hospital and Medical Center. The Applicant proposes to replace its existing cardiac catheterization laboratory, a Siemens Corosop Hi-P unit, with a Philips Integris Allura unit. The total capital expenditure associated with the project is \$1,190,741. The Applicant 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 Applicant currently operates three cardiac catheterization laboratories at its location on 114 Woodland Street in Hartford. The Applicant proposes to replace one of its existing laboratories, a Siemens Corosop Hi-P laboratory, with a Philips Integris Allura unit. *(December 15, 2003, Letter of Intent Waiver Form 2030, page 6)*
2. The history and acquisition of the Siemens Corosop Hi-P cardiac catheterization laboratory traces to a 1983 CON equipment-related decision, followed by a subsequent affiliation and merger between the Applicant and Mount Sinai Hospital ("Mount Sinai"). On September 27, 1983, Mount Sinai received CON authorization under Docket Number 83-530 to replace equipment in a special procedures room at a total capital expenditure of \$867,000. The equipment was used for both special procedures and cardiac catheterizations. *(September 27, 1983, Commission on Hospitals and Health Care ("CHHC")¹ Final Decision, Docket Number 83-530 and December 18, 2003, Supplemental Letter from Saint Francis Hospital and Medical Center, page 1)*
3. On October 16, 1990, under Docket Number 90-551, OHCA approved the affiliation between the Applicant and Mount Sinai. *(October 16, 1990, OHCA Final Decision, Docket Number 90-551)*
4. The Applicant received CON authorization to build three catheterization laboratories as part of the Patient Care building on May 10, 1993 under Docket Number 92-553. *(December 18, 2003, Supplemental Letter from Saint Francis Hospital and Medical Center, page 1)*
5. On June 30, 1995, under Docket Number 95-500CRF, OHCA approved the merger between the Applicant and Mount Sinai. *(June 30, 1995, OHCA Final Decision, Docket Number 95-500CRF)*
6. Two catheterization laboratories were moved from the Applicant's old building to a new tower in the summer of 1996. The third cardiac catheterization laboratory authorized under Docket Number 92-553 was occupied in August 1996 when a Philips laboratory, located on the Mount Sinai campus, moved to the Applicant's campus to be used for cardiac catheterization procedures only. *(December 18, 2003, Supplemental Letter from Saint Francis Hospital and Medical Center, page 1)*
7. In June 1997, the Applicant purchased a used Siemens Corosop cardiac catheterization unit to replace the ten-year-old Philips laboratory, which was malfunctioning. The cost of the Siemens unit was \$355,798; therefore, the Applicant did not seek CON authorization since the expenditure was below the statutory threshold for CON requirements. *(December 18, 2003, Supplemental Letter from Saint Francis Hospital and Medical Center, page 1)*

¹ The Commission on Hospitals and Health Care was the predecessor agency to the Office of Health Care Access.

8. Currently, the Applicant's two other cardiac catheterization laboratories are Philips Integris Allura models. *(December 15, 2003, Letter of Intent Waiver Form 2030, page 6)*
9. The Philips Integris Allura replacement laboratory will allow for enhanced image quality, increased throughput, and a reduction in the procedure room's repair costs and downtime. Additionally, due to the laboratory table's increased weight capacity, the replacement equipment will allow for the treatment of obese patients. *(December 15, 2003, Letter of Intent Waiver Form 2030, page 6)*
10. The total capital expenditure associated with the project is \$1,190,741. *(December 15, 2003, Letter of Intent Waiver Form 2030, page 2)*
11. Financing for the project will be via the Applicant's equity. *(December 15, 2003, Letter of Intent Waiver Form 2030, page 3)*
12. The total capital expenditure of \$1,190,741 is below the \$2,000,000 threshold for determining eligibility for waiver of the CON requirements for replacement equipment pursuant to Section 19a-639c, C.G.S. *(December 15, 2003, Letter of Intent Waiver Form 2030, Page 3)*
13. The total capital expenditure of \$1,190,741 for the proposed Philips Integris Allura unit is not more than the original cost, plus an increase of ten percent for each twelve-month period that has elapsed since September 27, 1983. *(December 15, 2003, Letter of Intent Waiver Form 2030, Page 3)*
14. The project's estimated starting date is February 1, 2004. *(December 15, 2003, Letter of Intent Waiver Form 2030, Page 2)*
15. The project is intended to serve the Applicant's existing patient base, which consists of municipalities in the greater-Hartford area. *(December 15, 2003, Letter of Intent Waiver Form 2030, page 2)*
16. As this project is for replacement equipment, it will not affect existing providers in the service area. *(December 15, 2003, Letter of Intent Waiver Form 2030, page 7)*
17. The Applicant does not anticipate a change in the payer mix as a result of this project. *(December 15, 2003, Letter of Intent Waiver Form 2030, page 7)*

Rationale

Saint Francis Hospital and Medical Center (“Applicant”) requests a waiver of the Certificate of Need (“CON”) requirements to replace its existing cardiac catheterization laboratory at a total capital expenditure of \$1,190,741. The Applicant proposes to replace its existing cardiac catheterization laboratory, a Siemens Corosop Hi-P unit, with a Philips Integris Allura unit.

The history and acquisition of the cardiac catheterization laboratory slated for replacement traces to a 1983 CON equipment-related decision, followed by a subsequent affiliation and merger between the Applicant and Mount Sinai Hospital. The Commission on Hospitals and Health Care (“CHHC”), OHCA’s predecessor agency, approved the existing cardiac catheterization laboratory on September 27, 1983, under Docket Number 83-530.

The Applicant currently operates three cardiac catheterization laboratories at its location on 114 Woodland Street in Hartford. Two of the Applicant’s cardiac catheterization laboratories are Philips Integris Allura models.

The Applicant’s proposed Philips Integris Allura replacement laboratory will allow for enhanced image quality, increased throughput, and a reduction in the procedure room’s repair costs and downtime. Due to the laboratory table’s increased weight capacity, the replacement equipment also will allow for the treatment of obese patients.

The total capital expenditure for the proposed replacement equipment is \$1,190,741, which is below the \$2,000,000 threshold for determining eligibility for waiver of the 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 Philips Integris Allura laboratory is not more than the original cost plus an increase of ten percent for each twelve-month period that has elapsed since the September 27, 1983 authorization granted by the CHHC under Docket Number 83-530.

Based on the foregoing Findings and Rationale, OHCA has determined that Saint Francis Hospital and Medical Center’s request for a waiver of the CON requirements to replace its existing cardiac catheterization laboratory, a Siemens Corosop Hi-P unit, with a Philips Integris Allura unit, at a total capital expenditure of \$1,190,741, 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 Saint Francis Hospital and Medical Center to replace its existing cardiac catheterization laboratory, a Siemens Corosop Hi-P unit, with a Philips Integris Allura unit, at a total capital expenditure of \$1,190,741, is hereby GRANTED subject to the following conditions:

1. This authorization shall expire on January 2, 2005. Should the cardiac catheterization laboratory replacement project not be completed by that date, the Applicant must seek further approval from OHCA to complete the project beyond that date.
2. The Applicant shall not exceed the approved capital expenditure of \$1,190,741. In the event that the Applicant learns of potential cost increases or expects that final project costs will exceed those approved, the Applicant shall file with OHCA a request for approval of the revised CON project budget.
3. The Applicant is required to notify OHCA as to the replacement and termination dates of the existing Siemens Corosop Hi-P cardiac catheterization laboratory.

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

Christine Vogel
Commissioner

CV:lj